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TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1999

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Release Date JAN 05 2000

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Mires & Company
A Professional Corporation

Certified Public Accountants

Members:
American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants
Private Company Practice Section AICPA

INDEPENDENT AUDITORS' REPORT

The Honorable Raywood Lemaire, Mayor
and Members of the Town Council
Town of Vinton, Louisiana

We have audited the accompanying primary government financial statements of the Town of Vinton, Louisiana, as of and for the year ended September 30, 1999, as listed in the table of contents. These financial statements are the responsibility of the Town of Vinton, Louisiana management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our 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. 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.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the Town of Vinton, Louisiana, as of September 30, 1999, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

However, the primary government financial statements, because they do not include the financial data of component units of the Town of Vinton, Louisiana, do not purport to, and do not, present fairly the financial position of the Town of Vinton, Louisiana, as of September 30, 1999, and the results of its operations and 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*, we have also issued our report dated November 18, 1999, on our consideration of the Town of Vinton, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was conducted for the purpose of forming an opinion on the primary government financial statements taken as a whole. The combining and individual fund and account group financial statements, schedules and statistical data listed in the table of contents are presented for purposes of additional analysis and are not a required part

The Honorable Raywood Lemaire, Mayor
and Members of the Town Council
Town of Vinton, Louisiana
Page 2

of the primary government financial statements of the Town of Vinton, Louisiana. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the primary government financial statements; and, in our opinion, the information is fairly presented in all material respects in relation to the primary government financial statements taken as a whole.

Mires & Company, CPAs, APC

Mires & Company, CPAs, APC
November 18, 1999



PRIMARY GOVERNMENT FINANCIAL STATEMENTS

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Combined Balance Sheet - All Fund Types and Account Groups
 September 30, 1999

	GOVERNMENTAL FUND TYPES			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Project</u>
ASSETS				
Cash	\$ 1,133,019	\$ 143,673	\$ 9,301	\$ 460,359
Investments	125,012	-	-	-
Receivables				
Taxes	-	-	-	-
Accounts	12,312	-	-	-
Assessments - current	-	-	-	-
Assessments - deferred	-	-	-	-
Intergovernmental	21,340	-	-	-
Accrued interest	-	-	-	-
Due from other funds	73,437	146,329	-	23,133
Restricted assets				
Cash	-	882,552	-	-
Investments, at cost	-	39,715	-	-
Fixed assets, net	-	-	-	-
Amount available for debt service	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-
TOTAL ASSETS	<u>\$ 1,365,120</u>	<u>\$ 1,212,269</u>	<u>\$ 9,301</u>	<u>\$ 483,492</u>

See accompanying notes.

EXHIBIT 1

PROPRIETARY FUND TYPE <u>Enterprise</u>	<u>ACCOUNT GROUPS</u>		TOTALS	
	General	Fixed	(Memorandum Only)	
		Assets	<u>1999</u>	<u>1998</u>
\$ 936,711	\$ -	\$ 2,683,063	\$ 2,148,439	
168,407	-	293,419	295,188	
-	-	-	-	
359,744	-	372,056	331,354	
-	-	-	3,067	
-	-	-	1,135	
-	-	21,340	57,627	
518	-	518	2,540	
1,175	-	244,074	219,766	
263,258	-	1,145,810	985,274	
137,788	-	177,503	256,112	
5,889,219	1,554,084	7,443,303	7,541,497	
-	-	-	11,015	
-	-	-	-	
<u>\$ 7,756,820</u>	<u>\$ 1,554,084</u>	<u>\$ 12,381,086</u>	<u>\$ 11,853,014</u>	

ACCOUNT GROUPS	1999	1998
PROPRIETARY		
FUND TYPE		
Enterprise		
	\$ 936,711	\$ 168,407
	-	-
	359,744	-
	-	-
	-	-
	-	-
	518	219,766
	1,175	2,540
	263,258	985,274
	137,788	256,112
	5,889,219	7,541,497
	-	11,015
	-	-
General	\$ 2,683,063	\$ 2,148,439
Fixed	293,419	295,188
Assets	372,056	331,354
	-	3,067
	-	1,135
	21,340	57,627
	518	2,540
	244,074	219,766
	1,145,810	985,274
	177,503	256,112
	7,443,303	7,541,497
	-	11,015
	-	-
TOTALS	\$ 12,381,086	\$ 11,853,014
(Memorandum Only)		

EXHIBIT 1

PROPRIETARY FUND TYPE <u>Enterprise</u>	ACCOUNT GROUPS		TOTALS	
	General		(Memorandum Only)	
	Fixed Assets		1999	1998
\$ 273,134	\$ -	\$ 301,922	\$ 283,168	
7,442	-	7,442	7,817	
-	-	244,074	219,766	
36,000	-	36,000	36,000	
118	-	118	148	
95,922	-	95,922	96,627	
-	-	-	4,200	
-	-	-	11,015	
<u>853,000</u>	<u>-</u>	<u>853,000</u>	<u>889,000</u>	
<u>1,265,616</u>	<u>-</u>	<u>1,538,478</u>	<u>1,547,741</u>	
4,637,789	-	4,637,789	4,701,824	
-	1,554,084	1,554,084	1,500,284	
269,006	-	269,006	261,747	
1,584,409	-	1,584,409	1,425,074	
-	-	-	11,015	
-	-	1,019,575	932,825	
-	-	1,777,745	1,472,504	
<u>6,491,204</u>	<u>1,554,084</u>	<u>10,842,608</u>	<u>10,305,273</u>	
<u>\$ 7,756,820</u>	<u>\$ 1,554,084</u>	<u>\$ 12,381,086</u>	<u>\$ 11,853,014</u>	

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Combined Statement of Revenues, Expenditures, and
 Changes in Fund Balances - All Governmental Fund Types
 Year Ended September 30, 1999

	<u>General</u>	<u>Special Revenue</u>
Revenues:		
Taxes	\$ 67,416	\$ 466,355
Licenses and permits	84,573	-
Intergovernmental	61,662	-
Charges for services	37,697	-
Fines	308,288	-
Special assessments	-	-
Interest	45,507	32,348
Net decrease in the fair value of investments	-	-
Video poker	112,485	-
Miscellaneous	52,011	-
TOTAL REVENUES	<u>769,639</u>	<u>498,703</u>
Expenditures:		
Current:		
General government	115,037	138,963
Police	440,916	-
Fire	42,067	-
Streets and alley	135,969	-
Capital outlay	53,800	-
Debt service:		
Principal retirement	-	-
Interest and fiscal charges	-	-
TOTAL EXPENDITURES	<u>787,789</u>	<u>138,963</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(18,150)</u>	<u>359,740</u>
Other financing sources (uses):		
Operating transfers in	121,695	88,217
Operating transfers out	<u>(9,400)</u>	<u>(247,833)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>112,295</u>	<u>(159,616)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>94,145</u>	<u>200,124</u>
FUND BALANCES, BEGINNING	1,071,690	963,124
RESIDUAL EQUITY TRANSFERS	<u>-</u>	<u>-</u>
FUND BALANCES, BEGINNING - RESTATED	<u>1,071,690</u>	<u>963,124</u>
FUND BALANCES, ENDING	<u>\$1,165,835</u>	<u>\$1,163,248</u>

See accompanying notes.

<u>Debt Service</u>	<u>Capital Project</u>	<u>TOTALS</u> <u>(Memorandum Only)</u>	
		<u>1999</u>	<u>1998</u>
\$ -	\$ -	\$ 533,771	\$ 505,898
-	-	84,573	90,547
-	-	61,662	88,075
-	-	37,697	37,191
-	-	308,288	120,841
2,105	-	2,105	3,023
848	11,622	90,325	101,250
-	-	-	(1,175)
-	-	112,485	156,014
-	-	52,011	44,391
<u>2,953</u>	<u>11,622</u>	<u>1,282,917</u>	<u>1,146,055</u>
40	4,734	258,774	139,466
-	-	440,916	413,705
-	-	42,067	38,044
-	-	135,969	139,829
-	-	53,800	46,803
11,015	-	11,015	11,015
920	-	920	2,189
<u>11,975</u>	<u>4,734</u>	<u>943,461</u>	<u>791,051</u>
<u>(9,022)</u>	<u>6,888</u>	<u>339,456</u>	<u>355,004</u>
-	88,842	298,754	397,761
-	(1)	(257,234)	(244,425)
-	88,841	41,520	153,336
<u>(9,022)</u>	<u>95,729</u>	<u>380,976</u>	<u>508,340</u>
18,323	363,207	2,416,344	1,438,890
-	-	-	469,114
<u>18,323</u>	<u>363,207</u>	<u>2,416,344</u>	<u>1,908,004</u>
<u>\$ 9,301</u>	<u>\$ 458,936</u>	<u>\$ 2,797,320</u>	<u>\$ 2,416,344</u>

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Combined Statement of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual -
 General, Special Revenue, and Debt Service Funds
 Year Ended September 30, 1999

	GENERAL FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 64,000	\$ 67,416	\$ 3,416
Licenses and permits	80,500	84,573	4,073
Intergovernmental	39,500	61,662	22,162
Charges for services	27,000	37,697	10,697
Fines	100,000	308,288	208,288
Special assessments	-	-	-
Interest	40,000	45,507	5,507
Net decrease in the fair value of investments	-	-	-
Video poker	110,000	112,485	2,485
Miscellaneous	23,750	52,011	28,261
TOTAL REVENUES	<u>484,750</u>	<u>769,639</u>	<u>284,889</u>
Expenditures:			
Current:			
General government	111,520	115,037	(3,517)
Police	399,250	440,916	(41,666)
Fire	44,534	42,067	2,467
Streets and alleys	168,510	135,969	32,541
Capital outlay	24,080	53,800	(29,720)
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
TOTAL EXPENDITURES	<u>747,894</u>	<u>787,789</u>	<u>(39,895)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(263,144)</u>	<u>(18,150)</u>	<u>244,994</u>
Other financing sources (uses):			
Operating transfers in	168,290	121,695	(46,595)
Operating transfers out	-	(9,400)	(9,400)
TOTAL OTHER FINANCING SOURCES (USES)	<u>168,290</u>	<u>112,295</u>	<u>(55,995)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(94,854)</u>	<u>94,145</u>	<u>188,999</u>
FUND BALANCES, BEGINNING	1,071,690	1,071,690	-
RESIDUAL EQUITY TRANSFERS	-	-	-
FUND BALANCES, BEGINNING - RESTATED	<u>1,071,690</u>	<u>1,071,690</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 976,836</u>	<u>\$ 1,165,835</u>	<u>\$ 188,999</u>

See accompanying notes.

