



TOWN OF ST. FRANCISVILLE, LOUISIANA

FINANCIAL REPORT

AUGUST 31, 2003



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

Release Date: 3/17/04

TOWN OF ST. FRANCISVILLE, LOUISIANA

FINANCIAL REPORT

AUGUST 31, 2001

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Board of Aldermen
Town of St. Francisville, Louisiana

We have audited the accompanying general purpose financial statements of the Town of St. Francisville, Louisiana, as of August 31, 2003, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material aspects, the financial position of the Town of St. Francisville as of August 31, 2003, and the results of its operations of its governmental funds for the year then ended and the results of its operations and the cash flows of its proprietary fund type for each of the two years in the period ended August 31, 2003 in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 14, 2003 on our consideration of the Town of St. Francisville's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The remaining and individual fund and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of St. Francisville. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole, except for that information related to the water and gas rates. This information was furnished to us by the town and we express no opinion on it.



Robert J. White, CPA
October 14, 2005

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN ASSESSMENT OF FINANCIAL STATEMENTS PREPARED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and Members
of the Board of Aldermen
Town of St. Francisville, Louisiana

We have audited the financial statements of the Town of St. Francisville, Louisiana, as of and for the year ended August 31, 2001 and have issued our report thereon dated October 14, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Town of St. Francisville's 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 no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Town of St. Francisville's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the 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 judgment, could adversely affect Town of St. Francisville's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs.

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 financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. 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, we consider the reportable conditions described above to be a material weakness.

This report is intended solely for the information and use of the Board of Commissioners, management, and others within the organization, and the Legislative Auditor 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.


Helen Rouse, L.A.
October 14, 2001

LOUISIANA STATE UNIVERSITY, BOSSARD

COMMERCE BALANCE SHEET - ALL FUNDS TYPES AND ACCOUNTS GROUPS
 (AS OF 12/31/2004)

ACCOUNT	Governmental Fund Type		Proprietary Fund Type		Account Group			Administrative Code	
	Current	Special Projects	Debt Service	Enterprise	Fixed Asset	Plant Equip	Other	1000	2000
Cash	\$ 675	\$ 66,617	\$ 6,000	\$ 16,000	-	\$ -	-	\$ 64,000	\$ 65,000
Accounts receivable	1,443,338	-	-	-	-	-	-	1,443,338	1,443,338
Other receivables	-	13,546	-	46,250	-	-	-	76,796	60,000
Accounts payable	82,000	-	-	-	-	-	-	82,000	82,000
Accrued interest	2,000	-	-	-	-	-	-	2,000	2,000
Due from other governmental units	3,200	4,200	-	-	-	-	-	4,200	4,200
Due to other governmental units	1,600	-	-	16,000	-	-	-	16,000	16,000
Prepaid insurance	-	-	-	13,000	-	-	-	13,000	13,000
Inventory	-	-	-	-	-	-	-	-	-
Fixed assets, net	-	11,400	-	17,000	-	-	-	28,400	27,000
Accounts payable to other accounts	-	-	-	611,000	5,000,000	-	-	6,011,000	4,901,700
Accounts to be provided for general purposes debt	-	-	-	-	-	-	-	13,000	13,000
Total assets	\$ 2,121,938	\$ 84,363	\$ 6,000	\$ 100,250	\$ 5,005,000	\$ -	\$ 13,000	\$ 6,808,248	\$ 6,502,000

The accompanying notes are an integral part of this statement.

TOWN OF ST. FRANCISVILLE, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT CATEGORIES
AUGUST 31, 2008

	Governmental Fund Types		Proprietary Fund Type		Account Category		Total	
	General	Special Accounts	Debt Service	Enterprise	Fixed Assets	Long Term Debt	Assets	Liabilities
ASSETS								
Accounts payable	\$ 1,243	\$ 10,470	-	\$ 1,400	\$ -	\$ -	\$ 14,113	\$ 10,627
Accrued liabilities	10,400	10,400	-	10,400	-	-	31,200	20,200
Receivables from various fund sources	-	-	-	10,000	-	-	10,000	10,000
Inventory	-	-	-	-	-	-	-	4,000
Prepaid expenses - various	-	10,000	-	17%	-	-	11,000	10,000
Accounts receivable	-	-	-	44,776	-	-	44,776	44,000
Due to other funds	4,000	5,000	-	21,750	-	-	30,750	31,000
Investment in other funds	-	-	-	190,000	-	-	190,000	190,000
State projects	-	-	-	14,000	-	-	14,000	14,000
Capital assets	-	-	-	-	80,000	-	80,000	80,000
Intergovernmental receivables	-	-	-	-	14,250	-	14,250	14,000
Intergovernmental receivables - various	-	-	-	8,000	-	11,750	19,750	19,000
Total Assets	15,643	35,870	-	262,200	-	91,750	490,463	467,627
LIABILITIES								
Accounts payable	-	-	-	100,000	-	-	100,000	100,000
Accounts receivable	-	-	-	-	1,000,000	-	1,000,000	1,000,000
Accounts receivable - various	-	-	-	-	-	-	-	10,000
Accounts receivable - other	-	-	-	10,000	-	-	10,000	10,000
Accounts receivable - various	-	-	-	20,000	-	-	20,000	20,000
Accounts receivable - other	-	-	-	10,000	-	-	10,000	10,000
Total Liabilities	-	-	-	160,000	-	-	190,000	190,000
Net Assets	15,643	35,870	-	102,200	-	91,750	300,463	277,627

The accompanying notes are an integral part of this statement.

TOWN OF ST. FRANCISVILLE, LOUISIANA

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUNDS TYPES
YEAR ENDED AUGUST 31, 2000**

	General	Special Revenue	Debt Service	Totals	
				(Administration Only) 2001	2002
REVENUES					
Taxes	\$ 21,408	\$ 346,859	\$ -	\$ 594,027	\$ 600,206
Grants	2,046	-	-	2,046	82,894
Licenses and permits	121,810	-	-	126,810	126,820
Intra-governmental	82,529	-	-	82,675	76,288
Charges for services	-	611,209	-	181,039	31,721
Fees	22,499	-	-	22,499	26,423
Other	152,114	344,617	-	512,881	288,789
Total revenues	487,506	704,685	-	1,209,672	1,179,820
EXPENDITURES					
General government	107,081	410,148	-	507,229	383,484
Public safety	104,887	-	-	104,887	494,341
Street	108,477	-	-	108,477	189,130
Sanitation	-	88,900	-	88,903	94,077
Culture and recreation	-	1,079	-	1,079	1,484
Capital outlay	27,421	42,187	-	69,608	394,451
Debt service:					
Principal retirement	-	-	25,000	25,000	81,500
Interest and fiscal charges	-	-	12,122	12,122	12,122
Total expenditures	309,386	542,314	47,122	1,298,844	1,398,862
Excess of revenues over (under) expenditures	178,120	162,371	67,411	41,124	(119,042)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	114,966	288	47,411	211,681	372,114
Operating transfers out	(21,741)	(278,741)	-	(280,482)	(160,471)
Loan proceeds	-	-	-	-	-
Capital lease proceeds	-	-	-	-	41,126
Total other financing sources (uses)	93,225	(278,453)	47,411	(168,756)	152,769
Excess of revenues and other sources over (under) expenditures and other expenditures and other uses	178,120	(116,042)	114,822	24,368	(66,273)
FUND BALANCE					
Beginning of year	1,146,901	383,791	18,056	1,548,748	1,387,121
End of year	\$ 1,177,146	\$ 467,749	\$ 18,056	\$ 1,662,951	\$ 1,534,348

The accompanying notes are an integral part of this statement.

