

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE L: HOUSING ASSISTANCE PROGRAM FUND

The City of Plaquemine, Louisiana administers a Housing Assistance Program for qualified applicants through the Department of Housing and Urban Development.

The following analysis details the expenditures for the Section 8 Housing Assistance Program and Health and Safety Rehabilitation Program.

	Section 8 For Year Ended 10-31-96	Health & Safety For Year Ended 10-31-96
Reimbursement to Housing Authority	\$ -	-
Professional Fees	-	6,925
Building materials	-	-
Capital outlay	-	-
Housing assistance programs	299,941	-
Administrative salaries	30,664	-
Accounting and audit	4,500	-
Office rent	2,400	-
Sundry administrative	5,245	-
Other general	3,680	-
Travel	1,254	-
Total Expenditures	<u>\$347,684</u>	<u>\$6,925</u>

NOTE M: ACCRUED LEAVE PRIVILEGES

The following is a summary of changes in accumulated leave privileges for the year ended October 31, 1996:

	General Long-Term Debt Group	Enterprise Fund	Total
Balance at 10-31-95	\$34,832	\$107,216	\$142,048
Increase (decrease) in accumulated sick leave	<u>41,864</u>	<u>(63,455)</u>	<u>(21,591)</u>
Balance at 10-31-96	<u>\$76,696</u>	<u>\$43,761</u>	<u>\$120,457</u>

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE F: NOTES PAYABLE, continued

The following is a summary of notes payable at October 31, 1996:

	<u>Leasecorp, Inc.</u>	<u>G.E. Capital Finance</u>	<u>Total</u>
Current portion	\$21,003	\$ -	\$21,003
Long-term portion	22,564	-	22,564
	<u>\$43,567</u>	<u>\$ -</u>	<u>\$43,567</u>

NOTE G: CHANGES IN LONG-TERM DEBT

The following is a summary of long-term bond transactions for the year ended October 31, 1996:

	<u>General Obligation Bonds</u>	<u>Revenue</u>	<u>Total</u>
Long-term bonds payable 11-1-95	\$5,501,000	\$4,655,000	\$10,156,000
Bonds retired or transferred to current liabilities	(356,000)	(835,000)	(1,191,000)
Bonds issued	-	-	-
Long-term bonds payable 10-31-96	<u>\$5,145,000</u>	<u>\$3,820,000</u>	<u>\$8,965,000</u>

Bonds payable at October 31, 1996 are comprised of the following individual issues:

GENERAL OBLIGATION BONDS

\$523,000 Public Improvement Sewerage bonds dated 1-1-67; due in annual installments of \$8,000--\$42,000 through January 1, 1997. Interest at 4.45% to 4.50%, payable semiannually. This issue is secured by a levy and collection of ad valorem taxes.

\$ -

\$530,000 Public Improvement Drainage bonds dated 2-1-68; due in annual installments of \$10,000--\$40,000 through February 1, 1998. Interest at 5.36% to 5.40%, payable semiannually. This issue is secured by a levy and collection of ad valorem taxes.

\$ -

\$5,740,000 Sales Tax bonds dated 12-1-91, due in annual installments of \$135,000--\$525,000 through 2011. Interest at 7.25% payable semiannually. This issue is secured by a levy and collection of a two-thirds of one percent sales tax collected by the Parish of Iberville.

\$5,145,000

\$5,145,000

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE N: CASH AND CASH EQUIVALENTS, continued

The following is a summary of cash and cash equivalents of the City of Plaquemine and included component units in the fiscal agency contract at October 31, 1996, with the related federal deposit insurance and pledged securities:

	Bank Balances October 31, 1996	FDIC Insurance	Balances Uninsured
Cash	\$7,464,230	\$600,000	\$6,864,230
Uncollateralized Securities pledged and held by custodial banks in the name of fiscal agent banks, at fair market value, at 10-31-96			8,543,220
Excess of FDIC insurance and pledged securities over cash at 10-31-96			\$1,678,990

At December 31, 1995, the carrying amount of the City Court's deposits was \$57,941. The entire bank balance was covered by federal depository insurance.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial banks to advertise and sell the pledged securities within ten (10) days of being notified by the City that the fiscal agency bank(s) has (have) failed to pay deposited funds upon demand.

NOTE O: AGREEMENT WITH LEPA

A capacity purchase and operating agreement between Louisiana Energy and Power Authority and the City of Plaquemine was entered into as of September 27, 1989. The term of the agreement ends April 30, 1997. The agreement had the impact of contributing \$254,975 to the income of the utility system during the current year.

NOTE P: FEDERAL EMERGENCY MANAGEMENT AGENCY

In the fiscal year ended October 31, 1996, the City of Plaquemine received \$49,432 from the Federal Emergency Management Agency. This is the final payment of federal funding used to assist the City for the additional expenditures that were incurred due to the destruction of Hurricane Andrew.

CITY OF PLAQUEMINE, LOUISIANA
STATEMENT OF CASH FLOWS—ENTERPRISE FUND
YEAR ENDED OCTOBER 31, 1996

	1996
CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$873,448
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	800,492
LEPA revenue	272,585
Lawsuit settlement (net of expenses)	341,982
Gain on sale of assets	3,650
Other revenues	135,737
Increase (decrease) in assets and liabilities:	
Decrease in accounts receivable	127,663
Decrease in due from other funds	21,966
Increase in grant receivable	(233,408)
Increase in inventory	(735)
Increase in other receivables	(468,139)
Decrease in other assets	12,259
Increase in accounts payable	436,634
Increase in contract payable	133,653
Increase in retainage payable	99,756
(Decrease) in sales tax payable	(13,082)
Increase in accrued expenses	13,744
Increase in customer deposits	7,403
Increase in due to other funds	(154,073)
(Decrease) in accrued leave privileges	(63,455)
(Decrease) in accrued interest payable	(143,119)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	2,204,961
 CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Operating transfers out to other funds	(1,093,304)
Operating transfers in from other funds	
NET CASH PROVIDED (USED) BY NON-CAPITAL FINANCING ACTIVITIES	(1,093,304)
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital asset	(267,816)
Principal paid on revenue bond maturities	(1,625,000)
Interest paid on revenue bonds	(241,752)
Paying agent fees	(1,236)
Amortization of discount and issue costs	(12,259)
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(2,148,063)
 CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	226,006
NET CASH PROVIDED BY INVESTING ACTIVITIES	226,006
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(810,400)
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,674,455
 CASH AND CASH EQUIVALENTS AT END OF YEAR	\$4,864,055

The accompanying notes are an integral part of this statement.

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 1996**

NOTE A: SIGNIFICANT ACCOUNTING POLICIES

The City of Plaquemine was incorporated in 1878, under the provisions of Act 109 of the 1878 General Assembly. The City operates under a Mayor-Board of Selectmen form of government.

The accounting and reporting practices of the City of Plaquemine, Louisiana, conform to generally accepted accounting principles as applicable to governmental units on a consistent basis between periods. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Municipal Audit and Accounting Guide*, and to the industry audit guide, *Audits 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.

Financial Reporting Entity

As the municipal governing authority, for reporting purposes, the City of Plaquemine, Louisiana is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (municipality), (b) the 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.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the City of Plaquemine, Louisiana 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 include the following:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the municipality 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 municipality.
2. Organizations for which the municipality does not appoint a voting majority but are fiscally dependent on the municipality.
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.

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued

As required by generally accepted accounting principles, these financial statements present the City of Plaquemine, Louisiana (the primary government) and its component units. The component units included in the accompanying financial statements are discretely presented.

Discretely Presented Component Units

Component units that are legally separate from the municipality but are financially accountable to the municipality, or whose relationship with the municipality are such that exclusion would cause the municipality's financial statements to be misleading or incomplete are discretely presented. The "Component Units" column of the combined financial statements include the financial data of these discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the municipality.

The following component units are discretely presented in the accompanying financial statements: City Court of Plaquemine, Louisiana.

The City Court of Plaquemine was created under the provisions of Louisiana Revised Statute 13:2488,61. The City Judge and Marshal are elected by the voters of the City of Plaquemine and serve a term of six years as provided by Louisiana Revised Statutes 13:1872 and 13:1879, respectively. The City Court of Plaquemine has a December 31, 1995 year end.

City Court judges and City Marshals are independently elected officials and are part of the operations of the City Court system. The City Court system is fiscally dependent on the municipality for office space and courtrooms. The substance of the relationship between the City Court system and the municipality is that the municipality has approval authority over its capital budget. In addition, the nature and significance of the relationship between the City Court system and the municipality is such that exclusion from the municipality's financial statements would render the financial statements incomplete or misleading. We conclude that both City Courts and City Marshals are component units of the City of Plaquemine, Louisiana.

The December 31, 1995 audit report of the City Court of Plaquemine is shown in discrete presentation in the October 31, 1996 audit report of the City of Plaquemine, Louisiana. Copies of the component unit report can be obtained from the City marshal or Judge.

The following presents the condensed financial statements for each of the discretely presented component units:

Condensed Balance Sheet:

	Governmental	Fiduciary
1. Current assets	78,039	2,702
2. Property, plant and equipment	88,291	-
3. Current liabilities	19,110	2,702
4. Due to City of Plaquemine, LA (included in current liabilities)	-	-

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued

Condensed Statement of Revenues, Expenditures, and Changes in Fund
Balances for Component Units - Governmental Funds:

1. Revenues	\$213,029
2. Current expenditures	134,403
3. Capital outlay	28,246
4. Other financial sources (uses)	(22,189)
5. Excess (deficiency) of revenues and expenditures	28,191

Fund Accounting

The accounts of the City of Plaquemine are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. 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 three generic fund types and two broad categories, as follows:

A. Governmental Funds

1. General Fund

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

2. Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, or major capital projects) that are legally restricted to expenditures for specific purposes.

3. 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.

4. Capital Projects Fund

Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by Proprietary and Trust Funds.

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued

B. Proprietary Fund

1. Enterprise Fund

Enterprise Funds are used to account for operations:

(a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or

(b) where the governing body has decided the 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. Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the municipality.

Fiduciary funds include:

1. Agency Funds

Agency Funds account for assets that the municipality holds on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Enterprise Fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

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 City has elected to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued

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.

General fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated.

Utility plant in service recorded in the Enterprise Fund is stated at cost. Depreciation is computed using the straight-line method with composite rates on all utility plant items except automobiles, trucks, furniture, fixtures, and equipment. Specific rates are applied to individual items within the above exceptions. An analysis of utility plant in service and depreciation rates is furnished in Note E of this report. Additions to the utility plant, which will be depreciated using composite rates, are depreciated for six months in the year they are placed in service. Depreciation is charged as an expense against Enterprise Fund operations.

Basis of Accounting

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except principal and interest on general long-term debt is recognized when due. Purchase of various operating supplies are regarded as expenditures at the time purchased.

The proprietary fund is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned, and its expenses are recognized when they are incurred.

Budget and Budgetary Accounting

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

1. The City Accountant prepares a proposed budget and submits same to the Mayor and Board of Selectmen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued

4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. 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 the approval of the Board of Selectmen.

The chief executive or administrative officer must advise the governing authority when:

Total revenue collection by budgeted fund plus projected revenue collections for the remainder of the year fail to meet the estimated annual budgeted revenues by fund by more than 5%.

Total actual expenditures by budgeted fund plus projected expenditures for the remainder of the year exceed the total estimated budgeted expenditures by fund by more than 5%.

Actual beginning fund balance fails to meet the estimated beginning fund balance by more than 5%.

6. All budgetary appropriations lapse at the end of each fiscal year.
7. A budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Selectmen. A budget for the enterprise fund was prepared.

Budgets for the Debt Service Funds and Recreation Fund were not prepared for the year ended October 31, 1996.

Budgets for the Housing Assistance Program are approved by the Department of Housing and Urban Development and not formally adopted by the City of Plaquemine.

Budgetary data for discretely presented component units are not presented in Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual (Exhibit C).

Investments

Investments are stated at cost.

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A: SIGNIFICANT ACCOUNTING POLICIES, continued

Interest Receivable

Interest receivable on restricted assets and interest earned during the year are restricted and reported as such.

Interest Cost

Interest costs are not capitalized.

Inventory

Engine fuel and gasoline inventory is stated at cost (FIFO) based on an estimated number of gallons unused at year end.

Vacation and Sick Leave

It is the City's policy to permit employees to accumulate earned but unused vacation (unlimited) and sick pay (60 days) benefits. No liability is recorded for unpaid accumulated sick leave. Vacation pay is accrued when incurred in proprietary funds and recorded as a liability. For governmental fund types the City's liability has been recorded in the general long-term group of accounts.

Amortization

Bond expenses associated with outstanding bond issues is being amortized over the life of each respective issue.

Allocation of Administrative and General Expenses

Administrative and general expenses are allocated to each individual utility system based on the percentage of each system's operating revenues to the total operating revenues for the entire Enterprise Fund.

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 generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE B: AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property in June of each year. Taxes are levied by the City in October or November and are actually billed to the taxpayers in December. Billed taxes become delinquent on March 1 of the following calendar year. Revenues are budgeted in the fiscal year billed.

**CITY OF PLAQUEMINE, LOUISIANA
ENTERPRISE FUND
STATEMENT OF INCOME
YEAR ENDED OCTOBER 31, 1996**

	1996
OPERATING REVENUES	
Metered sales to general customers	\$9,169,335
Billings to municipality and utilities	238,304
Other operating revenue	20,501
	9,428,140
OPERATING EXPENSES	8,554,692
OPERATING INCOME	873,448
OTHER REVENUE	
Interest on investments:	
Restricted assets	114,943
Other	111,063
Miscellaneous	4,985
Rent	10,257
Finance charges	71,063
Insurance refund	49,432
LEPA revenue	272,585
Gain on sale of fixed asset	3,650
Lawsuit settlement	730,000
State Relocation of Utility Lines	1,137,347
	2,505,325
OTHER CHARGES	
Interest expense:	
Bonds issued in 1976 and 1994	241,752
Other	
Amortization of bond discount	1,366
Amortization of bond issue costs	10,893
Fees related to relocation of utility lines	1,137,347
Paying agent fee	1,236
Legal Fees - lawsuit	388,018
	1,780,612
INCOME BEFORE TRANSFERS	1,598,161
TRANSFERS TO GENERAL FUND	1,093,304
NET INCOME	\$504,857

The accompanying notes are an integral part of this statement.

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE E: CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets follows:

	Primary Government			Balance 10-31-96
	Balance 10-31-95	Additions	Deletions	
	Land	\$79,265	\$ -	
Buildings	1,141,863	243,987	-	1,385,850
Improvements other than buildings	8,756,099	1,003,953	-	9,760,052
Equipment	1,908,045	139,105	72,661	1,974,489
Furniture and fixtures	73,739	39,236	-	112,975
Total General Fixed Assets	\$11,959,011	\$1,426,281	\$72,661	\$13,312,631

	Component Unit			
	Balance 10-31-95	Additions	Deletions	Balance 10-31-96
	Equipment and furniture	\$60,045	\$28,246	\$ -
Total	\$60,045	\$28,246	\$ -	\$88,291

A summary of proprietary fund type property plant and equipment at October 31, 1996 follows:

	Depreciation	
	Balance	Rate
Electric and distribution system	\$20,988,448	2.30%
Water pumping and distribution system	3,645,787	2.30%
Sewerage system	5,040,740	2.30%
Natural gas distribution system	1,074,741	5.00%
Automobile and trucks	702,376	10.0-53.3%
Land	118,961	N/A
Warehouse	106,070	2.30%
Furniture, fixtures, and equipment	593,548	10.0-20.0%
Data processing system	142,641	10.00%
Utility Plant in Service	\$32,413,312	

NOTE F: NOTES PAYABLE

In the general long-term debt account group there are two notes payable issued to finance the purchase of fire trucks. One note is payable to Leasecorp, Inc. of Anderson, Indiana, in the original amount of \$128,700, bearing interest of 7.4%, payable in seven (7) annual installments of \$24,239.90 maturing July 1, 1998. The other note is payable to GE Capital Public Finance, Inc., in the original amount of \$60,000, bearing interest of 6.35%, payable in three (3) annual installments of \$22,592 maturing December 7, 1996.

The servicing of the debt will be provided by General Fund appropriations or Special Revenue Fund appropriations and is shown in the debt service fund.