SPECIAL REVENUE			DEBT SERVICE		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 412,500	\$ 466,355	\$ 53,855	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
25,000	32,348	7,348	2,750	2,105	(645)
-	-	-	1,000	848	(152)
-	-	-	-	-	-
-	-	-	-	-	-
<u>437,500</u>	<u>498,703</u>	<u>61,203</u>	<u>3,750</u>	<u>2,953</u>	<u>(797)</u>
6,920	138,963	(132,043)	25	40	(15)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	11,015	11,015	-
-	-	-	920	920	-
<u>6,920</u>	<u>138,963</u>	<u>(132,043)</u>	<u>11,960</u>	<u>11,975</u>	<u>(15)</u>
<u>430,580</u>	<u>359,740</u>	<u>(70,840)</u>	<u>(8,210)</u>	<u>(9,022)</u>	<u>(812)</u>
-	88,217	88,217	-	-	-
(262,013)	(247,833)	14,180	-	-	-
<u>(262,013)</u>	<u>(159,616)</u>	<u>102,397</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>168,567</u>	<u>200,124</u>	<u>31,557</u>	<u>(8,210)</u>	<u>(9,022)</u>	<u>(812)</u>
963,124	963,124	-	18,323	18,323	-
-	-	-	-	-	-
<u>963,124</u>	<u>963,124</u>	<u>-</u>	<u>18,323</u>	<u>18,323</u>	<u>-</u>
<u>\$ 1,131,691</u>	<u>\$ 1,163,248</u>	<u>\$ 31,557</u>	<u>\$ 10,113</u>	<u>\$ 9,301</u>	<u>\$ (812)</u>

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT

EXHIBIT 4

Combined Statement of Revenues, Expenses, and Changes
 in Retained Earnings - All Proprietary Fund Types
 Year Ended September 30, 1999

	<u>1999</u>	<u>1998</u>
Operating revenues:		
Electricity sales	\$ 2,661,433	\$ 2,743,590
Water sales	181,013	181,890
Sewer service charges	166,793	166,034
Miscellaneous	<u>4,981</u>	<u>86</u>
TOTAL OPERATING REVENUES	<u>3,014,220</u>	<u>3,091,600</u>
Operating expenses:		
Electricity department	2,446,552	2,522,160
Water department	134,192	136,912
Sewer department	134,781	152,232
Depreciation	155,994	157,861
Bad debts	<u>2,553</u>	<u>11,622</u>
TOTAL OPERATING EXPENSES	<u>2,874,072</u>	<u>2,980,787</u>
OPERATING INCOME	<u>140,148</u>	<u>110,813</u>
Nonoperating revenues (expenses):		
Interest income	49,493	53,544
Net increase in the fair value of investments . . .	-	68,056
Interest expense	<u>(45,561)</u>	<u>(47,370)</u>
TOTAL NONOPERATING REVENUES	<u>3,932</u>	<u>74,230</u>
INCOME (LOSS) BEFORE OTHER FINANCING SOURCES (USES)	144,080	185,043
Other financing sources (uses):		
Operating transfers in	141,417	158,174
Operating transfers out	<u>(182,938)</u>	<u>(311,511)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(41,521)</u>	<u>(153,337)</u>
NET INCOME (LOSS)	102,559	31,706
Add current year's depreciation on fixed assets acquired by funds externally restricted for capital expenditures that reduces contributed capital	<u>64,035</u>	<u>69,916</u>
Increase (decrease) in retained earnings	166,594	101,622
RETAINED EARNINGS, BEGINNING	<u>1,686,821</u>	<u>1,585,199</u>
RETAINED EARNINGS, ENDING	<u>\$ 1,853,415</u>	<u>\$ 1,686,821</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Combined Statement of Cash Flows - All Proprietary Fund Types
 Year Ended September 30, 1999

EXHIBIT 5

	<u>1999</u>	<u>1998</u>
Cash flows from operating activities:		
Operating income (loss)	\$ 140,148	\$ 110,813
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	155,994	157,861
(Increase) Decrease in receivables	(38,437)	(19,043)
(Increase) Decrease in due to/from other funds	(1,175)	10,640
Increase (Decrease) in accounts payable and accrued expenses	<u>19,573</u>	<u>(6,079)</u>
NET CASH FROM OPERATING ACTIVITIES	<u>276,103</u>	<u>254,192</u>
Cash flows from noncapital financing activities:		
Operating transfers in from other funds	141,417	158,174
Operating transfers out to other funds	<u>(182,938)</u>	<u>(311,511)</u>
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES	<u>(41,521)</u>	<u>(153,337)</u>
Cash flows from capital and related financing activities:		
Purchase of fixed assets	(4,000)	-
Principal paid on revenue bonds	(36,000)	(60,000)
Interest paid on revenue bonds	<u>(45,391)</u>	<u>(47,222)</u>
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(85,391)</u>	<u>(107,222)</u>
Cash flows from investing activities:		
Proceeds from the sale of investments	79,546	39,677
Interest on investments	<u>47,455</u>	<u>51,004</u>
NET CASH FROM INVESTING ACTIVITIES	<u>127,001</u>	<u>90,681</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	276,192	84,314
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>923,777</u>	<u>839,463</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,199,969</u>	<u>\$ 923,777</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
NOTES TO FINANCIAL STATEMENTS
September 30, 1999

INTRODUCTION

The Town of Vinton was incorporated in October, 1910, under the provisions of the Lawrason Act. The purpose of the Town is to provide services to its citizens, which include sewer, water and electricity; police protection and other services. The Town has a board of five elected councilmen who are compensated. The Town is located in Calcasieu Parish, Louisiana and its population is approximately 3,000. There are approximately 38 employees of the Town of Vinton.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of the Town of Vinton have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

As the Town governing authority, for reporting purposes, the Town of Vinton is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (Town), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Town of Vinton for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Town to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Town.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 NOTES TO FINANCIAL STATEMENTS
 September 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2. Organizations for which the Town does not appoint a voting majority but are fiscally dependent on the Town.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Town has determined that the following component units are part of the reporting entity:

<u>Component Unit</u>	<u>Fiscal Year-End</u>	<u>Criteria Used</u>
Vinton Public Power Authority	September 30, 1999	1a. & b.

The Town has chosen to issue financial statements of the primary government (Town) only; therefore, none of the previously listed component units are included in the accompanying financial statements.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (Town) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (Town).

The Town's officials are also responsible for appointing the members of the board of the Housing Authority of Vinton, Louisiana. This agency is considered to be a related organization since the Town appoints the separate governing board but is not financially accountable for the organization.

Considered in the determination of component units of the reporting entity were the Calcasieu Parish Police Jury, Sheriff, Clerk of Court, Assessor, School Board, and the District Attorney and Judges for the 33rd Judicial District. It was determined that these governmental entities are not component units of the Town of Vinton reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Town of Vinton.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
NOTES TO FINANCIAL STATEMENTS
September 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Fund Accounting

The Town uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed 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 resources.

Funds of the Town are classified into two categories: governmental and proprietary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds

Governmental funds are used to account for all or most of the Town's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

1. General Fund--the general operating fund of the Town and accounts for all financial resources, except those required to be accounted for in other funds.
2. Special revenue funds--account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
3. Debt service funds--account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
4. Capital projects funds--account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
NOTES TO FINANCIAL STATEMENTS
September 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Proprietary Funds

Proprietary funds are used to 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. Proprietary funds include:

1. Enterprise funds--account for operations (a) where the intent of the governing body is 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.

D. 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 are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. 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. The government considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
NOTES TO FINANCIAL STATEMENTS
September 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, licenses, beer and tobacco taxes, interest revenue and charges for services. Sales taxes collected and held by the parish at year end on behalf of the government also are recognized as revenue. Fines, permits, and race track tax revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The Town reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

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. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. Proprietary funds use the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized at the time liabilities are incurred.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financial sources (uses). These are recorded at the time of occurrence.

E. Budgets

The Town uses the following budget practices:

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, special revenue, debt service and enterprise funds. All annual appropriations lapse at fiscal year end.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
NOTES TO FINANCIAL STATEMENTS
September 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Prior to the beginning of each fiscal year, the Mayor submits a budget to the Board of Aldermen. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The Board of Aldermen holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated or the revenue estimates must be changed by an affirmative vote of a majority of the government's council.

Expenditures may not legally exceed budgeted appropriations at the activity level.

F. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Town may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. Investments

Investments are limited by Louisiana Revised Statute (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. Investments are reported at their fair value.

H. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

I. Fixed Assets

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. Interest cost incurred during construction are capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 NOTES TO FINANCIAL STATEMENTS
 September 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fixed assets used in the proprietary fund operations are included on the balance sheet of the funds net of accumulated depreciation. Depreciation of all exhaustible fixed assets used by proprietary fund operations is charged as an expense against operations. Depreciation is computed using the straight-line method. Estimated useful lives are as follows:

Water and sewer:	
Wells and plants	50 years
Lines and meters	50 years
Pump stations	20 years
Autos and trucks	3 - 5 years
Other equipment	8 - 10 years
Electricity:	
Switching stations	50 years
Transformers	10 - 15 years
Autos and trucks	3 - 5 years
Other equipment	7 - 15 years

J. Statement of Cash Flows

For the purpose of the statement of cash flows, for the enterprise fund, the Town considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. The statement reflects ending cash and cash equivalents of \$1,199,969 which represents unrestricted and restricted amounts of \$936,711 and \$263,258, respectively.

K. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. In accordance with the provisions of Statement of Financial Accounting Standards No. 43, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as "terminal leave" prior to retirement. At September 30, 1999 the Town's liability for compensated absences could not be reasonably estimated.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
NOTES TO FINANCIAL STATEMENTS
September 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

L. Long-Term Obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

M. Fund Equity

Contributed Capital

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds when such resources are restricted for the acquisition or construction of capital assets. Contributed capital is amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources. This depreciation is closed to the contributed capital account and is reflected as an adjustment to net income.

Reserves

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

N. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

O. Sales Taxes

2½% Sales Tax

Proceeds of a 2½% sales and use tax levied by the Town of Vinton are dedicated to the following purposes:

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 NOTES TO FINANCIAL STATEMENTS
 September 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Proceeds from 1%, being collected since April 1, 1975, is not dedicated for any special purpose and may be utilized for any lawful purpose.

2. Proceeds from 1%, being collected since July 1, 1979, is to provide additional funds for the purposes of constructing and acquiring additions, extensions, and improvements to the sewerage collection, disposal and treatment plant system and other capital improvements; paying indebtedness incurred for said purposes or for any other lawful corporate purpose.

Proceeds from the 2% tax being collected since January 1, 1997, is for the following purposes: 80% for the maintenance and overlay of the hard surfaced streets; 15% for the purchase of a new fire truck and 5% for the payment of insurance and utilities incurred relative to the operation of the new Southside fire station. The tax shall be for a period of ten years expiring December 31, 2002.

P. Total Columns on Combined Statements

Total columns on the combined statements 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.

Q. 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 government's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

NOTE 2 - EXPENDITURES/EXPENSES - ACTUAL AND BUDGET

The following individual funds have actual expenditures/expenses over budgeted expenditures/expenses for the year ended September 30, 1999:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>	<u>%</u>
Enterprise Fund	\$ 2,936,820	\$ 3,102,571	\$ 165,751	5.64%
General Fund	747,894	797,189	49,295	6.59%
Special Revenue Fund	268,933	386,796	117,863	43.83%

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 NOTES TO FINANCIAL STATEMENTS
 September 30, 1999

NOTE 3 - PROPERTY TAXES

For the year ended September 30, 1999 taxes of 6.25 mills were levied on property with assessed valuations totaling \$5,915,790 and were dedicated as follows:

General corporate purposes	6.25 mills
----------------------------	------------

Total taxes levied were \$36,976.

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31st. Property taxes not paid by the end of February are subject to lien. The Town bills and collects its own property taxes. Town property tax revenues are recognized when levied.

NOTE 4 - CASH AND CASH EQUIVALENTS

At September 30, 1999, the Town has cash and cash equivalents (book balances) totaling \$3,828,873 as follows:

Demand deposits	\$ 207,326
Interest-bearing demand deposits	3,521,547
Time deposits	<u>100,000</u>
Total	<u>\$3,828,873</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At September 30, 1999, the Town has \$3,849,095 in deposits (collected bank balances). These deposits are secured from risk by \$300,000 of federal deposit insurance and \$3,442,902 of pledged securities held by custodial banks in the name of the fiscal agent banks. (GASB Category 3). The remaining balance of \$106,193 is not secured by the pledge of securities and is a violation of state law.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 NOTES TO FINANCIAL STATEMENTS
 September 30, 1999

NOTE 5 - INVESTMENTS

Investments are categorized into these three categories of credit risk:

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

At fiscal year-end, the Town's investment balances were as follows:

<u>Type of Investment</u>	<u>Category 1</u>	<u>Carrying Amount</u>		<u>Total Carrying Amount</u>
		<u>Fair Value</u>	<u>Cost</u>	
GNMA	\$ 231,983	\$ 231,983	\$ 202,663	\$202,663
Edward D. Jones - Putnam Fund	238,313	238,313	268,259	268,259
	<u>\$ 470,296</u>	<u>\$ 470,296</u>	<u>\$ 470,922</u>	<u>\$470,922</u>

The Town's investments, classified as held to maturity, are carried at cost due to the immaterial difference between their fair value and cost.

