

OFFICIAL
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

TOWN OF MANSURA
MANSURA, LOUISIANA

AUDITOR'S REPORT
JUNE 30, 1999

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

Release Date 1-19-2000

Roy K. Derbonne, Jr.
Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana 71301

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1-2
Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in accordance with Government Auditing Standards	3-4
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with Government Auditing Standards	5-6
<u>General Purpose Financial Statements (Combined Statements - Overview)</u>	
Combined Balance Sheet - All Fund Types and Account Groups	7-8
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	9
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - General and Special Revenue Fund Types	10
Comparative Statement of Revenues, Expenses and Changes in Retained Earnings - Proprietary Fund Type	11
Comparative Statement of Cash Flows - Proprietary Fund Type	12-13
Notes to Financial Statements	14-27
Schedule of Expenditures of Federal Awards	28
Schedule of Findings and Questioned Costs Federal Awards	29
Summary Schedule of Prior Audit Findings Federal Awards	30
Auditor's Peer Review Letter	31
<u>Supplemental Information</u>	
<u>Financial Statements of Individual Funds and Account Groups</u>	
<u>General Fund</u>	
Comparative Balance Sheet	32

	<u>PAGE</u>
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual	33-34
Statement of Expenditures Compared to Budget (GAAP Basis) and Actual	35-36
 <u>Special Revenue Funds</u>	
Combining Balance Sheet	37
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	38
<u>Special Revenue Funds</u>	
<u>Recreation and Park Fund</u>	
Comparative Balance Sheet	39
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual	40
Statement of Expenditures Compared to Budget (GAAP Basis)	41
<u>Sales Tax Fund</u>	
Comparative Balance Sheet	42
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual	43
Statement of Expenditures Compared to Budget (GAAP Basis)	44-45
<u>Capital Projects Fund</u>	
Comparative Balance Sheet	46
Statement of Revenues and Expenditures and Changes in Fund Balance	47
<u>Enterprise Fund</u>	
Comparative Balance Sheet	48-49
Comparative Statement of Revenues, Expenses and Changes in Retained Earnings - Proprietary Fund Types	50
Comparative Statement of Cash Flows - Proprietary Fund Types	51-52
Comparative Statement of Cash Receipts and Disbursements	53

	PAGE
Schedule of Changes in Assets Restricted for Revenue Bond Debt Service	54
<u>General Fixed Assets Account Group</u>	
Comparative Statement of General Fixed Assets	55
Statement of Changes in General Fixed Assets	56
Schedule of Prior Audit Findings	57
Supplemental Information - Year 2000 Compliance	58

Roy K. Derbonne, Jr.

Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana 71301-6878

Tel: 318-445-6778
Fax: 318-445-8967

Member
Society of Louisiana C.P.A.'s

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Town Council
Town of Mansura, Louisiana

I have audited the accompanying general purpose financial statements of the Town of Mansura, Louisiana, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town of Mansura, Louisiana's, management. My responsibility is to express an opinion on these general purpose financial statements and the combining and individual fund and account group financial statements based on my audit.

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

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Mansura, Louisiana, as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

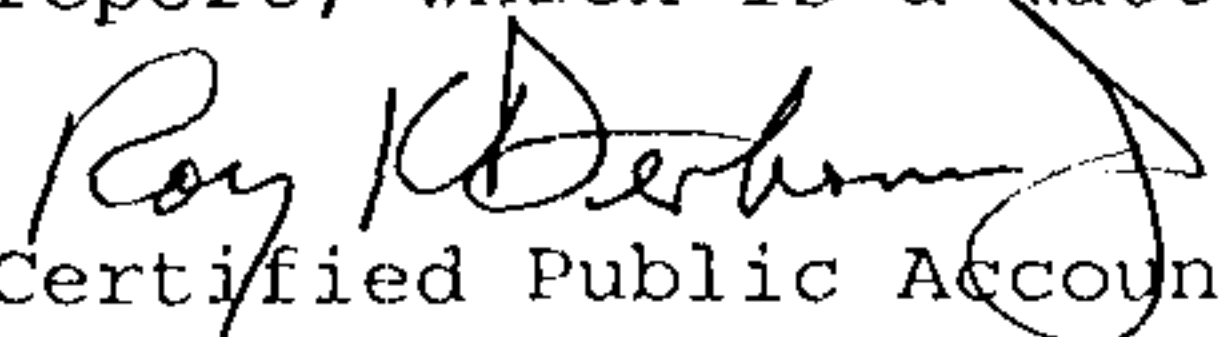
In accordance with Government Auditing Standards, I have also issued my report dated December 10, 1999, on my consideration of the Town of Mansura, Louisiana's internal control over financial reporting and my

tests of it compliance with certain provisions of laws, regulations, contracts and grants.

My audit was performed for the purpose of forming an opinion on the general purpose financial statements of the Town of Mansura, Louisiana, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Town of Mansura, Louisiana. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the general purpose financial statements of the Town of Mansura, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, fairly stated, in all material respects, in relation to the general purpose financial statements taken as whole.

The Year 2000 supplementary information on page 58 is not a required part of the basic financial statements but is supplementary information required by the Government Accounting Standards Board. I have applied certain limited procedures regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and do not express an opinion on it. In addition, I do not provide assurance that the Town of Manusra, Louisiana, is or will be Year 2000 compliant, or the parties with which the Town does business are or will become Year 2000 compliant.

This report is intended for the information of the Town Clerk, Mayor and Town Council, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.


Certified Public Accountant

Alexandria, Louisiana
December 10, 1999

Roy K. Derbonne, Jr.

Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana 71301-6878

Tel: 318-445-6778
Fax: 318-445-8967

Member
Society of Louisiana C.P.A.'s

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

The Honorable Mayor and Members
of the Town Council
Town of Mansura, Louisiana

I have audited the general purpose financial statements of the Town of Mansura, Louisiana, as of and for the year ended June 30, 1999, and have issued my report thereon dated December 10, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing my audit I considered the Town of Mansura, Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control structure over financial reporting. However, I noted a certain matter involving the internal control over financial reporting and its operation that I consider to be reportable condition. Reportable conditions involve matters coming to my attention

relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect the Town of Mansura, Louisiana's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements.

Reportable Conditions

1. Inadequate segregation of duties. Due to the size of the Town's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I believe none of the reportable conditions described above is a material weakness.

I have reported the above weakness involving the internal control structure and its operation to the management of the Town of Mansura, Louisiana, in separate letter dated December 10, 1999.

This report is intended for the information of the Town Clerk, Mayor and Town Council, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.


Certified Public Accountant

Alexandria, Louisiana
December 10, 1999

Roy K. Derbonne, Jr.

Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana 71301-6878

Tel: 318-445-6778
Fax: 318-445-8967

Member
Society of Louisiana C.P.A.'s

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

The Honorable Mayor and Members
of the Town Council
Town of Mansura, Louisiana

Compliance

I have audited the compliance of the Town of Mansura, Louisiana, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended June 30, 1999. The Town of Mansura, Louisiana's major federal program is identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Town of Mansura, Louisiana's management. My responsibility is to express an opinion on the Town of Mansura, Louisiana's compliance based on my audit.

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

In my opinion, the Town of Mansura, Louisiana, complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 1999.

Internal Control Over Compliance

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

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

This report is intended for the information of the management of the Town of Mansura, Louisiana and the legislative auditor, for the State of Louisiana. This restriction is not intended to limit distribution of this report, which is a matter of public record.


Certified Public Accountant

Alexandria, Louisiana
December 10, 1999

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS -OVERVIEW)

TOWN OF MANSURA, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1999

	GOVERNMENTAL FUND TYPES		
	GENERAL FUND	SPECIAL FUNDS	CAPITAL FUND
ASSETS AND OTHER DEBITS			
ASSETS			
Cash	\$ 58,068	\$ 24,316	\$ 73
Certificate of Deposit	33,818	0	0
Accounts Receivable, Net	0	0	0
Interfund Transfer Receivable	0	0	0
Grant Funds Receivable	0	0	0
Property Taxes	488	0	0
Intergovernmental Receivable	2,908	0	0
Franchise Fees Receivable	12,272	0	0
Police Fines Receivable	32,600	0	0
Sales Taxes Receivable	0	8,576	0
Due from Other Funds	3,789	0	0
Restricted Assets - Sewer System Investment, at Cost	0	0	0
Land	0	0	0
Buildings and Parks	0	0	0
Improvements Other than Buildings	0	0	0
Equipment	0	0	0
Sewer System, Plant and Equipment, Net	0	0	0
Construction in Progress	0	0	0
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 143,943</u>	<u>\$ 32,892</u>	<u>\$ 73</u>

The accompanying notes are

PROPRIETARY FUND TYPE ENTERPRISE FUND	FIXED ASSETS	(MEMORANDUM ONLY)	
		1999	1998
\$ 41,907	\$ 0	\$ 124,364	\$ 174,455
127,595	0	161,413	70,000
8,003	0	8,003	7,450
0	0	0	167
0	0	0	0
0	0	488	539
0	0	2,908	2,949
0	0	12,272	12,371
0	0	32,600	18,787
0	0	8,576	6,100
9,839	0	13,628	4,628
23,270	0	23,270	23,320
21,333	89,491	110,824	110,824
0	318,380	318,380	318,380
0	17,072	17,072	16,484
0	235,876	235,876	231,570
1,743,542	0	1,743,542	1,782,087
0	0	0	0
<u>\$ 1,975,489</u>	<u>\$ 660,819</u>	<u>\$ 2,813,216</u>	<u>\$ 2,780,111</u>

(Continued)

an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1999
 (CONTINUED)