CITY OF PLAQUEMINE, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES--BUDGET (GAAP BASIS) AND ACTUAL,
 GENERAL AND SPECIAL REVENUE FUND TYPES
 YEAR ENDED OCTOBER 31, 1996

	General Fund		Special Revenue Fund Types				Total	
	Budget	Actual	Variance--		Actual	Budget	Actual	Variance--
			Favorable	(Unfavorable)				
REVENUES								
Taxes	\$86,970	\$86,966	(\$4)			\$86,970	\$86,966	(\$4)
Licenses and permits	326,050	327,335	1,285			326,050	327,335	1,285
Intergovernmental	1,851,447	1,988,916	117,469		466,564	2,311,711	2,435,480	123,769
Charges for services	11,975	14,425	2,450			11,975	14,425	2,450
Fines and forfeits	36,250	35,753	(497)			36,250	35,753	(497)
Rent--Utility system	45,000	45,000	0			45,000	45,000	0
Miscellaneous revenue	32,118	50,576	18,458		4,906	34,418	55,482	21,064
TOTAL REVENUES	2,389,810	2,528,971	139,161		471,470	2,852,374	3,000,441	148,067
EXPENDITURES								
General government:								
City Court	604,421	587,171	17,250			604,421	587,171	17,250
Public safety:								
Fire	108,607	102,790	5,817			108,607	102,790	5,817
Police	652,245	651,425	820		19,338	675,245	670,763	4,482
Public Works	1,537,075	1,545,797	(8,722)			1,537,075	1,545,797	(8,722)
Public health	528,310	535,068	(6,758)			528,310	535,068	(6,758)
Recreation	9,839	9,839	0		6,925	9,839	16,764	(6,925)
Housing assistance payments	68,825	75,942	(7,117)			68,825	75,942	(7,117)
						347,684	347,684	0
TOTAL EXPENDITURES	3,509,322	3,608,032	1,290		373,947	3,880,008	3,881,979	(1,973)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,119,512)	(979,061)	140,451		97,523	(1,027,632)	(881,538)	146,094
OTHER FINANCING SOURCES (USES)								
Operating transfers in	1,122,000	1,093,304	(28,696)			1,122,000	1,093,304	(28,696)
Operating transfers out					(46,831)	(46,831)	(46,831)	0
TOTAL OTHER FINANCING SOURCES (USES)	1,122,000	1,093,304	(28,696)		(46,831)	1,075,169	1,046,473	(28,696)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES								
FUND BALANCE (DEFICIT), Beginning	2,488	114,243	111,755		50,692	47,637	164,936	117,398
FUND BALANCE (DEFICIT), Ending	337,519	337,519	0		47,673	385,192	385,192	0
	\$340,007	\$451,762	\$111,755		\$98,365	\$432,729	\$550,127	\$117,398

The accompanying notes are an integral part of this statement.

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE G: CHANGES IN LONG-TERM DEBT, continued

REVENUE BONDS

\$6,020,000 Water, Sewer, Electric, & Natural Gas Revenue Refunding bonds dated 9-1-76; due in annual installments of \$260,000--\$510,000 through November 1, 1997. Interest at 7.00% to 7.30% payable semiannually. \$295,000

\$4,815,000 Water, Sewer, Electric, & Natural Gas Revenue bonds dated 2-1-94; due in annual installments of \$235,000--\$1,025,000 through November 1, 2000. Interest at 7.00% to 7.30% payable semiannually. \$3,525,000
\$3,820,000

The annual requirements to amortize all debt outstanding as of October 31, 1996 including interest payments of \$3,642,939 are as follows:

Year Ending	General		
<u>October 31</u>	<u>Obligation Bonds</u>	<u>Revenue Bonds</u>	<u>Total</u>
1997	\$513,555	\$1,052,480	\$1,566,035
1998	512,130	1,056,231	1,568,361
1999	512,430	1,050,138	1,562,568
2000	514,570	1,050,625	1,565,195
2001	515,575		515,575
2002	520,258		520,258
2003	523,425		523,425
2004	525,037		525,037
2005	525,055		525,055
2006	528,270		528,270
2007	529,653		529,653
2008	529,360		529,360
2009	532,225		532,225
2010	537,912		537,912
2011	536,422		536,422
2012	542,588		542,588
	<u>\$8,398,465</u>	<u>\$4,209,474</u>	<u>\$12,607,939</u>

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE H: FLOW OF FUNDS & RESTRICTIONS ON USE

Under the terms of the bond indentures on outstanding utility revenue bonds dated September 1, 1976, all income and revenues, after payment of reasonable and necessary operating expenses, are irrevocably pledged to the prompt payment of the principal and interest on the bonds. Revenue in any fiscal year not required for such purposes or for payment into the reserve, expansion and renewal, or contingency accounts is to be regarded under the bond resolution as surplus and may be used for any lawful corporate purposes. Neither the bonds nor their interest coupons constitute an indebtedness or pledge of the general credit of the General Government.

According to the bond indentures, all revenue is to be placed, in the order listed, into the following special funds:

All monies shall be deposited daily into a "Revenue Fund" with disbursements to be made as listed below. Out of the revenue there shall be set aside from time to time into an "Operation & Maintenance Fund" amounts sufficient to provide for the payment of reasonable and necessary expenses of administering, operating, and maintaining the system.

Each month there will be set aside into "Bond and Interest Redemption Fund" an amount equal to 1/6 of the interest and 1/12 of the principal falling due on the next principal and interest payment date. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due, and may be used only for such payments.

There shall be set aside into a Reserve Account" \$610,000 from proceeds of the bonds issued on September 1, 1976. Each month thereafter, \$10,000 shall be set aside until the accumulated amount is equal to the highest combined principal and interest requirements for any succeeding fiscal years. Such amounts may be used only for the payment of maturing bonds and interest coupons for which insufficient funds are not on deposit in the Bond and Interest Redemption Fund and as to which there would otherwise be default.

If necessary, transfers will be made from the Revenue Fund to the "Bond Redemption Trust Fund" to satisfy deficiencies therein.

From proceeds of the bonds issued on September 1, 1976, there will be set aside the sum of \$75,000 in an "Expansion and Renewal Fund." Each month thereafter, 5% of the gross revenues of the system, excluding revenues from certain adjustments, will be set aside in this fund provided monies are available after all other transfers. This amount was not contributed during the current year.

There shall also be set aside into a "Reserve Account" \$610,000 from proceeds of the bonds issued on September 1, 1976. Each month thereafter, \$10,000 shall be set aside until the accumulated amount is equal to the highest combined principal and interest requirements for any succeeding fiscal years. Such amounts may be used only for the payment of maturing bonds and interest coupons for which insufficient funds are not on deposit in the Bond and Interest Redemption Fund and as to which there would otherwise be default.

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE H: FLOW OF FUNDS & RESTRICTIONS ON USE, continued

If necessary, transfers will be made from the Revenue Fund to the "Bond Redemption Trust Fund" to satisfy deficiencies therein.

From proceeds of the bonds issued on September 1, 1976, there will be set aside the sum of \$75,000 in an "Expansion and Renewal Fund". Each month thereafter, 5% of the gross revenues of the system, excluding revenues from certain adjustments, will be set aside in this fund provided monies are available after all other transfers. This amount was not contributed during the current year.

NOTE I: RETIREMENT COMMITMENTS

Employees of the City of Plaquemine, Louisiana (approximately 75) are members of the Municipal Employees Retirement System, the Police Retirement System, or the Fire Fighters Retirement System.

Contributions to the systems are made by both the employees and the City of Plaquemine as a percentage (9.0%) of salaries. The following is a recap of the City's contributions:

	1996
Municipal Employees Retirement System	\$96,180
Fire Fighters Retirement System	29,144
Police Retirement System	51,014
Total Contributions	\$176,338

Data concerning the actuarial status of the systems is not available.

NOTE J: LITIGATION

There are pending lawsuits in which the City is involved. The City Attorney estimates that the potential claim against the City is adequately covered by insurance.

NOTE K: CONTINGENT LIABILITIES

The City has participated in federally assisted grant program, Section 8 Low-income Housing Program. This program is subject to program compliance audits by the grantors or their representatives. The audit of this program for the year prior to October 31, 1996 has not yet been completed. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE N: CASH AND CASH EQUIVALENTS

For reporting purposes, cash and cash equivalents include cash, demand deposits, time deposits and certificates of deposit. Under state law, the City of Plaquemine, may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, any other state in the Union, or the laws of the United States. Further, the City of Plaquemine may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

For the year ended October 31, 1996, the City of Plaquemine, entered into a fiscal agency contract with three (3) commercial banks domiciled within the parish. The contract provided that all deposits of the participating units (see below) are to be in Super NOW (negotiable orders of withdrawal) accounts paying a market rate of interest which approximates the interest rate on 13 week U.S. Treasury Bills. The contract called for participation by the banks in the ratio of their relative capital and surplus at October 31, 1996. The names of the banks and their participation percentages in the fiscal agency contract are as follows:

Iberville Trust & Savings Bank	46.85%
Citizens Bank & Trust Company	29.70%
Plaquemine Bank & Trust Company	23.45%

Under the contract, Iberville Trust & Savings Bank acted as the servicing bank or agent for the other banks and served as a clearinghouse for all deposits and withdrawals of the City. Each participating bank is to maintain an account in the name of the City and is required to pledge securities in excess of federal deposit (FDIC) insurance to protect the deposits of the City. The following component units are included in the 1996 bank balances: Volunteer Fire Department, Iberville Parks & Recreation, and the HUD programs.

It has not been determined whether these component units have fiscal agency agreements of their own. Consequently, the information that follows refers only to the City's fiscal agency agreement.

At October 31, 1996, the City of Plaquemine and the component units listed have bank balances totaling \$7,464,230.

Each of the three banks participating in the fiscal agency contract maintains an account in the name of the City of Plaquemine, and thus has separate federal deposit insurance for that account in the amount of \$100,000 for checking and savings accounts and \$100,000 for investments for a total of \$600,000 FDIC insurance. Any excess of deposits over federal deposit insurance must be secured under state law by the pledge of bank owned securities. The market value of the pledged securities plus the federal deposit insurance must at all times be equal to the amount on deposit with the banks. These pledged securities are held in the name of the pledging banks in an independent custodial bank that is mutually acceptable to the parties involved.

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE Q: LEASES

The City Court does not record items under capital leases as assets and obligations in the accompanying financial statements. The City Court has an operating lease of the following nature:

On March 20, 1991, the City Court entered into a noncancelable lease agreement to lease computer equipment for five years. The minimum annual commitments under the noncancelable operating lease are as follows:

<u>Component Unit</u>	
<u>Fiscal Year</u>	<u>Commitment</u>
1996	<u>\$2,010</u>
Total	<u>\$2,010</u>

NOTE R: BOND ISSUE COSTS

Bond issue costs include those costs related to issuing the bonds. The \$130,712 of bond issue costs are being amortized over the life of the bonds under the straight-line method. The accumulated amortization to date is \$43,570 with a remaining unamortized balance of \$87,142.

NOTE S: BOND DISCOUNT

The \$4,815,000 revenue refunding bonds, Series 1996, were issued at a discount of \$16,396. This discount is being amortized over the life of the bonds under the straight line method which approximates the effective interest rate method. The accumulated amortization to date is \$5,465, with a remaining unamortized balance of \$10,931.

NOTE T: CHANGES IN ASSETS AND LIABILITIES--ALL AGENCY FUNDS

The following is a summary of changes in assets and liabilities of all agency funds:

	<u>Component Unit</u>			
	<u>1-1-95</u>	<u>Additions</u>	<u>Deductions</u>	<u>12-31-95</u>
<u>Fines, Fees and Costs Fund</u>				
Assets	\$8,579	\$170,083	\$178,662	\$0
Liabilities	\$8,579	\$ -	\$8,579	\$ -
 <u>Civil Fund</u>				
Assets	\$2,881	\$33,611	\$33,790	\$2,702
Liabilities	\$2,881	\$2,702	\$2,881	\$2,702

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE U: OTHER PAYABLES

Other payables of the City Court of Plaquemine are made up of the following:

	<u>Component Unit</u>
Payable to the Judge	<u>\$2,702</u>
Total	<u>\$2,702</u>

NOTE V: INTERGOVERNMENTAL REVENUE

Component Unit

The Marshall's office received funds totaling \$12,000 from the Iberville Parish Police Jury during 1995.

NOTE W: RELATED PARTY TRANSACTIONS

Salaries of the City Marshall, City Court Clerk and other City Court employees are to be paid by the City of Plaquemine. The Judge's salary was paid by the State Judiciary Department, the City of Plaquemine, and the Iberville Parish Police Jury. The Public Defender's salary was paid out of the Public Defender Fund.

The City of Plaquemine insures the General Fixed Assets of the City Court against any loss or damage.

PRIMARY GOVERNMENT

**FINANCIAL STATEMENTS
OF INDIVIDUAL FUNDS
AND ACCOUNT GROUPS**

GENERAL FUND

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

**CITY OF PLAQUEMINE, LOUISIANA
GENERAL FUND
BALANCE SHEET
OCTOBER 31, 1996**

	<u>1996</u>
ASSETS	
Cash	\$397,005
Due from other governmental units	172,537
Other receivables	3,644
Due from other funds (Note C)	<u>193,768</u>
TOTAL ASSETS	<u>\$766,954</u>
 LIABILITIES AND FUND BALANCE	
Liabilities	
Vouchers payable	\$39,354
Payroll withholdings	9,568
Due to other funds (Note C)	208,095
Due to other governmental units	<u>58,175</u>
Total Liabilities	<u>315,192</u>
 Fund Balance	
Unreserved (deficit)	<u>451,762</u>
Total Fund Balance	<u>451,762</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$766,954</u>

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED OCTOBER 31, 1996

	1996		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes--ad valorem (Note B)	\$86,970	\$86,966	(\$4)
Licenses and permits:			
Licenses	298,600	299,198	598
Permits	27,450	28,137	687
Intergovernmental:			
Police Jury--S.N.A.P.	5,474	18,117	12,643
State Supplemented Pay	114,025	109,154	(4,871)
Parish sales taxes	1,452,000	1,535,902	83,902
Tobacco taxes	36,000	36,069	69
State motor vehicle	18,000	24,754	6,754
Beer taxes	28,000	29,664	1,664
Fire insurance taxes	17,656	17,656	0
Franchise tax	10,162	10,161	(1)
Parish Police Jury--Fire fees	13,100	13,100	0
State video poker tax	60,500	76,353	15,853
La. State Forestry Grant	600	676	76
La. Commission on Law Enforcement	3,430	3,430	0
U.S. Dept. of Justice - Fast Cops	7,500	7,538	38
Police Jury - 911	12,000	7,799	(4,201)
Police Jury - Old City Hall	50,000	50,000	0
City Court - Police	20,000	20,118	118
City Court	3,000	3,000	0
Chamber - Main Street Program		5,425	5,425
Charge for Services	11,975	14,425	2,450
Fines and forfeits	36,250	35,753	(497)
Rent--Utility System	45,000	45,000	0
Concessions--revenue	1,000	609	(391)
Rent - First Baptist Church	2,500	2,000	(500)
Miscellaneous:			
Sale of equipment	4,900	4,850	(50)
Interest earned	1,200	1,483	283
Other	22,318	41,434	19,116
Project D.A.R.E.	200	200	0
TOTAL REVENUES	2,389,810	2,528,971	139,161
EXPENDITURES			
Current:			
General and administrative	604,421	587,171	17,250
City Court	108,607	102,790	5,817
Public safety:			
Police	1,537,075	1,545,797	(8,722)
Fire	652,245	651,425	820
Public Works	528,310	535,068	(6,758)
Public health	9,839	9,839	0
Recreation	68,825	75,942	(7,117)
TOTAL EXPENDITURES	3,509,322	3,508,032	1,290
(continued)			

The accompanying notes are an integral part of this statement.

**CITY OF PLAQUEMINE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE B: AD VALOREM TAXES, continued

The City bills and collects its own property taxes using the assessed values determined by the tax assessor of Iberville Parish. For the year ended October 31, 1996 taxes of 11.65 mills were levied on property with assessed valuations totaling \$15,910,360 and were dedicated as follows:

General corporate purposes	5.45 mills
Debt service	6.20 mills

Total taxes levied were \$ 185,364, of which approximately \$185,125 were collected for the fiscal year ended October 31, 1996.

NOTE C: INTERFUND RECEIVABLES, PAYABLES

The following is an analysis of interfund receivables and payables at October 31, 1996.