TOWN OF FT. PHRANCOISAL, LOUISIANA

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET (LAST YEAR) AND ACTUAL
GENERAL AND SPECIAL REVENUE FUNDS FISCAL
YEAR ENDED AUGUST 31, 2001**

	General Fund		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 50,000	\$ 50,468	\$ 468
Grants	10,000	3,866	(6,134)
Licenses and permits	128,000	128,810	810
Intergovernmental	61,200	80,609	19,409
Charges for services	-	-	-
Fees	10,000	20,699	11,699
Other	128,000	128,181	181
Total revenues	<u>487,000</u>	<u>482,533</u>	<u>(4,467)</u>
EXPENDITURES			
General government	60,000	107,094	(47,094)
Public safety	410,148	384,897	25,251
Street	100,000	100,677	677
Sanitation	-	-	-
Cultural and recreation	-	-	-
Capital outlay	70,000	37,611	32,389
Total expenditures	<u>640,148</u>	<u>599,268</u>	<u>40,880</u>
Excess of revenues over funded expenditures	<u>(244,148)</u>	<u>(116,735)</u>	<u>127,413</u>
OTHER FINANCIAL SOURCES (USES)			
Operating transfers in	190,000	154,000	(36,000)
Operating transfers out	-	(30,241)	(30,241)
Capital funds proceeds	-	-	-
Total other financing resources (uses)	<u>190,000</u>	<u>123,759</u>	<u>(66,241)</u>
Excess of revenues and other resources over funded expenditures and other uses	<u>(44,148)</u>	<u>(13,976)</u>	<u>30,172</u>
FUND BALANCE			
Beginning of year	<u>1,148,000</u>	<u>1,148,000</u>	<u>-</u>
End of year	<u>\$ 1,093,852</u>	<u>\$ 1,134,024</u>	<u>\$ 19,828</u>

The accompanying notes are an integral part of this statement.

Special Revenue Funds

	Budget	Actual	Variance Favorable (Unfavorable)
\$	22,000	\$ 493,409	\$ 107,409
	20,000	-	(20,000)
	-	-	-
	40,000	493,409	20,000
	-	-	-
	<u>22,000</u>	<u>493,409</u>	<u>(20,000)</u>
	<u>22,000</u>	<u>790,800</u>	<u>(20,800)</u>
	270,000	410,140	(20,140)
	-	-	-
	242,500	80,000	26,750
	-	1,000	(1,000)
	<u>22,000</u>	<u>81,000</u>	<u>(20,000)</u>
	<u>291,400</u>	<u>240,140</u>	<u>55,000</u>
	40,000	270,000	(10,000)
	-	100	100
	<u>(140,000)</u>	<u>(170,700)</u>	<u>(20,700)</u>
	<u>(140,000)</u>	<u>(170,700)</u>	<u>(20,700)</u>
	(70,000)	77,000	107,000
	<u>242,000</u>	<u>240,000</u>	<u>-</u>
\$	302,770	\$ 402,200	\$ 107,000

TOWN OF ST. FRANCISVILLE, LOUISIANA

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND TYPE
YEARS ENDED AUGUST 31, 2001 AND 2000**

	<u>Interim Fund Book</u>	
	<u>2001</u>	<u>2000</u>
OPERATING REVENUES		
Charges for services	\$ 886,007	\$ 788,687
OPERATING EXPENSES		
Cost - purchases	301,006	275,000
Depreciation	66,582	54,893
Other	<u>486,492</u>	<u>458,790</u>
Total operating expenses	<u>854,080</u>	<u>788,686</u>
Operating income	<u>31,927</u>	<u>0,001</u>
NON-OPERATING REVENUES (EXPENSES)		
Investment earnings	4,209	6,413
Interest expense	<u>-</u>	<u>(12,798)</u>
Total non-operating revenues (expenses)	<u>4,209</u>	<u>(6,385)</u>
Income from operating transfers	<u>4,796</u>	<u>(2,964)</u>
OPERATING TRANSFERS		
Operating transfers out	<u>(73,119)</u>	<u>(112,184)</u>
	<u>(73,119)</u>	<u>(112,184)</u>
Net income (loss)	\$1,908	(112,066)
RETAINED EARNINGS		
Beginning of year	<u>279,891</u>	<u>391,957</u>
End of year	<u>\$ 281,799</u>	<u>\$ 279,891</u>

The accompanying notes are an integral part of this statement.

TOWN OF EL FRANCHVILLE, LOUISIANA

**STATEMENTS OF CASH FLOWS
 PROPRIETARY FUND TYPE
 YEARS ENDED AUGUST 31, 2002 AND 2001**

	<u>Proprietary Fund Totals</u>	
	<u>2002</u>	<u>2001</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 846,207	\$ 776,482
Cash payments to suppliers for goods and services	(740,113)	(588,453)
Cash payments to employees for services	(264,586)	(181,117)
Net cash provided by operating activities	<u>41,508</u>	<u>6,912</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating transfers to other funds	(67,216)	(112,864)
Net cash used for noncapital financing activities	<u>(67,216)</u>	<u>(112,864)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING:		
Principal paid on various bond maturities	-	-
Loans proceeds received	(43,411)	20,288
Acquisition of capital assets	(13,944)	(38,889)
Interest paid on various bonds and loans	-	(1,578)
Net cash used for capital and related financing	<u>(61,375)</u>	<u>(59,979)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends on investments	4,146	6,612
Net cash provided by investing activities	<u>4,146</u>	<u>6,612</u>
NET INCREASE (DECREASE) IN CASH	(25,633)	(49,460)
CASH AT BEGINNING OF YEAR	<u>373,417</u>	<u>412,877</u>
CASH AT END OF YEAR	<u>\$ 347,784</u>	<u>\$ 363,417</u>

The accompanying notes are an integral part of this statement.

TOWN OF ST. FRANCISVILLE, LOUISIANA

STATEMENTS OF CASH FLOWS
PROPRIETARY FUND TYPE
YEARS ENDED AUGUST 31, 2000 AND 1999

	<u>Proprietary Funds</u>	
	<u>1999</u>	<u>2000</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 680	\$ 3,471
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	66,580	64,000
Change in assets and liabilities:		
Accounts receivable	(5,766)	(2,077)
Prepaid insurance	(7,000)	-
Accounts payable	(10,004)	1,904
Accrued payables	2,815	(1,534)
Accrued compensated absences	4,896	-
Motor deposits	3,120	1,478
Total adjustments	<u>49,531</u>	<u>64,861</u>
Net cash provided by operating activities	<u>\$ 49,531</u>	<u>\$ 69,317</u>

The accompanying notes are an integral part of this statement.