NOTE 6 - RECEIVABLES

The following is a summary of receivables for September 30, 1999:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Proprietary Funds</u>
Taxes:		
Ad valorem	\$ -	\$ -
Sales and use	-	-
Other	12,312	360,262
Intergov't:		
Federal	-	-
State	21,340	-
Special Assessments:		
Current	-	-
Delinquent	-	-
Deferred	-	-
Total	<u>\$ 33,652</u>	<u>\$ 360,262</u>

Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectable. This method does not result in a charge to bad debts that is materially different from the amount that would be charged if the reserve method were used.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 NOTES TO FINANCIAL STATEMENTS
 September 30, 1999

NOTE 7 - FIXED ASSETS

A. General Fixed Assets:

A summary of changes in general fixed assets for the year ended September 30, 1999 is as follows:

	<u>Fixed Assets</u>		
	<u>Balance</u> <u>10/01/98</u>	<u>Additions</u>	<u>Balance</u> <u>09/30/99</u>
Land	\$ 272,991	\$ -	\$ 272,991
Building	432,936	-	432,936
Improvements other than building	26,479	3,017	29,496
Equipment	430,175	50,783	480,958
Vehicles	337,703	-	337,703
	<u>\$ 1,500,284</u>	<u>\$ 53,800</u>	<u>\$ 1,554,084</u>

B. Proprietary Fund Fixed Assets:

A summary of changes in proprietary fund fixed assets for the year ended September 30, 1999 is as follows:

	<u>Fixed Assets</u>		
	<u>Balance</u> <u>10/01/98</u>	<u>Additions</u> <u>(Deletions)</u>	<u>Balance</u> <u>09/30/99</u>
Water and sewerage:			
Cost capitalized prior to			
September 30, 1969	\$ 485,640	\$ -	\$ 485,640
Wells	44,838	-	44,838
Water tanks and distribution			
system	718,179	-	718,179
Waste water treatment plant . .	6,016,743	-	6,016,743
Sewer plant and improvements .	271,768	-	271,768
Trucks	31,955	-	31,955
Other equipment	46,643	4,000	50,643
Electricity:			
Cost capitalized prior to			
September 30, 1969	148,955	-	148,955
Relocation of lines	7,412	-	7,412
Transformers	42,923	-	42,923
Trucks	91,802	-	91,802
Other equipment	40,338	-	40,338
Land	328,950	-	328,950
	8,276,146	<u>\$ 4,000</u>	8,280,146
Less accumulated depreciation . .	<u>2,234,933</u>		<u>2,390,927</u>
TOTALS	<u>\$6,041,213</u>		<u>\$5,889,219</u>

Depreciation expense was \$155,994 for the year ended September 30, 1999.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 NOTES TO FINANCIAL STATEMENTS
 September 30, 1999

NOTE 8 - ACCOUNTS, SALARIES, AND OTHER PAYABLES

The following is a summary of payables at September 30, 1999:

<u>Class of Payable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Proprietary Funds</u>
Salaries	\$ -	\$ -	\$ -
Withholdings	-	-	-
Accounts	28,648	140	273,134
Other	-	-	103,482
Total	<u>\$ 28,648</u>	<u>\$ 140</u>	<u>\$ 376,616</u>

NOTE 9 - PENSION PLAN

Substantially all employees of the Town are members of the following statewide retirement systems: Municipal Employees Retirement System or Municipal Police Employees Retirement System of Louisiana. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Municipal Employees Retirement System of Louisiana (System)

Plan Description. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Town are members of Plan A.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from Town funds and all elected Town officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
NOTES TO FINANCIAL STATEMENTS
September 30, 1999

NOTE 9 - PENSION PLAN

Funding Policy. Under Plan A, members are required by state statute to contribute 9.25 percent of their annual covered salary and the Town of Vinton is required to contribute at an actuarially determined rate. The current rate is 5.75 percent of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town of Vinton are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Vinton contributions to the System under Plan A for the years ending September 30, 1999, 1998 and 1997 were \$18,386, \$17,828, and \$21,330, respectively, equal to the required contributions for each year.

B. Municipal Police Employees Retirement System of Louisiana (System)

Plan Description. All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (225) 929-7411.

Funding Policy. Plan members are required by state statute to contribute 7.5% of their annual covered salary and the Town of Vinton is required to contribute at an actuarially determined rate. The current rate is 9.0% of annual covered payroll. The contribution requirements of plan members and the Town of Vinton are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Vinton contributions to the System for the years ending September 30, 1999, 1998, and 1997 were \$15,802, \$16,006, and \$16,074, respectively, equal to the required contributions for each year.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 NOTES TO FINANCIAL STATEMENTS
 September 30, 1999

Note 10 - LEASES

The Town has operating leases of the following nature:

Two 1999 Ford Crown Victoria Police Interceptor vehicles with a lease term of thirty-six months commencing on July 1, 1999, with a monthly payment of \$708.62 per vehicle.

The minimum annual commitments under noncancellable leases are as follows:

<u>Fiscal Year</u>	<u>Equipment</u>
2000	\$ 17,007
2001	17,007
2002	<u>11,338</u>
Total	<u>\$ 45,352</u>

NOTE 11 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions for the year ended September 30, 1999:

Bonds payable, October 1, 1998	\$ 936,015
Bonds retired	(47,015)
Bonds issued	-
Bonds payable, September 30, 1999	<u>\$ 889,000</u>

Bonds payable at September 30, 1999 are comprised of the following individual issues:

Revenue:

\$400,000 Utility Revenue Bonds dated 10/01/72; due in annual installments of \$1,000 - \$41,000 through October 1, 2002; interest at 5% \$ 4,000

\$985,408 Utility Revenue Promissory Note Payable to Louisiana Department of Environmental Quality dated November 1, 1997; due in semi-annual installments of \$55,043-\$82,000 through November 1, 2014; interest at 5.0% 885,000

TOTAL DEBT OUTSTANDING \$ 889,000

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 NOTES TO FINANCIAL STATEMENTS
 September 30, 1999

NOTE 11 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The annual requirements to amortize all bonds and/or certificates outstanding at September 30, 1999, including interest of \$402,847 is as follows:

<u>Fiscal Year</u>	<u>Utility Revenue Bond</u>	<u>Utility Revenue Promissory Note</u>	<u>Total</u>
2000	\$ 1,206	\$ 78,375	\$ 79,581
2001	1,148	81,500	82,648
2002	1,088	79,500	80,588
2003	1,030	82,375	83,405
2004	-	80,125	80,125
Thereafter	-	885,500	885,500
Total	<u>\$ 4,472</u>	<u>\$1,287,375</u>	<u>\$1,291,847</u>

In accordance with R.S. 39:562, the Town is legally restricted from incurring long-term bonded debt in excess of 35% percent of the assessed value of taxable property in the Town. At September 30, 1999, the statutory limit is \$2,070,527.

In accordance with the provisions of paragraph B, section 10 of the \$400,000 utility revenue bond indenture of October 1, 1972, the Town has maintained adequate funds for paying the bond principal and interest.

In accordance with the provisions of paragraph C, section 10, of the above mentioned bond issue, the Town maintained restricted funds invested for reserve in the amount of \$168,911 at September 30, 1999; \$45,773 was required. Paragraph D, section 10, of the above mentioned bond issue, the Town maintained \$147,037 at September 30, 1999 in restricted funds invested for additions and contingencies; \$5,000 was required.

NOTE 12 - COMPONENTS OF RESTRICTED ASSETS

	<u>Revenue Bond Sinking</u>	<u>Revenue Bond Reserve</u>	<u>Revenue Bond Contingency</u>	<u>Customer Deposits</u>	<u>Totals</u>
Cash	\$ 1,118	\$ 88,863	\$ 77,355	\$ 95,922	\$ 263,258
U.S. Govn't Securities and C.D.	-	73,487	64,301	-	137,788
	<u>\$ 1,118</u>	<u>\$162,350</u>	<u>\$ 141,656</u>	<u>\$ 95,922</u>	<u>\$ 401,046</u>

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 NOTES TO FINANCIAL STATEMENTS
 September 30, 1999

NOTE 12 - COMPONENTS OF RESTRICTED ASSETS

The amount of retained earnings reserved for revenue bond retirement is detailed as follows:

Restricted assets: revenue bond sinking, reserve and contingency funds	\$ 305,124
Less:	
Current maturities of revenue bonds, payable from restricted assets	36,000
Accrued interest, payable from restricted assets	<u>118</u>
Retained Earnings Reserved	<u>\$ 269,006</u>

NOTE 13 - INTERFUND ASSETS/LIABILITIES

Due from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 48,881
General Fund	Capital Projects Fund	24,556
Special Revenue Fund	General Fund	146,329
Enterprise Fund	General Fund	1,175
Capital Projects Fund	General Fund	<u>\$ 23,133</u>
Total		<u>\$ 244,074</u>

NOTE 14 - RISK MANAGEMENT

The Town 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. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 15 - NONCASH INVESTING AND FINANCING TRANSACTIONS

The Town of Vinton received grants totaling \$24,951 that were used to purchase equipment for the fire department.

NOTE 16 - INTEREST EXPENSE

Total amount of interest charged to expense for the year ended September 30, 1999 was \$46,481.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 NOTES TO FINANCIAL STATEMENTS
 September 30, 1999

NOTE 17 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

There are a number of limitations and restrictions contained in the bond indenture. The Town is in compliance with all significant limitations and restrictions. No material violations of finance related legal and contractual provisions occurred for the year ended September 30, 1999.

Expenditures exceeded appropriations for the Enterprise Fund, General Fund, and Special Revenue Fund for the year ended September 30, 1999. Closer attention to the budgeting process will be demonstrated in the following year.

The Schedule of Findings details other noncompliance issues that occurred during the year ended September 30, 1999.

NOTE 18 - CONTRIBUTED CAPITAL

During the year, contributed capital changed by the following amount:

Government - Depreciation of fixed assets acquired by funds externally restricted for capital expenditures	\$ (64,035)
CONTRIBUTED CAPITAL, BEGINNING	<u>4,701,824</u>
CONTRIBUTED CAPITAL, ENDING	<u>\$ 4,637,789</u>

NOTE 19 - CONTINGENCIES

The Town participates in a number of federal and state grant programs that are either partially or fully funded by grants received from other governmental units. Such grants are subject to audit by the grantor agencies which could result in requests for reimbursement to the granting agency for expenditures that are disallowed under the terms of the grant. Based on past experience, the Town believes that any disallowed costs as a result of such audits will be immaterial.

On December 14, 1998, the United States Environmental Protection Agency conducted a PCB inspection on property owned by the Town. Deficiencies related to PCB regulations were found. As of this time there is no estimate of the possible costs to the Town.

NOTE 20 - NET WORKING CAPITAL

Net working capital (current assets less current liabilities) for the Enterprise Fund at September 30, 1999 equals \$1,185,979.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
NOTES TO FINANCIAL STATEMENTS
September 30, 1999

Note 21 - POWER SALES CONTRACT

The Town is obligated to purchase from Vinton Public Power Authority all power and energy required for the operation of the Town's electric system on a "take or pay" basis. This contract expires on June 21, 2021 or when the debt of Vinton Public Power Authority is paid off, whichever occurs first.