	GOVERNMENTAL FUND TYPES		
	GENERAL FUND	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUND
LIABILITIES, EQUITY AND OTHER CREDITS			
LIABILITIES			
Accounts Payable	\$ 1,618	\$ 3,441	\$ 0
Amount Due Contractor	0	0	0
Accrued Salaries Payable	4,310	89	0
Accrued Payroll Taxes Payable	3,101	0	0
Garnishment Payable	22		
Interest Coupons Payable (11/1)	0	0	0
Bonds Payable	0	0	0
Deferred Income	0	0	0
Due to Other Funds	539	13,089	0
Total Liabilities	9,590	16,619	0
EQUITY AND OTHER CREDITS			
Contributed Capital	0	0	0
Investment in General Fixed Assets	0	0	0
Retained Earnings:			
Reserved for Revenue Bond Retirement	0	0	0
Unreserved - Undesignated	0	0	0
Fund Balances			
Reserved for Streets, Drainage, Public Safety, and any General Fund Expenditure	0	9,733	0
Reserved for Debt Retirement	0	0	0
Unreserved:			
Undesignated	107,488	6,540	73
Total Equity and Other Credits	107,488	16,273	73
TOTAL LIABILITIES AND FUND BALANCE	\$ 117,078	\$ 32,892	\$ 73

The accompanying notes are

PROPRIETARY FUND TYPE	ACCOUNT GROUP	TOTALS (MEMORANDUM ONLY)	
		1999	1998
ENTERPRISE FUND	GENERAL FIXED ASSETS		
\$ 1,875	\$ 0	\$ 6,934	\$ 8,991
0	0	0	0
0	0	4,399	2,300
647	0	3,748	3,968
161	0	161	201
28,000	0	28,000	35,000
0	0	0	0
0	0	13,628	4,795
<u>30,683</u>	<u>0</u>	<u>56,870</u>	<u>55,255</u>
1,764,331	0	1,764,331	1,764,331
0	660,819	660,819	655,925
23,270	0	23,270	23,320
157,205	0	157,205	159,297
0	0	9,733	11,398
0	0	0	0
0	0	114,101	110,585
<u>1,944,806</u>	<u>660,819</u>	<u>2,729,459</u>	<u>2,724,856</u>
<u>\$ 1,975,489</u>	<u>\$ 660,819</u>	<u>\$ 2,786,329</u>	<u>\$ 2,780,111</u>

an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
 JUNE 30, 1999

	GOVERNMENTAL	
	GENERAL FUND	SPECIAL REVENUE
REVENUES		
Taxes	\$ 34,858	\$ 0
Licenses, Permits and Franchise Fees	96,744	0
Fines	29,155	0
Rental Income	8,980	0
Grant Funds Received	6,756	0
Video Poker Rebates	10,241	0
Interest Income	2,741	387
Sales Taxes Collected	0	80,844
APPJ - Indian Affairs	86,475	0
Donations	5,500	266
Miscellaneous	25,696	20
Total Revenues	307,146	81,517
EXPENDITURES		
CURRENT		
General Government	67,898	27,027
Public Safety	113,997	24,393
Streets and Sanitation	75,444	26,424
Recreation	0	941
CAPITAL OUTLAYS	13,034	13,208
Total Expenditures	270,373	91,993
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	36,773	(10,476)
OTHER FINANCING SOURCES (USES)		
Operating Transfers In	2,426	12,333
Operating Transfers Out	(12,333)	0
Total Other Financing Sources (Uses)	(9,907)	12,333
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	26,866	1,857
FUND BALANCE, BEGINNING	107,487	11,797
FUND BALANCE, ENDING	\$ 134,353	\$ 13,654

The accompanying notes are

FUND TYPES CAPITAL PROJECTS	TOTALS (MEMORANDUM ONLY)	
	1999	1998
\$ 0	\$ 34,858	\$ 36,450
0	96,744	95,411
0	29,155	10,711
0	8,980	7,500
379,069	385,825	26,320
0	10,241	7,735
0	3,128	3,577
0	80,844	76,101
0	86,475	78,517
0	5,766	0
0	25,716	12,035
379,069	767,732	354,357
0	94,925	84,835
0	138,390	129,763
379,075	480,943	82,811
0	941	5,898
0	26,242	47,741
379,075	741,441	351,048
(6)	26,291	3,309
0	14,759	8,090
0	(12,333)	(7,317)
0	2,426	773
(6)	28,717	4,082
79	119,363	104,343
\$ 73	\$ 148,080	\$ 108,425

an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL
 AND SPECIAL REVENUE FUND TYPES FOR THE YEAR ENDED
 JUNE 30, 1998

	GENERAL FUND	
	BUDGET	ACTUAL
REVENUES		
Taxes	\$ 36,150	\$ 34,858
Licenses, Permits and Franchise Fees	93,200	96,744
Fines	23,000	29,155
Rental Income	7,500	8,980
Video Poker Rebates	8,100	10,241
Interest Income	2,000	2,741
Sales Taxes Collected	0	0
Revenue Sharing - APPJ - Indian Affairs	50,500	86,475
Donations	0	5,500
Grants	0	6,756
Miscellaneous	4,135	25,696
Total Revenues	<u>224,585</u>	<u>307,146</u>
EXPENDITURES		
CURRENT		
General Government	96,659	67,898
Public Safety	97,976	113,997
Streets and Sanitation	29,950	75,444
Recreation	0	0
CAPITAL OUTLAYS	0	13,034
Total Expenditures	<u>224,585</u>	<u>270,373</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	0	36,773
OTHER FINANCING SOURCES (USES)		
Operating Transfers In	0	2,426
Operating Transfers Out	0	(12,333)
Total Other Financing Sources (Uses)	<u>0</u>	<u>(9,907)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	0	26,866
FUND BALANCE, BEGINNING	<u>0</u>	<u>107,487</u>
FUND BALANCE, ENDING	<u>\$ 0</u>	<u>\$ 134,353</u>

The accompanying notes are

TYPES VARIANCE FAVORABLE (UNFAVOR.)	SPECIAL REVENUE FUNDS		VARIANCE FAVORABLE (UNFAVOR.)
	BUDGET	ACTUAL	
\$ (1,292)	\$ 0	\$ 0	\$ 0
3,544	0	0	0
6,155	0	0	0
1,480	0	0	0
2,141	0	0	0
741	0	387	387
0	72,000	80,844	8,844
35,975	0	0	0
5,500	0	266	266
6,756	0	0	0
21,561	0	20	20
<u>82,561</u>	<u>72,000</u>	<u>81,517</u>	<u>9,517</u>
28,761	24,500	27,027	(2,527)
(16,021)	21,700	24,393	(2,693)
(45,494)	28,800	26,424	2,376
0	3,000	941	2,059
(13,034)	2,000	13,208	(11,208)
<u>(45,788)</u>	<u>80,000</u>	<u>91,993</u>	<u>(11,993)</u>
36,773	(8,000)	(10,476)	(2,476)
2,426	8,000	12,333	4,333
(12,333)	0	0	0
<u>(9,907)</u>	<u>8,000</u>	<u>12,333</u>	<u>4,333</u>
26,866	0	1,857	1,857
<u>107,487</u>	<u>0</u>	<u>14,416</u>	<u>25,355</u>
\$ <u>134,353</u>	\$ <u>0</u>	\$ <u>16,273</u>	\$ <u>27,212</u>

an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND
TYPE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>June 30, 1999</u>	<u>June 30, 1998</u>
OPERATING REVENUE		
Sewer Fees	\$ 94,381	\$ 91,890
OPERATING EXPENSES		
Salaries	15,000	12,600
Payroll Taxes	1,158	845
Office Supplies and Postage	54	0
Supplies	11,206	10,219
EPA Reports	1,420	1,703
Utilities	15,324	16,193
Insurance	6,162	5,459
Legal and Audit	2,401	1,000
Dues and Fees	150	677
Repairs and Maintenance	7,802	5,066
Uniforms	380	429
Travel and Seminars	125	127
Bank Charges	21	22
Truck Gas and Maintenance	1,995	2,501
Backhoe Repairs and Maintenance	443	235
Printing and Publishing	0	55
Certification Costs	0	20
Depreciation	<u>40,950</u>	<u>40,646</u>
Total Operating Expenses	<u>104,591</u>	<u>97,797</u>
OPERATING INCOME (LOSS)	(10,210)	(5,907)
NONOPERATING REVENUES (EXPENSES)		
Interest Income	7,764	6,250
State Grants	0	0
State Grant Expense	0	(485)
Sale of Equipment	585	0
Interest Expense	<u>(1,185)</u>	<u>(1,426)</u>
Total Nonoperating Revenues and (Expenses)	<u>7,164</u>	<u>4,339</u>
INCOME BEFORE OPERATING TRANSFERS	(3,046)	(1,568)
OTHER FINANCING SOURCES (USES)		
Operating Transfers Out	<u>(2,426)</u>	<u>(773)</u>
NET INCOME (LOSS)	(5,472)	(2,341)
RETAINED EARNINGS, BEGINNING	<u>185,947</u>	<u>188,287</u>
RETAINED EARNINGS, ENDING	<u>\$ 180,475</u>	<u>\$ 185,946</u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
YEARS ENDED JUNE 30, 1999 AND 1998
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 94,381	\$ 91,890
Cash Payments to Suppliers for Goods and Services	(58,681)	(43,883)
Cash Payments to Employees for Services	(15,000)	(12,600)
Net Cash Provided by Operating Activities	<u>20,700</u>	<u>35,407</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating Transfers Out to Other Funds	(2,426)	(773)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from Federal Grants	0	0
Proceeds from State Grant	0	(485)
Proceeds from Sale of Equipment	585	0
Acquisition and Construction of Capital Assets	(2,404)	(240)
Principal Paid on Revenue Bond Maturities	(7,000)	(7,000)
Interest Paid on Revenue Bonds	(1,185)	(1,426)
Net Cash Used for Capital and Related Financing Activities	<u>(10,004)</u>	<u>(9,151)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on Investments	7,764	6,250
Investment in Certificate of Deposit	(64,266)	(3,329)
Net Cash Provided By/Used in Investing Activities	<u>(56,502)</u>	<u>2,921</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(48,232)	28,404
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>113,409</u>	<u>85,005</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 65,177</u>	<u>\$ 113,409</u>

The accompanying notes are an integral part of this statement.