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The Town of St. Francisville, Louisiana dates from 1781, the date the community was built in honor of St. Francis of Assisi.

The Town adopted the provisions of the Louisiana Act on January 23, 1958, and operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting practices of the Town of St. Francisville, Louisiana conform to accounting principles generally accepted in the United States of America as applicable to governmental units on a consistent basis between periods. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:917 and to the guidelines set forth in the Louisiana Governmental Audit Guide and to the Institute of Certified Public Accountants, *Audit of State and Local Governmental Units* published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies and practices:

A. Financial Reporting Entity

GAISS Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Town is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is financially independent of other state or local governments. As used in GAISS Statement 14, financially independent means that the Town may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Town also has no component units, defined by GAISS Statement 14 as other legally separate organizations for which the elected officials are financially accountable. There are no other primary governments with which the Town has a significant relationship.

B. Fund Accounting

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with separate sets of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into six generic fund types and two broad fund categories as follows:

Governmental Funds

Governmental funds are used to account for all or most of the municipality's present 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:

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund - Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

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:

Enterprise Funds - Enterprise Funds are used to account for operations, (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered 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.

C. Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. The Town has not capitalized public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. These assets are immovable and of value only to the Town; therefore, the need for cumulative accountability is not significant. No depreciation has been provided on general fixed assets, nor has interest been capitalized.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

All proprietary funds are accounted for on a cost-of-services or "capital maintenance" measurement focus, and all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets.

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies (Continued)

Depreciation of all depreciable fixed assets used by proprietary funds is charged as an expense against their operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Gas Plant	10 years
Buildings	20 years
Office Equipment	5-10 years
Automotive Equipment	5 years

All fixed assets are stated at historical cost.

II. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting refers to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as not current assets. These revenues susceptible to accrual are sales taxes, property taxes, intergovernmental revenues and interest revenues. Fines, licenses and permits are not susceptible to accrual because generally they are not measurable until received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fixed liability is incurred. An exception to this general rule is principal and interest on long-term debt which is recognized when due.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. The District applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements.

III. Budgets and Budgetary Accounting

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

1. A proposed budget is prepared and submitted to the Mayor and Board of Aldermen prior to the beginning of each fiscal year.
2. The proposed budget is published in the official journal and made available for public inspection. A public hearing is called to obtain taxpayer comments.

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

I. Summary of Budgetary Accounting Policies (continued)

1. The budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
4. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require approval of the Board of Aldermen.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. Budgets for the General, Special Revenues, Debt Service, and Proprietary Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
7. Louisiana R.S. 18:1310 requires budgets to be amended when revenue collections plus projected revenue collections for the remainder of a year, within a fund, are failing to meet estimated annual budgeted revenues by five percent or more or expenditures plus projected expenditures for the remainder of the year, within a fund, are exceeding estimated budgeted expenditures by five percent or more. Adopted amounts are as originally adopted or as amended by the Board of Aldermen.

The level of budgetary control is total appropriations.

F. Investments

Under Louisiana Revised Statutes 18:1271 and 18:2901, the Town may invest in United States bonds, treasury notes or certificates, or any other federally insured investment, or in mutual and trust fund institutions, which are registered with the Securities and Exchange Commission, and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies.

Investments are stated at market value.

Investment income includes interest and dividends earned, realized gains and losses and unrealized gains and losses (changes in market value.)

G. Bad Debt

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

H. Advance Transfers In and Out

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various due to and due from accounts.

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

J. Compensated Absence

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. In accordance with the provisions of Governmental Accounting Standards Board Statement No. 14, *Accounting for Compensated Absence*, 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.

K. Comparative Data

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

L. Total Columns on Combined Statements - Overview

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

M. Statement of Cash Flows

For purposes of the statement of cash flows, the Town considers all highly liquid investments (including restricted assets) with a maturity of three months or less to be cash.

N. Cash

Cash includes demand deposits and interest-bearing demand deposits. Under state law, the Town may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any state in the union or the laws of the United States. Further, the Town may deposit funds in time deposits or certificates of deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

N. Use of Estimates

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

O. Reclassification

Certain 2002 balances have been reclassified to conform with the 2001 financial statement presentation.

2. Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of February 28 of each year. Taxes are levied and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 2 of the following year.

The Town bills and collects its own property taxes using the assessed values determined by the last assessor of West Feliciana Parish. For the year ended August 31, 2003, taxes of 5.66 mills were levied on property with assessed valuations totaling \$9,813,843 and were dedicated for general purposes.

Total taxes levied were \$14,366. Substantially all taxes levied have been collected as of August 31, 2003.

3. Due from Other Governmental Units

Amounts due from other governmental units at August 31, 2003 consisted of the following:

Beer taxes - State of Louisiana	\$ 3,140
West Feliciana Parish School Board	11,000
	<u>\$ 14,140</u>

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

4. Fixed Assets

A summary of changes in general fixed assets follows:

	Balance Sept 1, 2002	Additions	Deletions	Balance Aug 31, 2003
Improvements other				
San buildings	\$1,181,781	38,010	-	1,219,791
Buildings	428,718	-	-	428,718
Equipment	1,071,849	32,247	-	1,404,196
Land	128,896	-	-	128,896
	<u>\$3,811,244</u>	<u>\$ 70,457</u>	<u>\$ -</u>	<u>\$ 3,780,690</u>

A summary of proprietary fixed type property, plant and equipment at August 31, 2003 follows:

Land	\$ 6,510
Building	18,298
Office and other equipment	<u>2,121,136</u>
	2,145,944
Less: Accumulated depreciation	<u>(1,500,282)</u>
Net	<u>\$ 645,662</u>

5. Changes in Long-Term Debt

The following is a summary of long-term debt transactions for the year ended August 31, 2003:

	Payable September 1, 2002	Additions	Deletions	Payable August 31, 2003
Certificates of Indebtedness				
Series 1992	\$ 23,714	-	23,714	-
Certificates of Indebtedness				
Series 1999	109,000	-	11,000	98,000
Capital Lease - Trash Truck	18,722	-	8,722	10,000
Capital Lease - Police Car	7,974	-	7,974	-
Capital Lease - Police Car	17,725	-	9,000	8,725
Capital Lease - Police Car	18,270	-	4,748	13,522
Capital Lease - Gas Truck	28,667	-	8,158	20,509
Revenue Bonds	207,000	-	20,000	187,000
Accumulated Vacation	(1,222)	882	-	(1,128)
Payable, August 31, 2003	<u>\$ 421,960</u>	<u>482</u>	<u>36,822</u>	<u>\$ 415,620</u>

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

5. Changes in Long-Term Debt (continued)

Debt payable at August 31, 2003 are comprised of the following individual issues:

GENERAL LONG-TERM DEBT

Certificate of Indebtedness

\$130,000, Certificate of Indebtedness - Series 1999, due in approximate bi-annual installments of \$17,000 through October, 2009 including interest at 3.2%. Secured by a pledge of the Town's sales tax revenues.

\$ 130,000

Capital Lease - Trash Truck

\$21,800 Capital Lease, due in quarterly installments of approximately \$2,000 through April, 2003, including interest at 7.15%. Secured by the trash truck.