Fund Due From:	<u>Primary Government</u>			Total
	Fund Due To:			
	General	Debt Service	Enterprise	
Special Revenue	\$10,775	\$8,814	\$ -	\$19,589
General	-	208,095	-	208,095
Enterprise	182,927	-	-	182,927
Capital Projects	65	-	132	197
	<u>\$193,767</u>	<u>\$216,909</u>	<u>\$132</u>	<u>\$410,808</u>

	<u>Component Unit</u>	
	Interfund Receivables	Interfund Payables
<u>General Fund</u>		
Court Expense Fund	\$9,017	\$ -
<u>Special Revenue Fund</u>		
Marshall's Fund	-	3,167
Subpoena Fund	2,525	149
Public Defender Fund	-	8,226
<u>Agency Funds</u>		
Fines, Fees and Costs Fund	-	-
Civil Fund	-	-
	<u>\$11,542</u>	<u>\$11,542</u>

NOTE D: DUE FROM OTHER GOVERNMENTAL UNITS

	<u>1996</u>
City Court	\$1,884
LA Dept. of Motor Vehicle	2,382
Sales taxes due from Iberville Parish	143,187
Beer Barrel tax from Department of Revenue & Taxation	8,064
Video poker taxes from State Treasurer's Office	15,786
LA Dept. of Treasury - SNAP	1,234
LA Dept. of Housing & Urban Development	5,564
	<u>\$178,101</u>

INTERNAL CONTROL--SINGLE AUDIT ACT

of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

- Financing
- Revenues/Receipts
- Purchases/Disbursements
- External Financial Reporting

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended October 31, 1996, City of Plaquemine, Louisiana expended 92% of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted no matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect City of Plaquemine, Louisiana in its ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program 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 structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control

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LEGISLATIVE AUDITOR

CITY OF PLAQUEMINE, LOUISIANA

ANNUAL FINANCIAL REPORT

OCTOBER 31, 1996

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

Release Date MAY 14 1997

HUGH F. BAXLEY, CPA
A Professional Accounting Corporation

HFB

HUGH F. BAXLEY, CPA
A Professional Accounting Corporation

Hugh F. Baxley, CPA/PFS
Kent Craft, CPA
Margaret A. Pritchard, CPA

To the Honorable Mark A. Gulotta, Mayor
and Members of the Board of Selectmen
City of Plaquemine, Louisiana

Gentlemen:

In connection with our examination of the general purpose financial statements of the City of Plaquemine, LA at October 31, 1996, we reviewed the accounting procedures and internal control presently in effect. Our examination did not constitute a detailed systems survey; however, we are able to comment on those practices that fell within the scope of our review and which warrant consideration for strengthening internal control and improving accounting procedures and financial reporting. These suggestions are offered as assistance for improving the City's accounting procedures, and no criticism is intended of any department or individual.

The matters discussed herein were considered during our examination of the general purpose financial statements of October 31, 1996. They do not modify the opinion expressed in our auditor's report dated March 27, 1997. These matters will be considered by us in connection with subsequent examinations.

The following are our immaterial instances of noncompliance noted during the audit.

Budget

Findings

In the General Fund, the actual expenditures exceeded the budgeted expenditures in the Recreation Department by 10%.

Recommendation

The actual expenditures in the General Fund should not exceed the estimated budgeted expenditures by more than 5%. Continuous efforts by management should be made to monitor expenditures in relation to the budget and amendments should be made as they become necessary.

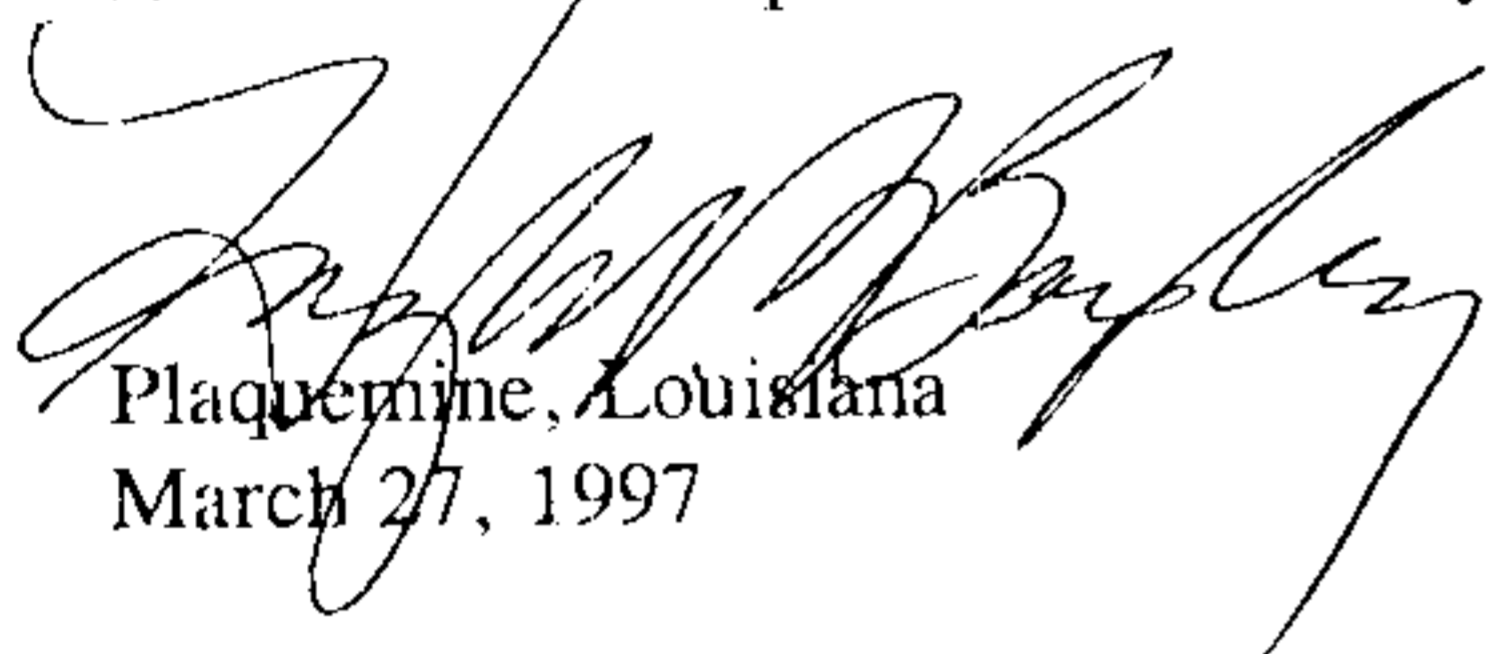
Management's response

Since this was a new department, expenses were difficult to estimate. Better efforts will be made to monitor this department's budget.

City of Plaquemine, LA
Page 2

Our study and evaluation of the City's compliance with laws and regulation for the year ended October 31, 1996, as stated in the "Report on Compliance with Laws and Regulations" in the auditor's report dated March 27, 1997, would not necessarily disclose all weaknesses in the system.

We express our thanks for the courtesies and cooperation extended us during our examination. We will be pleased to discuss any of the items in the letter with you and to assist in the formulation or implementation of any of the procedures mentioned herein.

A large, stylized handwritten signature in black ink, likely belonging to the auditor, is written over the typed text of the signature block.

Plaquemine, Louisiana
March 27, 1997

**CITY OF PLAQUEMINE, LOUISIANA
ANNUAL FINANCIAL STATEMENTS
TABLE OF CONTENTS
OCTOBER 31, 1996**

	<u>EXHIBIT</u>	<u>SCHEDULE</u>	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	--	--	1
Financial statements	--	--	2
<u>Internal Control</u>			
Government Accounting Office	--	--	3-5
Single Audit Act	--	--	6-8
<u>Compliance</u>			
Government Accounting Office	--	--	9
Single Audit Act--General Requirements	--	--	10
Single Audit Act--Specific Requirements--Nonmajor	--	--	11
Single Audit Act--Specific Requirements--Major	--	--	12-13
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS OVERVIEW)	--	--	14
Combined balance sheet--All fund types & account groups and discretely presented component units	A	--	15-16
Combined statement of revenues, expenditures, and changes in fund balances--All governmental fund types and discretely presented component units	B	--	17
Combined statement of revenues, expenditures, and changes in fund balances--Budget (GAAP basis) and actual--General and special revenue fund types	C	--	18
Statement of income--Enterprise fund	D	--	19
Statement of contributions and retained earnings (unreserved)--Enterprise fund	E	--	20
Statement of cash flows--Enterprise fund	F	--	21
NOTES TO FINANCIAL STATEMENTS	--	--	22-39

TABLE OF CONTENTS
(continued)

	<u>EXHIBIT</u>	<u>SCHEDULE</u>	<u>PAGE</u>
FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS	--	--	40
 <u>PRIMARY GOVERNMENT</u>			
<u>General Fund:</u>	--	--	41
Balance sheet	G-1	--	42
Statement of revenues, expenditures, and changes in fund balance--Budget (GAAP basis) and actual	G-2	--	43-44
Statement of expenditures compared to budget (GAAP basis)	G-3	--	45-49
 <u>Special Revenue Funds:</u>	--	--	50
Combining balance sheet	H-1	--	51
Combining statement of revenues, expenditures, and changes in fund balances	H-2	--	52
<u>Housing Assistance Program Fund</u>			
Statement of revenues, expenditures, and changes in fund balance--Budget (GAAP basis) and actual	H-3	--	53
<u>Federal Revenue Sharing Fund</u>			
Statement of revenues, expenditures, and changes in fund balance--Budget (GAAP basis) and actual	H-4	--	54
<u>Recreation Fund</u>			
Statement of revenues, expenditures, and changes in fund balance--Budget (GAAP basis) and actual	H-5	--	55
<u>Fire Department</u>			
Statement of revenues, expenditures, and changes in fund balance--Budget (GAAP basis) and actual	H-6	--	56
<u>Housing Authority-Health and Safety Rehabilitation</u>			
Statement of revenues, expenditures, and changes in fund balance--Budget (GAAP basis) and actual	H-7	--	57
 <u>Debt Service Funds:</u>	--	--	58
Combining balance sheet	I-1	--	59
Combining statement of revenues, expenditures, and changes in fund balances	I-2	--	60
 <u>Capital Projects Fund:</u>	--	--	61
Combining balance sheet	J-1	--	62
Combining statement of revenues, expenditures, and changes in fund balances	J-2	--	63

TABLE OF CONTENTS
(continued)

	<u>EXHIBIT</u>	<u>SCHEDULE</u>	<u>PAGE</u>
FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS (CONT.)			
<u>Enterprise Fund:</u>	--	--	64
Balance sheet	K-1	--	65
Statement of income	K-2	--	66
Statement of contributions and retained earnings (unreserved)	K-3	--	67
Statement of cash flows	K-4	--	68
Statement of changes in restricted assets	K-5	--	69
Operating income	K-6	--	70
Operating expenses	K-7	--	71
General and administrative expenses	K-8	--	72
<u>General Fixed Assets Account Group:</u>	--	--	73
Statement of general fixed assets	L-1	--	74
Statement of changes in general fixed assets	L-2	--	75
<u>General Long-Term Debt Account Group:</u>	--	--	76
Statement of general long-term debt	M-1	--	77
<u>COMPONENT UNIT</u>	--	--	78
<u>City Court of Plaquemine, La.</u>	--	--	79-80
Balance sheet	N-1	--	81
Statement of revenues, expenditures, and changes in fund balance--all governmental fund types	N-2	--	82
SUPPLEMENTARY INFORMATION	--	--	83
General governmental data	--	1	84
Assessed value and property tax revenues	--	2	85
Schedule of bonds outstanding (Enterprise Fund)	--	3	86
Schedule of bond outstanding (excluding Enterprise Fund)	--	4	87
Changes in utility plant in service	--	5	88
Utility units provided and accounted for	--	6	89
Utility rate schedule	--	7	90
Insurance in force (unaudited)--Enterprise Fund	--	8	91
Report on supplementary information--Schedule of Federal Financial Assistance	--	9	92
Schedule of Federal Financial Assistance program expenditures	--	10	93
Schedule of Findings and Questioned Costs	--	11	94

**INDEPENDENT AUDITOR'S
REPORT**

HFB

HUGH F. BAXLEY, CPA
A Professional Accounting Corporation

Hugh F. Baxley, CPA/PFS
Kent Craft, CPA
Margaret A. Pritchard, CPA

The Honorable Mark A. Gulotta, Mayor
and Members of the Board of Selectmen
City of Plaquemine, Louisiana

INTERNAL CONTROL--GOVERNMENT ACCOUNTING OFFICE

We have audited the general purpose financial statements of the City of Plaquemine, Louisiana as of and for the year ended October 31, 1996, and have issued our report thereon dated March 27, 1997.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the City of Plaquemine, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors, and irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the City of Plaquemine, LA for the year ended October 31, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could

INTERNAL CONTROL--GOVERNMENT ACCOUNTING OFFICE

adversely affect the City's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

CITY OF PLAQUEMINE - POLICE DEPARTMENT

Unrecorded Transactions

Findings

During the audit, it was observed that the City of Plaquemine's Police Department savings account transactions were not recorded in the general ledger.

Recommendation

All cash receipts and cash disbursements of the Police Department accounts should be recorded in the General fund within the general ledger.

Management's Response

Management was not aware of this account. Efforts will be made with the Police Department to insure posting of all transactions.

UTILITY SYSTEM

Customer Meter Deposits

Findings

In comparing the general ledger accounts to the summary totals on the deposits report at 10-31-96, variances were noted. The meter deposit summaries reported larger liabilities than the amounts recorded in the general ledger.

Recommendation

A reconciliation should be performed between the activity posted to the meter deposit accounts in the general ledger and the customer deposit accounts recorded on the meter deposit reports on a daily basis until the variances have been curtailed.

Management's Response

Management will contact utility software vendor to correct posting procedure. Additionally, meter deposits will be reconciled daily.

Accounts Receivable

Findings

In the process of reviewing the client's reconciliation between the subsidiary ledger and the general ledger, we noted a cumulative variance resulting from a computer programming error in computing penalties. Penalties had been computed in error on inactive customer accounts through May, 1996.

CITY OF PLAQUEMINE, LOUISIANA
 ENTERPRISE FUND
 STATEMENT OF CONTRIBUTIONS AND RETAINED EARNINGS (UNRESERVED)
 YEAR ENDED OCTOBER 31, 1996

	1996	
	<u>Contributions</u>	<u>Retained Earnings</u>
BALANCE, beginning of year	\$1,494,863	\$13,520,011
Add:		
Net income		504,857
Increase in reserve for bond and interest redemption--1976 issues		(65,824)
Decrease in reserve for renewal and expansion		29,400
BALANCE, end of year	<u>\$1,494,863</u>	<u>\$13,988,444</u>

The accompanying notes are an integral part of this statement.

HFB

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The Honorable Mark A. Gulotta, Mayor
and Members of the Board of Selectmen
City of Plaquemine, Louisiana

INTERNAL CONTROL--SINGLE AUDIT ACT

We have audited the general purpose financial statements of City of Plaquemine, Louisiana for the year ended October 31, 1996, and have issued our report thereon dated March 27, 1997. We have also audited the compliance of City of Plaquemine, Louisiana with requirements applicable to major federal financial assistance programs and have issued our report thereon dated March 27, 1997.

We conducted our audits in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and whether City of Plaquemine, Louisiana complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended October 31, 1996, we considered the internal control structure of City of Plaquemine, Louisiana in order to determine our auditing procedures for the purpose of expressing our opinions on the general purpose financial statements of City of Plaquemine, Louisiana, and on the compliance of City of Plaquemine, Louisiana with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated March 27, 1997.