(Continued)

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
YEARS ENDED JUNE 30, 1999 AND 1998
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
(CONTINUED)

	1999	1998
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Revenue	\$ (10,210)	\$ (5,907)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	40,950	40,646
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(553)	75
(Increase) Decrease in Due from Other Funds	(9,000)	1,452
Increase (Decrease) in Accounts Payable	(447)	(814)
Increase (Decrease) in Interest Payable	(40)	(45)
Total Adjustments	<u>30,910</u>	<u>41,314</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 20,700</u>	<u>\$ 35,407</u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

NOTE A. SUMMARY OF ACCOUNTING POLICIES

The Town of Mansura was incorporated in 1860 and is operated under the provision of the Lawrson Act. The Town operates under a Mayor - Board of Aldermen form of government and provides the following services: Public Safety, Streets, Sanitation, Cultural - Recreation, Public Improvements, and General Administrative Services. The accounting and reporting policies of the Town of Mansura conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the Industry Audit Guides, Audits of State and Local Governmental Units.

THE FOLLOWING IS A SUMMARY OF THE MORE SIGNIFICANT POLICIES:

1. THE REPORTING ENTITY

The Town of Mansura, Louisiana, for financial purposes includes all of the funds and account groups relevant to the operations of the Town of Mansura, Louisiana. Oversight responsibility on the part of the Town of Mansura was determined on the basis of the ability to create a component unit, the ability to appoint management or the governing board, and the scope of Public Service provided by the component unit. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the Town of Mansura, Louisiana.

2. FUND ACCOUNTING

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. On the other hand, an account group is a financial reporting device designated to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(CONTINUED)

2. FUND ACCOUNTING (CONTINUED)

resources. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The various funds are grouped, in this report into, two generic fund types and one broad fund category as follows:

The fund classifications and a description of each existing fund type follow:

GOVERNMENTAL FUND TYPES

General Fund - This 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.

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.

Capital Projects Fund - is used to account for financial resources used in the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

PROPRIETARY FUND TYPES

Enterprise Fund - Enterprise Fund is used to account for Operations (A) that are financed and operated in a manner similar to private business enterprise - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (B) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(CONTINUED)

2. FUND ACCOUNTING (CONTINUED)

GENERAL FIXED ASSETS AND GENERAL
LONG-TERM DEBT ACCOUNT GROUPS

The General Fixed Asset Account Group - The General Fixed Asset account group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

General Long-Term Debt Account Group - The General Long-Term Debt Account Group is used to account for long-term liabilities to be financed from government funds.

These two account groups are not "Funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

3. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

The Proprietary Fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations of this fund is included on the balance sheet.

Fund Equity is segregated into contributed capital and retained earnings components. Proprietary Fund-Type operating statements present increases and decreases in net net total assets.

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(CONTINUED)

3. BASIS OF ACCOUNTING (CONTINUED)

The modified accrual basis of accounting is used by all governmental fund types.

Revenues

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one-year availability period is used for revenue recognition for all governmental fund revenues. Those revenues susceptible to accrual are property taxes, fines, licenses, sales taxes, and charges for services.

Expenditures

Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include; (1) sick pay and (2) principal and interest on general long-term debt which is recognized when due.

Purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources and (Uses)

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses).

All proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary funds use the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized at the time liabilities are incurred.

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(CONTINUED)

4. BUDGETS

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The mayor and town clerk review the prior year revenue and expenditures as a basis for projecting the next fiscal years budget. They make anticipated changes for those things that are known and prepare a budget to present to the council for adoption.
2. The proposed budget hearing is advertised in the local newspaper prior to the meeting, so that all concerned citizens may have input. The current year budget was adopted on June 18, 1998 after discussion at an open hearing on this same date.
3. Formal budgets are adopted during the year for the general and special revenue funds, and are adopted on a basis consistent with generally accepted accounting principals (GAAP).
4. Formal budgets are not employed as a management tool.
5. Unused appropriations for all annually budgeted funds lapse at the end of the year.

5. INVESTMENTS

The Town may invest in U. S. Government Securities, Certificates of Deposit, Passbooks, and other available bank investments provided that approved securities are pledged to secure those funds on deposit in an amount equal to the amount of those funds, including FDIC insurance.

Investments are recorded at cost.

6. CASH AND INVESTMENTS

At year end, the carrying amount of the Town's deposits, checking, savings accounts, and certificates of deposit were \$309,048 and the bank balances were \$310,400. Under

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(CONTINUED)

6. CASH AND INVESTMENTS (CONTINUED)

state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance and/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.

INVESTMENTS

Cash and cash equivalents for the Sewer System Fund statement of Cash Flows, considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

The following is a list of the Town's funds which are in interest bearing accounts or certificates of deposit:

	<u>RATE</u>	<u>MATURITY DATES</u>	<u>AMOUNTS</u>
General Fund			
Operating	2.50%	Daily	\$51,716
Escrow	2.50	Daily	6,353
Certificate of Deposit #60475	5.00	9-19-99	10,252
Certificate of Deposit #60432	5.00	8-25-99	23,565
Sales Tax Fund	2.50	Daily	17,776
Enterprise Fund			
Operating	2.75	Daily	41,907
Operating Certificate of Deposit #61849	5.13	1-27-00	66,842
Operating Certificate of Deposit #58884	5.13	1-14-00	60,753
Bond and Interest	3.25	Daily	23,270

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(CONTINUED)

7. AD VALOREM TAXES

The Town collects property tax on assessed values of property within its corporate limits. The taxes attach as an enforceable lien as of January 1 of each year. For the year ended June 30, 1999, taxes of 5.35 mills were levied on property with assessed valuations totaling \$3,330,525 and were dedicated for general maintenance.

8. RESTRICTED ASSETS

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Sales taxes collected are also restricted to its' use as provided by the town ordinance under which it was passed. The following details the description and amount of all restricted assets as recorded by the Town:

A. SALES TAX	
1% tax collected to be expended for public safety, streets and drainage and general purposes	<u>\$ 9,733</u>
B. CAPITAL PROJECTS	
Reserved for the overlay of town streets per federal grant award	<u>\$ 79</u>
C. SEWER SYSTEM	
Restricted for revenue bond sinking fund Reserved for repair and replacement	<u>\$23,270</u>

9. BAD DEBTS

Uncollectible amounts due for Ad Valorem taxes, customer's utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(CONTINUED)

10. COMPARATIVE DATA

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

11. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

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

NOTE B. INTERFUND RECEIVABLES, PAYABLES

	INTERFUND RECEIVABLES	INTERFUND PAYABLES
General Fund	\$3,789	\$ 539
Special Revenue Funds - Recreation, Parks and Tourism Fund	0	0
Sales Tax Fund	0	13,089
Enterprise Fund	<u>9,839</u>	<u>0</u>
Totals	<u>\$13,628</u>	<u>\$13,628</u>

NOTE C. RESTRICTED ASSETS - PROPRIETARY FUND TYPE

Restricted assets were applicable to the following at June 30:

	<u>1999</u>	<u>1998</u>
Revenue Bond Sinking Fund	\$18,528	\$18,578
Repair and Replacement Fund	<u>4,742</u>	<u>4,742</u>
Total Restricted Assets	<u>\$23,270</u>	<u>\$23,320</u>

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(CONTINUED)

NOTE D. PROPERTY, PLANT AND EQUIPMENT

General Fixed Asset Account Group - fixed assets used in governmental fund type operations (General Fixed Assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the Governmental Fund Types when purchased. Public domain or infrastructures are not capitalized. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their estimated fair value on the date of donation. Repairs and maintenance are recorded as expenditures; renewals and betterments are capitalized.