\$ 21,800

Capital Lease - Police Car

\$21,280 Capital Lease, due in quarterly installments of approximately \$1,910 through March, 2003, including interest at 6.50%. Secured by the police car.

\$ 21,280

Capital Lease - Police Car

\$20,844 Capital Lease, due in quarterly installments of approximately \$1,420 through June, 2005, including interest at 6.875%. Secured by the police car.

\$ 20,844

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

8. Changes in Long-Term Debt (continued)

ENTERPRISE FUNDS

Revenue Bonds

\$228,000 Water Revenue bonds dated September 28, 1999, due in approximate annual installments of \$28,000 through April, 2011, including interest at 6.0%. Secured by a pledge of the Town's water revenues.

\$ 139,600

Capital Loans - Gas Truck

\$21,000 Capital Loans, due in quarterly installments of approximately \$1,050 through May, 2006, including interest at 7.40%. Secured by the gas truck.

\$ 16,200

The annual requirements to amortize all debt outstanding as of August 31, 2000 including interest of approximately \$95,000 are as follows:

<u>Certificate of Year Ending August 31</u>	<u>Certificate of Indebtedness Series 1992</u>	<u>Obligations Indebtedness Series 1997</u>	<u>Under Capital Loans</u>	<u>Revenue Bonds</u>	<u>Total</u>
2000	\$ -	\$ 16,500	\$ 21,740	\$ 18,440	\$ 56,680
2001	-	16,596	21,820	18,140	63,056
2002	-	16,418	4,750	18,228	49,448
2003	-	16,124	-	18,028	44,756
2004	-	15,662	-	17,768	44,760
Thereafter	-	32,628	-	32,698	113,528
	<u>\$ -</u>	<u>\$ 115,128</u>	<u>\$ 26,560</u>	<u>\$ 125,196</u>	<u>\$ 365,812</u>

The Debt Service Fund has approximately \$19,000 available to service future bonds and related interest payments.

9. Dedicated Revenues

Sales Tax Revenue Fund

Proceeds of the 7% sales and use tax levied by the Town are dedicated to the retirement of Sales and Use Tax general obligation bonds totaling \$300,000 dated January 1, 1975.

Any revenues in excess of the required annual debt service shall be regarded as surplus and may be used by the Town for any lawful purpose.

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

7. Restricted Assets

Revenue Bonds

Under the terms of the bond indenture on outstanding Water Revenue bonds, certain income and revenues (hereinafter referred to as revenues) of every nature, earned or derived from the operation of the water system is dedicated to the retirement of said bonds, and are to be set aside into the following special accounts after provision has been made for the payment therefrom of the reasonable and necessary expenses of operating and maintaining the system:

A monthly deposit into the "Water Revenue Bond and Interest Sinking Fund" account in an amount equal to 1/4th of the interest falling due on the next interest payment date and one-twelfth of the principal falling due on the next principal payment date for the bonds.

A monthly deposit of 3% of the amount paid to the Sinking Fund into the "Water Revenue Depreciation and Contingency Fund" account for the purpose of covering the depreciation, renewals, additions, improvements and replacements necessary to operate properly on the system. Such funds may also be used for the payment of bonds for which there is not sufficient money in the "Water Revenue Bond and Interest Sinking Fund" account.

The Town of St. Francisville has complied with the above provisions.

Certificate of Indebtedness

Under the terms of the certificate of indebtedness, income and revenues of every nature earned by the Town is dedicated to the retirement of said certificate and are to be set aside into the following special account:

A monthly deposit into the "Certificate of Indebtedness (1995) Sinking Fund" account 1/12 of the principal and interest falling due on the next principal payment date for the certificate.

The Town of St. Francisville has complied with the above provisions.

Certificate of Indebtedness

Under the terms of the certificate of indebtedness, income and revenues of every nature earned by the Town is dedicated to the retirement of said certificate and are to be set aside into the following special account:

A monthly deposit into the "Town of St. Francisville, State of Louisiana, Certificate of Indebtedness, Series 1995, Sinking Fund" account a sum of 1/4 of the interest falling due on the next interest payment date and a sum equal to 1/12 of the principal falling due on the next principal date.

The Town of St. Francisville has complied with the above provisions.

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

8. Summary of Enterprise Activities

Two services, gas and water, are provided by the Town and are financed by user charges. The significant financial data for the year ended August 31, 2000 for these two services are as follows:

	<u>Gas</u> <u>Utility</u>		<u>Water</u> <u>Utility</u>		<u>Total</u>
Operating revenues	641,544		211,493		853,037
Operating expenses (excluding depreciation)	(371,334)	(-)	214,871	(-)	786,205
Depreciation	(26,800)	(-)	45,652	(-)	68,452
Operating income	46,208		47,698		93,906
Operating transfers in (out)	(30,800)	(-)	17,314	(-)	67,114
Interest income	1,046		1,543		4,319
Interest expense	-		-		-
Net income (loss)	(1,546)	(-)	62,303	(-)	63,849
Property, plant & equipment additions (retirements)	1,680		12,266		13,946
Net working capital	156,840		16,814		167,654
Total assets	366,553		615,367		1,001,920
Revenue bonds payable	-		167,939		167,939
Fund capital	366,679		444,214		710,893

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

9. Defined Benefit Pension Plans

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

A. Municipal Employees Retirement System of Louisiana (Oraemo)

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 municipality are members of Plan B.

All permanent employees working at least 31 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 55 with at least 30 years of creditable service or at or after age 51 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average monthly salary for each year of creditable service. Furthermore, employees with at least 18 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 48, with the basic benefit reduced 1 percent for each year retirement precedes age 55, unless he has at least 38 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 180 percent of final average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7917 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 933-4810.

Funding Policy. Under Plan B, members are required by state statute to contribute 3.0 percent of their annual covered salary and the Town of St. Francisville is required to contribute at an actuarially determined rate. The current rate is 6.27% of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These ten 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 St. Francisville are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:181, 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 St. Francisville contributions to the System under Plan B for the years ending August 31, 2005, 2000 and 2000 were approximately \$29,658, \$17,300, and \$14,808, respectively.

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

9. Defined Benefit Pension Plan (continued)

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

Plan Description. All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who enter or re-enter after age 58 with at least 20 years of creditable service or at or after age 35 with at least 11 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3-1/2 percent of their final 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, 8100 United Plaza Suite 501, Baton Rouge, Louisiana 70809-0300, or by calling (225) 929-1411.

Funding Policy. Plan members are required by state statute to contribute 1.5 percent of their annual covered salary and the Town of St. Francisville is required to contribute at an actuarially determined rate. The current rate is 9.8% of annual covered payroll. The contribution requirements of plan members and the Town of St. Francisville are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:009, the employee 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 St. Francisville contributions to the System for the years ending August 31, 2000, 2002 and 2003 were approximately \$14,386, \$9,890, and \$7,680, respectively.

10. Contingencies

The Town has a lawsuit pending involving various matters at August 31, 2003. In the opinion of management and legal counsel, the Town has adequate legal defenses for the issues raised and the outcome of these matters will not have a significant effect on the Town's financial position at August 31, 2003.