COMBINING AND INDIVIDUAL FUND AND ACCOUNT
GROUP STATEMENTS AND SCHEDULES

GENERAL FUND

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

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 General Fund
 Comparative Balance Sheet
 September 30, 1999 and 1998

EXHIBIT A-1

	<u>1999</u>	<u>1998</u>
ASSETS		
Cash	\$ 1,133,019	\$ 1,001,042
Investments	125,012	127,060
Receivables:		
Franchise taxes	-	-
Accounts	12,312	12,069
Accrued interest	-	-
Due from other funds	73,437	73,437
Due from other government units	<u>21,340</u>	<u>35,128</u>
TOTAL ASSETS	<u>\$ 1,365,120</u>	<u>\$ 1,248,736</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 28,648	\$ 30,717
Due to other funds	<u>170,637</u>	<u>146,329</u>
TOTAL LIABILITIES	199,285	177,046
Fund balance - undesignated	<u>1,165,835</u>	<u>1,071,690</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,365,120</u>	<u>\$ 1,248,736</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 General Fund

EXHIBIT A-2

Comparative Statement of Revenues, Expenditures, and Changes
 in Fund Balance - Budget and Actual
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Ad valorem	\$ 36,000	\$ 37,252	\$ 1,252	\$ 36,426
Franchise	28,000	30,164	2,164	31,512
Licenses and permits:				
Licenses	73,000	73,033	33	79,668
Permits	7,500	11,540	4,040	10,879
Intergovernmental:				
Tobacco and beer	23,500	24,475	975	25,168
Race track tax	-	2,130	2,130	2,379
Care of prisoners	16,000	6,545	(9,455)	10,518
Calcasieu Parish	-	11,311	11,311	-
Grant revenue	-	17,201	17,201	18,071
Charges for service:				
Penalties	27,000	37,697	10,697	37,191
Fines:				
Court fines	62,000	199,174	137,174	73,016
Supplemental police pay	12,000	43,134	31,134	17,581
Court cost	26,000	64,434	38,434	25,039
Drug control	-	1,546	1,546	5,205
Interest	40,000	45,507	5,507	50,031
Net decrease in the fair value of investments	-	-	-	(710)
Video poker	110,000	112,485	2,485	156,014
Other:				
Miscellaneous	3,000	29,131	26,131	15,685
2% fire tax	6,000	6,988	988	6,614
Rehook ups	6,000	6,675	675	7,125
Pole rental	2,550	2,598	48	2,598
Housing Authority	6,200	6,619	419	6,248
Auxiliary police	-	-	-	6,121
TOTAL REVENUES	484,750	769,639	284,889	622,379
Expenditures:				
General and administrative	111,520	115,037	(3,517)	102,470
Police	399,250	440,916	(41,666)	413,705
Fire	44,534	42,067	2,467	38,044
Streets and alleys	168,510	135,969	32,541	139,829
Capital outlay	24,080	53,800	(29,720)	45,641
TOTAL EXPENDITURES	747,894	787,789	(39,895)	739,689

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 General Fund

EXHIBIT A-2

Comparative Statement of Revenues, Expenditures, and Changes
 in Fund Balance - Budget and Actual
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (263,144)	\$ (18,150)	\$ 244,994	\$ (117,310)
Other financing sources (uses):				
Operating transfers in . . .	168,290	121,695	(46,595)	284,324
Operating transfers out . . .	-	(9,400)	(9,400)	(1,162)
TOTAL OTHER FINANCING SOURCES (USES)	168,290	112,295	(55,995)	283,162
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(94,854)	94,145	188,999	165,852
FUND BALANCE, BEGINNING	1,071,690	1,071,690	-	873,416
RESIDUAL EQUITY TRANSFER	-	-	-	32,422
FUND BALANCE, BEGINNING - RESTATED	1,071,690	1,071,690	-	905,838
FUND BALANCE, ENDING	\$ 976,836	\$ 1,165,835	\$ 188,999	\$ 1,071,690

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 General Fund

EXHIBIT A-3

Comparative Statement of Departmental Expenditures - Budget and Actual
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
General and Administrative:				
Advertising and publishing	\$ 2,675	\$ 2,579	\$ 96	\$ 2,205
Auditing	18,000	14,055	3,945	14,415
Accounting and budget	-	5,159	(5,159)	5,140
Cash short or (over)	50	3	47	147
Codification	1,000	614	386	858
Coroner inquests	1,500	2,622	(1,122)	1,313
Drug testing	150	335	(185)	213
Dues and subscriptions	2,000	2,099	(99)	2,191
Electric power	8,500	7,384	1,116	9,312
Heat	500	231	269	330
Insurance	4,200	3,709	491	3,616
Insurance - medi-care & FICA	1,400	1,605	(205)	1,530
Insurance - unemployment	20	10	10	8
Insurance - workman's comp	700	857	(157)	677
Legal	12,200	10,225	1,975	7,950
Material and supplies	3,500	4,365	(865)	2,006
Medical	-	614	(614)	-
Miscellaneous	-	920	(920)	312
Office supplies and printing	7,500	6,209	1,291	6,282
Postage	300	316	(16)	169
Registration fees	3,000	3,542	(542)	4,983
Repairs and maintenance	5,200	10,183	(4,983)	4,809
Retirement	475	1,177	(702)	462
Salaries	3,000	2,712	288	3,000
Salaries - Aldermen	15,000	15,000	-	15,000
Tax collection	4,000	2,383	1,617	3,718
Telephone	3,200	3,554	(354)	2,912
Travel	12,000	11,340	660	7,456
Uniforms	1,000	804	196	1,000
Waste disposal charges	450	431	19	456
	<u>\$ 111,520</u>	<u>\$ 115,037</u>	<u>\$ (3,517)</u>	<u>\$ 102,470</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 General Fund

EXHIBIT A-3

Comparative Statement of Departmental Expenditures - Budget and Actual
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

	1999			1998 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
Police:				
Advertising and publishing . . .	\$ 100	\$ 132	\$ (32)	\$ 69
Animal care	-	-	-	84
Auto and truck	20,000	27,548	(7,548)	31,998
Auto lease	-	5,669	(5,669)	-
Care of prisoners	6,500	10,007	(3,507)	8,631
Drug control	5,000	3,119	1,881	6,032
Drug testing	500	413	87	288
Dry cleaning	500	391	109	455
Dues and subscriptions	300	2,279	(1,979)	1,421
Elderly assistance	1,200	903	297	1,112
Electric power	4,200	3,656	544	4,564
Heat	350	231	119	330
Insurance	31,000	23,644	7,356	26,031
Insurance - group	50,000	47,433	2,567	43,029
Insurance - medi-care & FICA	4,900	5,033	(133)	5,079
Insurance - reserve officers	4,600	-	4,600	3,240
Insurance - unemployment	450	452	(2)	283
Insurance - workman's comp	15,000	20,293	(5,293)	15,398
Legal	5,000	2,500	2,500	-
Materials and supplies	4,500	5,814	(1,314)	4,553
Medical service	600	2,793	(2,193)	1,405
Miscellaneous	-	-	-	106
Office supplies and printing	1,000	2,594	(1,594)	1,005
Postage	300	590	(290)	312
Registration fees	500	-	500	400
Repairs and maintenance	2,000	8,674	(6,674)	2,374
Retirement	16,000	15,802	198	16,623
Salaries	215,000	240,953	(25,953)	228,547
Subpoena fees	1,000	1,325	(325)	975
Supplemental pay	2,300	1,268	1,032	2,068
Telephone	3,000	4,208	(1,208)	3,296
Travel	2,000	1,759	241	1,477
Uniforms	1,000	809	191	1,702
Uniforms - reserve officers	-	193	(193)	387
Waste disposal charges	450	431	19	431
	<u>\$ 399,250</u>	<u>\$ 440,916</u>	<u>\$ (41,666)</u>	<u>\$ 413,705</u>

See accompanying notes

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT

EXHIBIT A-3

General Fund

Comparative Statement of Departmental Expenditures - Budget and Actual
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

	1999			1998 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
Fire:				
Auto and truck	\$ 1,500	\$ 1,883	\$ (383)	\$ 2,693
Civil defense	500	65	435	187
Drug testing	600	527	73	213
Dues and subscriptions . .	240	546	(306)	355
Electric power	4,500	1,792	2,708	2,470
Insurance	10,500	7,403	3,097	8,332
Insurance - medicare & FICA .	1,024	601	423	816
Insurance - unemployment .	10	3	7	1
Insurance - workman's comp. .	120	107	13	81
Materials and supplies . .	7,000	9,609	(2,609)	5,752
Medical service	650	1,556	(906)	1,128
Office supplies	450	402	48	-
Postage	-	-	-	10
Registration fees	300	20	280	75
Repairs and maintenance . .	2,500	3,254	(754)	4,071
Salaries	10,000	7,860	2,140	7,640
Telephone	2,040	3,054	(1,014)	2,894
Travel	1,100	-	1,100	610
Uniform	1,200	3,082	(1,882)	413
Waste disposal charges . .	300	303	(3)	303
	<u>\$ 44,534</u>	<u>\$ 42,067</u>	<u>\$ 2,467</u>	<u>\$ 38,044</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 General Fund

EXHIBIT A-3

Comparative Statement of Departmental Expenditures - Budget and Actual
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Streets and Alleys:				
Advertising and publishing	\$ 20	\$ 3	\$ 17	\$ 10
Animal control	2,800	59	2,741	2,518
Auto and truck	12,000	9,408	2,592	9,427
Care of prisoners	14,400	12,444	1,956	12,552
Contract work	12,600	5,128	7,472	1,150
Drug testing	200	14	186	4
Dues and subscriptions	50	69	(19)	40
Electric power	11,600	11,578	22	12,154
Heat	200	156	44	200
Insurance	13,000	7,196	5,804	8,701
Insurance - group	21,000	19,668	1,332	19,085
Insurance - medi-care	200	341	(141)	194
Insurance - unemployment	90	67	23	35
Insurance - workman's comp	6,500	7,811	(1,311)	5,529
Materials and supplies	12,000	8,240	3,760	10,626
Medical	-	572	(572)	502
Miscellaneous	-	652	(652)	-
Office supplies	50	92	(42)	320
Parks	500	416	84	350
Postage	50	8	42	-
Rent	500	-	500	-
Repairs and maintenance	5,000	5,995	(995)	8,410
Retirement	2,900	2,304	596	2,392
Salaries	51,500	41,478	10,022	43,602
Telephone	950	1,087	(137)	881
Travel	100	62	38	-
Waste disposal charges	300	1,121	(821)	1,147
	<u>\$ 168,510</u>	<u>\$ 135,969</u>	<u>\$ 32,541</u>	<u>\$ 139,829</u>

See accompanying notes.