CHANGES IN GENERAL FIXED ASSETS

A summary of changes in General Fixed Assets follows:

	BALANCE JULY 1, <u>1998</u>	ADDITIONS	DELETIONS	BALANCE JUNE 30, <u>1999</u>
Land	\$ 89,491	\$ 0	\$ 0	\$ 89,491
Buildings	318,380	0	0	318,380
Other Improvements	16,484	588	0	17,072
Equipment	<u>231,570</u>	<u>25,034</u>	<u>20,728</u>	<u>235,876</u>
Totals	<u>\$655,925</u>	<u>\$25,622</u>	<u>\$20,728</u>	<u>\$660,819</u>

Enterprise Fund - Additions to the utility plant and service are recorded at cost or, if contributed property, at their estimated fair value at time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Depreciation has been calculated on each class of depreciable property using the straight-line method, prorated from date purchased in year of acquisition. Estimated useful lives are as follows:

Sewer System	100 YEARS
Sewer Line Extension	50 YEARS
Equipment	5 YEARS

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(CONTINUED)

NOTE D. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

A summary of Proprietary Fund Type, Plant and Equipment at June 30, 1999, is as follows:

	<u>ENTERPRISE FUND</u> <u>(SEWER)</u>
Sewer lines, extensions and treatment	\$1,982,263
Machinery and equipment	<u>35,409</u>
Total	2,017,672
Less: Accumulated depreciation	<u>274,130</u>
Net Asset Value	<u>\$1,743,542</u>

NOTE E. PROPRIETARY FUND CHANGES IN LONG-TERM DEBT

The following is a summary of the bond transactions of the Town for the year ended June 30, 1998:

REVENUE BONDS	PAYABLE AT <u>JULY 1, 1998</u>	RETIRED	PAYABLE AT <u>June 30, 1999</u>
SERIES 1964	<u>\$35,000</u>	<u>\$7,000</u>	<u>\$28,000</u>

The annual requirement to retire the Revenue Bonds as of June 30, 1999 is as follows:

YEAR ENDING <u>JUNE 30,</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2000	\$ 7,000	\$980	\$ 7,980
2001	7,000	735	7,735
2002	7,000	490	7,490
2003	<u>7,000</u>	<u>245</u>	<u>7,245</u>
Totals	<u>\$28,000</u>	<u>\$2,450</u>	<u>\$30,450</u>

REVENUE BONDS

\$162,000 Sewer Bonds dated 5/1/64; Due in annual installments of \$4,000 - \$5,000 - \$6,000 - \$7,000 through May 1, 2003; Interest at 3 1/2%.

\$28,000

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(CONTINUED)

NOTE E. PROPRIETARY FUND CHANGES IN LONG-TERM DEBT (CONTINUED)

FLOW OF FUNDS; RESTRICTIONS ON USE - UTILITY REVENUES -

Provisions of the Revenue Bond Indenture requires all revenue be deposited in Sewer System Revenue Fund. This money is to be disbursed as follows:

1. To pay all reasonable expenses of administration, operations and maintenance of the Sewer System Fund.
2. The establishment and maintenance of Sewer System Revenue Bond and Interest Sinking Fund. This fund requires transfers, no later than the 10th day of each month, sufficient in amount to pay promptly and fully the principal and interest on the bonds, as they become due. There is also a reserve balance of \$9,000 to be accumulated out of the transfers from the Revenue Fund.
3. The establishment of a Sewer System Repair and Replacement Fund to care for depreciation, extensions, additions, improvements, repairs and replacements necessary to properly operate the system. This fund requires transfers of \$75 before the 10th of each month until such time as \$4,500 is accumulated in this fund. Transfers are required anytime the balance of this fund is lower than \$4,500.

The balance of the excess funds, on deposit in the Revenue Fund, may be used for any lawful corporate purposes as the governing authority of the Town may determine, whether such purposes are or are not related to the system.

All or part of the monies on reserve in any of the above funds may be invested in direct obligations of the United States of America.

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
June 30, 1998
(CONTINUED)

NOTE F. MAYOR AND ALDERMEN PER DIEM

Mayor	- Harold Quebedeaux	\$2,125
Aldermen	- Leon Deshotel	300
	Edward Coco	150
	Nicky Bordelon	725
	Julia Boston	725
	J. M. Francisco	300
	Gaon Escude	325
	Ursula Escude	325
	Kenneth Pickett	375

NOTE G. RETIREMENT COMMITMENTS

The Town of Mansura has no retirement commitments or pension plan for its employees.

NOTE H. LEASES

At June 30, 1999, the Town of Mansura, Louisiana, had the following lease commitments:

The Town leased to the Mansura Chamber of Commerce, Inc., a Non-Profit Organization, a building complex known as the "Mansura Pavilion" for \$1 a year for 20 years beginning April 1, 1990, with an option to lease said property for an additional 20 year period beginning April 1, 2009.

NOTE I. CONTRIBUTED CAPITAL

Contributed Capital of the Enterprise Fund, is as follows:

	GENERAL FUND	FEDERAL AND STATE GRANTS	TOTAL
Balance July 1, 1998	\$170,933	\$1,593,398	\$1,764,331
Additions (Deletions)	0	0	0
Balance June 30, 1999	<u>\$170,933</u>	<u>\$1,593,398</u>	<u>\$1,764,331</u>

The above amounts were for capital expenditures of the Sewer System and are recorded at amounts actually received.

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(CONTINUED)

NOTE J. COMPENSATED ABSENCES

The Town does not allow compensated absences to their employees.

NOTE K. LITIGATION

The Town is involved in legal proceedings which normally occur in government operations. This legal proceeding is not likely to have a material adverse impact on the funds of the Town of Mansura, Louisiana. The Town's liability is not expected to exceed the amount of its general liability coverage.

NOTE L. EXPENDITURES OVER APPROPRIATIONS

No fund of the Town of Mansura, Louisiana, at June 30, 1998, had expenditures which exceeded appropriations before operating transfers in.

NOTE M. EXPENDITURES - ACTUAL AND BUDGET

The following individual funds have actual expenditures over budgeted expenditures for the year ended June 30, 1999.

FUND	<u>BUDGET</u>	<u>ACTUAL</u>	<u>UNFAVORABLE VARIANCE</u>
General Fund	\$224,585	\$270,373	(\$45,788)
Sales Tax Fund	<u>72,000</u>	<u>84,282</u>	<u>(19,282)</u>
	<u>\$296,585</u>	<u>\$354,655</u>	<u>(\$65,070)</u>

NOTE N. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The Town has one enterprise fund. Segment information for the year ended June 30, 1999 follows:

	<u>Totals</u>
Operating Revenues	\$ 94,381
Depreciation	40,950
Operating Income (Loss)	(10,210)
Net Income (Loss)	(5,472)
Plant, Property and Equipment, net additions	1,499

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

(CONTINUED)

NOTE N. SEGMENT INFORMATION FOR ENTERPRISE FUNDS (CONTINUED)

	Totals
Net Working Capital	184,822
Total Assets	1,975,489
Long-term Liabilities Payable from Operating Revenue	28,000
Total Equity	1,944,806

TOWN OF MANSURA, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 1999

Federal Grantor/Pass-through Grantor/ Program Title.....	Federal CFDA Number	Agency or Pass-through Number	Federal Disbursements/ Expenditures
U. S. Department of Housing and Urban Development Pass-through from State of Louisiana, Division of Administration, Office of Community Development Improvement to Town's Streets - Asphalt Overlay	14.228	107-800229	\$379,075

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The above schedule of expenditures of federal awards is a summary of the Town's federal award program presented on the accrual basis of accounting in accordance with generally accepted accounting principles.

NOTE B - The above expenditures represents the final disbursements of the federal awards money granted under the above captioned grant.

TOWN OF MANSURA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FEDERAL AWARDS
For the Year Ended June 30, 1999

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Town of Mansura, Louisiana.
2. One reportable condition was disclosed during the audit of the general purpose financial statements and was reported in the Independent Auditor's report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, dated December 10, 1999.
3. No instances of noncompliance material to the general purpose financial of the Town of Mansura, Louisiana were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award program is reported in the Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance OMB Circular A-133, dated December 10, 1999.
5. The auditor's report on compliance for the major federal award program for the Town of Mansura, Louisiana expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award program for the Town of Mansura, Louisiana.
7. The program tested as a major program was a pass-through grant from the U. S. Department of Housing and Urban Development, through the State of Louisiana, Division of Administration, Office of Community Development to improve the Town's streets by asphalt overlay.
8. The threshold for distinguishing Types A and B programs were under over \$300,000 and under \$300,000.

TOWN OF MANSURA, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FEDERAL AWARDS

For the Year Ended June 30, 1998

There were no prior audit findings regarding the pass-through grant from the U. S. Department of Housing and Urban Development, through the State of Louisiana, Division of Administration, Office of Community Development to improve the Town's streets by asphalt overlay.

John Newton Stout, CPA
Joel Landos, Jr., CPA
Russell J. Stelly, CPA
Dwight Ledoux, CPA
Chizal S. Fontenot, CPA
James L. Nicholson, Jr., CPA
G. Kenneth Pavy, II, CPA
Darren J. Cart, CPA



JOHN S. DOWLING & COMPANY
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
(1904-1984)

Harold Dupre, CPA
Retired


January 7, 1998

To the Owners
Roy K. Derbonne, Jr., CPA

We have reviewed the system of quality control for the accounting and auditing practice of Roy K. Derbonne, Jr., CPA (the firm) in effect for the year ended June 30, 1997. Our review was conducted in conformity with standards established by the Peer Review Board of the American Institute of Certified Public Accountants (AICPA). We tested compliance with the firm's quality control policies and procedures to the extent we considered appropriate. These tests included a review of selected accounting and auditing engagements.

In performing our review, we have given consideration to the quality control standards issued by the AICPA. Those standards indicate that a firm's system of quality control should be appropriately comprehensive and suitably designed in relation to the firm's size, organizational structure, operating policies, and the nature of its practice. They state that variance in individual performance can affect the degree of compliance with a firm's quality control system, and, therefore, recognize that there may not be adherence to all policies and procedures in every case.

In our opinion, the system of quality control for the accounting and auditing practice of Roy K. Derbonne, Jr., CPA in effect for the year ended June 30, 1997, met the objectives of quality control standards established by the AICPA, and was being complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards in the conduct of that practice.