The management of City of Plaquemine, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation

CITY OF PLAQUEMINE, LOUISIANA
GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) YEAR ENDED
OCTOBER 31, 1996

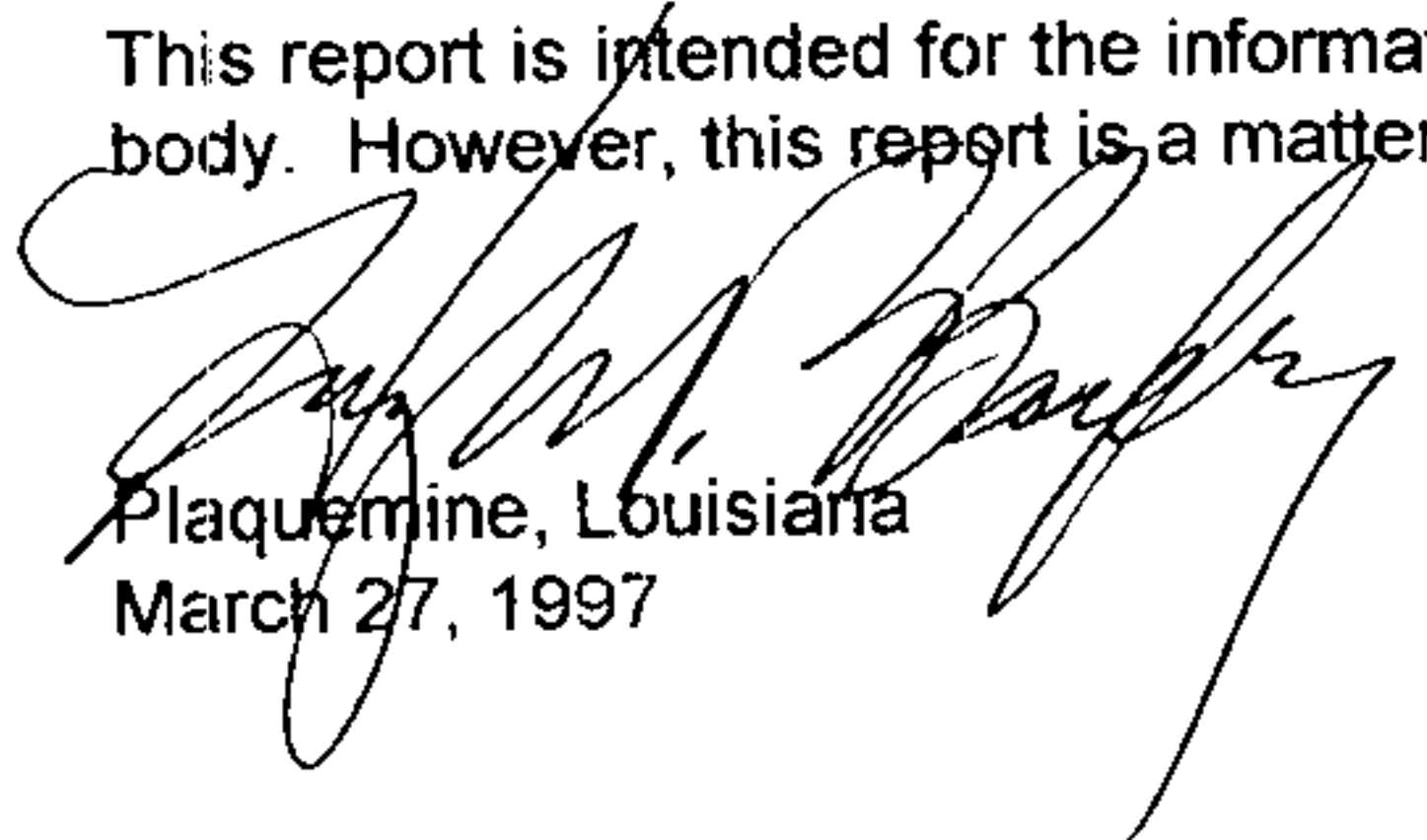
	1996		Variance Favorable (Unfavorable)
	Budget	Actual	
CITY COURT			
Salaries:			
City Court personnel	\$62,152	\$61,861	\$291
Insurance			
Compensation	181		181
Group	8,100	6,422	1,678
Maintenance			
Building		51	(51)
Gas, oil, and grease	630	669	(39)
Retirement	2,320	1,980	340
Payroll Taxes	1,344	1,354	(10)
Professional Fees	26,200	22,853	3,347
City Marshall	7,680	7,600	80
TOTAL CITY COURT	\$108,607	\$102,790	\$5,817
POLICE DEPARTMENT			
Salaries:			
Chief of Police	\$31,502	31,500	\$2
Policeman	769,817	768,317	1,500
Insurance:			
Compensation	46,482	45,896	586
Group	110,275	104,165	6,110
Other	77,733	81,255	(3,522)
Car Expense:			
Police	24,200	25,636	(1,436)
Chief of police	5,100	5,100	0
Coroner's report			
Detention and custody of prisoners	11,600	12,582	(982)
Police retirement	54,200	52,819	1,381
Supplies	29,550	31,933	(2,383)
Uniforms	6,000	6,572	(572)
Repairs to radios, vehicles & special equipment	63,800	62,763	1,037
Travel and conventions	7,500	7,937	(437)
Professional Fees	45	45	0
Dues and subscriptions	2,300	1,656	644
Payroll taxes	1,620	1,868	(248)
Telephone	21,000	22,175	(1,175)
Miscellaneous	3,000	4,383	(1,383)
Capital outlay	244,300	254,968	(10,668)
Publishing & Printing	800	2,368	(1,568)
Medical	1,000	1,020	(20)
Police training	6,000	5,702	298
Crime control and investigation	800	200	600
Youth control/DARE	301	301	0
Rental of office	650	650	0
Utilities--police station	17,500	13,986	3,514
TOTAL POLICE DEPARTMENT	\$1,537,075	\$1,545,797	(\$8,722)

The accompanying notes are an integral part of this statement.

INTERNAL CONTROL--SINGLE AUDIT ACT

structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of the City Council, management, and federal regulatory body. However, this report is a matter of public record and its distribution is not limited.



Plaquemine, Louisiana
March 27, 1997

HFB

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Margaret A. Pritchard, CPA

The Honorable Mark A. Gulotta, Mayor
and Members of the Board of Selectmen
City of Plaquemine, Louisiana

COMPLIANCE--GOVERNMENT ACCOUNTING OFFICE

We have audited the general purpose financial statements of the City of Plaquemine, Louisiana, as of and for the year ended October 31, 1996, and have issued our report thereon dated March 27, 1997.

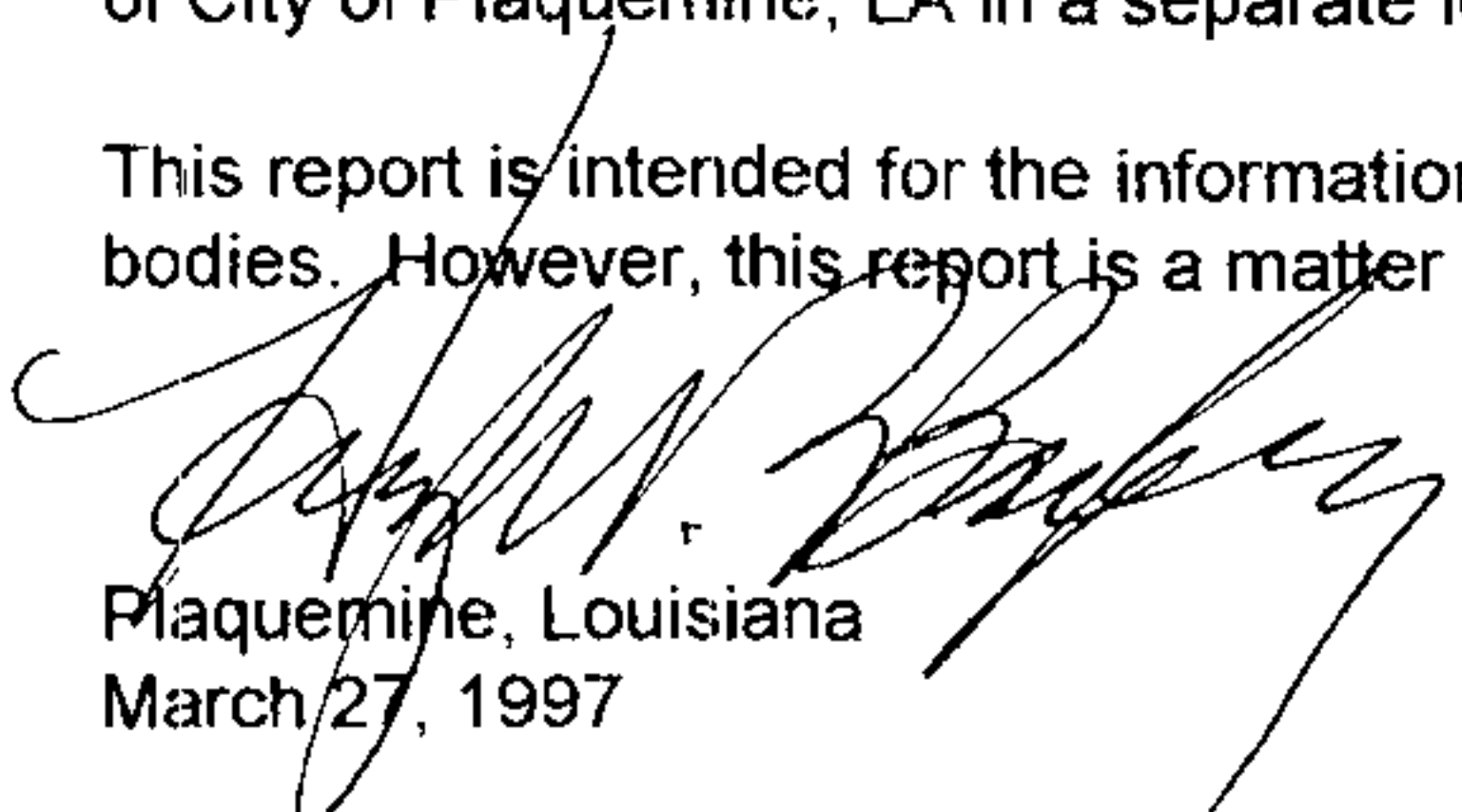
We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the City of Plaquemine, Louisiana is the responsibility of the City of Plaquemine, Louisiana's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the City of Plaquemine, Louisiana's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. 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*.

We noted certain immaterial instances of noncompliance that we have reported to the management of City of Plaquemine, LA in a separate letter dated March 27, 1997.

This report is intended for the information of the City Council, management, and federal regulatory bodies. However, this report is a matter of public record and its distribution is not limited.



Plaquemine, Louisiana
March 27, 1997

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COMPLIANCE--SINGLE AUDIT ACT--GENERAL REQUIREMENTS

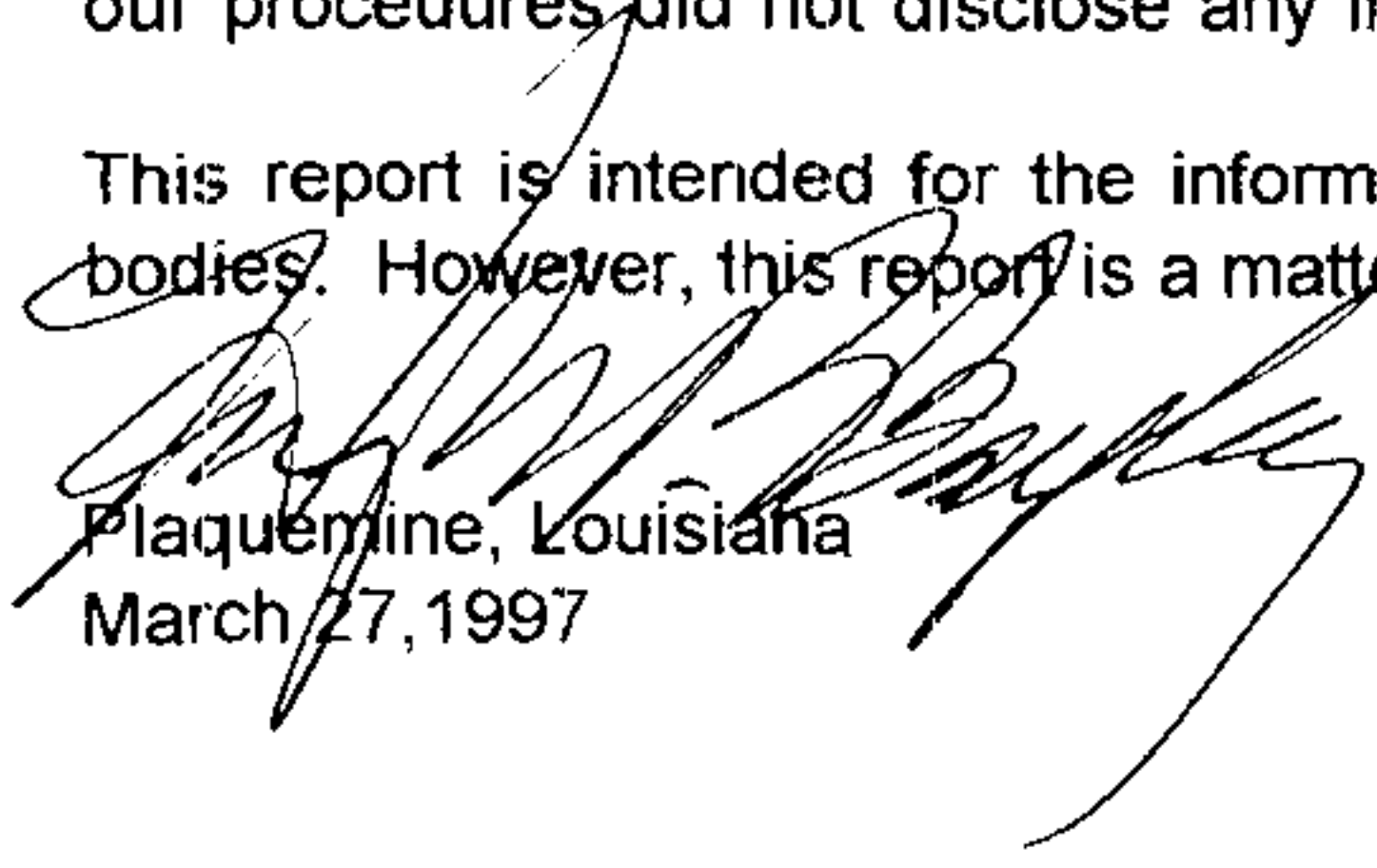
We have audited the general purpose financial statements of the City of Plaquemine, Louisiana as of and for the year ended October 31, 1996, and have issued our report thereon dated March 27, 1997.

We have applied procedures to test the City of Plaquemine, Louisiana's compliance with the following requirements applicable to each of its federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the year ended October 31, 1996: Political activity, Davis-Bacon Act, civil rights, cash management, relocation assistance and real property acquisition, federal financial reports, allowable costs/cost principles, Drug-free Workplace Act, or administrative requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Plaquemine, Louisiana's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Plaquemine, Louisiana had not complied, in all material respects, with those requirements. However, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

This report is intended for the information of the City Council, management, and federal regulatory bodies. However, this report is a matter of public record and its distribution is not limited.



Plaquemine, Louisiana
March 27, 1997

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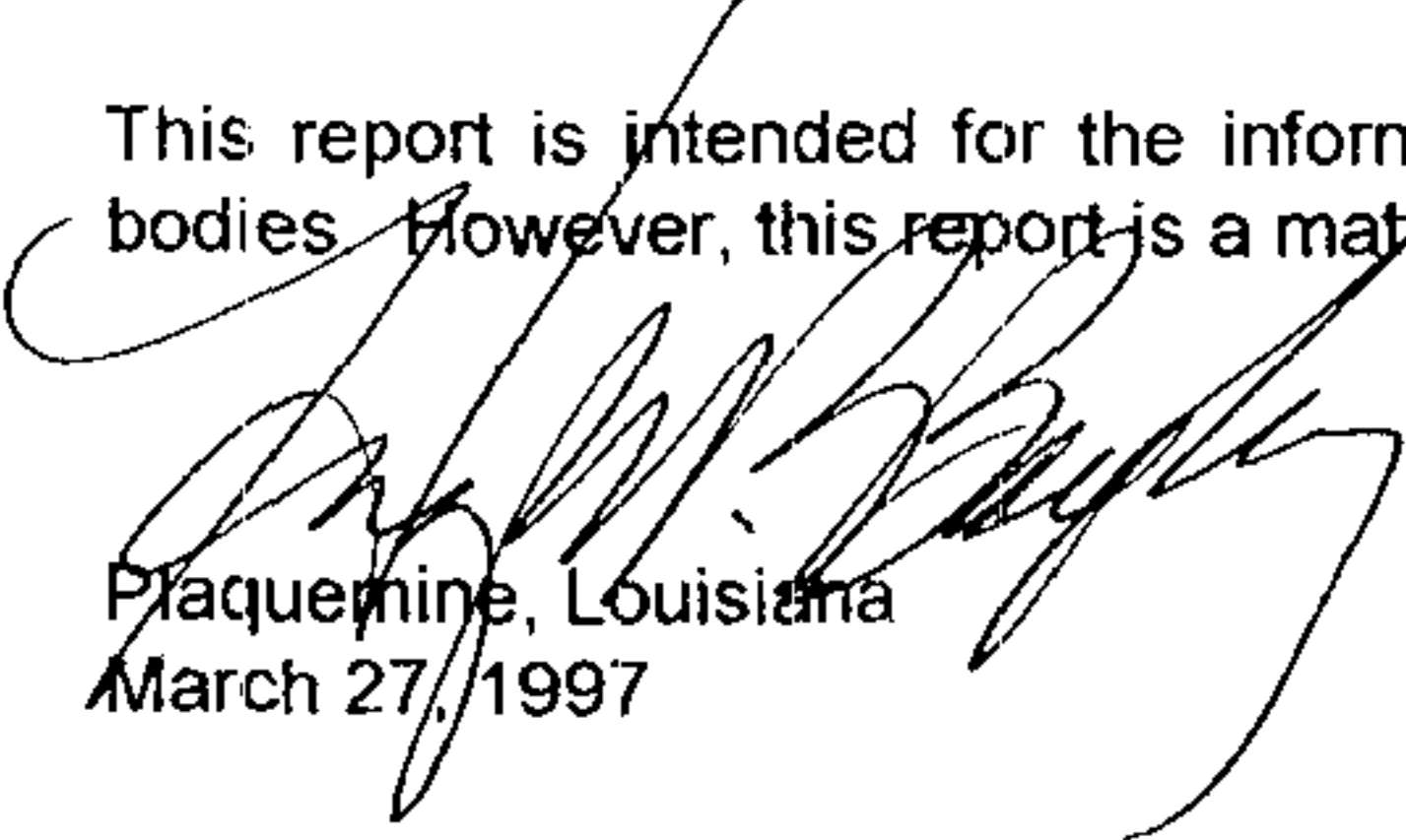
COMPLIANCE--SINGLE AUDIT ACT--SPECIFIC REQUIREMENTS--NONMAJOR PROGRAMS

We have audited the general purpose financial statements of the City of Plaquemine, Louisiana, as of and for the year then ended October 31, 1996, and have issued our report thereon dated March 27, 1997.