SPECIAL REVENUE FUNDS

- Sales Tax Fund #1 - To account for the receipt and use of proceeds of the Town's first 1% sales and use tax. These taxes are not dedicated to a special requirement, but rather for any lawful purpose.
- Sales Tax Fund #2 - To account for the receipt and use of proceeds of the Town's second 1% sales and use tax. These funds are for the purpose of constructing and acquiring additions, extensions, and improvements to the sewerage collection, disposal, and treatment plant system and other capital improvements; paying indebtedness incurred for said purpose or for any other lawful corporate purpose.
- Sales Tax Fund #4 - To account for the receipt and use of proceeds of the Town's 2% sales and use tax. These funds are for the following purposes: 80% for the maintenance and overlay of the hard surfaced streets; 15% for the purchase of a new fire truck; and 5% for the payment of insurance and utilities incurred relative to the operation of the new southside fire station. The tax shall be for a period of ten years expiring December 31, 2002.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Special Revenue Funds
 Combining Balance Sheet
 September 30, 1999
 (With Comparative Totals for September 30, 1998)

EXHIBIT B-1

	Sales Tax <u>Fund #1</u>	Sales Tax <u>Fund #2</u>	Sales Tax <u>Fund #4</u>	<u>Totals</u>	
				1999	1998
ASSETS					
Non-restricted:					
Cash	\$ 143,673	\$ -	\$ -	\$ 143,673	\$ 30,299
Due from other funds	-	-	146,329	146,329	146,329
Accrued interest receivable	-	-	-	-	-
TOTAL NON-RESTRICTED ASSETS	<u>143,673</u>	<u>-</u>	<u>146,329</u>	<u>290,002</u>	<u>176,628</u>
Restricted assets:					
Cash	-	859,334	23,218	882,552	795,010
Investments	-	39,715	-	39,715	40,367
TOTAL RESTRICTED ASSETS	<u>-</u>	<u>899,049</u>	<u>23,218</u>	<u>922,267</u>	<u>835,377</u>
TOTAL ASSETS	<u>\$ 143,673</u>	<u>\$ 899,049</u>	<u>\$ 169,547</u>	<u>\$1,212,269</u>	<u>\$1,012,005</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 140	\$ 140	\$ -
Due to other funds	-	-	48,881	48,881	48,881
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>49,021</u>	<u>49,021</u>	<u>48,881</u>
Fund Balance:					
Reserved	-	899,049	120,526	1,019,575	932,825
Unreserved	143,673	-	-	143,673	30,299
TOTAL FUND BALANCE	<u>143,673</u>	<u>899,049</u>	<u>120,526</u>	<u>1,163,248</u>	<u>963,124</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 143,673</u>	<u>\$ 899,049</u>	<u>\$ 169,547</u>	<u>\$1,212,269</u>	<u>\$1,012,005</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT

EXHIBIT B-2

Special Revenue Funds
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

	Sales Tax Fund #1	Sales Tax Fund #2	Sales Tax Fund #4	Totals	
				1999	1998
Revenues:					
Taxes	\$ 186,542	\$ 186,542	\$ 93,271	\$ 466,355	\$ 437,960
Interest	2,877	28,442	1,029	32,348	40,561
Net decrease in fair value of investments	-	-	-	-	(465)
Grant revenue	-	-	-	-	-
TOTAL REVENUES	<u>189,419</u>	<u>214,984</u>	<u>94,300</u>	<u>498,703</u>	<u>478,056</u>
Expenditures:					
General government	4,645	134,318	-	138,963	11,691
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>4,645</u>	<u>134,318</u>	<u>-</u>	<u>138,963</u>	<u>11,691</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>184,774</u>	<u>80,666</u>	<u>94,300</u>	<u>359,740</u>	<u>466,365</u>
Other financing sources (uses):					
Operating transfers in	88,217	-	-	88,217	-
Operating transfers out	<u>(159,617)</u>	<u>(8,332)</u>	<u>(79,884)</u>	<u>(247,833)</u>	<u>(243,263)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(71,400)</u>	<u>(8,332)</u>	<u>(79,884)</u>	<u>(159,616)</u>	<u>(243,263)</u>
EXCESS (DEFICIENCY) REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>113,374</u>	<u>72,334</u>	<u>14,416</u>	<u>200,124</u>	<u>223,102</u>
FUND BALANCES, BEGINNING	30,299	826,715	106,110	963,124	398,041
RESIDUAL EQUITY TRANSFERS	-	-	-	-	<u>341,981</u>
FUND BALANCES, BEGINNING - RESTATED	<u>30,299</u>	<u>826,715</u>	<u>106,110</u>	<u>963,124</u>	<u>740,022</u>
FUND BALANCES, ENDING	<u>\$ 143,673</u>	<u>\$ 899,049</u>	<u>\$ 120,526</u>	<u>\$1,163,248</u>	<u>\$ 963,124</u>

See accompanying notes

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Special Revenue Funds
 Sales Tax Fund #1

EXHIBIT B-3

Comparative Statement of Revenues, Expenditures, and Changes
 in Fund Balance - Budget and Actual
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Taxes	\$ 165,000	\$ 186,542	\$ 21,542	\$ 175,184
Interest	2,000	2,877	877	4,354
TOTAL REVENUES	<u>167,000</u>	<u>189,419</u>	<u>22,419</u>	<u>179,538</u>
Expenditures:				
Bank charges	-	-	-	-
Contract services	960	1,925	(965)	929
Postage	100	120	(20)	109
Salaries	2,400	2,600	(200)	2,600
TOTAL EXPENDITURES	<u>3,460</u>	<u>4,645</u>	<u>(1,185)</u>	<u>3,638</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>163,540</u>	<u>184,774</u>	<u>21,234</u>	<u>175,900</u>
Other financing sources (uses):				
Operating transfers in . . .	-	88,217	88,217	-
Operating transfers out . .	(262,013)	(159,617)	102,396	(243,263)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(262,013)</u>	<u>(71,400)</u>	<u>190,613</u>	<u>(243,263)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES	<u>(98,473)</u>	<u>113,374</u>	<u>211,847</u>	<u>(67,363)</u>
FUND BALANCE, BEGINNING	30,299	30,299	-	(72,793)
RESIDUAL EQUITY TRANSFER	-	-	-	170,455
FUND BALANCE, BEGINNING - RESTATED	<u>30,299</u>	<u>30,299</u>	<u>-</u>	<u>97,662</u>
FUND BALANCE, ENDING	<u>\$ (68,174)</u>	<u>\$ 143,673</u>	<u>\$ 211,847</u>	<u>\$ 30,299</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Special Revenue Funds
 Sales Tax Fund #2
 Comparative Statement of Revenues, Expenditures, and Changes
 in Fund Balance - Budget and Actual
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

EXHIBIT B-4

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Taxes	\$ 165,000	\$ 186,542	\$ 21,542	\$ 175,184
Interest	23,000	28,442	5,442	33,981
Net decrease in fair value of investments	-	-	-	(465)
TOTAL REVENUES	<u>188,000</u>	<u>214,984</u>	<u>26,984</u>	<u>208,700</u>
Expenditures:				
Bank charges	-	-	-	-
Contract services	960	131,598	(130,638)	4,676
Materials and supplies	-	-	-	-
Postage	100	120	(20)	93
Repairs and maintenance	-	-	-	-
Salaries	<u>2,400</u>	<u>2,600</u>	<u>(200)</u>	<u>2,600</u>
TOTAL EXPENDITURES	<u>3,460</u>	<u>134,318</u>	<u>(130,858)</u>	<u>7,369</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>184,540</u>	<u>80,666</u>	<u>(103,874)</u>	<u>201,331</u>
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	(8,332)	(8,332)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(8,332)</u>	<u>(8,332)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES	<u>184,540</u>	<u>72,334</u>	<u>(112,206)</u>	<u>201,331</u>
FUND BALANCE, BEGINNING	826,715	826,715	-	344,988
RESIDUAL EQUITY TRANSFER	-	-	-	280,396
FUND BALANCE, BEGINNING - RESTATED	<u>826,715</u>	<u>826,715</u>	<u>-</u>	<u>625,384</u>
FUND BALANCE, ENDING	<u>\$ 1,011,255</u>	<u>\$ 899,049</u>	<u>\$ (112,206)</u>	<u>\$ 826,715</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Special Revenue Funds
 Sales Tax Fund #4
 Comparative Statement of Revenues, Expenditures, and Changes
 in Fund Balance - Budget and Actual
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

EXHIBIT B-5

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Taxes	\$ 82,500	\$ 93,271	\$ 10,771	\$ 87,592
Interest	-	1,029	1,029	2,226
Grant revenue	-	-	-	-
TOTAL REVENUES	<u>82,500</u>	<u>94,300</u>	<u>11,800</u>	<u>89,818</u>
Expenditures:				
General Government:				
Advertising	-	-	-	-
Bank charges	-	-	-	-
Contract services	-	-	-	-
Legal	-	-	-	189
Materials & supplies	-	-	-	495
Postage	-	-	-	-
Capital outlay	-	-	-	684
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>684</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>82,500</u>	<u>94,300</u>	<u>11,800</u>	<u>89,134</u>
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	(79,884)	(79,884)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(79,884)</u>	<u>(79,884)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>82,500</u>	<u>14,416</u>	<u>(68,084)</u>	<u>89,134</u>
FUND BALANCE, BEGINNING	106,110	106,110	-	126,338
RESIDUAL EQUITY TRANSFER	-	-	-	(109,362)
FUND BALANCE, BEGINNING - RESTATED	<u>106,110</u>	<u>106,110</u>	<u>-</u>	<u>16,976</u>
FUND BALANCE, ENDING	<u>\$ 188,610</u>	<u>\$ 120,526</u>	<u>\$ (68,084)</u>	<u>\$ 106,110</u>

See accompanying notes.

DEBT SERVICE FUND

Street Paving Certificates
of Indebtedness 04/01/89 -

To accumulate monies for payment of the 1989 Certificates of Indebtedness for street paving improvements, which is paid in annual installments, plus interest, through maturity in 1999. Debt service is financed by paving assessments and by excess receipts over expenditures in the General Fund.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Debt Service Fund
 Comparative Balance Sheet
 September 30, 1999 and 1998

EXHIBIT C-1

	<u>1999</u>	<u>1998</u>
ASSETS		
Cash	\$ 9,301	\$ 18,321
Assessments Receivable:		
Deferred	-	1,135
Current	<u>-</u>	<u>3,067</u>
TOTAL ASSETS	<u>\$ 9,301</u>	<u>\$ 22,523</u>
 LIABILITIES AND FUND BALANCE		
Liabilities:		
Deferred revenue	\$ -	\$ 4,200
Fund balance:		
Reserved for debt service	-	11,015
Unreserved	<u>9,301</u>	<u>7,308</u>
TOTAL FUND BALANCE	<u>9,301</u>	<u>18,323</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 9,301</u>	<u>\$ 22,523</u>

See accompanying notes

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Debt Service Fund
 Comparative Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 Years Ended September 30, 1999 and 1998

EXHIBIT C-2

	<u>1999</u>	<u>1998</u>
Revenues:		
Assessment levies	\$ 2,105	\$ 3,023
Interest	<u>848</u>	<u>1,925</u>
TOTAL REVENUES	<u>2,953</u>	<u>4,948</u>
Expenditures:		
General government	40	11
Principal retirement	11,015	11,015
Interest	920	1,839
Paying agent's fees	<u>-</u>	<u>350</u>
TOTAL EXPENDITURES	<u>11,975</u>	<u>13,215</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,022)	(8,267)
FUND BALANCES, BEGINNING	<u>18,323</u>	<u>26,590</u>
FUND BALANCES, ENDING	<u>\$ 9,301</u>	<u>\$ 18,323</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Debt Service Fund
 Statement of Revenues, Expenditures, and Changes in
 in Fund Balance - Budget and Actual
 Year Ended September 30, 1999

EXHIBIT C-3

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Assessment levies	\$ 2,750	\$ 2,105	\$ (645)
Interest	<u>1,000</u>	<u>848</u>	<u>(152)</u>
TOTAL REVENUES	<u>3,750</u>	<u>2,953</u>	<u>(797)</u>
Expenditures:			
General government	25	40	(15)
Principal retirement	11,015	11,015	-
Interest	920	920	-
Paying agents' fees	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>11,960</u>	<u>11,975</u>	<u>(15)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,210)	(9,022)	(812)
FUND BALANCE, BEGINNING	<u>18,323</u>	<u>18,323</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 10,113</u>	<u>\$ 9,301</u>	<u>\$ (812)</u>

See accompanying notes.