JOHN S. DOWLING & COMPANY

SUPPLEMENTAL INFORMATION
FINANCIAL STATEMENTS
OF INDIVIDUAL FUNDS
AND ACCOUNT GROUPS

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

TOWN OF MANSURA, LOUISIANA

GENERAL FUND

COMPARATIVE BALANCE SHEETS
JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
Cash in Banks	\$ 58,068	\$ 66,202
Certificates of Deposit	33,818	10,000
Property Taxes Receivable	488	539
Intergovernmental Receivable	2,908	2,949
Franchise Fees Receivable	12,272	12,371
Police Fines Receivable	32,600	18,787
Due from Other Funds	<u>3,789</u>	<u>3,789</u>
TOTAL ASSETS	<u>\$ 143,943</u>	<u>\$ 114,637</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 1,618	\$ 769
Accrued Salaries Payable	4,310	2,211
Interfund Transfer Payable	0	167
Payroll Taxes Payable	3,101	3,463
Garnishment Payable	22	0
Due to Other Funds	<u>539</u>	<u>539</u>
Total Liabilities	9,590	7,149
FUND BALANCE		
Undesignated	<u>134,353</u>	<u>107,488</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 143,943</u>	<u>\$ 114,637</u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 1999
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED
 JUNE 30, 1998

	BUDGET 1999	ACTUAL 1999	FAVORABLE (UNFAVBLE) VARIANCE	ACTUAL 1998
REVENUES				
Taxes Collected	\$ 24,000	\$ 21,982	\$ (2,018)	\$ 22,006
Occupational Licenses	34,000	38,263	4,263	37,152
Liquor and Beer Pemitis	1,200	1,160	(40)	1,105
State Tobacco Tax	8,350	8,329	(21)	10,411
Franchise Fees	58,000	57,321	(679)	57,154
Fines	23,000	29,155	6,155	10,799
State Beer Tax	3,800	4,547	747	4,033
Cutting Grass	3,000	4,468	1,468	2,979
Rent	7,500	8,980	1,480	7,500
Interest Income	2,000	2,741	741	3,185
Revenue Sharing - APPJ Indian Affairs	50,500	86,475	35,975	78,517
Video Poker	8,100	10,241	2,141	7,735
Donations - Christmas Decorations	0	0	0	0
Grant - Red River Delta	0	0	0	0
Grant - Rural Development	0	6,416	6,416	2,000
Police Dept. Grant	0	340	340	500
Donations from Public	0	5,500	5,500	471
Miscellaneous	1,135	21,228	20,093	8,497
Total Revenues	224,585	307,146	82,561	254,044
EXPENDITURES				
CURRENT				
General Government	96,659	67,898	28,761	65,780
Public Safety	97,976	113,997	(16,021)	107,376
Streets and Sanitation	29,950	75,444	(45,494)	39,078
CAPITAL OUTLAYS	0	13,034	(13,034)	20,422
Total Expenditures	224,585	270,373	(45,788)	232,656
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	0	36,773	36,773	21,388

(Continued)

The accompanying notes are integral part of this statement.

TOWN OF MANSURA, LOUISIANA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL FOR
 THE YEAR ENDED JUNE 30, 1999 WITH COMPARATIVE
 ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1998
 (CONTINUED)

	BUDGET 1999	ACTUAL 1999	FAVORABLE (UNFAVBLE) VARIANCE	ACTUAL 1998
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES (CONTINUED FROM THE PREVIOUS PAGE)	\$ 0	\$ 36,773	\$ 36,773	\$ 21,388
OTHER FINANCING SOURCES SOURCES/ (USES)				
Operating Transfers In	0	2,426	2,426	773
Operating Transfers Out	0	(12,333)	12,333	(7,217)
Total Other Financing Sources/ (Uses)	0	(9,907)	(9,907)	(6,444)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	0	26,866	26,866	14,944
FUND BALANCE, BEGINNING	0	107,487	107,487	92,544
FUND BALANCE, ENDING	<u>\$ 0</u>	<u>\$ 134,353</u>	<u>\$ 134,353</u>	<u>\$ 107,488</u>

The accompanying notes are integral part of this statement.

TOWN OF MANSURA, LOUISIANA

GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 1999 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	BUDGET 1999	ACTUAL 1999	FAVORABLE (UNFAVRB) VARIANCE	ACTUAL 1998
GENERAL GOVERNMENT				
Per Diem - Mayor and Alderment	\$ 5,040	\$ 5,350	\$ (310)	\$ 5,160
Admin. Salaries	17,180	16,659	521	14,500
Payroll Taxes	1,500	1,146	354	1,658
Util. and Telephone	1,000	2,243	(1,243)	161
Office Supplies	0	1,081	(1,081)	1,299
Insurance	10,000	12,019	(2,019)	28,032
Prntng. and Publishing	0	0	0	369
Legal and Audit	4,000	4,087	(87)	3,547
Dues	0	437	(437)	257
Assessor's Compn.	0	606	(606)	605
Tax Collection Fees	839	412	427	170
Building Maintenance	4,500	8,459	(3,959)	149
CLECO Bldg. Maintn. and Insurance	1,000	6,654	(5,654)	274
DeFosse' Home Maintn. and Insurance	1,500	1,345	155	4,041
Travel and Seminars	0	363	(363)	577
Mayor's Expend.	0	0	0	0
Festival Expend.	0	2,692	(2,692)	510
Other Fees	0	0	0	3,183
Annexation Survey	0	3,500	(3,500)	0
Miscellaneous	50,100	845	49,255	1,288
Total General Government Expenditures	<u>\$ 96,659</u>	<u>\$ 67,898</u>	<u>\$ 28,761</u>	<u>\$ 65,780</u>
PUBLIC SAFETY				
POLICE DEPARTMENT				
Salaries	\$ 84,976	\$ 83,068	\$ 1,908	\$ 87,642
Payroll Taxes	8,000	6,717	1,283	6,189
Equipment	0	2,891	(2,891)	1,760
Automobile	0	1,376	(1,376)	3,172
Insurance	5,000	9,668	(4,668)	0
Uniforms	0	892	(892)	238
Travel and Training	0	5,462	(5,462)	2,394
Convictions	0	0	0	869
Citations	0	1,025	(1,025)	885
Animal Control	0	1,611	(1,611)	768
Miscellaneous	0	250	(250)	1,673
Total Police Dept. Expenditures	97,976	112,960	(14,984)	105,590

The accompanying notes are and integral part of this statement.

TOWN OF MANSURAL, LOUISIANA

GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 1999 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1998 (CONTINUED)

	BUDGET 1999	ACTUAL 1999	FAVORABLE (UNFAVRB) VARIANCE	ACTUAL 1998
DONATION TO VOLUNTEER FIRE DEPARTMENT				
Trk. Gas and Maintn.	\$ 0	\$ 171	\$ (171)	\$ 17
Insurance	0	500	(500)	0
Travel and Training	0	366	(366)	1,769
Total Volunteer Fire Dept. Expenditures	<u>0</u>	<u>1,037</u>	<u>(1,037)</u>	<u>1,786</u>
Total Public Safety Expenditures	<u>\$ 97,976</u>	<u>\$ 113,997</u>	<u>\$ (16,021)</u>	<u>\$ 107,376</u>
STREETS AND SANITATION				
Labor	\$ 24,700	\$ 37,897	\$ (13,197)	\$ 31,940
Payroll Taxes	5,250	3,267	1,983	2,255
Truck Gas and Repairs	0	0	0	0
Street Repairs and Maintenance	0	14	(14)	2,004
Street Overlay	0	28,432	(28,432)	0
Insurance	0	3,366	(3,366)	(147)
Uniforms	0	820	(820)	1,357
Medical	0	50	(50)	131
Tractor Gas and Repairs	0	0	0	10
Waste Management	0	1,598	(1,598)	1,528
Total Streets and Sanitation Expenditures	<u>\$ 29,950</u>	<u>\$ 75,444</u>	<u>\$ (45,494)</u>	<u>\$ 39,078</u>
CAPITAL OUTLAYS				
General Government	0	2,269	(2,269)	20,422
Public Safety - Police	0	10,765	(10,765)	0
Total Capital Outlays	<u>\$ 0</u>	<u>\$ 13,034</u>	<u>\$ (13,034)</u>	<u>\$ 20,422</u>
Total Expenditures	<u>\$ 224,585</u>	<u>\$ 270,373</u>	<u>\$ (45,788)</u>	<u>\$ 232,656</u>

The accompanying notes are and integral part of this statement.

SPECIAL REVENUE FUNDS

- RECREATION, PARKS AND TOURISM FUND - To account for receipts and expenditures of funds acquired through donations, fund raising and appropriations from other funds.
- SALES TAX FUND - To account for the receipts and expenditures of funds received from a sales tax passed by the residents of Mansura, Louisiana. The money in this fund is to be spent only for streets, drainage, public safety and any other general fund expenditure.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS

JUNE 30, 1999

WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 1998

ASSETS	RECREATION, PARKS, AND TOURISM FUND	SALES TAX FUND
ASSETS		
Cash	\$ 6,540	\$ 17,776
Sales Taxes Receivable	0	8,576
Interfund Transfer Receivable	0	0
	<u>6,540</u>	<u>26,352</u>
TOTAL ASSETS	<u>\$ 6,540</u>	<u>\$ 26,352</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 0	\$ 3,441
Accrued Payroll	0	89
Accrued Payroll Taxes Payable	0	0
Due to General Fund	0	3,789
Due to Sewer System Revenue Fund	0	9,300
Total Liabilities	<u>0</u>	<u>16,619</u>
FUND BALANCE		
Reserved	0	9,733
Unreserved - Undesignated	6,540	0
Total Fund Balance	<u>6,540</u>	<u>9,733</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 6,540</u>	<u>\$ 26,352</u>