In connection with our audit of the 1996 general purpose financial statements of the City of Plaquemine, Louisiana, and with our consideration of the City's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments", we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended October 31, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility; and other tests that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, *nothing came to our attention that caused us to believe that the City of Plaquemine, Louisiana had not complied, in all material respects, with those requirements.* However, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

This report is intended for the information of the City Council, management, and federal regulatory bodies. However, this report is a matter of public record and its distribution is not limited.



Plaquemine, Louisiana
March 27, 1997



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The Honorable Mark A. Gulotta, Mayor
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City of Plaquemine, Louisiana

COMPLIANCE--SINGLE AUDIT ACT--SPECIFIC REQUIREMENTS--MAJOR PROGRAMS

We have audited the general purpose financial statements of City of Plaquemine, Louisiana, as of and for the year ended October 31, 1996, and have issued our report thereon dated March 27, 1997.

We have also audited City of Plaquemine, Louisiana, compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance for the year ended October 31, 1996. The management of City of Plaquemine, Louisiana is responsible for the City of Plaquemine, Louisiana compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about City of Plaquemine, LA, compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying schedule of Findings and Questioned Costs. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, the City of Plaquemine, Louisiana complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended October 31, 1996.

COMPLIANCE--SINGLE AUDIT ACT--SPECIFIC REQUIREMENTS--MAJOR PROGRAMS

This report is intended for the information of the City Council, management, and Federal regulatory body. However, this report is a matter of public record and its distribution is not limited.



Plaquemine, Louisiana
March 27, 1997

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS-OVERVIEW)

CITY OF PLAQUEMINE, LOUISIANA
 COMBINED BALANCE SHEET--ALL FUND TYPES, ACCOUNT GROUPS, AND
 DISCRETELY PRESENTED COMPONENT UNITS
 OCTOBER 31, 1986

	Governmental Fund Types			Proprietary Fund Type			Account Groups			Primary Government			Component Units			Reporting
	General	Special Revenue	Debt Service	Capital Projects	Fund Type		General	Fixed Assets	Long-Term Debt	Totals	Memorandum	Only	Govern-mental Funds	Fiduciary Funds	Funds	Entity Totals
					Enterprise	Debt										
ASSETS																
Cash	\$397,006	\$133,097	\$1,532,898	\$38,098	\$3,179,624				\$5,280,722			\$66,497	\$2,702		\$5,349,921	
Receivables:																
Accounts				60,013	976,321				1,036,334						1,036,334	
Other	3,644		5,603		638,377				645,624						645,624	
Grant Receivable					233,408				233,408						233,408	
Due from other funds (Note C)	193,788		216,908		132				410,809			11,542			422,351	
Due from other governmental units (Note D)	172,537								178,101						178,101	
Inventory, at cost		5,564			10,035				10,035						10,035	
Prepaid expenses									0						0	
Restricted assets (Note H):									0						0	
Cash					28,750				28,750						28,750	
Cash with paying agents			2,395						2,395						2,395	
Investments					1,655,681				1,655,681						1,655,681	
Interest receivable									0						0	
Land							79,265		79,265						79,265	
Buildings							1,385,850		1,385,850						1,385,850	
Improvements (other than buildings)							9,760,052		9,760,052						9,760,052	
Equipment							1,974,489		1,974,489			88,291			2,062,780	
Furniture and fixtures							112,975		112,975						112,975	
Utility plant and equipment (Note E)					32,413,312				32,413,312						32,413,312	
Less: accumulated depreciation					(16,355,484)				(16,355,484)						(16,355,484)	
Unamortized bond debt (Note S)					10,931				10,931						10,931	
Unamortized issue costs (Note R)					87,142				87,142						87,142	
Amount available in debt service funds								1,407,600	1,407,600						1,407,600	
Amount to be provided for retirement of general long-term debt									0						0	
TOTAL ASSETS	\$766,954	\$138,661	\$1,767,805	\$98,111	\$22,876,229	\$13,312,631	\$5,265,263	\$3,857,683	\$44,216,654	\$166,330	\$2,702	\$3,857,683	\$44,384,686			

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
 COMBINED BALANCE SHEET--ALL FUND TYPES, ACCOUNT GROUPS, AND
 DISCRETELY PRESENTED COMPONENT UNITS
 OCTOBER 31, 1996

	Governmental Fund Types						Proprietary Fund Type			Account Groups				Primary Government		Component Units		Reporting Entity Totals
	Special Revenue		Debt Service		Capital Projects	Enterprise			General	General	Long-Term	Debt	Totals	Governmental	Fiduciary	Funds	Only	
	General	Revenue	Debt	Service	Projects	Fund Type	Assets	Fixed	General	Long-Term	Debt	Memorandum	mental	Funds	Memorandum			
LIABILITIES AND FUND EQUITY																		
Liabilities																		
Accounts payable	\$39,354	\$20,707			\$60,013	\$938,420								\$7,568		\$1,058,494		\$1,066,062
Other payable	9,568														2,702	9,568		12,270
Contract payable						133,653										133,653		133,653
Retainage payable						99,756										99,756		99,756
Accrued expenses						37,167										37,167		37,167
Payable from restricted assets:																		0
Revenue bonds																		0
Accrued interest																		0
Notes payable (Note F)											43,567					43,567		43,567
Customer deposits						452,807										452,807		452,807
Accumulated leave privileges (Note H)						43,761					75,595					120,457		120,457
Due to other funds (note C)					197	182,927										410,808	11,542	422,350
Due to other agencies	208,095	19,589														58,175		58,175
General obligation bonds payable (Note G)	58,175										5,145,000					5,145,000		5,145,000
Matured interest coupons payable							2,395									2,395		2,395
Revenue bonds payable (Note G)																		
Total Liabilities	315,192	40,296			60,210	3,820,000		0			5,285,263			19,110		11,391,847	2,702	3,820,000
Fund Equity																		
Contributed capital						1,494,863										1,494,863		1,494,863
Investments in general fixed assets								13,312,631								13,312,631		13,400,922
Retained earnings:																		
Reserved for revenue bond retirement						1,684,431										1,684,431		1,684,431
Unreserved (deficit)						13,988,444										13,988,444		13,988,444
Fund balances:																		
Reserved for debt service					37,901											37,901		37,901
Unreserved--designated for capital improvements																		
Unreserved--(deficit)	451,762	98,365				17,167,738										550,127		609,056
Total Fund Equity	451,762	98,365			37,901	17,167,738		13,312,631						58,928		32,823,807	147,220	32,971,027
TOTAL LIABILITIES AND FUND EQUITY	\$766,954	\$138,661			\$88,111	\$22,876,229		\$13,312,631			\$5,285,263			\$168,330	\$2,702	\$44,215,654	\$168,330	\$44,384,688

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES--ALL OTHER GOVERNMENTAL FUND TYPES AND
 DISCRETELY PRESENTED COMPONENT UNITS
 YEAR ENDED OCTOBER 31, 1986

	General	Special Revenue	Debt Service	Capital Projects	Primary Government		Reporting (Memorandum Only)
					(Memorandum Only)	Component Units	
REVENUES							
Taxes (Note B)	\$85,966	\$	\$98,514	\$	\$185,480	\$	\$185,480
Licenses and permits	327,335				327,335		327,335
Intergovernmental	1,968,916	466,564	916,692	575,974	3,928,146	12,000	3,940,146
Charges for services	14,425				14,425		14,425
Fines and forfeits	35,753				35,753	192,321	228,074
Rent--Utility system	45,000				45,000		45,000
Miscellaneous	50,576	4,906	51,733	259	107,474	8,708	116,182
TOTAL REVENUES	2,528,971	471,470	1,056,939	576,233	4,643,613	213,028	4,856,642
EXPENDITURES							
Current:							
General government	587,171				587,171	162,649	749,820
City Court	102,790				102,790		102,790
Public safety							
Police	1,545,797				1,545,797		1,545,797
Fire	651,425	19,338			670,763		670,763
Public Works	535,068			428,328	963,396		963,396
Public health	9,839	6,925		576,171	592,935		592,935
Recreation	75,942				75,942		75,942
Housing assistance payments		347,684			347,684		347,684
Debt service:							
Principal retirement			396,793		396,793		396,793
Interest and fiscal charges			368,206		368,206		368,206
Miscellaneous			2,583		2,583		2,583
TOTAL EXPENDITURES	3,508,032	373,947	767,582	1,004,499	5,654,060	162,649	5,816,709
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(979,061)	97,523	299,367	(428,266)	(1,010,447)	50,380	(960,067)
OTHER FINANCING SOURCES							
Operating transfers in	1,093,304	(46,831)	46,832	452,295	1,592,431		1,592,431
Operating transfers out			(452,295)		(499,126)	(22,189)	(521,315)
Gain (loss) on sale of investments					0		0
TOTAL OTHER FINANCING SOURCES (USES)	1,093,304	(46,831)	(405,463)	452,295	1,093,305	(22,189)	1,071,116
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	114,243	50,692	(106,106)	24,029	82,658	28,191	111,049
FUND BALANCE, Beginning	337,519	47,873	1,881,516	13,872	2,260,880	30,738	2,291,318
FUND BALANCE, Ending	\$461,762	\$98,365	\$1,765,410	\$37,901	\$2,343,438	\$68,929	\$2,402,367

The accompanying notes are an integral part of this statement.

INTERNAL CONTROL--GOVERNMENT ACCOUNTING OFFICE

Recommendation

We recommend the city obtain assistance from the software consultants to correct the variance noted above.

Management's response

Management agrees with the auditor's recommendation.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of the City Council, management, and Federal regulatory bodies. However, this report is a matter of public record and its distribution is not limited.


Plaquemine, Louisiana

March 27, 1997

SUPPLEMENTARY INFORMATION

**CITY OF PLAQUEMINE, LOUISIANA
ENTERPRISE FUND
GENERAL AND ADMINISTRATIVE EXPENSES
YEAR ENDED OCTOBER 31, 1996**

	1996
GENERAL AND ADMINISTRATIVE	\$452,351
Salaries-office, warehouse and superintendent	50,480
Payroll taxes, retirement and compensated absences	66,271
Other professional fees	112,477
Bad debts (net of recoveries)	19,693
Insurance	
Depreciation:	
Automobile and trucks	44,056
Furniture and fixtures	6,187
Warehouse	4,411
Other equipment and computer system	52,800
Automobile and truck expense	10,628
Office supplies and expense	40,313
Utilities	49,035
Postage and telephone	40,289
Printing	3,188
Rent	47,664
Audit fee	21,410
Dues	2,182
Repairs and maintenance on building and equipment	57,346
Uniforms	752
Travel and conventions	19,042
Advertising	3,910
Continuing education	1,905
All other	6,923
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	\$1,113,313

	Percent	Amount
Electric	70.3%	\$782,659
Water	10.1%	112,445
Sewerage	7.1%	79,045
Gas	12.5%	139,164
	100.0%	\$1,113,313

Based on a percent of total operating revenue as shown on Exhibit K-6

The accompanying notes are an integral part of this statement.

GENERAL FIXED ASSETS ACCOUNT GROUP

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

**CITY OF PLAQUEMINE, LOUISIANA
STATEMENT OF GENERAL FIXED ASSETS
OCTOBER 31, 1996**

	1996
GENERAL FIXED ASSETS, at cost (Note E):	
Land	\$79,265
Buildings	1,385,850
Improvements other than buildings	9,760,052
Equipment	1,974,489
Furniture and fixtures	112,975
TOTAL GENERAL FIXED ASSETS	\$13,312,631
 INVESTMENT IN GENERAL FIXED ASSETS	
Property acquired prior to 11/01/54*	\$156,254
Property acquired after 11/01/54 from:	
Debt Service Fund	1,596,423
Special Assessments	897,530
General Fund	3,124,173
Special Revenue Fund	865,502
Public Improvements Fund	7,153
Capital Projects Fund	6,665,596
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	\$13,312,631

*Records reflecting source from which assets were acquired were not maintained prior to 11/10/54.

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
 STATEMENT OF CHANGES IN GENERAL FIXED ASSETS
 YEAR ENDED OCTOBER 31, 1996

	Land	Buildings	Improvements Other than Buildings	Equipment	Furniture And Fixtures	Total
GENERAL FIXED ASSETS, BEGINNING OF YEAR	\$79,265	\$1,141,863	\$8,756,099	\$1,908,045	\$73,739	\$11,959,011
Additions:						
Special Revenue Fund				15,929		15,929
Capital Projects Fund			1,003,953			1,003,953
General Fund		243,987		123,176	39,236	406,399
TOTAL BALANCE AND ADDITIONS	79,265	1,385,850	9,760,052	2,047,150	112,975	13,385,292
Deductions				72,661		72,661
GENERAL FIXED ASSETS, END OF YEAR	<u>\$79,265</u>	<u>\$1,385,850</u>	<u>\$9,760,052</u>	<u>\$1,974,489</u>	<u>\$112,975</u>	<u>\$13,312,631</u>

The accompanying notes are an integral part of this statement.

GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for unmatured principal amount on general long-term debt expected to be financed from governmental type funds (except special assessment fund). Payments of maturing obligations, including interest, are accounted for in the Debt Service Funds.

CITY OF PLAQUEMINE, LOUISIANA
STATEMENT OF GENERAL LONG-TERM DEBT
OCTOBER 31, 1996

	Sewerage Bonds 1-1-67	Drainage Bonds 2-1-68	Compensated Absences	Sales Tax Bonds 12-1-91	Notes Payable	Notes Payable	Totals 1996
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT	\$ -	\$ -	\$ -	\$ 1,407,600	\$ -	\$ -	\$ 1,407,600
Amount to be provided from:							
Sales tax	-	-	-	3,737,400	-	-	3,737,400
Ad valorem taxes	-	-	-	-	-	-	0
Special revenue fund appropriations	-	-	-	-	43,567	-	43,567
General fund appropriations	-	-	76,696	-	-	-	76,696
TOTAL AVAILABLE AND TO BE PROVIDED	\$ 0	\$ 0	\$ 76,696	\$ 5,145,000	\$ 43,567	\$ 0	\$ 5,265,263
GENERAL LONG-TERM DEBT AVAILABLE:							
Compensated absences	\$ -	\$ -	\$ 76,696	\$ -	\$ -	\$ -	\$ 76,696
Bonds payable	-	-	-	5,145,000	-	-	5,145,000
Notes payable (Note F)	-	-	-	-	43,567	-	43,567
TOTAL GENERAL LONG-TERM DEBT PAYABLE	\$ -	\$ -	\$ 76,696	\$ 5,145,000	\$ 43,567	\$ -	\$ 5,265,263

The accompanying notes are an integral part of this statement.

COMPONENT UNIT

**FINANCIAL STATEMENTS
OF CITY COURT OF
PLAQUEMINE, LOUISIANA**

COMPONENT UNIT

CITY COURT OF PLAQUEMINE, LOUISIANA

General Fund is the general operating fund of the City Court. The Court Expense Fund is the general fund of the City Court and is used to account for the general operating expenditures except those required to be accounted for in other funds.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Marshal's Fund

The Marshal's Fund is used to account for the activities of the Marshal's office financed by revenue from court costs designated for that purpose.

Subpoena Fund

The Subpoena Fund is used to account for subpoena fees collected by the court and used to pay off-duty law enforcement officers for their appearance in court as witnesses.