CAPITAL PROJECTS FUND

To account for financial resources to be used for the construction of the electrical lines between the two new substations; of the paving of the Town Hall parking lot; and the dechlorination project.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Capital Projects Fund
 Comparative Balance Sheet
 September 30, 1999 and 1998

EXHIBIT D-1

	<u>1999</u>	<u>1998</u>
ASSETS:		
Cash	\$ 460,359	\$ 365,264
Accounts receivable	-	-
Due from other governmental units	-	22,499
Accrued interest receivable	-	-
Due from other funds	<u>23,133</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 483,492</u>	<u>\$ 387,763</u>
 LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts payable	\$ -	\$ -
Due to other funds	<u>24,556</u>	<u>24,556</u>
TOTAL LIABILITIES	24,556	24,556
 FUND BALANCE:		
Unreserved	<u>458,936</u>	<u>363,207</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 483,492</u>	<u>\$ 387,763</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Capital Projects Fund
 Comparative Statement of Revenues, Expenditures,
 and Changes in Fund Balance
 Years Ended September 30, 1999 and 1998

EXHIBIT D-2

	<u>1999</u>	<u>1998</u>
Revenues:		
FEMA reimbursement	\$ -	\$ 9,440
Grant - Rural development	-	22,499
Interest	11,622	8,733
TOTAL REVENUES	<u>11,622</u>	<u>40,672</u>
Expenditures:		
Town Hall Parking Lot:		
Construction	-	22,499
Engineer	-	556
Legal	30	219
Materials & supplies	-	1,181
	<u>30</u>	<u>24,455</u>
Substations and Electric Line Repairs:		
Bank charges	-	-
Construction	-	-
Materials and supplies	-	-
Repairs and maintenance	4,704	839
Salaries	-	-
	<u>4,704</u>	<u>839</u>
Dechlorination Project:		
Advertising	-	-
Construction	-	-
Engineer	-	1,162
Legal	-	-
Materials and supplies	-	-
Salaries	-	-
	<u>-</u>	<u>1,162</u>
TOTAL EXPENDITURES	<u>4,734</u>	<u>26,456</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>6,888</u>	<u>14,216</u>
Other financing sources (uses):		
Operating transfers in	88,842	113,437
Operating transfers out	(1)	-
TOTAL OTHER FINANCING SOURCES	<u>88,841</u>	<u>113,437</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>95,729</u>	<u>127,653</u>
FUND BALANCE, BEGINNING	363,207	140,843
RESIDUAL EQUITY TRANSFER	<u>-</u>	<u>94,711</u>
FUND BALANCE, BEGINNING - RESTATED	<u>363,207</u>	<u>235,554</u>
FUND BALANCE, ENDING	<u>\$ 458,936</u>	<u>\$ 363,207</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Enterprise Fund
 Comparative Balance Sheet
 September 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
Current assets:		
Cash	\$ 936,711	\$ 733,513
Investments	168,407	168,128
Receivables:		
Accounts	359,744	319,285
Accrued interest	518	2,540
Due from other funds	<u>1,175</u>	<u>-</u>
TOTAL CURRENT ASSETS	<u>1,466,555</u>	<u>1,223,466</u>
Restricted assets:		
Cash with paying agent	1,118	1,148
Bond redemption and reserve:		
Cash	88,863	82,078
Investments	73,487	77,837
Bond contingency:		
Cash	77,355	71,449
Investments	64,301	65,383
Customer deposits:		
Cash	95,922	35,589
Investments	<u>-</u>	<u>72,525</u>
TOTAL RESTRICTED ASSETS	<u>401,046</u>	<u>406,009</u>
Fixed assets, at cost, net of accumulated depreciation (1999 - \$2,390,927, 1998 - \$2,234,933)	<u>5,889,219</u>	<u>6,041,213</u>
TOTAL ASSETS	<u>\$ 7,756,820</u>	<u>\$ 7,670,688</u>

See accompanying notes.

ENTERPRISE FUND

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

	<u>1999</u>	<u>1998</u>
LIABILITIES:		
Current liabilities (payable from current assets):		
Accounts payable	\$ 273,134	\$ 252,451
Accrued liabilities	7,442	7,817
Due to other funds	-	-
TOTAL CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)	<u>280,576</u>	<u>260,268</u>
Current liabilities (payable from restricted assets):		
Revenue bonds payable - current portion	36,000	36,000
Accrued interest and fiscal charges	118	148
Customers' deposits	<u>95,922</u>	<u>96,627</u>
TOTAL CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)	132,040	132,775
Long-term liabilities:		
Revenue bonds payable	<u>853,000</u>	<u>889,000</u>
TOTAL LIABILITIES	<u>1,265,616</u>	<u>1,282,043</u>
Fund equity:		
Contributed capital:		
Municipality	2,419,916	2,419,916
Federal grants	<u>2,217,873</u>	<u>2,281,908</u>
TOTAL CONTRIBUTED CAPITAL	<u>4,637,789</u>	<u>4,701,824</u>
Retained earnings:		
Reserved for revenue bond retirement	269,006	261,747
Unreserved	<u>1,584,409</u>	<u>1,425,074</u>
TOTAL RETAINED EARNINGS	<u>1,853,415</u>	<u>1,686,821</u>
TOTAL FUND EQUITY	<u>6,491,204</u>	<u>6,388,645</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 7,756,820</u>	<u>\$ 7,670,688</u>

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Enterprise Fund
 Comparative Statement of Revenues, Expenses, and Changes
 in Retained Earnings - Budget and Actual
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

EXHIBIT E-2

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Operating revenues:				
Electricity sales	\$ 2,600,000	\$ 2,661,433	\$ 61,433	\$ 2,743,590
Water sales	178,000	181,013	3,013	181,890
Sewer service charges	160,000	166,793	6,793	166,034
Miscellaneous revenue	-	4,981	4,981	86
TOTAL OPERATING REVENUES	<u>2,938,000</u>	<u>3,014,220</u>	<u>76,220</u>	<u>3,091,600</u>
Operating expenses:				
Electricity department	2,484,130	2,446,552	37,578	2,522,160
Water department	150,360	134,192	16,168	136,912
Sewer department	202,330	134,781	67,549	152,232
Depreciation	35,000	155,994	(120,994)	157,861
Bad debts	-	2,553	(2,553)	11,622
TOTAL OPERATING EXPENSES	<u>2,871,820</u>	<u>2,874,072</u>	<u>(2,252)</u>	<u>2,980,787</u>
Operating income (loss)	<u>66,180</u>	<u>140,148</u>	<u>73,968</u>	<u>110,813</u>
Nonoperating revenues (expenses):				
Interest income	35,000	49,493	14,493	53,544
Net increase in the fair value of investments	-	-	-	68,056
Interest expense	<u>(49,638)</u>	<u>(45,561)</u>	<u>4,077</u>	<u>(47,370)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(14,638)</u>	<u>3,932</u>	<u>18,570</u>	<u>74,230</u>
Income (loss) before other financing sources (uses)	51,542	144,080	92,538	185,043
Other financing sources (uses):				
Operating transfers in	-	141,417	141,417	158,174
Operating transfers out	<u>(15,362)</u>	<u>(182,938)</u>	<u>(167,576)</u>	<u>(311,511)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(15,362)</u>	<u>(41,521)</u>	<u>(26,159)</u>	<u>(153,337)</u>
NET INCOME (LOSS)	36,180	102,559	66,379	31,706

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Enterprise Fund

EXHIBIT E-2

Comparative Statement of Revenues, Expenses, and Changes
 in Retained Earnings - Budget and Actual
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

	<u>1999</u>		Variance Favorable (Unfavorable)	<u>1998 Actual</u>
	<u>Budget</u>	<u>Actual</u>		
Add current year's depreciation on fixed assets acquired by funds externally restricted for capital expenditures that reduces contributed capital	\$ -	\$ 64,035	\$ 64,035	\$ 69,916
Increase (decrease) in retained earnings	36,180	166,594	130,414	101,622
RETAINED EARNINGS, BEGINNING	<u>1,686,821</u>	<u>1,686,821</u>	<u>-</u>	<u>1,585,199</u>
RETAINED EARNINGS, ENDING	<u>\$ 1,723,001</u>	<u>\$ 1,853,415</u>	<u>\$ 130,414</u>	<u>\$ 1,686,821</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Enterprise Fund
 Comparative Statement of Cash Flows
 Years Ended September 30, 1999 and 1998

EXHIBIT E-3

	<u>1999</u>	<u>1998</u>
Cash flows from operating activities:		
Operating income (loss)	\$ 140,148	\$ 110,813
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	155,994	157,861
(Increase) Decrease in receivables	(38,437)	(19,043)
(Increase) Decrease in due to/from other funds	(1,175)	10,640
Increase (Decrease) in accounts payable and accrued expenses	<u>19,573</u>	<u>(6,079)</u>
NET CASH FROM OPERATING ACTIVITIES	<u>276,103</u>	<u>254,192</u>
Cash flows from noncapital financing activities:		
Operating transfers in from other funds	141,417	158,174
Operating transfers out to other funds	<u>(182,938)</u>	<u>(311,511)</u>
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES	<u>(41,521)</u>	<u>(153,337)</u>
Cash flows from capital and related financing activities:		
Purchase of fixed assets	(4,000)	-
Principal paid on revenue bonds	(36,000)	(60,000)
Interest paid on revenue bonds	<u>(45,391)</u>	<u>(47,222)</u>
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(85,391)</u>	<u>(107,222)</u>
Cash flows from investing activities:		
Proceeds from the sale of investments	79,546	39,677
Interest on investments	<u>47,455</u>	<u>51,004</u>
NET CASH FROM INVESTING ACTIVITIES	<u>127,001</u>	<u>90,681</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	276,192	84,314
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>923,777</u>	<u>839,463</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,199,969</u>	<u>\$ 923,777</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA

EXHIBIT E-4

PRIMARY GOVERNMENT

Enterprise Fund

Comparative Schedule of Operating Expenses - Budget and Actual

Year Ended September 30, 1999

(With Comparative Totals for Year Ended September 30, 1998)

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Electricity department:				
Advertising and publishing	\$ 30	\$ -	\$ 30	\$ -
Auto and truck	10,000	10,977	(977)	9,054
Bank charges	100	25	75	56
Contract labor	3,500	4,712	(1,212)	11,143
Dues and subscriptions . .	50	29	21	4
Drug testing	400	271	129	276
Electric power	2,168,000	2,139,588	28,412	2,244,186
Heat	200	156	44	200
Insurance	32,000	27,863	4,137	27,976
Insurance - group	30,500	28,923	1,577	28,067
Insurance - medi-care and FICA	1,400	1,297	103	1,079
Insurance - unemployment .	300	282	18	132
Insurance - workman's comp	4,400	5,450	(1,050)	3,563
Materials and supplies . .	32,000	39,984	(7,984)	27,915
Medical	300	683	(383)	190
Miscellaneous	-	24	(24)	212
Office supplies and printing	100	85	15	317
Postage	2,600	2,798	(198)	2,812
Registration fees	500	936	(436)	145
Repairs and maintenance . .	5,000	4,628	372	3,595
Retirement	11,000	9,176	1,824	8,846
Salaries	179,000	166,146	12,854	149,210
Telephone	950	1,198	(248)	911
Travel	1,500	1,021	479	1,246
Waste disposal charges . .	300	300	-	1,025
	<u>\$ 2,484,130</u>	<u>\$ 2,446,552</u>	<u>\$ 37,578</u>	<u>\$ 2,522,160</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT

EXHIBIT E-4

Enterprise Fund

Comparative Schedule of Operating Expenses - Budget and Actual
 Year Ended September 30, 1999
 (With Comparative Totals for Year Ended September 30, 1998)