The accompanying notes are

TOTALS	
1999	1998
\$ 24,316	\$ 18,085
8,576	6,100
0	167
<u>\$ 32,892</u>	<u>\$ 24,352</u>
\$ 3,441	\$ 5,620
89	89
0	138
3,789	3,789
9,300	300
<u>16,619</u>	<u>9,936</u>
9,733	11,398
6,540	3,018
<u>16,273</u>	<u>14,416</u>
<u>\$ 32,892</u>	<u>\$ 24,352</u>

an intergral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 1999

WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 1998

	RECREATION, PARKS, AND TOURISM FUND	SALES TAX FUND
REVENUES		
Sales Taxes Collected	\$ 0	\$ 80,844
Donations	266	0
Interest Income	0	387
Miscellaneous	0	20
Total Revenues	<u>266</u>	<u>81,251</u>
EXPENDITURES		
CURRENT		
General Government	2,922	24,105
Public Safety	0	24,393
Streets and Sanitation	0	26,424
Recreation	941	0
CAPITAL OUTLAYS	1,208	12,000
Total Expenditures	<u>5,071</u>	<u>86,922</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,805)	(5,671)
OTHER FINANCING SOURCES (USES)		
Operating Transfers In	8,327	4,006
Operating Transfers Out	0	0
Total Other Financing Sources (Uses)	<u>8,327</u>	<u>4,006</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,522	(1,665)
FUND BALANCE, Beginning	<u>3,018</u>	<u>11,398</u>
FUND BALANCE, Ending	<u>\$ 6,540</u>	<u>\$ 9,733</u>

The accompanying notes are

TOTALS	
1999	1998
\$ 80,844	\$ 80,844
266	0
387	387
20	20
<u>81,517</u>	<u>81,251</u>
27,027	19,055
24,393	22,387
26,424	26,424
941	5,898
13,208	3,476
<u>91,993</u>	<u>77,240</u>
(10,476)	4,011
12,333	7,217
0	(100)
<u>12,333</u>	<u>7,117</u>
1,857	11,128
<u>14,416</u>	<u>25,355</u>
<u>\$ 16,273</u>	<u>\$ 36,483</u>

an intergral part of this statement.

TOWN OF MANSURA, LOUISIANA
SPECIAL REVENUE FUNDS
RECREATION, PARKS AND TOURISM FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
ASSETS		
Cash	\$ 6,540	\$ 5,410
Interfund Transfer Receivable	<u>0</u>	<u>167</u>
TOTAL ASSETS	<u>\$ 6,540</u>	<u>\$ 5,577</u>
 LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 0	\$ 2,559
FUND BALANCE		
Unreserved - Undesignated	<u>6,540</u>	<u>3,018</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 6,540</u>	<u>\$ 5,577</u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
RECREATION, PARKS AND TOURISM FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL YEAR
ENDED JUNE 30, 1999 WITH COMPARATIVE ACTUAL
AMOUNTS FOR YEAR ENDED JUNE 30, 1998

	BUDGET 1999	ACTUAL 1999	FAVORABLE (UNFAVBLE) VARIANCE	ACTUAL 1998
REVENUES				
Donations	\$ 0	\$ 100	\$ 100	\$ 0
Donations - Beautification	0	166	166	0
Interest Received	0	0	0	0
Miscellaneous	0	0	0	0
Total Revenues	0	266	266	0
EXPENDITURES				
CURRENT				
Administrative	3,000	2,792	208	893
Recreation	3,000	1,691	1,309	5,898
CAPITAL OUTLAYS	2,000	588	1,412	3,476
Total Expenditures	8,000	5,071	2,929	10,267
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(8,000)	(4,805)	3,195	(10,267)
OTHER FINANCING SOURCES				
Operating Transfers In	8,000	8,327	327	7,217
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	0	3,522	3,522	(3,050)
FUND BALANCE, BEGINNING	0	3,018	3,018	6,068
FUND BALANCE, ENDING	\$ 0	\$ 6,540	\$ 6,540	\$ 3,018

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
RECREATION, PARKS AND TOURISM FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET
(GAAP BASIS) AND ACTUAL YEAR ENDED JUNE 30, 1999
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED
JUNE 30, 1998

	BUDGET 1999	ACTUAL 1999	FAVORABLE (UNFAVRB) VARIANCE	ACTUAL 1998
GENERAL GOVERNMENT				
Office Supplies	\$ 0	\$ 0	\$ 0	\$ 893
Insurance	500	337	163	0
Town Hall and Depot Repairs	0	0	0	0
Travel and Conventions	0	0	0	0
Dues	300	200	100	0
Bank Charges	0	0	0	0
Advertising	500	350	150	0
Miscellaneous	1,700	1,905	(205)	0
Total General Government Expenditures	<u>\$ 3,000</u>	<u>\$ 2,792</u>	<u>\$ 208</u>	<u>\$ 893</u>
RECREATION				
Utilities	\$ 1,000	\$ 543	\$ 457	\$ 561
Insurance	0	0	0	1,219
Festival Expend.	1,000	830	170	1,617
Supplies	0	0	0	22
Repairs and Maintn.	500	318	182	2,349
Grounds Maintenance	0	0	0	0
Waste Disposal	500	0	500	130
Total Recreation Expenditures	<u>\$ 3,000</u>	<u>\$ 1,691</u>	<u>\$ 1,309</u>	<u>\$ 5,898</u>
CAPITAL OUTLAYS	<u>\$ 2,000</u>	<u>\$ 588</u>	<u>\$ 1,412</u>	<u>\$ 3,476</u>
TOTAL EXPENDITURES	<u>\$ 8,000</u>	<u>\$ 5,071</u>	<u>\$ 2,929</u>	<u>\$ 10,267</u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
SALES TAX FUND

COMPARATIVE BALANCE SHEET
JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
ASSETS		
Cash	\$ 17,776	\$ 12,675
Sales Taxes Receivable	<u>8,576</u>	<u>6,100</u>
TOTAL ASSETS	<u>\$ 26,352</u>	<u>\$ 18,775</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 3,441	\$ 3,061
Accrued Payroll	89	89
Accrued Payroll Taxes Payabl	0	138
Amount Due General Fund	3,789	3,789
Amount Due Sewer System Fund	<u>9,300</u>	<u>300</u>
Total Liabilities	16,619	7,377
FUND BALANCE		
Reserved	<u>9,733</u>	<u>11,398</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 26,352</u>	<u>\$ 18,775</u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA
SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL,
YEAR ENDED JUNE 30, 1999 WITH COMPARATIVE ACTUAL
AMOUNTS FOR YEAR ENDED JUNE 30, 1998

	BUDGET 1999	ACTUAL 1999	FAVORABLE (UNFAVBLE) VARIANCE	ACTUAL 1998
REVENUES				
Sales Tax Revenue	\$ 72,000	\$ 80,844	\$ 8,844	\$ 76,101
Interest Income	0	387	387	392
Miscellaneous Income	0	20	20	0
Total Revenues	72,000	81,251	9,251	76,493
EXPENDITURES				
CURRENT				
General Government	21,500	24,105	(2,605)	18,162
Public Safety	21,700	24,393	(2,693)	22,387
Streets & Sanitation	28,800	26,424	2,376	43,733
Capital Outlays	0	12,000	(12,000)	0
Total Expenditures	72,000	86,922	(14,922)	84,282
EXCESS OF REVENUES OVER OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES AND (USES)	0	(5,671)	(5,671)	(7,789)
OTHER FINANCING SOURCES (USES)				
Transfers In	0	4,006	4,006	0
Transfers Out	0	0	0	100
Total Other Financing Sources (Uses)	0	4,006	4,006	(100)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	0	(1,665)	(1,665)	(7,889)
FUND BALANCE, BEGINNING	0	11,398	11,398	19,287
FUND BALANCE, ENDING	\$ 0	\$ 9,733	\$ 9,733	\$ 11,398

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS - SALES TAX FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 1999 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1998

	BUDGET 1999	ACTUAL 1999	FAVORABLE (UNFAVRB) VARIANCE	ACTUAL 1998
ADMINISTRATIVE				
Utilities	\$ 11,000	\$ 11,232	\$ (232)	\$ 74
Telephone	2,500	2,445	55	1,372
Office Supplies and Postage	1,200	1,197	3	1,288
Insurance	1,000	1,602	(602)	3,670
Printing and Publishing	1,500	1,768	(268)	2,871
Legal and Audit	2,400	2,367	33	1,738
Town Hall Supplies	800	1,551	(751)	1,028
Dues	0	370	(370)	275
Town Hall and Depot Repairs	0	71	(71)	565
Bank Charges	0	12	(12)	12
Pest Control	0	258	(258)	192
CLECO Building Repairs	0	23	(23)	0
DeFosse' Home Repairs	0	0	0	256
Travel and Conventions	0	410	(410)	1,678
Grant Fees	0	45	(45)	0
Miscellaneous	1,200	669	531	52
Total Administra- tive Expenditures	<u>\$ 21,600</u>	<u>\$ 24,107</u>	<u>\$ (2,507)</u>	<u>\$ 18,160</u>
PUBLIC SAFETY				
Police Department				
Salaries	\$ 0	\$ 3,722	\$ (3,722)	\$ 0
Payroll Taxes	0	314	(314)	0
Police Equipment	10,000	6,185	3,815	3,990
Police Car Gas and Maintenance	10,000	10,610	(610)	12,568
Equipment Repairs	300	240	60	451
Office Supplies and Postage	300	606	(306)	0
Insurance	0	50	(50)	1,320
Uniforms	500	1,595	(1,095)	(27)
Travel and Training	0	0	0	195
Enforcements and Convictions	0	0	0	50

(Continued)

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS - SALES TAX FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) AND ACTUAL YEAR ENDED JUNE 30, 1999 WITH WITH COMPARATIVE ACTUAL AMOUNTS YEAR ENDED JUNE 30, 1998 (CONTINUED)