11. Bank and Investments

At year-end, the carrying amount of the Town's deposits was \$735,410 and the bank balance was \$769,814. Of the bank balance, \$300,000 was covered by federal depositary insurance and \$469,814 was covered by collateral held by the pledging bank's agent in the Town's name.

The Town's investments are categorized to give an indication of the level of risk assumed by the Town at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Town or its agent in the Town's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent in the Town's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, but not in the system's name.

TOWN OF ST. FRANCISVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

11. Cash and Investments (continued)

Investments are stated at market value. The Town's investments consist of the following.

Louisiana Asset Management Pool	\$ 264,417
Certificates of Deposit	99,018
Mutual Fund	<u>179,687</u>
Total presented	\$ <u>543,122</u>

12. Interfund Receivables and Payables

The following schedule as of August 31, 2003 represents interfund receivables and payables:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 7,817	\$ 8,217
Special Revenue Fund	1,279	1,258
Economic Development Fund	-	4,788
Enterprises:		
Gas Utility	21,690	-
Water Utility	<u>1,608</u>	<u>22,740</u>
	\$ <u>32,384</u>	\$ <u>36,993</u>

13. Grant Revenue

The following is a listing of grant monies received as of August 31, 2003:

Louisiana Commission on Law Enforcement and Administration of Criminal Justice - General Fund	\$ <u>2,948</u>
Total presented	\$ <u>2,948</u>

FINANCIAL STATEMENTS OF

INDENTURED FUNDS AND ACCOUNT GROUPS

GENERAL FUND

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

TOWN OF EL FRANCHISSE, LOUISIANA

**GENERAL FUND
COMPARATIVE BALANCE SHEET
AUGUST 31, 2004 AND 2003**

ASSETS

	<u>2004</u>	<u>2003</u>
Cash	\$ 6,852	\$ 13,899
Due from other governmental units	2,490	2,490
Investments	1,144,734	1,154,033
Interest receivable	1,000	1,000
Due from other funds	7,827	7,827
Other receivables	14,500	14,500
	<u>\$ 1,178,393</u>	<u>\$ 1,178,609</u>

LIABILITIES AND FUND BALANCE

Accounts payable	\$ 11,343	\$ 1,794
Due to other funds	8,226	8,337
Accrued payables	<u>14,469</u>	<u>14,463</u>
Total liabilities	34,038	24,894
Fund balance - undesignated	<u>1,144,355</u>	<u>1,153,715</u>
Total liabilities and fund balance	<u>\$ 1,178,393</u>	<u>\$ 1,178,609</u>

TOWNSHIP OF FRANKSVILLE, LOUISIANA

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET FISCAL YEAR 2001 AND ACTUAL
YEAR ENDED AUGUST 31, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED AUGUST 31, 2000**

	2001			
	Budget	Actual	Variance (Unfavorable)	2000 Actual
REVENUES				
All voters taxes	\$ 20,000	\$ 21,400	\$ 1,400	\$ 18,000
Occupational licenses and permits	100,000	120,100	20,100	124,000
Intergovernmental				
Fire insurance	-	4,000	4,000	4,000
Rent	4,000	21,400	17,400	10,400
State Revenue Sharing	10,000	4,700	(5,300)	7,000
Video Poker	50,000	60,000	10,000	68,200
LCC's maintenance	7,000	7,400	400	7,400
Grants	10,000	1,000	(9,000)	11,000
Clearance	10,000	21,000	11,000	24,000
Other Revenue				
Utility Services	100,000	94,000	(6,000)	84,000
Miscellaneous	10,000	23,600	13,600	10,000
Cable Services	2,000	21,700	19,700	-
Interest	2,000	10,000	8,000	10,000
Total revenues	410,000	475,500	65,500	473,000
EXPENDITURES				
GENERAL GOVERNMENT				
Insurance	10,000	68,100	(58,100)	8,000
Special taxes	-	11,000	(11,000)	500
Salaries	20,000	-	20,000	1,000
Professional services	5,000	4,000	1,000	5,000
Travel	5,000	4,800	200	4,000
Printing	-	-	-	-
Printing and publishing	4,000	2,000	2,000	1,000
Grant expenditures	5,000	1,000	4,000	1,000
Other	2,000	10,200	(8,200)	3,000
Total General	61,000	117,100	(56,100)	35,000
CAPITAL PROJECTS				
Police				
Salaries - Chief of Police	20,000	20,000	0	20,000
Salaries - Policemen	140,000	150,700	10,700	140,700
Salaries - Office	25,000	34,000	9,000	8,700
Eng. center fee	-	-	-	-
Education	5,000	4,000	1,000	4,000
Employee insurance	10,000	-	10,000	11,000
Payroll taxes	20,000	14,200	5,800	14,200
Retirement	7,000	10,000	(3,000)	8,000
Grants	10,000	10,000	0	11,000
Utilities	4,000	4,000	0	4,000
Grant expenditures	-	1,000	(1,000)	0
Other	1,000	1,000	0	4,000
Cell phone	1,000	1,000	0	1,000
Supplies	7,000	4,000	3,000	11,000
Other	10,000	10,000	0	10,000
Total Police	271,000	301,100	30,100	290,000

TOWN OF ST. FRANCISVILLE, LOUISIANA

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (LAST FISCAL YEAR) AND ACTUAL
YEAR ENDED AUGUST 31, 2002
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED AUGUST 31, 2001**

	2002			
	Budget	Actual	Variance - Favorable (Unfavorable)	2001 Actual
FIN				
Salaries and wages	12,000	12,423	(2,075)	12,279
Payroll taxes	1,500	1,563	(125)	1,500
Insurance	4,000	-	4,000	3,311
Utilities	10,000	4,720	5,279	4,024
Other	14,200	11,081	3,119	14,200
Total	41,700	41,787	(887)	48,314
Total Public Safety	41,700	41,787	(887)	48,314
STREET				
Salaries and wages	28,000	44,217	(12,217)	46,204
Payroll taxes	3,000	3,263	263	3,108
Maintenance	2,000	-	2,000	-
Insurance	25,000	40,843	(15,843)	19,800
Supplies and maintenance	1,000	200	800	11
Employee insurance	14,000	-	14,000	9,679
Change truck	4,000	3,800	200	1,511
County truck	2,000	2,000	-	2,224
Utilities	4,000	3,220	780	3,220
Total	100,000	104,213	(4,213)	100,557
CELEBRATION/RECREATION				
Other	-	-	-	-
Total Celebration and Recreation	-	-	-	-
CAPITAL OUTLAY				
Public Safety				
Capital Investment	14,500	800	13,700	35,074
Police Department	27,000	13,475	13,525	19,254
Fire Department	14,500	13,520	1,000	3,114
Total capital outlay	56,000	35,795	20,205	57,442
TOTAL EXPENDITURES	407,900	399,000	8,900	409,524
Excess of revenues over budget expenditures	(24,000)	(21,000)	3,000	(31,000)
OTHER FINANCING AND TRANSFER CHANGES				
Transfer in	100,000	124,000	(24,000)	140,000
Transfer out	-	(24,743)	24,743	(17,000)
Police on lease proceeds	-	-	-	10,000
Total	100,000	99,257	743	133,000
Excess of revenues and other sources over budget expenditures and other uses	(4,000)	(1,743)	2,257	(1,400)
FUND BALANCE				
Beginning of year	1,144,000	1,144,000	-	1,144,000
Total change	\$ 1,070,000	\$ 1,122,257	\$ 47,753	\$ 1,144,000

SERIAL REVENUE FUND

SALES TAX FUND

The Sales Tax Fund accounts for the receipt and use of proceeds of the Town's 1% sales and use tax. These taxes are dedicated to operating expenditures of the sanitary sewer system and to the retirement of the Sales and Use Tax Bonds dated January 1, 1971. All remaining proceeds from the tax may be used by the Town for any lawful purposes.