Public Defender Fund

The Public Defender Fund was created in 1988 to account for the activities of the Public Defender financed by revenue from court costs designated for that purpose, as provided by R.S. 13:2488.61(c).

Probation Fund

This fund is used to account for probation fees collected by the City Court.

Agency Funds are used to account for assets held by the City Court as an agent for other funds and/or other governments. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations.

Fines, Fees, and Costs Fund

The Fines, Fees, and Costs Fund is used to account for fines and costs collected for and payable to the City of Plaquemine, General-Court Expense Fund, and Marshal's, Subpoena, and Public Defender Special Revenue Funds. The Fines, Fees, and Costs Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations and, as such, a statement of operations is not included in the accompanying financial statements.

COMPONENT UNIT

CITY COURT OF PLAQUEMINE, LOUISIANA

Agency Funds, continued

Civil Fund

The Civil Fund is used to account for advance costs collected from plaintiffs filing civil suits. These costs are payable to the City Court of Plaquemine Judge and Marshal and to the Judges' Supplemental Compensation Fund, as costs are assessed. The difference between the costs advanced by the plaintiffs and the costs assessed against the advance is classified as receivable from or payable to the plaintiff. The Civil Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations and, as such, a statement of operations is not included in the accompanying financial statements.

CITY OF PLAQUEMINE, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED OCTOBER 31, 1996

	1996		Variance Favorable (Unfavorable)
	Budget	Actual	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,119,512)	(979,061)	140,451
OTHER FINANCING SOURCES (USES)			
Operating transfers from (to):			
Special Revenue Fund			
Utility Fund	1,122,000	1,093,304	(28,696)
Debt Service Fund			
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,122,000</u>	<u>1,093,304</u>	<u>(28,696)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES (USES) OVER EXPENDITURES	2,488	114,243	111,755
FUND BALANCE (DEFICIT), Beginning	<u>337,519</u>	<u>337,519</u>	<u>0</u>
FUND BALANCE (DEFICIT), Ending	<u>\$340,007</u>	<u>\$451,762</u>	<u>\$111,755</u>

The accompanying notes are an integral part of this statement.

EXHIBIT N-2

CITY OF PLAQUEMINE, LOUISIANA
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE-ALL GOVERNMENTAL FUND TYPES
 YEAR ENDED OCTOBER 31, 1996

	City Court of Plaquemine
REVENUES	
Court fees, fines and costs	\$192,321
Interest income	280
Intergovernmental revenues	12,000
Miscellaneous revenues	683
Bond revenues	7,745
TOTAL REVENUES	213,029
 EXPENDITURES	
<i>Current:</i>	
Auto and travel	5,900
Clothing	2,148
Bond expense	2,118
Computer lease	8,040
Dues and seminars	16,607
Miscellaneous	4,374
Office supplies and expense	14,873
Professional fees	720
Repairs and maintenance	4,335
Restitutions	409
Subcontract labor	3,503
Subpoena expense	4,775
Salaries and payroll taxes	59,908
Telephone	6,693
Capital outlays	28,246
TOTAL EXPENDITURES	162,649
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	50,380
 OTHER FINANCING SOURCES (USES)	
Transfer from (to) other funds	(22,189)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	28,191
 FUND BALANCE, BEGINNING	30,738
 FUND BALANCE, ENDING	\$58,929

The accompanying notes are an integral part of this statement.

**CITY OF PLAQUEMINE, LOUISIANA
ENTERPRISE FUND
STATEMENT OF CHANGES IN RESTRICTED ASSETS
YEAR ENDED OCTOBER 31, 1996**

	<u>Bond & Interest Redemption</u>		<u>Expansion And Renewal</u>
	<u>Amortization Account</u>	<u>Reserve Account</u>	
BALANCE, OCTOBER 31, 1995	<u>\$933,119</u>	<u>\$1,085,657</u>	<u>\$562,350</u>
Transfer from restricted cash for payment of 1976 issues bond principal & interest			
Transfer from (to) unrestricted assets		1,080,000	(56,273)
Bank charges		(309)	(48)
Restricted interest earned (including accrued interest receivable)		62,885	26,921
Bonds retired	(790,000)	(835,000)	
Bond interest paid during year	(143,119)	(241,752)	
Less maturity of investment			
BALANCE, October 31, 1996	<u>\$0</u>	<u>\$1,151,481</u>	<u>\$532,950</u>
Recap of ending balance:			
Cash		\$28,075	\$675
Investments		1,123,406	532,275
BALANCE, October 31, 1996	<u>\$0</u>	<u>\$1,151,481</u>	<u>\$532,950</u>

The accompanying notes are an integral part of this statement.

SCHEDULE 1

CITY OF PLAQUEMINE
GENERAL GOVERNMENTAL DATA
FOR LAST TEN FISCAL YEARS

	FYE 10-31-87	FYE 10-31-88	FYE 10-31-89	FYE 10-31-90	FYE 10-31-91	FYE 10-31-92	FYE 10-31-93	FYE 10-31-94	FYE 10-31-95	FYE 10-31-96
REVENUES BY SOURCE										
Taxes	\$64,957	\$63,150	\$64,210	\$62,340	\$61,887	\$61,982	\$87,208	\$87,580	\$87,559	\$86,966
License and permits	165,127	167,266	207,640	204,978	196,870	216,592	212,565	266,394	252,218	327,335
Intergovernmental	917,665	1,085,135	1,258,673	1,466,745	1,394,217	1,440,608	1,257,709	1,335,264	1,370,832	1,968,916
Charges for services	101,923	50,002	51,238	50,698	51,671	50,640	50,212	17,604	36,070	14,425
Fines and forfeits	26,427	29,184	39,622	40,406	11,204	6,887	19,064	82,767	82,131	35,753
Miscellaneous	46,084	109,654	119,392	132,380	138,288	134,293	287,790	1,100,132	1,558,525	95,576
Other financing sources	1,136,052	1,022,993	679,489	575,291	712,613	785,076	1,347,084	1,100,132	1,558,525	1,093,304
TOTALS	\$2,458,235	\$2,527,384	\$2,420,264	\$2,552,838	\$2,566,750	\$2,698,078	\$3,261,632	\$2,889,741	\$3,387,335	\$3,622,275

EXPENDITURES BY FUNCTION

General Government	\$465,674	\$524,362	\$530,994	\$512,779	\$534,450	\$622,016	\$775,808	\$559,280	\$628,184	\$587,171
City Court										102,790
Police Department	754,359	815,575	876,375	893,944	943,057	972,681	1,109,980	1,084,966	1,620,661	1,545,797
Fire Department	494,700	516,010	568,784	539,311	549,094	572,594	791,695	640,313	595,029	651,425
Public Works	192,050	153,927	207,108	264,635	226,911	184,114	178,687	423,271	483,838	535,068
Sanitation	211,948	249,351	266,796	225,606	276,874	295,395	283,051	8,483	7,908	9,839
Public Health	6,900	6,900	6,900	6,900	6,900	8,625	11,347			
Recreation										
Fixed Assets paid from revenue										
Miscellaneous										
Transfers to Debt Service Fund	157,193	169,847	12,946	12,946	27,893	24,240	24,240			
TOTALS	\$2,282,824	\$2,435,972	\$2,469,903	\$2,456,121	\$2,565,179	\$2,679,665	\$3,174,808	\$2,726,313	\$3,335,620	\$3,508,032

SCHEDULE 2

CITY OF PLAQUEMINE, LOUISIANA
 ASSESSED VALUE AND PROPERTY TAX REVENUES
 FOR LAST TEN FISCAL YEARS

	FYE 10-31-87	FYE 10-31-88	FYE 10-31-89	FYE 10-31-90	FYE 10-31-91	FYE 10-31-92	FYE 10-31-93	FYE 10-31-94	FYE 10-31-95	FYE 10-31-96
ASSESSED VALUE										
Assessed value of land and investments	\$16,702,250	\$15,985,790	\$16,254,050	\$15,800,150	\$15,713,720	\$15,752,660	\$16,055,860	\$16,496,330	\$16,161,870	\$15,910,360
Assessed value of all other property	-	-	-	-	-	-	-	-	-	-
	<u>\$16,702,250</u>	<u>\$15,985,790</u>	<u>\$16,254,050</u>	<u>\$15,800,150</u>	<u>\$15,713,720</u>	<u>\$15,752,660</u>	<u>\$16,055,860</u>	<u>\$16,496,330</u>	<u>\$16,161,870</u>	<u>\$15,910,360</u>
PROPERTY TAX REVENUE GENERAL FUND										
General property taxes	65,980	63,150	64,210	62,340	61,887	61,982	87,208	87,580	87,559	86,611
DEBT SERVICE FUND										
Ad valorem taxes:										
Fire Bonds	-	-	-	-	-	-	-	-	-	-
Recreation Bonds	-	-	-	-	-	-	-	-	-	-
Drainage Bonds	51,778	49,557	50,397	48,792	48,525	48,640	49,679	50,732	49,786	49,257
Sewerage Bonds	51,778	49,557	50,397	48,792	48,525	48,635	49,694	50,732	49,786	49,257
	103,556	99,114	100,794	97,584	97,050	97,275	99,373	101,464	99,572	98,514
TOTAL PROPERTY TAX REVENUES	<u>\$169,536</u>	<u>\$162,264</u>	<u>\$165,004</u>	<u>\$159,924</u>	<u>\$158,937</u>	<u>\$159,257</u>	<u>\$186,581</u>	<u>\$189,044</u>	<u>\$187,131</u>	<u>\$185,125</u>

SCHEDULE 3

CITY OF PLAQUEMINE, LOUISIANA
 ENTERPRISE FUND
 SCHEDULE OF OUTSTANDING BONDS
 OCTOBER 31, 1996

Date Issued:	Original Amount:	Description of Bonds:	Interest		Interest		Total	
			Rate	Maturities	Rate	Maturities	Maturities	Maturities
02-01-93	\$4,815,000	Water, Sewer, Electric and Natural Gas	-	-	-	-	-	-
09-01-76	\$6,020,000	Water, Sewer, Electric and Natural Gas Revenue Refunding	7.30%	295,000	4.50%	590,000	885,000	885,000
			-	-	4.75%	935,000	935,000	935,000
			-	-	4.90%	975,000	975,000	975,000
			-	-	5.00%	1,025,000	1,025,000	1,025,000
		Total		295,000		3,525,000	3,820,000	3,820,000
		Less: Current Maturities		-		-	-	-
		Long-term		\$295,000		\$3,525,000	\$3,820,000	\$3,820,000

SCHEDULE 4

CITY OF PLAQUEMINE
 SCHEDULE OF BONDS OUTSTANDING (EXCLUDING ENTERPRISE FUND)
 OCTOBER 31, 1996

Date Issued:	01-01-67	02-01-68	12-01-91	
Original Amount:	\$523,000	\$530,000	\$5,740,000	
Description of Bonds:	Public Improvement (Sewerage)	Public Improvement (Drainage)	Sales Tax Bonds	
Interest Payment Dates:	7-1; 1-1	8-1; 2-1	6-1; 12-1	
Maturing in Fiscal Year 10/31	Interest Rate	Interest Rate	Interest Rate	Total Maturities
1997			7.25%	175,000
1998			7.25%	190,000
1999			7.25%	205,000
2000			7.25%	220,000
2001			7.25%	235,000
2002			7.25%	255,000
2003			7.25%	275,000
2004			7.25%	295,000
2005			7.25%	315,000
2006			7.25%	340,000
2007			7.25%	365,000
2008			7.25%	390,000
2009			7.25%	420,000
2010			7.25%	455,000
2011			7.25%	485,000
2012			7.25%	525,000
Totals				\$5,145,000

SCHEDULE 5

CITY OF PLAQUEMINE, LOUISIANA
 CHANGES IN UTILITY PLANT IN SERVICE
 OCTOBER 31, 1996

	BALANCE		SALES OR RETIREMENT	ADDITIONS	DEPRECIATION RATE %	BALANCE		ADDITIONS	DEDUCTIONS	BALANCE
	10-31-95	10-31-96				10-31-95	10-31-96			
Electric generation and distribution system	\$20,988,448	\$20,988,448	-	-	2.30%	\$9,724,519	\$488,104	-	-	\$10,212,623
Water pumping and distribution system	3,631,213	3,645,787	-	14,574	2.30%	2,135,760	84,541	-	-	2,220,301
Sewerage system	5,033,819	5,040,740	-	6,921	2.30%	1,667,069	117,167	-	-	1,784,236
Natural gas distribution system	1,074,741	1,074,741	-	-	5.00%	1,011,735	3,228	-	-	1,014,963
Automobiles and trucks	627,449	702,376	28,422	103,349	10-53.3%	511,912	44,056	28,422	-	527,546
Land	118,961	118,961	-	-	N/A	-	-	-	-	-
Warehouse	94,191	106,070	-	11,879	2.30%	73,825	4,410	-	-	78,235
Furniture, fixtures and equipment	485,100	593,548	423	108,871	10-20%	384,200	40,514	423	-	424,291
Data processing system	189,171	142,641	68,753	22,223	10.00%	143,569	18,473	68,753	-	93,289
UTILITY PLANT IN SERVICE	\$32,243,093	\$32,413,312	97,598	267,817		\$15,652,589	800,493	97,598	97,598	\$16,355,484

SCHEDULE 6

**CITY OF PLAQUEMINE, LOUISIANA
ENTERPRISE FUND
COMPARATIVE UTILITY UNITS PROVIDED AND ACCOUNTED FOR
OCTOBER 31, 1996**

ELECTRICITY	<u>1996</u>
<i>KWH generated:</i>	
KWH purchased (invoiced)	\$88,498,000
Transmission loss prior to entry into the city's system into the city's system	
KWH available	<u>88,498,000</u>
<i>KWH metered to customers:</i>	
Residential	45,013,644
Commercial	3,160,860
Industrial	<u>33,129,850</u>
<i>KWH metered to municipality and utilities system:</i>	<u>3,795,484</u>
KWH accounted for	85,099,838
KWH loss	4,398,162
Percentage unaccounted for	5.17%
Cost per KWH utilized	\$0.070292
NATURAL GAS	
MCF purchased	258,376
MCF metered to customers	224,063
MCF metered to municipality	18,250
MCF accounted for	242,313
MCF loss	16,063
Cost per MCF utilized	\$4.505197
AVERAGE NUMBER OF BILLINGS PER MONTH	
Electric	4,427
Gas	3,159
Water	4,339
AVERAGE METERED BILLINGS PER MONTH	
Electric	120.48
Gas	30.78
Water	18.00

CITY LIGHT & WATER PLANT CITY OF PLAQUEMINE UTILITY RATES

Effective July 1, 1990
Plaquemine, Louisiana

Residential Electric Rates

Energy Charge: 7.9 Cents per kWh
plus
Customer Charge: Inside City \$5.00 per month
Outside City \$6.00 per month
plus
Power Cost Adjustment*

**All mcf will be charged (or credited) a Natural Gas Cost Adjustment equal to the amount the cost of natural gas adjusted for system losses exceeded (or was less than) \$2.80 per mcf in the previous month.)

Commercial Electrical Rates (Less or equal to 15 kW Demand)

Energy Charge: 8.2 Cents per kWh
plus
Demand Charge: (All kW over 15) \$5.20 per kW
plus
Customer Charge: Inside City \$5.00 per month
Outside City \$6.00 per month
plus
Power Cost Adjustment*

General Water Rates

Commodity Charge: \$1.45 per 1,000 gallons
plus
Customer Charge: Inside City \$5.00 per month
Outside City \$6.00 per month

Sewerage Rates

Plaquemine Retail and District 1 Customers:
Commodity Charge: \$1.55 per 1,000 gallons actual water usage (September-May)
\$1.55 per 1,000 gallons 9 month average water usage (June-August)
plus
Special Salary Fund \$3.00 per month (Plaquemine Customers only)
District 2 Customers:
Commodity Charge: \$1.00 per 1,000 gallons actual water usage (September-May)
\$1.00 per 1,000 gallons 9 month average water usage (June-August)

Industrial Electric Rates (More than 15 kW Demand)

Energy Charge: 5.8 Cents per kWh
plus
Demand Charge: \$5.10 per kW
First 300 kW
plus
Off-Peak \$1.50 per kW Excess kW off-peak
plus
Customer Charge: Inside City \$10.00 per month
Outside City \$11.00 per month
plus
Power Cost Adjustment*

Security Lighting Service

100 & 175 Watt Lamp \$6.00 per month
250 & 400 Watt Lamp \$12.00 per month

*POWER COST ADJUSTMENT

All kWh will be charged (or credited) a Power Cost Adjustment equal to the amount the cost of purchased power adjusted for system losses exceeded (or was less than) 4.988 cents per kWh in the previous month.