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Water department:				
Advertising and publishing	\$ 10	\$ 3	\$ 7	\$ -
Auto and truck	6,000	3,585	2,415	4,609
Contract work	100	840	(740)	2,555
Drug testing	200	45	155	126
Dues and subscriptions	350	259	91	494
Electric power	19,500	12,910	6,590	19,407
Heat	300	156	144	200
Insurance	13,000	9,833	3,167	10,019
Insurance - group	13,500	12,726	774	12,349
Insurance - medi-care and FICA	275	300	(25)	263
Insurance - unemployment	75	84	(9)	38
Insurance - workman's comp	2,700	4,147	(1,447)	2,794
Materials and supplies	23,200	26,449	(3,249)	20,329
Medical	-	111	(111)	16
Office supplies and printing	100	66	34	320
Postage	1,300	1,333	(33)	1,267
Registration	200	50	150	350
Repairs and maintenance	17,000	6,737	10,263	11,025
Retirement	2,400	2,610	(210)	2,398
Salaries	48,500	50,518	(2,018)	47,042
Telephone	750	748	2	650
Travel	600	332	268	386
Waste disposal charges	300	350	(50)	275
	<u>\$ 150,360</u>	<u>\$ 134,192</u>	<u>\$ 16,168</u>	<u>\$ 136,912</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA

PRIMARY GOVERNMENT

Enterprise Fund

Comparative Schedule of Operating Expenses - Budget and Actual

Year ended September 30, 1999

(With Comparative Totals For Year Ended September 30, 1998)

EXHIBIT E-4

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Sewer department:				
Advertising and publishing	\$ 10	\$ 3	\$ 7	\$ -
Auto and truck	6,000	3,566	2,434	4,753
Bank charges	25	-	25	22
Contract work	-	-	-	2,135
DEQ administrative fees . .	-	4,513	(4,513)	4,688
Drug testing	200	45	155	126
Dues and subscriptions . .	100	44	56	34
Engineer	39,000	-	39,000	-
Electric power	42,000	27,413	14,587	39,098
Heat	300	156	144	200
Insurance	8,000	4,940	3,060	5,156
Insurance - group	7,500	6,942	558	6,736
Insurance - medi-care and FICA	300	319	(19)	276
Insurance - unemployment .	95	98	(3)	46
Insurance - workman's comp	1,400	1,856	(456)	1,235
Materials and supplies . .	10,300	7,470	2,830	12,204
Medical	-	111	(111)	23
Office supplies & printing	150	224	(74)	347
Postage	1,300	1,340	(40)	1,139
Registration fees	300	110	190	475
Repairs and maintenance . .	25,000	12,243	12,757	14,444
Retirement	2,850	3,120	(270)	2,819
Salaries	56,000	58,607	(2,607)	54,540
Telephone	950	1,204	(254)	885
Travel	250	-	250	386
Waste disposal charges . .	300	457	(157)	465
	<u>\$ 202,330</u>	<u>\$ 134,781</u>	<u>\$ 67,549</u>	<u>\$ 152,232</u>

See accompanying notes.

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operations.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Schedule of General Fixed Assets - By Source
 September 30, 1999 and 1998

EXHIBIT F

	<u>1999</u>	<u>1998</u>
General fixed assets:		
Land	\$ 272,991	\$ 272,991
Buildings	432,936	432,936
Improvements other than buildings	29,496	26,479
Equipment	480,958	430,175
Vehicles	<u>337,703</u>	<u>337,703</u>
TOTAL GENERAL FIXED ASSETS	<u>\$ 1,554,084</u>	<u>\$ 1,500,284</u>
Investment in general fixed assets by source:		
General obligation bonds	\$ 125,000	\$ 125,000
General fund revenues	1,009,942	956,142
Sales tax revenues	417,787	417,787
Federal revenue sharing revenues	<u>1,355</u>	<u>1,355</u>
TOTAL INVESTMENT IN GENERAL FIXED ASSETS BY SOURCE	<u>\$ 1,554,084</u>	<u>\$ 1,500,284</u>

See accompanying notes.

GENERAL LONG-TERM DEBT
ACCOUNT GROUP

To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds. Payment of maturing obligations, including interest, are accounted for in the Debt Service Fund.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Combining Statement of General Long-Term Debt
 Years Ended September 30, 1999 and 1998

EXHIBIT G

	<u>1999</u>	<u>1998</u>
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT:		
Amount available in debt service funds for debt retirement	\$ -	\$ 11,015
Amount to be provided from general fund	<u>-</u>	<u>-</u>
TOTAL AVAILABLE AND TO BE PROVIDED	<u>\$ -</u>	<u>\$ 11,015</u>
GENERAL LONG-TERM DEBT PAYABLE:		
Bonds payable	<u>\$ -</u>	<u>\$ 11,015</u>

See accompanying notes.

STATISTICAL DATA

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Schedule of Insurance in Force (Unaudited)
 September 30, 1999

Insurer	Kind of Insurance
Louisiana Municipal Risk Management Agency	Public Official's Liability Law Enforcement Officer's Liability General Liability General Liability
Coregis' Insurance Company	Multi-Perils, Inland Marine
Coregis' Insurance Company	Fire and Extended Coverage
The Fidelity Deposit Companies	Honesty Blanket Bond

See accompanying notes.

TABLE 1

<u>Property Covered</u>	<u>Amount of Insurance</u>	<u>Expiration Date</u>
Public Officials' Errors and Omissions	\$ 500,000	05-01-2002
Personal Injury and Property Damage	500,000	
Automotive	500,000	
Commercial Property	500,000	
Automotive	774,987	03-01-2000
City Hall, Fire Department, and Jail Buildings .	360,000	03-01-2000
City Hall, Fire Department, and Jail Contents . .	115,000	
Water and Light Plant Building	22,350	
Water and Light Plant Contents	2,000	
Warehouse Building, Fire Station and Contents . .	380,000	
Sewer Plant Building and Contents	160,000	
Employee's Errors and Omissions	10,000	08-26-2000

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 Schedule of Investments - All Funds
 September 30, 1999

TABLE 2

	<u>Interest Rates</u>	<u>Maturity Date</u>	<u>Fair Value</u>	<u>Cost</u>
GENERAL FUND:				
General:				
GNMA	8.50%	10-15-16	\$ 34,487	\$ 30,299
Edward D. Jones - Putnam Fund . .	7.19	Demand	37,486	42,205
Race track:				
GNMA	8.50	10-15-16	26,016	22,826
Edward D. Jones - Putnam Fund . .	7.19	Demand	26,050	29,682
SPECIAL REVENUE FUND:				
Sales Tax Fund #2:				
Edward D. Jones - Putnam Fund . .	7.19	Demand	20,370	22,922
GNMA	8.50	10-15-16	19,269	16,793
ENTERPRISE FUND:				
Public Utility Fund:				
GNMA	8.50	10-15-16	83,894	73,167
Edward D. Jones - Putnam Fund . .	7.19	Demand	82,188	92,157
1972 Revenue Bonds:				
Reserve:				
GNMA	8.50	10-15-16	43,040	31,411
Edward D. Jones - Putnam Fund . .	7.19	Demand	38,276	43,519
Contingency:				
GNMA	8.50	10-15-16	25,277	28,167
Edward D. Jones - Putnam Fund . .	7.19	Demand	<u>33,943</u>	<u>37,774</u>
			<u>\$ 470,296</u>	<u>\$ 470,922</u>

See accompanying notes.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
YEAR 2000 ISSUE (Unaudited)
For the Year Ended September 30, 1999

EXHIBIT I

The Town's accounting and billing are computerized and these systems are Year 2000 compliant. The Town's electrical distribution system has been found to be Year 2000 compliant also. The water and sewer distribution system is not date/time sensitive so the Year 2000 issue should not affect it. The Town has established a Y2K committee and plans are in place to prepare for any possible problems that could affect the Town due to the Year 2000 issue.

See accompanying notes.

TOWN OF VINTON, LOUISIANA
 PRIMARY GOVERNMENT
 SUPPLEMENTAL INFORMATION SCHEDULE
 SCHEDULE OF FINDINGS
 For the Year Ended September 30, 1999

EXHIBIT J

We have audited the primary government financial statements of the Town of Vinton, Louisiana as of and for the year ended September 30, 1999, and have issued our report dated November 18, 1999. We conducted our 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. Our audit of the financial statements as of September 30, 1999 resulted in an unqualified opinion.

Section I Summary of Auditors' Reports

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

Internal Control:			
Material Weaknesses	<u> X </u>	Yes	<u> </u> No
Reportable Conditions	<u> X </u>	Yes	<u> </u> No
Compliance:			
Compliance Material to Financial Statements	<u> X </u>	Yes	<u> </u> No

Section II financial Statement Findings

99-1 I/C (Material weakness)

Segregation of duties: Because of the lack of a large staff, more specifically accounting personnel, there is a problem with segregation of duties necessary for proper controls. We do note that this situation is inherent to most entities of this type and is difficult to solve due to the funding limitations of the Town. We recommend that the Mayor as well as the Board of Aldermen take an active interest in the review of all of the financial information. This was also a prior year finding.

99-2 I/C (Material weakness)

Reconciliation of subsidiary accounts receivable ledger total to general ledger accounts receivable balance:

Condition: At September 30, 1999 the subsidiary accounts receivable ledger total did not agree with the general ledger accounts receivable balance. Upon inquiry with accounting personnel, it was discovered that this procedure was not done on a monthly basis. (First reported at September 30, 1998).

Criteria: For proper internal control, subsidiary ledgers should be reconciled to the general ledger on a monthly basis.

Effect: The Town's internal control over accounts receivable is not operating as effectively as it should be.

Cause: Administrative oversight.

See accompanying notes.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
SCHEDULE OF FINDINGS
For the Year Ended September 30, 1999

EXHIBIT J

Recommendation: The Town should reconcile the general ledger balance in accounts receivable to its aged accounts receivable ledger on a monthly basis. We note that the Town's software was not capable of producing an aged trial balance. The Town purchased new software after September 30, 1999 that has this capability.

99-3 I/C (Material Weakness)

Undocumented travel expenses:

Condition: For the time period October 1, 1998 through September 30, 1999, the Chief of Police submitted travel vouchers that did not contain adequate supporting documentation to substantiate the fact these trips were for Town business. Although all documentation needed was not presented, these invoices were paid.

Criteria: Expenditures must be supported by documentation that is adequate to substantiate the purpose of the expenditure.

Effect: Without supporting documentation, misuse of Town funds could occur.

Cause: Administrative oversight.

Recommendation: Disbursements should only be made for expenditures with supporting documentation. For travel expenses specifically, a registration form and proof of attendance should be required for any travel that is for a seminar, convention, or class. This matter is under investigation by the Attorney General of the State of Louisiana.

99-4 I/C (Material weakness)

99-1 C

Fixed asset inventory:

Condition: At September 30, 1999, the Town's fixed asset inventory was not being kept on a monthly basis. The list did not contain all fixed assets under the Town's control at year end. (First reported at September 30, 1998).

Criteria: For proper internal control over fixed assets the Town should have an inventory listing of all assets showing date of purchase, description, cost, location, and specific identification number. To comply with La. Rev. Stat. §24:515(B)(1) this procedure should be followed also. This list should be updated on a monthly basis for any additions or disposals.

Effect: The Town's internal control over fixed assets was not operating as it should. Also, La. Rev. Stat. §24:515 (B)(1) was violated.

Cause: Administrative oversight.

Recommendation: The Town should update its existing list of fixed assets to include all fixed assets under control of the Town, attach a specific identification number to all assets and include this number on the inventory, and maintain this list on a monthly basis. The Mayor and Town Council should require a report on the progress of this during its March 2000 meeting.

See accompanying notes.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
SCHEDULE OF FINDINGS
For the Year Ended September 30, 1999

EXHIBIT J

99-5 I/C (Material weakness)

Supporting documentation for disbursements to informants:

Condition: During the year ended September 30, 1999, the police department made one withdrawal from its drug control cash account totaling \$1,000. The Chief of Police has control over the disbursement of these funds. The funds are to be used for drug control. The Chief of Police asserts that these funds were used for payments to informants to aid in the arrests of drug dealers in the Town of Vinton. Although the Chief of Police maintains a ledger showing the dates of payments to informants and an arrest report number that supposedly ties the disbursement to an arrest, there are no receipts or other substantial evidential matter to support these disbursements. (First reported at September 30, 1998).