	BUDGET 1999	ACTUAL 1999	FAVORABLE (UNFAVRB) VARIANCE	ACTUAL 1998
Animal Control	\$ 500	\$ 205	\$ 295	\$ 212
Miscellaneous	0	79	(79)	100
Total Police Department	21,700	23,274	(1,574)	20,552
Donation to Volunteer Fire Department				
Truck Gas and Maintn.	0	644	(644)	1,132
Utilities	0	475	(475)	680
Miscellaneous	0	0	0	24
Total Volunteer Fire Dept.	0	1,119	(1,119)	1,836
Total Public Safety	<u>\$ 21,700</u>	<u>\$ 24,394</u>	<u>\$ (2,694)</u>	<u>\$ 22,388</u>
STREETS AND SANITATION				
Salaries	\$ 11,000	\$ 10,089	\$ 911	\$ 10,412
Payroll Taxes	1,000	662	338	585
Truck Gas and Maintn.	2,500	3,150	(650)	8,756
Utilities	0	0	0	11,803
Insurance	3,500	3,239	261	4,377
Uniforms	500	273	227	221
Supplies	4,000	3,297	703	3,675
Equipment Repairs	2,000	1,276	724	73
Street Repairs	3,000	3,074	(74)	889
Employee Medical	0	25	(25)	25
Tractor Gas and Repairs	1,000	1,185	(185)	2,908
Waste Disposal	0	123	(123)	0
Miscellaneous	300	29	271	9
Total Streets and Sanitation	<u>\$ 28,800</u>	<u>\$ 26,421</u>	<u>\$ 2,379</u>	<u>\$ 43,733</u>
CAPITAL OUTLAYS				
Administrative	\$ 0	\$ 0	\$ 0	\$ 0
Police	0	12,000	(12,000)	0
Streets and Sanitation	0	0	0	0
Total Capital Outlays	<u>\$ 0</u>	<u>\$ 12,000</u>	<u>\$ (12,000)</u>	<u>\$ 0</u>
TOTAL EXPENDITURES	<u>\$ 72,100</u>	<u>\$ 86,921</u>	<u>\$ (14,821)</u>	<u>\$ 84,282</u>

The accompanying notes are an integral part of this statement.

CAPITAL PROJECTS FUND

To account for receipt and expenditure of funds received through LCDBG
Grants for improvement to the Town's Streets.

TOWN OF MANSURA, LOUISIANA

CAPITAL PROJECTS FUND

COMPARATIVE BALANCE SHEET
JUNE 30, 1999 AND 1998

ASSETS	<u>1999</u>	<u>1998</u>
ASSETS		
Cash	\$ <u>73</u>	\$ <u>79</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 0	\$ 0
FUND BALANCE		
Reserved	<u>73</u>	<u>79</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 73</u>	<u>\$ 79</u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

CAPITAL PROJECTS FUND

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE FOR THE YEARS ENDED
JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
REVENUES		
Grant Funds	\$ 379,069	\$ 23,820
EXPENDITURES		
Office Supplies and Postage	0	29
Printing and Publishing	0	50
Bank Charges	6	14
Contractor's Fees	334,929	0
Other Construction Costs	0	0
Miscellaneous	591	0
Engineering Fees	21,150	18,150
Grant Admin. Fees	<u>22,400</u>	<u>5,600</u>
Total Expenditures	<u>379,075</u>	<u>23,843</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER SOURCES AND OTHER (USES)	(6)	(23)
OTHER FINANCING SOURCES AND OTHER (USES) Transfers In	<u>0</u>	<u>100</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	(6)	77
FUND BALANCE, BEGINNING	<u>79</u>	<u>2</u>
FUND BALANCE, ENDING	<u>\$ 73</u>	<u>\$ 79</u>

The accompanying notes are an integral part of this statement.

ENTERPRISE FUND

Utility Fund - To account for the provision of sewer services to residents of the Town. All activities necessary to provide such service are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE BALANCE SHEET
JUNE 30, 1999 AND 1998

ASSETS	<u>1999</u>	<u>1998</u>
CURRENT ASSETS		
Cash	\$ 41,907	\$ 90,089
Investment in Certificate of Deposit	127,595	63,329
Accounts Receivable	8,003	7,450
Due From Other Funds	9,839	839
Total Current Assets	<u>187,344</u>	<u>161,707</u>
RESTRICTED ASSETS		
Revenue Bond Sinking Fund Investment, at Cost	23,270	18,578
Repair and Replacement Fund Investment, at Cost	<u>0</u>	<u>4,742</u>
Total Restricted Assets	<u>23,270</u>	<u>23,320</u>
PLANT AND EQUIPMENT		
Sewer System - at Cost, Net of Accumulated Depreciation (1999 - \$274,130 and 1998 - \$233,150)	1,743,542	1,782,087
Land	<u>21,333</u>	<u>21,333</u>
Total Plant and Equipment	<u>1,764,875</u>	<u>1,803,420</u>
TOTAL ASSETS	<u>\$ 1,975,489</u>	<u>\$ 1,988,447</u>

(Continued)

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE BALANCE SHEET
JUNE 30, 1999 AND 1998
(CONTINUED)

	<u>1999</u>	<u>1998</u>
LIABILITIES AND FUND EQUITY		
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)		
Accounts Payable	\$ 1,875	\$ 2,602
Accrued Payroll Taxes	<u>647</u>	<u>367</u>
Total Current Liabilities (Payable from Current Assets)	2,522	2,969
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)		
Revenue Bonds Payable	7,000	7,000
Interest Coupons Payable (11/1)	<u>161</u>	<u>201</u>
Total Current Liabilities (Payable from Restricted Assets)	7,161	7,201
LONG-TERM LIABILITIES		
Revenue Bonds Payable	<u>21,000</u>	<u>28,000</u>
Total Liabilities	30,683	38,170
FUND EQUITY		
CONTRIBUTED CAPITAL		
Municipality	\$ 170,933	\$ 170,933
Federal Grants	<u>1,593,398</u>	<u>1,593,398</u>
Total Contributed Capital	1,764,331	1,764,331
RETAINED EARNINGS		
Reserved for Bond Retirement	23,270	23,320
Unreserved	<u>157,205</u>	<u>162,626</u>
Total Retained Earnings	<u>180,475</u>	<u>185,946</u>
Total Fund Equity	<u>1,944,806</u>	<u>1,950,277</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,975,489</u>	<u>\$ 1,988,447</u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND
TYPE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
OPERATING REVENUE		
Sewer Fees	\$ 94,381	\$ 91,890
OPERATING EXPENSES		
Salaries	15,000	12,600
Payroll Taxes	1,158	845
Office Supplies and Postage	54	0
Supplies	11,206	10,219
EPA Reports	1,420	1,703
Utilities	15,324	16,193
Insurance	6,162	5,459
Legal and Audit	2,401	1,000
Dues and Fees	150	677
Repairs and Maintenance	7,802	5,066
Uniforms	380	429
Travel and Seminars	125	127
Bank Charges	21	22
Truck Gas and Maintenance	1,995	2,501
Backhoe Repairs and Maintenance	443	235
Printing and Publishing	0	55
Certification Costs	0	20
Depreciation	40,950	40,646
Total Operating Expenses	<u>104,591</u>	<u>97,797</u>
OPERATING INCOME (LOSS)	(10,210)	(5,907)
NONOPERATING REVENUES (EXPENSES)		
Interest Income	7,764	6,250
State Grants	0	0
State Grant Expense	0	(485)
Sale of Equipment	585	0
Interest Expense	(1,185)	(1,426)
Total Nonoperating Revenues and (Expenses)	<u>7,164</u>	<u>4,339</u>
INCOME BEFORE OPERATING TRANSFERS	(3,046)	(1,568)
OTHER FINANCING SOURCES (USES)		
Operating Transfers Out	<u>(2,426)</u>	<u>(773)</u>
NET INCOME (LOSS)	(5,472)	(2,341)
RETAINED EARNINGS, BEGINNING	<u>185,947</u>	<u>188,287</u>
RETAINED EARNINGS, ENDING	<u>\$ 180,475</u>	<u>\$ 185,946</u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
YEARS ENDED JUNE 30, 1999 AND 1998
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 94,381	\$ 91,890
Cash Payments to Suppliers for Goods and Services	(58,681)	(43,883)
Cash Payments to Employees for Services	(15,000)	(12,600)
Net Cash Provided by Operating Activities	<u>20,700</u>	<u>35,407</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating Transfers Out to Other Funds	(2,426)	(773)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from Federal Grants	0	0
Proceeds from State Grant	0	(485)
Proceeds from Sale of Equipment	585	0
Acquisition and Construction of Capital Assets	(2,404)	(240)
Principal Paid on Revenue Bond Maturities	(7,000)	(7,000)
Interest Paid on Revenue Bonds	(1,185)	(1,426)
Net Cash Used for Capital and Related Financing Activities	<u>(10,004)</u>	<u>(9,151)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on Investments	7,764	6,250
Investment in Certificate of Deposit	(64,266)	(3,329)
Net Cash Provided By/Used in Investing Activities	<u>(56,502)</u>	<u>2,921</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(48,232)	28,404
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>113,409</u>	<u>85,005</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 65,177</u>	<u>\$ 113,409</u>

The accompanying notes are an integral part of this statement.