General Gas Rates

Commodity Charge: \$4.30 per mcf
plus
Customer Charge: Inside City \$5.00 per month
Outside City \$6.00 per month
plus
Natural Gas Cost Adjustment**

TERMS OF PAYMENT

Bills will be mailed out on the last day of each month and the net will be due by the 20th. After the 20th, the gross will be due. The gross amount will include a 1% penalty. Delinquent notices will be mailed out on the 21st and the customer will be given until the 25th to pay the gross amount. If the bill is not paid by the 25th, all utilities will be disconnected on the next working day. If the current bill is not paid by the end of the current month, then an additional 4% penalty will be added to the unpaid balance. Therefore, bills are rendered on the 1st of each month, net due from the 1st thru the 20th, 1% added on the 21st and an additional 4% added to any unpaid current balance on the last day of the current month.

RECONNECTION FEES:

If a customer is cut off for non-payment, reconnection will be made only after the bill is paid in full.

ELECTRIC	\$15.00
GAS	\$15.00
WATER	\$15.00

Plus \$20.00 if after normal working hours (8 a.m.-5 p.m.). No weekend reconnects—arrangements must be made by 4:00 p.m. on Friday.

07/27/90

SCHEDULE 8

CITY OF PLAQUEMINE, LOUISIANA
 ENTERPRISE FUND
 INSURANCE IN FORCE
 OCTOBER 31, 1996
 (Unaudited)

Insurance	Type of Coverage	Amount	Policy Inception Date	Term in Months
Ferd Marks Insurance Co.	Boiler and machinery	\$20,000,000 per occurrence with deductible	06-01-96	12
LA Municipal Risk Management Agency	Comprehensive general liability; auto liability	BI and PD combined \$1,100,000 per occurrence; same for auto*	05-01-96	12
LA Municipal Risk Management Agency	Workmen's Compensation	Statutory	10-01-96	12
Aetna Casualty and Surety Company	Fire Insurance	Buildings at replacement value except Fire Station on Church St. Co-insurance-90%	10-25-96	12

*Includes vehicles owned by General Government.

The above schedule of insurance coverage is intended only as a descriptive summary and the independent accountants express no opinion as to the adequacy of such coverage.

HFB

HUGH F. BAXLEY, CPA
A Professional Accounting Corporation

Hugh F. Baxley, CPA/PFS
Kent Craft, CPA
Margaret A. Pritchard, CPA

SCHEDULE 9

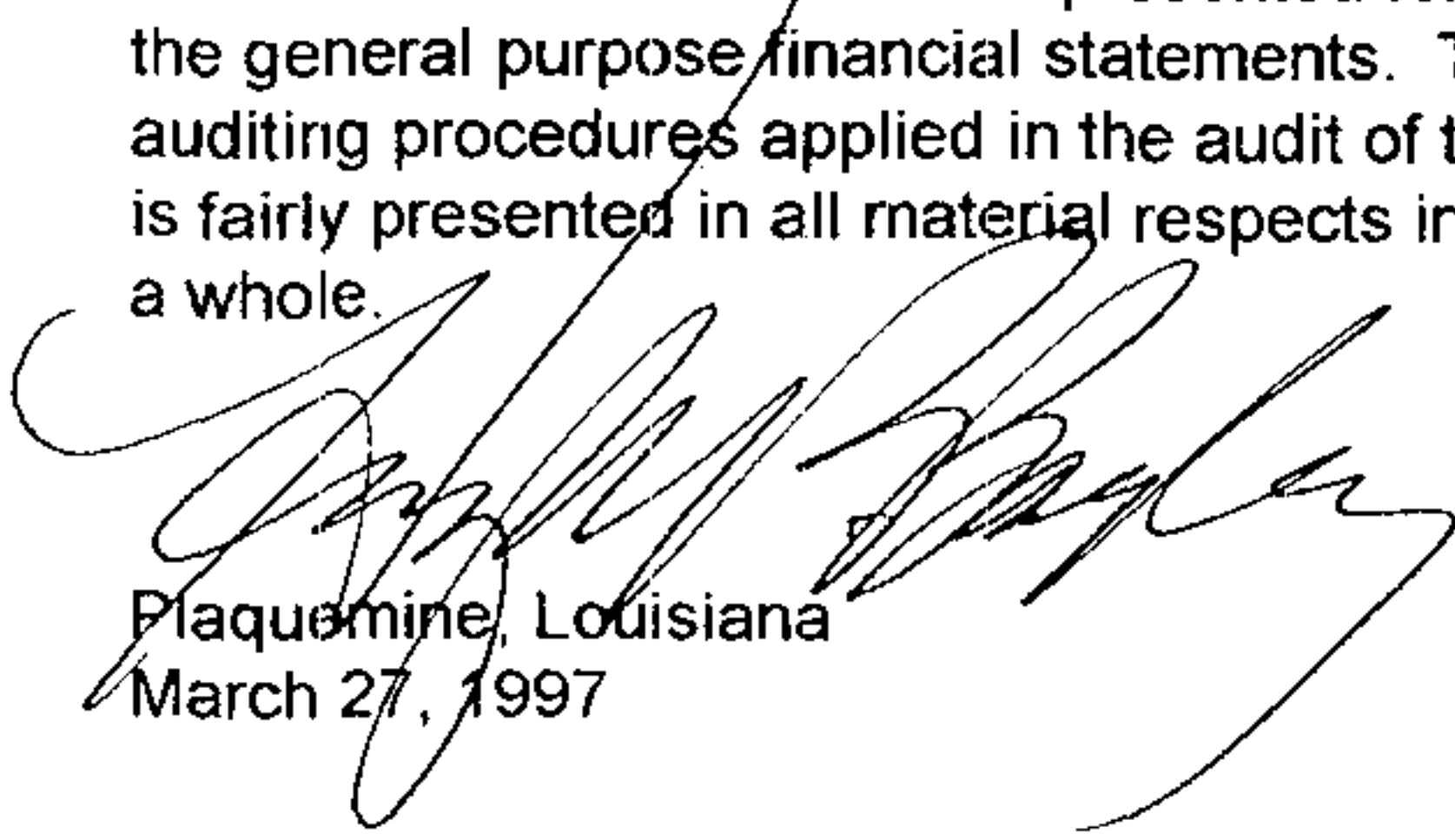
The Honorable Mark A. Gulotta, Mayor
and Members of the Board of Selectmen
City of Plaquemine, Louisiana

REPORT ON SUPPLEMENTARY INFORMATION SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

We have audited the general purpose financial statements of the City of Plaquemine, Louisiana for the year ended October 31, 1996 and have issued our report thereon dated March 27, 1997. These general purpose financial statements are the responsibility of the City of Plaquemine, Louisiana'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 generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the City of Plaquemine, Louisiana taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule 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.



Plaquemine, Louisiana
March 27, 1997

SCHEDULE 10

CITY OF PLAQUEMINE, LOUISIANA
 SCHEDULE OF FEDERAL FINANCIAL
 ASSISTANCE PROGRAM EXPENDITURES
 OCTOBER 31, 1996

Program	CFDA#	Grant Period	Total Revenues	Total Expenditures	Federal Financial Assistance
Housing Assistance Program Department of Housing and Urban Development Grant #LA 48-E-179-003-007	14.156	10/1/95-9/30/96	\$385,264	\$347,684	\$385,264
Community Development Block Grant Department of Housing and Urban Development Contract #101-4100	14.218	3/94-3/97	575,974	576,171	575,974
Federal Emergency Management Agency	83.516	11/1/95-10/31/96	49,432	49,432	49,432
Department of Justice Drug Control & Systems Improvement Grant #93-B5-B.07-0090	16.579	1/1/96-5/31/96	18,117	18,126	18,117
Department of Justice - Office of Community Oriented Policing Service Grant #95-CF-WX-4419	16.70	3/1/95-2/28/98	7,538	7,538	7,538
			<u>\$1,036,325</u>	<u>\$998,951</u>	<u>\$1,036,325</u>

CITY OF PLAQUEMINE, LOUISIANA
 COMPONENT UNIT
 BALANCE SHEET
 OCTOBER 31, 1996

	City Court of Plaquemine 1996
ASSETS	
<i>Current Assets:</i>	
Cash	\$69,199
Interfund receivables	11,542
Bond revenue receivable	
Prepaid expense	
TOTAL CURRENT ASSETS	80,741
 <i>Fixed Assets</i>	
TOTAL ASSETS	\$169,032
 LIABILITIES AND FUND BALANCE	
<i>Current Liabilities:</i>	
Vouchers payable	7,568
Interfund payables	11,542
Due to other agencies	
Other payables	2,702
TOTAL LIABILITIES	21,812
 FUND EQUITY	
Investment in general Fixed Assets	88,291
Fund balance-unreserved	58,929
TOTAL FUND EQUITY	147,220
TOTAL LIABILITIES AND FUND BALANCE	\$169,032

The accompanying notes are an integral part of this statement.

DEBT SERVICE FUNDS

Sewerage Bonds (1-1-67)

To accumulate monies for the payment of the 1967 \$523,000 Sewerage General Obligation bonds, which are serial bonds due in annual installments, plus interest due semiannually, through maturity in 1997. Debt service is financed by the levy of a specific ad valorem tax.

Drainage Bonds (2-1-68)

To accumulate monies for the payment of the 1968 \$530,000 Drainage General Obligation bonds, which are serial bonds due in annual installments, plus interest due semiannually, through maturity in 1998. Debt service is financed by the levy of a specific ad valorem tax.

Notes Payable (7-01-91)

To accumulate monies for the payment of a note payable due in annual principal and interest installments through maturity in 1998. Proceeds from the note were used to purchase a fire truck. Debt service is financed from general revenues of the City or Special Revenues--Fire Department.

Sales Tax Bonds (12-1-91)

To accumulate monies for the payment of the \$5,740,000 Sales Tax Bonds, Series 1991 due in annual installments, plus interest due semiannually, through maturity in 2011. Debt service is financed from the levy and collection of a two-thirds of one percent sales tax collected by the Parish of Iberville, State of Louisiana.

Notes Payable (12-8-92)

To accumulate monies for the payment of a note payable due in annual principal and interest installments through maturity in 1997. Proceeds from the note were used to purchase a fire truck. Debt service is financed from Special Revenue Fund--Fire Department.

CITY OF PLAQUEMINE, LA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED OCTOBER 31, 1996

DEPARTMENT OF HOUSING & URBAN DEVELOPMENT:

Housing Assistance Program - CFDA # 14.156 - Grant Period 10/1/95 - 9/30/96

Statement of condition: Annual inspection reports were missing from several tenant files.

Criteria: The Housing Agency is required to conduct annual inspections of units to ensure decent and safe conditions.

Cause of Condition: Documentation was either not filed correctly or was not received from the inspector.

Recommendation: Procedures should be established to assure that annual inspection reports are executed and filed in the tenant's folders on a timely basis.

Response: We concur with the auditor's recommendations. Procedures will be established to prevent a recurrence of this situation.

CITY OF PLAQUEMINE, LOUISIANA
 GENERAL FUND
 STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) YEAR ENDED
 OCTOBER 31, 1996

	1996		Variance Favorable (Unfavorable)
	Budget	Actual	
FIRE DEPARTMENT			
Salaries:			
Fire chief	\$30,856	\$30,850	\$6
Volunteer Ass't Fire Chiefs	4,800	4,800	0
Drivers	369,046	369,903	(857)
Insurance:			
Compensation	28,451	26,542	1,909
Group	43,476	42,945	531
Other	18,676	19,849	(1,173)
Civil Defense	24,950	23,339	1,611
Water to fire hydrants	1,100	1,094	6
Fire Fighters' retirement system	29,566	29,571	(5)
Supplies	9,000	8,946	54
Uniforms	4,000	3,173	827
Repairs to fire alarms, radios & trucks	43,000	42,667	333
Auto expense	5,200	5,128	72
Travel and conventions	4,000	2,684	1,316
Dues and subscriptions	900	945	(45)
Civil Service Board			0
Telephone	9,600	9,423	177
Miscellaneous	1,000	304	696
Payroll taxes	826	950	(124)
Medical	198	198	0
Rental of Equipment		1,419	(1,419)
Capital outlay			0
Training classes	6,500	6,505	(5)
Utilities	17,100	20,190	(3,090)
TOTAL FIRE DEPARTMENT	\$652,245	\$651,425	\$820

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) YEAR ENDED
OCTOBER 31, 1996

	1996		Variance Favorable (Unfavorable)
	Budget	Actual	
PUBLIC WORKS DEPARTMENT			
Salaries:			
Director and Assistant	\$45,620	\$45,608	\$12
Public Works salaries	240,358	243,078	(2,720)
Insurance			
Compensation	30,873	28,656	2,217
Group	41,421	39,069	2,352
Other	11,100	11,055	45
Maintenance:			
Equipment	35,700	39,177	(3,477)
Telephone	700	451	249
Street lighting	38,900	39,140	(240)
Materials and supplies	15,600	11,860	3,740
Gas, oil, and grease	8,800	9,911	(1,111)
Retirement	15,430	14,531	899
Payroll taxes	598	746	(148)
Traffic controls		6,306	(6,306)
Miscellaneous	1,000	981	19
Capital outlay	15,050	15,050	0
Chemicals--weed control	3,000	4,676	(1,676)
Animal control	23,160	23,600	(440)
Medical	1,000	1,173	(173)
TOTAL PUBLIC WORKS DEPARTMENT	\$528,310	\$535,068	(\$6,758)
PUBLIC HEALTH			
Iberville Parish Council on Aging	\$1,859	\$1,859	\$0
Iberville Parish Health Unit	6,900	6,900	0
Iberville Parish Veterans' Administration Office	1,080	1,080	0
TOTAL PUBLIC HEALTH	\$9,839	\$9,839	\$0

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
 GENERAL FUND
 STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) YEAR ENDED
 OCTOBER 31, 1996

	1996		Variance Favorable (Unfavorable)
	Budget	Actual	
RECREATION DEPARTMENT			
Contract Labor	\$4,000	\$3,923	\$77
Insurance			
Other	3,000	3,199	(199)
Maintenance			
Building	40,000	36,888	3,112
Telephone	325	343	(18)
Materials and supplies	4,500	3,901	599
Advertising	500	526	(26)
Printing	300	216	84
Miscellaneous		113	(113)
Capital Outlay	15,000	26,147	(11,147)
Utilities	1,200	686	514
TOTAL RECREATION DEPARTMENT	\$68,825	\$75,942	(\$7,117)
TOTAL EXPENDITURES	\$3,509,322	\$3,508,032	\$1,290

The accompanying notes are an integral part of this statement.

SPECIAL REVENUE FUNDS

Federal Revenue Sharing Fund

To account for the receipt and subsequent expenditure of revenue sharing funds received from the federal government.

Recreation Fund

To account for the receipt and subsequent expenditure of funds received from the Iberville Parks and Recreation District.

Housing Assistance Program Fund

To account for the receipts and expenditure of funds received specifically for Housing Assistance from the U.S. Housing and Urban Development Department.

Fire Department

To account for the funds received from the Iberville Parish Police Jury which are designated for the specific purpose of fire department capital expenditures.

Health and Safety Rehabilitation Program

To account for the funds received from the Louisiana Housing Finance Agency, which are designated for the specific purpose of upgrading owner-occupied units to meet Housing Quality Standards.