Criteria: All disbursements of Town funds should be supported by supporting documentation to allow the substantiation of the disbursements.

Effect: Without supporting documentation, misuse of Town funds could occur.

Cause: Due to the nature of the disbursements it is difficult to obtain supporting documentation for this type of disbursement.

Recommendation: The Town should cease this practice immediately.

99-6 I/C (Material weakness)

Controls over tickets:

Condition: Controls over tickets in the following procedures are weak (First reported at September 30, 1997):

1. Disposition of tickets
2. Custody of ticket books that were issued

During our review of tickets issued we were unable to account for twenty-two tickets that were from ticket books issued to officers. Twenty-one of these were issued to an officer that was dismissed. The Police Department failed to regain custody of these ticket books upon his dismissal.

Criteria: All tickets issued should be accounted for.

Effect: Missing tickets could not be accounted for.

Cause: System for control over tickets is weak.

Recommendation: We recommend the following process:

1. Returned tickets should be entered daily by Ticket Clerk. A monthly review should be performed for disposition of all tickets. All outstanding tickets should be investigated immediately.
2. At the time an officer leaves the employ of the Town, all unissued tickets should be obtained.

See accompanying notes

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
SCHEDULE OF FINDINGS
For the Year Ended September 30, 1999

EXHIBIT J

99-2 C

Delinquent paving assessments:

Condition: Delinquent paving assessments have not been filed suit on. There are twenty-three delinquent assessments. (First reported at September 30, 1996).

Criteria: After 30 days, suit must be filed on delinquent paving assessments.

Effect: The Town is paying for the delinquent assessments.

Cause: Town attorney has not filed suit on these delinquent assessments.

Recommendation: The Town should enforce the paving assessment ordinance.

99-3 C

Deposits not fully collateralized:

Condition: Noncompliance with LA Rev. Stat. §39:1219-Fiscal agent banks; trust fund and security. At September 30, 1999 one of the two banks that the Town maintained deposits had inadequate safekeeping securities to fully cover the Town's deposits.

Criteria: Any fiscal agent bank shall set aside all such funds deposited by any depositing authority as trust funds, and it shall deposit and maintain with an unaffiliated bank, the security designated in R.S. §39-1221 in the same manner provided in R.S. 39:1221; R.S. 39:1223; R.S. 39:1224. This security shall be for the account of the depositing authority and as a guaranty against loss to the depositing authority, it shall at all times be equal to one hundred percent of the balance on deposit in the trust funds.

Effect: State law was violated and the Town's deposits were not fully collateralized at September 30, 1999.

Cause: Administrative oversight.

Recommendation: The Town should stress to its financial institutions the importance of this law and management should review the coverage each month.

99-4 C

Donation of public funds:

Condition: Advertisement in school yearbook was purchased for \$360. (First reported at September 30, 1998).

Criteria: Public funds cannot be donated - La. Const. Art. 7§14.

Effect: Violation of above.

Cause: Administrative oversight.

Recommendation: The Town should discontinue this practice. We note that Town officials ceased this practice after being notified in the September 30, 1998 audit but this instance had already occurred.

See accompanying notes.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
SCHEDULE OF FINDINGS
For the Year Ended September 30, 1999

EXHIBIT J

99-5 C

Budgetary authority and control:

Condition: Actual expenditures exceeded total budgeted expenditures by more than 5% in the Enterprise Fund, General Fund, and Special Revenue Fund for the year ended September 30, 1999.

Criteria: LA. Rev. Stat. §39:1310 - whenever total actual expenditures and other uses exceed the total budgeted expenditures by 5% or more, the budget should be amended.

Effect: Violation of LA. Rev. Stat. §39:1310 - Budgetary authority and control.

Cause: Administrative oversight.

Recommendation: The Town should compare actual to budget expenditures at the fund level each month and amend the budget if necessary.

See accompanying notes.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS (UNAUDITED)
For the Year Ended September 30, 1999

EXHIBIT K

Section I Internal Control and Compliance Material to the Financial Statements:

99-1 I/C Segregation of duties:

This is an ongoing finding that cannot be corrected due to lack of financial resources.

Contact person - Raywood LeMaire, Mayor

99-2 I/C Reconciliation of subsidiary accounts receivable ledger to general ledger:

Recommendation: The Town should reconcile the general ledger balance in accounts receivable to its subsidiary accounts receivable balance on a monthly basis.

Planned action: The Town will revise its subsidiary accounts receivable to include an aged accounts receivable report that will be reconciled to the general ledger balance of accounts receivable on a monthly basis. This action will be taken by January 31, 2000.

Contact person: Mary Vice, Town Clerk

99-3 I/C Undocumented travel expenses:

Recommendation: Disbursements should only be for expenditures with supporting documentation. A registration form and proof of attendance should be required for any travel that is for a seminar, convention, or class.

Planned action: The Town amended its travel policy for this suggestion as of December 15, 1999.

Contact person: Mary Vice, Town Clerk

**99-4 I/C Fixed asset inventory:
99-1C**

Recommendation: The Town should update and revise its fixed asset inventory list to include all property owned by the Town and attach a specific identification number to each asset and include this number on the list. The inventory list should be updated on a monthly basis for additions or disposals.

See accompanying notes.

SUPPLEMENTAL INFORMATION SCHEDULE

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS (UNAUDITED)
For the Year Ended September 30, 1999

Planned action: The Town will maintain its fixed asset inventory list on a monthly basis and revise it to include a specific identification number for each item. The Town is in the process now of fulfilling this goal and expects to complete by March 31, 2000.

Contact person: Mary Vice, Town Clerk

99-5 I/C Supporting documentation for disbursements to informants:

Recommendation: The Town should cease this practice immediately.

Planned action: This practice has ceased as of December 15, 1999.

Contact person - Raywood LeMaire, Mayor

99-6 I/C Controls over tickets:

Recommendation: The Town should implement the following procedures:

1. Returned tickets should be entered daily by Ticket Clerk. This should be reviewed on a monthly basis by Ticket Clerk for disposition of all tickets. All outstanding tickets should be investigated immediately.
2. At the time an officer leaves the employ of the Town, all unissued tickets should be obtained.

Planned action: The Town will comply with the above suggestions and is in the process of implementing. Completion is expected by January 31, 2000.

Contact person: Raywood LeMaire, Mayor
Dennis Drouillard, Chief of Police

99-2 C Delinquent paving assessments:

Recommendation: The Town should enforce the paving assessment ordinance.

Planned action: The Town will enforce the paving assessment ordinance by either instructing the Town Attorney to file liens on all delinquent assessments or by hiring an attorney to take action on this. This will be done by January 31, 2000.

Contact person: Raywood LeMaire, Mayor

See accompanying notes.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS (UNAUDITED)
For the Year Ended September 30, 1999

EXHIBIT K

99-3 C Deposits not fully collateralized:

Recommendation: The Town should stress to its financial institutions the importance of this law and management should review the coverage each month.

Planned action: The Town will take action by January 31, 2000.

Contact person: Raywood LeMaire, Mayor

99-4 C Donation of public funds:

Recommendation: The Town should discontinue the practice of purchasing advertisements in all types of publications.

Planned action: The Town has discontinued this practice.

Contact person: Raywood LeMaire, Mayor

99-5 C Budgetary authority and control:

Recommendation: The Town should compare actual to budget expenditures at the fund level each month and amend the budget if necessary

Planned action: Closer attention to the budget process will be taken in the future.

Contact person: Raywood LeMaire, Mayor

See accompanying notes

Section I - Internal Control and Compliance Material to the Financial Statements

98-1 I/C (Ongoing finding) Segregation of duties:

Corrective action taken - Due to lack of sufficient financial resources, this finding cannot be resolved. See 99-1 I/C.

98-2 I/C (9/30/98) Supporting documentation to informants:
Lack of supporting documentation for disbursements.

Corrective action taken - No.

Planned corrective action - The Town has discontinued the practice of paying informants as of December 8, 1999.

98-3 I/C (9/30/98) Reconciliation of subsidiary accounts receivable ledger total to general ledger accounts receivable balance.
Subsidiary accounts receivable ledger total not agreed with general ledger.

Corrective action taken - No.

Planned corrective action - The Town's software was not able to produce an aged accounts receivable ledger. The Town has purchased software that will enable them to reconcile the subsidiary ledger to the general ledger on a monthly basis. See 99-2 I/C.

98-4 I/C

98-2 C (9/30/98) Fixed asset inventory.

Fixed asset inventory not being maintained on a monthly basis.

Corrective action taken - Partially. Some recommendations implemented but procedure still not operating effectively.

Planned corrective action - The duty of tagging all fixed assets and compiling the inventory list will be given to only one person. See 99-4 I/C and 99-1 C.

98-5 I/C (9/30/97) Controls over tickets.

Controls over tickets not operating effectively.

Corrective action taken - Partially. Some recommendations implemented, but procedure still not operating effectively.

Planned corrective action - The duty of recording ticket books issued, citations issued, and disposition of tickets has been delegated to one person. The Police Department has purchased software designed for the tracking of tickets. See 99-6 I/C.

See accompanying notes.

TOWN OF VINTON, LOUISIANA
PRIMARY GOVERNMENT
SUPPLEMENTAL INFORMATION SCHEDULE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended September 30, 1999

EXHIBIT L

98-6 I/C

98-5 C (9/30/96) Public bid law and written policy on procurement.
No written policy on procurement.

Corrective action taken - Yes.

98-7 I/C Reconciliation of susidiary meter deposit records to general ledger account
total and cash account balances.

Subsidiary ledger not reconciled to general ledger and cash account.

Corrective action taken - Yes.

98-1 C (9/30/96) Delinquent paving assessments.

Delinquent paving assessments not filed suit on.

Corrective action taken - No.

Planned corrective action - The Town attorney is in the process of taking action on the
delinquent assessments. See 99-2 C.

98-3 C (9/30/98) Sale of public property.

Sale of property was not advertised for public bid.

Corrective action taken - Yes.

98-4 C (9/30/98) Donation of public funds.

Purchase of advertising in school football program.

Corrective action taken - No.

Planned corrective action - Town officials and employees are now aware of law. See 99-4 C.

98-6 C (9/30/98) Budgetary authority and control.

Actual expenditures exceeded budgeted expenditures by more than 5% in the Enterprise Fund.

Corrective action taken - No.

Planned corrective action - Closer attention to the budget process will be taken in the
future. See 99-5 C.

See accompanying notes.

INDEPENDENT AUDITORS' REPORT SECTION



Mires & Company
A Professional Corporation
Certified Public Accountants

Members:
American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants
Private Company Practice Section AICPA

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 Raywood LeMaire, Mayor
and the Town Council
Town of Vinton, Louisiana

We have audited the primary government financial statements of the Town of Vinton, Louisiana, as of and for the year ended September 30, 1999, and have issued our report thereon dated November 18, 1999. We conducted our 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 Vinton, Louisiana's primary government financial statements are free of material misstatement, we 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 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 99-1C, 99-2C, 99-3C, 99-4C, and 99-5C.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Vinton, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the primary government financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the Town of Vinton, Louisiana's ability to record, process, summarize and report financial data consistent with the assertions of management in the primary government financial statements. Reportable conditions are described in the accompanying schedule of findings as item 99-1 I/C, 99-2 I/C, 99-3 I/C, 99-4 I/C, 99-5 I/C and 99-6 I/C.

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 primary government financial statements being audited may occur and not be detected within a timely period

The Honorable Raywood LeMaire, Mayor
and the Town Council
Town of Vinton, Louisiana

by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 99-1 I/C, 99-2 I/C, 99-3 I/C, 99-4 I/C, 99-5 I/C, and 99-6 I/C to be material weaknesses.

This report is intended solely for the information and use of management, the Town Council, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Mires & Company, CPAs, APC

Mires & Company, CPAs, APC
November 18, 1999

M & Co.