(Continued)

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
YEARS ENDED JUNE 30, 1999 AND 1998
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
(CONTINUED)

	<u>1999</u>	<u>1998</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Revenue	\$ (10,210)	\$ (5,907)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	40,950	40,646
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(553)	75
(Increase) Decrease in Due from Other Funds	(9,000)	1,452
Increase (Decrease) in Accounts Payable	(447)	(814)
Increase (Decrease) in Interest Payable	(40)	(45)
Total Adjustments	<u>30,910</u>	<u>41,314</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 20,700</u>	<u>\$ 35,407</u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	1999	1998
CASH BALANCE, Beginning of the Year	\$ 90,089	\$ 61,702
RECEIPTS		
Sewer Fees	93,828	91,965
Interest	6,929	2,080
Proceeds from Sale of Equipment	585	0
Loan Repayment - Sales Tax Fund	1,000	1,452
State Grants	0	0
Total Receipts	<u>102,342</u>	<u>95,497</u>
TOTAL CASH AVAILABLE	192,431	157,199
DISBURSEMENTS		
Loan to Sales Tax Fund	10,000	0
Transfers - Bond and Interest Sinking Fd.	8,184	8,429
Salaries	15,000	12,600
Payroll Taxes	877	765
Repairs and Maintenance	8,272	5,373
EPA Lab and Test Fees	1,420	1,647
Service Charge	12	12
Utilities	16,451	16,210
Office Supplies and Postage	54	0
Supplies	10,164	10,714
Miscellaneous	0	56
Insurance	6,162	5,459
Certification Costs	0	20
Uniform Rental	421	428
Travel and Seminars	125	127
Dues	150	677
Legal and Audit	2,401	1,000
Backhoe Repairs	443	235
Truck Gas and Maintenance	2,126	2,633
Grant Expense	0	485
Capital Outlay	2,405	240
Investment in Certificate of Deposit	64,266	0
Transfer to General Fund	1,591	0
Total Expenditures	<u>150,524</u>	<u>67,110</u>
CASH BALANCE, End of Year	<u>\$ 41,907</u>	<u>\$ 90,089</u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

SCHEDULE OF CHANGES IN ASSETS RESTRICTED FOR REVENUE BOND DEBT SERVICE
YEAR ENDED JUNE 30, 1999

	REVENUE BOND SINKING FUND	REPAIR AND REPLAMNT. FUND	TOTAL
CASH AND INVESTMENTS, July 1, 1998	\$ 18,578	\$ 4,742	\$ 23,320
CASH RECEIPTS			
Transfers In	8,184	0	8,184
Interest	665	170	835
Total Cash Receipts	<u>8,849</u>	<u>170</u>	<u>9,019</u>
TOTAL CASH AND INVESTMENTS AVAILABLE	27,427	4,912	32,339
CASH DISBURSEMENTS			
Principal Payments	7,000	0	7,000
Interest Payments	1,225	0	1,225
Bank and Check Charges	9	0	9
Transfers to General Fund	665	170	835
Total Disbursements	<u>8,899</u>	<u>170</u>	<u>9,069</u>
CASH AND INVESTMENTS, June 30, 1999	<u>\$ 18,528</u>	<u>\$ 4,742</u>	<u>\$ 23,270</u>

The accompanying notes are an integral part of this statement.

GENERAL FIXED ASSET ACCOUNT GROUP

To account for fixed assets not used in Proprietary Fund operations.

TOWN OF MANSURA, LOUISIANA

COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS

JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
GENERAL FIXED ASSETS		
Land	\$ 89,491	\$ 89,491
Buildings	318,380	318,380
Improvements other than Buildings	17,072	16,484
Equipment	<u>235,876</u>	<u>231,570</u>
TOTAL GENERAL FIXED ASSETS	<u>\$ 660,819</u>	<u>\$ 655,925</u>
INVESTMENT IN GENERAL FIXED ASSETS		
General Fund Revenues	\$ 222,937	\$ 216,459
Recreation and Park Fund Revenues	620	0
Sales Tax Fund Revenues	48,897	51,101
Sewer System Fund Revenues	3,324	3,324
Federal Grants	118,848	118,848
State Grants	54,561	54,561
Federal Revenue Sharing Fund Revenues	33,454	33,454
Volunteer Fire Department Fund Revenues	34,973	34,973
Cochon De Lait Civic Center Fund Revenues	4,247	4,247
Mini-Fest Fund Revenues	5,958	5,958
Donations	133,000	133,000
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u>\$ 660,819</u>	<u>\$ 655,925</u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS
YEAR ENDED JUNE 30, 1999

	LAND	BUILDINGS
GENERAL FIXED ASSETS, Beginning of Year	\$ 89,491	\$ 318,380
ADDITIONS	0	0
DEDUCTIONS	0	0
GENERAL FIXED ASSETS, End of Year	\$ 89,491	\$ 318,380

The accompanying notes are an

IMPROVEMENTS OTHER THAN BUILDINGS	EQUIPMENT	TOTALS
\$ 16,484	\$ 231,570	\$ 655,925
588	25,034	25,622
0	(20,728)	(20,728)
<u>\$ 17,072</u>	<u>\$ 235,876</u>	<u>\$ 660,819</u>

integral part of this statement.

TOWN OF MANSURA, LOUISIANA
JUNE 30, 1999

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Internal Control and Compliance Material to the Financial Statements

<u>Findings</u>	<u>Corrective Action Taken</u>	<u>Planned Corrective Action</u>
Insufficient segregation of duties.	No	Soon as Town is fiscally able and suitable employee can be found.
Inadequate controls over safeguarding loss of assets due to fail- ure of the Town's monetary depository.	Yes	
Y2K ready.	Yes	

TOWN OF MANSURA, LOUISIANA

June 30, 1999

SUPPLEMENTAL INFORMATION - YEAR 2000 COMPLIANCE

The Year 2000 does not pose a problem for the accounting system of the Town of Mansura, Louisiana. However, the Town receives a substantial amount of its revenues from other governmental units and relies on these units as well as private sources for billing information and collection of monies which belong to the Town. If these other private and governmental units are not 2000 Year ready this could cause a disruption of funds. The Town believes that these outside units are Year 2000 Compliant.

Roy K. Derbonne, Jr.

Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana 71301-6878

Tel: 318-445-6778
Fax: 318-445-8967

Member
Society of Louisiana C.P.A.'s

The Honorable Mayor and Members
of the Town Council
Town of Mansura, Louisiana

In planning and performing my audit of the general purpose financial statements and the combining and individual fund and account group financial statements of the Town of Mansura, Louisiana, for the year ended June 30, 1999, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and the combining and individual fund and account group financial statements and not to provide assurance on the internal control. However, I noted matters involving internal control and compliance with laws that I consider to be a reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant - deficiencies in the design or operation of the internal control structure that, in my judgement, could adversely affect the Town of Mansura, Louisiana's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements and the combining and individual fund and account group financial statements.

Finding_1

As reported last year, I find that there is not a sufficient segregation of duties in the receipting of money and the recording of transactions in the accounting records. However, I also realize that due to the size of the Town's operations, it may not be cost effective to employ the necessary controls to effect a sufficient segregation of duties.

I wish to take this opportunity to thank Mayor Quebedeaux, your Town Clerk, the Chief of Police and other town employees who made all the Town's records available to me. I also wish to thank them for assisting me in finding all the information that I requested to review and document.

Plan of Action

When the Town is more financially able, another person will be hired to aid in the segregation of duties.

Other Matters

Finding 2

The system of accounting for fines need to be revisited.

Plan of Action

The CPA and the Police Chief will work together on establishing a less cumbersome system of accounting for and collecting of fines imposed by the Mayor's court.

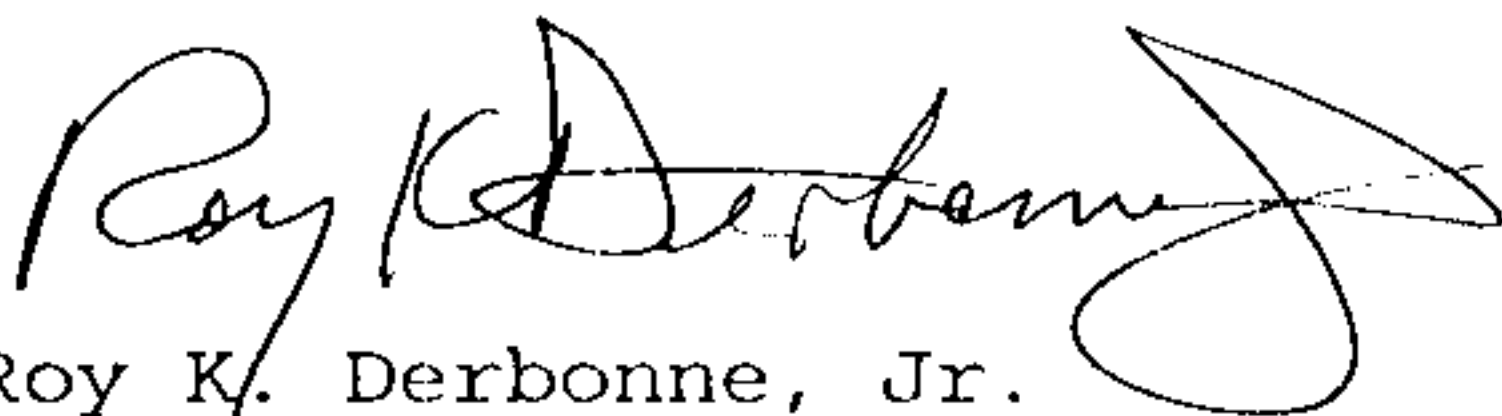
Finding 3

It was noted during the audit that some employees were reimbursing the Town for items purchased by the Town.

Plan of Action

Mayor has specified that the Town shall not make any purchases on behalf of its employees.

This report is intended solely for the information and use of the Town of Mansura, Louisiana's management, and others within the administration.



Roy K. Derbonne, Jr.
Certified Public Accountant

December 10, 1999