ECONOMIC DEVELOPMENT FUND

This fund accounts for the Town's expenditures to promote economic development and tourism.

TOWN OF ST. FRANCISVILLE
COMBINED BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
AUGUST 31, 2002
WITH COMPARATIVE FIGURES FOR 2001

	Sales Tax Fund	Economic Development Fund	Total	
			2001	2002
ASSETS				
CURRENT				
Cash	\$ 414,360	\$ 41,475	\$ 455,835	\$ 364,837
Accounts receivable	11,540	-	11,541	6,279
Due from other governmental units	41,000	-	41,000	56,500
Due from other funds	384	-	384	3,076
Total current assets	<u>497,284</u>	<u>41,475</u>	<u>538,759</u>	<u>430,692</u>
RESTRICTED ASSETS				
Debt Working Account	11,961	-	11,961	11,961
Total restricted assets	<u>11,961</u>	<u>-</u>	<u>11,961</u>	<u>11,961</u>
Total assets	<u>\$ 509,245</u>	<u>\$ 41,475</u>	<u>\$ 550,723</u>	<u>\$ 442,653</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ 3,410	\$ 13,880	\$ 17,290	\$ 11,440
Assured payables	11,309	2,131	13,440	13,440
Assured interest payable	21,606	-	21,606	2,919
Due to other funds	114	4,330	4,444	8,034
Total liabilities	<u>36,439</u>	<u>20,341</u>	<u>56,780</u>	<u>35,833</u>
Fund Balance:				
Undesignated	460,776	21,134	481,910	385,500
Total fund balance	<u>460,776</u>	<u>21,134</u>	<u>481,910</u>	<u>385,500</u>
Total liabilities and fund balance	<u>\$ 509,245</u>	<u>\$ 41,475</u>	<u>\$ 550,723</u>	<u>\$ 442,653</u>

TOWN OF ST. FRANCISVILLE, LOUISIANA

**COMBINED STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
YEARS ENDED AUGUST 31, 2000**

WITH COMPARATIVE TOTALS FOR YEAR ENDED AUGUST 31, 1999

	Funds		Totals	
	General Fund	Economic Development Fund	1999	2000
REVENUES				
Taxes:				
Sales tax revenues	\$ 140,000	\$ -	\$ 140,000	\$ 475,470
Grass	-	-	-	50,000
Charges for services	60,000	-	60,000	50,221
Other	3,667	151,750	155,417	155,341
Total revenues	203,667	151,750	355,417	731,032
EXPENDITURES				
General government				
Expenses per diem	23,700	-	23,700	23,700
Financial administration:				
Insurance	24,800	-	24,800	21,480
Interest expense	-	-	-	-
Employee insurance	20,771	-	20,771	14,700
Professional services	4,500	-	4,500	11,400
Salaries	90,000	-	90,000	79,917
Town hall	13,421	-	13,421	10,900
Refusement	11,288	-	11,288	4,470
Office supplies	3,710	-	3,710	3,381
Printing and publishing	900	-	900	889
Sales tax collector	17,086	-	17,086	21,080
all other	43,196	141,460	184,656	141,300
Total general government	267,772	141,460	409,232	330,720
Sanitation				
Salaries	26,601	-	26,601	26,500
Utilities	19,331	-	19,331	16,000
Supplies and maintenance	6,700	-	6,700	11,750
Service trucks	4,427	-	4,427	4,600
Service analysis	3,234	-	3,234	3,000
Outlines	1,402	-	1,402	1,700
Total sanitation	62,715	-	62,715	63,550

TOWN OF ST. FRANCISVILLE, LOUISIANA

**COMBINED STATEMENT OF REVENUES,
EXPENDITURES AND TRANSFERS IN FUNDS BALANCE**

**ALL SPECIAL REVENUE FUNDS
YEAR ENDED AUGUST 31, 2002**

WITH COMPARATIVE TOTALS FOR YEAR ENDED AUGUST 31, 2001

	Total Tax Fund	Economic Development Fund	Total	
			2001	2002
College and Recreation (Self pay)	1,079	-	1,079	1,000
Capital Outlay (Local government)	11,701	5,480	41,877	208,118
Total expenditures	128,794	182,052	745,199	898,875
Source of revenues (see auditor's report)	206,811	8775	204,284	4,460
OTHER FINANCING SOURCES				
Operating transfers in	100	-	100	45,883
Operating transfers out	(166,215)	(16,180)	(78,781)	(311,750)
Police bond proceeds	-	-	-	-
Capital lease proceeds	-	-	-	-
Source of revenues (see auditor's report) and other items	88,696	(11,421)	73,875	(75,867)
FUND BALANCE				
Beginning of year	311,688	22,797	343,791	528,282
End of year	\$ 145,779	\$ 10,605	\$ 343,208	\$ 382,209

ENTERPRISE FUNDS

GAS FUND

The Gas Fund is used to account for the activities of providing natural gas to the residents of the Town. These activities include administration, operation, maintenance, financing and related debt service, and billing and collection.

WATER FUND

The Water Fund is used to account for the activities of providing water services to the residents of the Town. These activities include administration, operation, maintenance, financing and related debt service, and billing and collection.

TOWN OF ST. FRANCISVILLE, LOUISIANA

**ENTERPRISE FUNDS
COMBINED BALANCE SHEET
AUGUST 31, 2002
WITH COMPARATIVE TOTALS FOR 2001**

ASSETS	Gas	Water	Totals	
	Utility	Utility	2002	2001
	Fund	Fund		
CURRENT				
Cash	\$ 129,752	\$ 29,094	\$ 158,846	\$ 206,468
Accounts receivable - net of allowance for uncollectible accounts, 2002 and 2001 - \$ 28,800	41,498	20,794	62,292	96,471
Due from other funds	21,692	1,406	23,098	28,099
Prepaid insurance	1,598	1,598	3,196	8,000
Total current assets	<u>204,540</u>	<u>52,892</u>	<u>257,432</u>	<u>338,938</u>
RESTRICTED CASE				
Water Deposit Fund	41,452	21,661	63,113	63,634
Water Utility account	-	13,982	13,982	28,267
Debt Reserve Account	-	11,254	11,254	9,968
Debt Contingency Account	-	24,473	24,473	22,781
Total restricted assets	<u>41,452</u>	<u>71,370</u>	<u>117,812</u>	<u>124,650</u>
FIXED ASSETS				
Gas systems and equipment - net	177,689	-	177,689	126,234
Water systems and equipment - net	-	498,617	498,617	528,590
Total fixed assets	<u>177,689</u>	<u>498,617</u>	<u>676,306</u>	<u>654,824</u>
Total assets	<u>\$ 386,769</u>	<u>\$ 623,267</u>	<u>\$ 1,010,032</u>	<u>\$ 1,118,212</u>

**ENTERPRISE FUNDS
COMBINED BALANCE SHEET
AUGUST 31, 2001
WITH COMPARATIVE TOTALS FOR 2000**

LIABILITIES	On	Water	Totals	
	Utility Fund	Utility Fund	2000	2001
CURRENT				
Payable from current assets:				
Accounts payable	\$ 1,248	\$ 3,171	\$ 4,419	\$ 13,733
Accrued expenses	8,963	7,540	16,503	14,088
Due to other funds	-	20,740	20,740	20,740
Accrued compensated absences	1,148	1,032	2,180	3,894
Payable from restricted assets:				
Bonds payable in one year	-	33,000	33,000	33,000
Notes payable in one year	-	-	-	4,961
Accrued interest payable	-	5,776	5,776	5,776
Customer deposits	31,195	15,483	46,678	41,486
Total current liabilities	<u>42,554</u>	<u>58,934</u>	<u>101,488</u>	<u>132,888</u>
LONG-TERM LIABILITIES				
Bonds payable after one year	-	134,000	134,000	176,000
Notes payable after one year	14,320	-	14,320	15,694
Total long-term liabilities	<u>14,320</u>	<u>134,000</u>	<u>148,320</u>	<u>191,694</u>
Total liabilities	<u>56,874</u>	<u>192,934</u>	<u>249,808</u>	<u>324,582</u>
CAPITAL				
CONTRIBUTIONS				
Contributions in aid of construction	47,184	315,344	362,528	552,347
Total contributions	<u>47,184</u>	<u>315,344</u>	<u>362,528</u>	<u>552,347</u>
RETAINED EARNINGS (DEFICIT)				
Reserved	-	15,436	15,436	33,000
For customer bond retirement	-	15,436	15,436	33,000
For customer deposits	12,220	18,388	30,608	(20,486)
Total reserved retained earnings	12,220	29,824	42,076	(4,486)
Unreserved	244,248	(126,747)	117,501	227,886
Total retained earnings (deficit)	<u>256,468</u>	<u>(96,923)</u>	<u>159,547</u>	<u>223,400</u>
Total capital	<u>303,652</u>	<u>418,421</u>	<u>722,075</u>	<u>775,841</u>
Total liabilities and capital	<u>\$ 360,526</u>	<u>\$ 611,355</u>	<u>\$ 1,001,883</u>	<u>\$ 1,100,423</u>

TOWN OF ST. FRANCISVILLE, LOUISIANA

**INTERFUND STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
YEAR ENDED AUGUST 31, 2001
WITH COMPARATIVE TOTALS FOR YEAR ENDED AUGUST 31, 2000**

	Gas	Water	Totals	
	Utility Fund	Utility Fund	2001	2000
OPERATING REVENUES				
Charges for services	\$ 642,546	\$ 113,493	\$ 756,039	\$ 784,652
OPERATING EXPENSES				
Gas - purchases	303,006	-	303,006	271,010
Depreciation	20,950	43,612	64,562	34,090
Other	773,559	713,962	1,487,521	1,484,179
Total operating expenses	1,097,515	757,574	1,855,089	1,819,279
Operating income	46,031	45,919	91,950	1,171
NON-OPERATING REVENUES EXPENSES				
Investment earnings	2,106	1,943	4,049	6,411
Interest expense	-	-	-	(12,785)
Total non-operating revenues expenses	2,106	1,943	4,049	6,352
Income (loss) before operating transfers	48,137	47,862	96,000	11,944
OPERATING TRANSFERS				
Operating transfers out	(50,000)	(17,216)	(67,216)	(112,158)
	(50,000)	(17,216)	(67,216)	(112,158)
Net income (loss)	(1,863)	30,646	28,783	(100,214)
RETAINED EARNINGS				
Beginning of year	244,961	(78,567)	166,394	334,562
End of year	\$ 243,098	\$ (47,921)	\$ 195,177	\$ 234,348

TOWN OF ST. FRANCISVILLE, LOUISIANA

EXTRACURRICULAR FUNDS

GALE FUND

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN RETAINED EARNINGS - BUDGET (FISCAL BASIS) AND ACTUAL
YEAR ENDED AUGUST 31, 2001
WITH COMPARATIVE BUDGET FOR YEAR ENDED AUGUST 31, 2000**

	Year Ended August 31, 2001		Variance - Favorable (Unfavorable)	2000 Actual
	Budget	Actual		
OPERATING REVENUES				
Charges for services	\$ 500,000	\$ 482,044	\$ 180,044	\$ 522,287
OPERATING EXPENSES				
Gas purchases	275,000	360,486	85,486	275,000
Salaries and wages	90,000	120,794	30,794	110,046
Insurance	20,000	36,000	16,000	36,963
Employee insurance	-	15,000	(15,000)	15,213
Repairs and maintenance	30,000	40,100	10,100	32,288
Depreciation	7,000	20,878	13,878	8,223
Professional services	10,000	7,488	2,512	8,278
Town hall	4,500	5,161	661	4,579
Payroll taxes	7,000	-	7,000	-
Retirement	1,000	7,369	6,369	4,528
Utilities	6,000	5,766	234	5,288
Traffic	-	4,277	4,277	12,264
Water reading service	9,000	7,144	1,856	6,878
Uniforms	2,100	2,218	118	2,126
Postage	2,000	1,288	712	1,881
Office supplies	1,100	2,679	1,579	1,100
Miscellaneous	1,000	14,828	13,828	8,109
Total operating expenses	487,200	796,486	(310,286)	730,665
Operating income (loss)	11,800	(114,442)	31,042	91,622

TOWN OF ST. FRANCISVILLE, LOUISIANA

ENTERPRISE FUNDS

WATER FUND

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN RETAINED EARNINGS - BUDGET QUANT BASED AND ACTUAL
YEAR ENDED AUGUST 31, 2000
WITH COMPARATIVE TOTALS FOR YEAR ENDED AUGUST 31, 1999**

	Year Ended August 31, 2000			
	Budget	Actual	Variance - Favorable (Unfavorable)	2000 Actual
NONOPERATING REVENUES				
EXPENSES				
Interest revenue	8,000	3,796	(4,204)	3,429
Miscellaneous revenue	-	-	-	-
Total nonoperating revenue (expense)	8,000	3,796	(4,204)	3,429
INCOME (LOSS) BEFORE OPERATING TRANSFERS	21,890	46,424	24,534	24,761
OPERATING TRANSFERS (OUT)				
Transfer to other funds	-	-	-	-
Transfer to general fund	(28,880)	(28,880)	(28,880)	(28,880)
NET INCOME (LOSS)	1,890	(1,440)	(1,440)	(28,270)
RETAINED EARNINGS, beginning	258,841	258,841	-	258,732
RETAINED EARNINGS, ending	\$ 260,731	\$ 257,401	\$ (3,330)	\$ 230,462

TOWN OF FT. FRANKLIN, ALABAMA

ENTERPRISE FUNDS

WATER FUND

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET ASSETS (EARNING DEFICIT), BUDGET VS. ACTUAL, AND ACTUAL
YEAR ENDED AUGUST 31, 2002
WITH COMPARATIVE TOTALS FOR YEAR ENDED AUGUST 31, 2001**

	Year Ended August 31, 2002			
	Budget	Actual	Variance - Favorable (Unfavorable)	2001 Actual
OPERATING REVENUES				
Charges for services	\$ 212,000	\$ 211,491	\$ 509	\$ 210,478
OPERATING EXPENSES				
Depreciation	40,000	41,671	(1,671)	41,568
Salaries and wages	75,000	81,761	(16,761)	78,000
Insurance	26,000	21,761	4,239	24,047
Employee insurance	-	16,897	(16,897)	4,962
Repairs and maintenance	14,000	17,290	(1,290)	15,287
Professional services	7,000	5,438	1,562	4,976
Taxes (all)	1,800	1,693	107	1,648
Payroll taxes	5,500	-	5,500	4,887
Retirement	5,000	1,171	3,829	3,288
Utilities	26,000	21,933	4,067	22,538
Travel	4,500	4,438	62	2,842
Motor vehicle service	4,500	7,144	(2,644)	3,876
Cellphone	-	2,883	(2,883)	2,876
Postage	980	1,128	(148)	1,609
Office supplies	2,000	1,344	656	1,188
Subscriptions	12,000	11,616	384	998
Total operating expenses	221,980	239,594	(17,614)	234,331
Operating income (loss)	(11,980)	(28,103)	(16,123)	(23,853)

TOWN OF ST. FRANCISVILLE, LOUISIANA

ENTERPRISE FUNDS

WATER FUND

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN RETAINED EARNINGS (DEFICIT) - BUDGET, PLANNED BUDGET, AND ACTUAL
YEAR ENDED AUGUST 31, 2000
WITH COMPARATIVE TOTALS FOR YEAR ENDED AUGUST 31, 1999**

	Year Ended August 31, 2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
NONOPERATING REVENUES				
EXPENSES				
Interest revenue	1,000	1,943	(1,077)	1,984
Interest expense	(14,000)	-	14,000	(11,738)
Miscellaneous revenue	-	-	-	-
Total nonoperating revenues (expense)	(13,000)	1,943	14,343	(9,754)
INCOME (LOSS) BEFORE OPERATING TRANSFERS	(24,380)	(44,138)	(11,778)	(21,732)
OTHER FINANCING SOURCES (USES)				
Operating transfer in	-	-	-	-
Operating transfer out	-	(11,050)	(11,050)	(11,050)
NET INCOME (LOSS)	(24,380)	(65,178)	(41,094)	(28,777)
RETAINED EARNINGS (DEFICIT),				
Beginning	(18,547)	(18,547)	-	00
RETAINED EARNINGS (DEFICIT), ending	\$ (42,927)	\$ (83,725)	\$ (41,094)	\$ (28,777)

OTHER RELEVANT AGENCY INFORMATION

TOWN OF ST. FRANCISVILLE, LOUISIANA

**SCHEDULE OF INVESTMENTS IN ESCROW
AS OF 03/31/2000**

<u>Category</u>	<u>Investor/Counterparty</u>	<u>Expiration Date</u>	<u>Liability Limits</u>
Commercial property	Broussard, Bank, & Hunt	01-01-04	\$1,000,000 (limit on Terms Mail)
Business auto	Broussard, Bank, & Hunt	01-01-04	\$1,000,000 each accident or loss
General liability	Broussard, Bank, & Hunt	01-01-04	\$1,000,000 each loss; \$2,000,000 aggregate
Cyber	Broussard, Bank, & Hunt	01-01-04	\$100,000 limit
Public Official Liability	Broussard, Bank, & Hunt	01-01-04	\$2,000,000 each loss
Law enforcement officer professional liability	Broussard, Bank, & Hunt	01-01-04	\$1,000,000 each loss; \$2,000,000 aggregate
Employee benefits liability	Broussard, Bank, & Hunt	01-01-04	\$1,000,000 each loss
Workers' compensation	Lt. Municipal Risk Management Agency	06-01-01	Statutory
Surety bonds	Western Surety	06-01-01	\$100,000 bond clerk and tax collector; \$10,000 other officials and employees
Position related bond	Western Surety	06-05-04	\$50,000 mayor; \$50,000 town clerk; \$50,000 bookkeeper; \$50,000 plant controller
Money Bond	Western Surety	06-23-04	\$5,000 aggregate

TOWNSHIP OF ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF PRINCIPAL OFFICIALS AND SALARIES
AUGUST 31, 1992

William H. D'Aquila, Mayor	\$ 10,000
Richard G. Holcomb	1,000
James R. Louka, Jr.	1,000
Clayton Robertson, Jr.	1,000
James Davis	1,000
David Pomeroy	<u>1,000</u>
Total	<u>\$ 15,000</u>

TOWN OF ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF GAS AND WATER RATES
AUGUST 20, 2008
(Unaudited)

RESIDENTIAL CUSTOMERS - GAS

\$12.80 minimum monthly bill 0 to 1,000 cubic feet
\$12.81 all excess per 1,000 cubic feet

COMMERCIAL CUSTOMERS - GAS

\$40.80 minimum monthly bill 0 to 1,000 cubic feet
\$12.38 all excess per 1,000 cubic feet

RESIDENTIAL CUSTOMERS - WATER

\$1.50 per month for the first 2,000 gallons
\$1.40 per 1,000 or part thereof of the next 5,000 gallons
\$1.40 per 1,000 or part thereof of the next 11,000 gallons
\$.81 per 1,000 or part thereof of all over 20,000 gallons

COMMERCIAL CUSTOMERS - WATER

\$40.20 per month for the first 20,000 gallons
\$ 1.40 per 1,000 or part thereof of the next 10,000 gallons
\$.81 per 1,000 or part thereof of all over 30,000 gallons

TOWN OF ST. FRANCISVILLE, LOUISIANA

**SCHEDULE OF FINDINGS
YEAR ENDING AUGUST 31, 2002**

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of the Town of St. Francisville.
2. One reportable condition disclosed during the audit of the financial statements is reported in Part B of this schedule. This condition is reported as a material weakness.
3. No instances of non-compliance material to the financial statements of the Town of St. Francisville were disclosed during the audit.

B. FINDINGS-FINANCIAL STATEMENTS AUDIT

REPORTABLE CONDITIONS

1. Internal Control

Condition: There is a lack of segregation of duties due to the limited number of accounting personnel.

Criteria: Segregation of duties should be adequate to provide effective internal control.

Effect: The segregation of duties is inadequate to provide effective internal control.

Recommendation: No action is recommended.

Response: We concur with the finding. It would not be cost effective to hire additional personnel to achieve the appropriate segregation of duties.