EXHIBIT H-1

CITY OF PLAQUEMINE, LOUISIANA
 SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 OCTOBER 31, 1996

	Housing Assistance Program	Federal Revenue Sharing	Recreation	Fire Department	Health Safety Rehab. Program	Totals 1996
ASSETS						
Cash	\$48,651	\$ -	\$3,966	\$80,524	(\$44)	\$133,097
Due from other governmental entities	5,564	-	-	-	-	5,564
TOTAL ASSETS	\$54,215	\$0	\$3,966	\$80,524	(\$44)	\$138,661
LIABILITIES AND FUND BALANCES						
Accounts payable	\$4,500	\$ -	\$ -	\$16,207	\$ -	\$20,707
Due to other funds (Note C)	-	413	12,251	-	6,925	19,589
Fund balances	49,715	(413)	(8,285)	64,317	(6,969)	98,365
TOTAL LIABILITIES AND FUND BALANCES	\$54,215	\$0	\$3,966	\$80,524	(\$44)	\$138,661

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
YEAR ENDED OCTOBER 31, 1996

	Housing Assistance Program	Federal Revenue Sharing	Recreation	Fire Department	Health & Safety Rehab Program	Totals 1996
REVENUES						
Intergovernmental	\$385,264	\$ -	\$ -	\$81,300	\$ -	\$466,564
Interest income	1,530	-	-	845	-	2,375
Miscellaneous income	-	-	-	2,531	-	2,531
TOTAL REVENUES	<u>386,794</u>	<u>\$ -</u>	<u>\$ -</u>	<u>84,676</u>	<u>\$ -</u>	<u>471,470</u>
EXPENDITURES						
	347,684	-	-	19,338	6,925	373,947
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>39,110</u>	<u>-</u>	<u>-</u>	<u>65,338</u>	<u>(6,925)</u>	<u>97,523</u>
OTHER FINANCING SOURCES (USES)						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	(46,831)	-	(46,831)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>39,110</u>	<u>-</u>	<u>-</u>	<u>18,507</u>	<u>(6,925)</u>	<u>50,692</u>
FUND BALANCE, BEGINNING	<u>10,605</u>	<u>(413)</u>	<u>(8,285)</u>	<u>45,810</u>	<u>(44)</u>	<u>47,673</u>
FUND BALANCE, ENDING	<u>\$49,715</u>	<u>(\$413)</u>	<u>(\$8,285)</u>	<u>\$64,317</u>	<u>(\$6,969)</u>	<u>\$98,365</u>

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
SPECIAL REVENUE FUNDS
HOUSING ASSISTANCE PROGRAM FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED OCTOBER 31, 1996

	1996		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Intergovernmental revenues- contribution from HUD	\$385,264	\$385,264	\$0
Interest income	-	1,530	1,530
TOTAL REVENUES	<u>385,264</u>	<u>386,794</u>	<u>1,530</u>
EXPENDITURES (Note L)	347,684	347,684	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>37,580</u>	<u>39,110</u>	<u>1,530</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES	37,580	39,110	1,530
FUND BALANCE, BEGINNING	<u>10,605</u>	<u>10,605</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$48,185</u>	<u>\$49,715</u>	<u>\$1,530</u>

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
 SPECIAL REVENUE FUNDS
 FEDERAL REVENUE SHARING
 STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED OCTOBER 31, 1996

	1996		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Intergovernmental revenues-	\$ -	\$ -	\$ -
Grants from Federal Government	-	-	-
Miscellaneous revenue	-	-	-
TOTAL REVENUES	-	-	-
EXPENDITURES (Note L)	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES	-	-	-
FUND BALANCE, BEGINNING	-	(413)	(413)
FUND BALANCE, ENDING	\$ -	(\$413)	(\$413)

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
SPECIAL REVENUE FUNDS
RECREATION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED OCTOBER 31, 1996

	1996		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Intergovernmental revenues-	\$ -	\$ -	\$ -
Grants from Federal Government	-	-	-
Miscellaneous revenue	-	-	-
	-----	-----	-----
TOTAL REVENUES	-	-	-
	-----	-----	-----
EXPENDITURES (Note L)	-	-	-
	-----	-----	-----
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
	-----	-----	-----
OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
	-----	-----	-----
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
	-----	-----	-----
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES	-	-	-
	-----	-----	-----
FUND BALANCE, BEGINNING	-	(8,285)	(8,285)
	-----	-----	-----
FUND BALANCE, ENDING	\$ -	(\$8,285)	(\$8,285)
	-----	-----	-----

The accompanying notes are an integral part of this statement.

EXHIBIT K-7

CITY OF PLAQUEMINE, LOUISIANA
 ENTERPRISE FUND
 OPERATING EXPENSES
 YEAR ENDED OCTOBER 31, 1996

	<u>Electric Distribution</u>	<u>Water Distribution</u>	<u>Sewerage</u>	<u>Gas Distribution</u>	<u>1996</u>
Salaries and wages	\$240,881	\$112,811	\$150,352	\$136,850	\$640,894
Maintenance of lines and equipment	282,546	238,463	84,601	73,795	679,405
Supplies	102,333	25,306	50,040	14,477	192,156
Compensation and liability insurance	64,979	16,775	9,715	11,609	103,078
Other insurance and retirement	43,951	22,838	40,835	28,843	136,467
Current used					
Utilities	4,722	62,932	113,280	790	181,724
Engineer and other professional fees	34,536	35,630	65,053	19,252	154,471
Current purchased	3,936,956				3,936,956
Sledge disposal			56,561		56,561
Natural gas purchased				652,208	652,208
All other	130	2,549	290	11,452	14,421
Depreciation	488,103	84,540	117,167	3,228	693,038
	<u>5,199,137</u>	<u>601,844</u>	<u>687,894</u>	<u>952,504</u>	<u>7,441,379</u>
General and administrative expenses	<u>782,659</u>	<u>112,445</u>	<u>79,045</u>	<u>139,164</u>	<u>1,113,313</u>
TOTAL OPERATING EXPENSES	<u>\$5,981,796</u>	<u>\$714,289</u>	<u>\$766,939</u>	<u>\$1,091,668</u>	<u>\$8,554,692</u>

The accompanying notes are an integral part of this schedule.

CITY OF PLAQUEMINE, LOUISIANA
 SPECIAL REVENUE FUNDS
 HEALTH & SAFETY REHABILITATION PROGRAM
 STATEMENT OF REVENUE, EXPENDITURES, AND
 CHANGES IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED OCTOBER 31, 1996

	1996		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Intergovernmental revenues:	\$	\$	\$
Contribution from La. Housing Finance Authority	-	-	-
TOTAL REVENUES	-	-	-
EXPENDITURES (Note L.)	-	6,925	(6,925)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(6,925)	(6,925)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES	-	(6,925)	(6,925)
FUND BALANCE, BEGINNING	-	(44)	(44)
FUND BALANCE, ENDING	\$ -	(\$6,969)	(\$6,969)

The accompanying notes are an integral part of this statement.

EXHIBIT K-6

CITY OF PLAQUEMINE, LOUISIANA
 ENTERPRISE FUND
 OPERATING INCOME
 YEAR ENDED OCTOBER 31, 1996

	<u>Total</u>	<u>Electric</u>	<u>Water</u>	<u>Sewerage</u>	<u>Gas</u>
OPERATING REVENUE					
Metered sales to general customers (less return and allowances)	\$9,169,335	\$6,400,119	\$937,072	\$665,525	\$1,166,619
Billings to municipality and utilities system	238,304	218,716	14,451		5,137
Other operating revenue	<u>20,501</u>	<u>11,423</u>	<u>4,868</u>	<u>1,700</u>	<u>2,510</u>
TOTAL OPERATING REVENUE	<u>9,428,140</u>	<u>6,630,258</u>	<u>956,391</u>	<u>667,225</u>	<u>1,174,266</u>
OPERATING EXPENSES					
OPERATING INCOME	<u>\$873,448</u>	<u>\$648,462</u>	<u>\$242,102</u>	<u>(\$99,714)</u>	<u>\$82,598</u>
PERCENT OF TOTAL OPERATING INCOME	100%	74%	28%	(11%)	9%

The accompanying notes are an integral part of this schedule.

CITY OF PLAQUEMINE, LOUISIANA
 DEBT SERVICE FUNDS
 COMBINING BALANCE SHEET
 OCTOBER 31, 1996

	SEWERAGE BONDS 1-1-67	DRAINAGE BONDS 2-1-68	NOTES PAYABLE	SALES TAX BONDS 12-1-91	NOTES PAYABLE	TOTALS 1996
ASSETS						
Cash	\$78,230	\$52,671	\$ -	\$1,401,997	\$ -	\$1,532,898
Cash on deposit with paying agents						
for obligations due on interest	2,395	-	-	-	-	2,395
Interest receivable	-	-	-	5,603	-	5,603
Due from other funds (Note C)	138,266	78,643	-	-	-	216,909
	\$218,891	\$131,314	\$ -	\$1,407,600	\$ -	\$1,757,805
LIABILITIES AND FUND BALANCE						
Matured interest coupons	\$2,395	\$ -	\$ -	\$ -	\$ -	\$2,395
	2,395	-	-	-	-	2,395
FUND BALANCES						
Reserved for debt service	216,496	131,314	-	1,407,600	-	1,755,410
	\$218,891	\$131,314	\$ -	\$1,407,600	\$ -	\$1,757,805

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
OCTOBER 31, 1996

	SEWERAGE BONDS 1-1-87	DRAINAGE BONDS 2-1-88	NOTES PAYABLE	SALES TAX BONDS 12-1-91	NOTES PAYABLE	TOTALS 1996
REVENUES						
Sales Tax Revenue	\$ -	\$ -	\$ -	\$ 916,692	\$ -	\$ 916,692
Ad valorem taxes	49,257	49,257	-	-	-	98,514
Interest income	1,335	1,406	-	48,992	-	51,733
Miscellaneous	-	-	-	-	-	-
TOTAL REVENUES	\$ 50,592	\$ 50,663	\$ -	\$ 965,684	\$ -	\$ 1,066,939
EXPENDITURES						
Principal retirement	81,000	110,000	19,550	165,000	21,243	396,793
Interest	2,965	5,347	4,690	353,855	1,349	368,206
Paying Agent fees	1,088	986	-	509	-	2,583
TOTAL EXPENDITURES	85,053	116,333	24,240	519,364	22,592	767,582
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(34,461)	(65,670)	(24,240)	446,320	(22,592)	299,357
OTHER FINANCING SOURCES (USES)						
Appropriations from	-	-	24,240	-	22,592	46,832
Special Revenue Funds	-	-	-	(452,295)	-	(452,295)
Transfers to other funds	-	-	-	-	-	-
Gain on sale of investments	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(34,461)	(65,670)	-	(5,975)	-	(106,106)
FUND BALANCES, BEGINNING	250,957	196,984	-	1,413,575	-	1,861,516
FUND BALANCES, ENDING	\$ 216,496	\$ 131,314	\$ -	\$ 1,407,600	\$ -	\$ 1,755,410

The accompanying notes are an integral part of this statement.

**CAPITAL PROJECTS FUND
(UTILITY FUND)**

To account for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by Proprietary and Trust Funds.

**CITY OF PLAQUEMINE, LOUISIANA
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
OCTOBER 31, 1996**

	<u>Street Improvements</u>	<u>LCDBG Grant</u>	<u>Totals 1996</u>
ASSETS			
Cash	\$38,098	\$ -	\$38,098
Accounts Receivable	-	60,013	60,013
	\$38,098	\$60,013	\$98,111
LIABILITIES AND FUND BALANCE			
Accounts payable	\$ -	\$7,290	\$7,290
Retainage payable	-	52,723	52,723
Due to other funds	-	197	197
	-	60,210	\$60,210
FUND BALANCES			
Unreserved designated for capital improvements	38,098	(197)	37,901
	\$38,098	\$60,013	\$98,111

The accompanying notes are an integral part of this statement.

**CITY OF PLAQUEMINE, LOUISIANA
CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
OCTOBER 31, 1996**

	<u>Street Improvements</u>	<u>LCDGB Grant</u>	<u>Totals 1996</u>
REVENUES			
Federal Grant	\$ -	\$575,974	\$575,974
Interest	259	-	259
TOTAL REVENUES	<u>\$259</u>	<u>\$575,974</u>	<u>\$576,233</u>
EXPENDITURES			
Capital outlay-current expenditures	427,782	576,171	1,003,953
Other expenditures	546	-	546
TOTAL EXPENDITURES	<u>428,328</u>	<u>576,171</u>	<u>1,004,499</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(428,069)</u>	<u>(197)</u>	<u>(428,266)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	452,295	-	452,295
TOTAL OTHER FINANCING SOURCES (USES)	<u>452,295</u>	<u>-</u>	<u>452,295</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES	<u>24,226</u>	<u>(197)</u>	<u>24,029</u>
FUND BALANCE, BEGINNING	<u>13,872</u>	<u>-</u>	<u>13,872</u>
FUND BALANCE, ENDING	<u>\$38,098</u>	<u>(\$197)</u>	<u>\$37,901</u>

The accompanying notes are an integral part of this statement.

**ENTERPRISE FUND
(UTILITY FUND)**

This fund accounts for the provision of electric, water, and sewer services to residents of the City of Plaquemine, Louisiana. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administrative, operations, maintenance, financing and related debt service, and billing and collection.

**CITY OF PLAQUEMINE, LOUISIANA
ENTERPRISE FUND
BALANCE SHEET
OCTOBER 31, 1996**

	<u>1996</u>		<u>1996</u>
ASSETS		LIABILITIES & FUND EQUITY	
CURRENT ASSETS		LIABILITIES	
Cash	\$3,179,624	Current liabilities (payable from current assets):	
Accounts receivable:		Accounts payable	\$886,702
General customers	976,321	Retainage payable	99,756
Other receivable	636,377	Contract payable	133,653
Grant receivable	233,408	Sales tax payable	24,338
Due from other funds (Note C)	132	Due to subdivision accounts	27,380
Inventory	10,035	Customer deposits	452,807
Prepaid expenses		Accrued expenses	37,167
	<u>5,035,897</u>	Due to other funds (Note C)	182,927
			<u>1,844,730</u>
RESTRICTED ASSETS (Note H)		Current liabilities (payable from restricted assets):	
Bonds issued in 1976:		Bonds issued in 1976:	
Bonds and interest reserve account:		Current maturities of bonds payable	
Cash	1,151,481	Accrued interest payable	<u>0</u>
Expansion and renewal:		Long-term liabilities:	
Cash	532,950	Accrued leave privileges (Note M)	43,761
	<u>1,684,431</u>	Bonds issued in 1976 (Note G)	3,820,000
			<u>3,863,761</u>
		TOTAL LIABILITIES	<u>5,708,491</u>
PLANT AND EQUIPMENT (Note E)		FUND EQUITY	
Plant and equipment	32,413,312	Contributed capital:	
Less: Accumulated depreciation	<u>(16,355,484)</u>	Municipality	955,462
		State of Louisiana	500,000
Net plant and equipment	<u>16,057,828</u>	Customers	39,401
		TOTAL CONTRIBUTED CAPITAL	<u>1,494,863</u>
OTHER ASSETS		RETAINED EARNINGS	
Unamortized bond debt	10,931	Reserved for revenue bond retirement:	
Unamortized bond issue cost	87,142	Bonds issued in 1976	1,151,481
	<u>98,073</u>	Expansion and renewal	532,950
		Unreserved	13,988,444
		TOTAL RETAINED EARNINGS	<u>15,672,875</u>
		TOTAL FUND EQUITY	<u>17,167,738</u>
TOTAL ASSETS	<u>\$22,876,229</u>	TOTAL LIABILITIES AND FUND EQUITY	<u>\$22,876,229</u>

The accompanying notes are an integral part of this statement.

**CITY OF PLAQUEMINE, LOUISIANA
ENTERPRISE FUND
STATEMENT OF INCOME
YEAR ENDED OCTOBER 31, 1996**

	1996
OPERATING REVENUES	
Metered sales to general customers	\$9,169,335
Billings to municipality and utilities	238,304
Other operating revenue	20,501
	9,428,140
 OPERATING EXPENSES	 8,554,692
OPERATING INCOME	873,448
OTHER REVENUE	
Interest on investments:	
Restricted assets	114,943
Other	111,063
Miscellaneous	4,985
Rent	10,257
Finance charges	71,063
Insurance refund	49,432
LEPA revenue	272,585
Gain on sale of fixed asset	3,650
Lawsuit settlement	730,000
State Relocation of Utility Lines	1,137,347
	2,505,325
 OTHER CHARGES	
Interest expense:	
Bonds issued in 1976 and 1994	241,752
Other	
Amortization of bond discount	1,366
Amortization of bond issue costs	10,893
Fees related to relocation of utility lines	1,137,347
Paying agent fee	1,236
Legal Fees - lawsuit	388,018
	1,780,612
INCOME BEFORE TRANSFERS	1,598,161
 TRANSFERS TO GENERAL FUND	 1,093,304
 NET INCOME	 \$504,857

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
STATEMENT OF CASH FLOWS--ENTERPRISE FUND
YEAR ENDED OCTOBER 31, 1996

	1996
CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$873,448
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	800,492
LEPA revenue	272,585
Lawsuit settlement (net of expenses)	341,982
Gain on sale of assets	3,650
Other revenues	135,737
Increase (decrease) in assets and liabilities:	
Decrease in accounts receivable	127,663
Decrease in due from other funds	21,966
Increase in grant receivable	(233,408)
Increase in inventory	(735)
Increase in other receivables	(468,139)
Decrease in other assets	12,259
Increase in accounts payable	436,634
Increase in contract payable	133,653
Increase in retainage payable	99,756
(Decrease) in sales tax payable	(13,082)
Increase in accrued expenses	13,744
Increase in customer deposits	7,403
Increase in due to other funds	(154,073)
(Decrease) in accrued leave privileges	(63,455)
(Decrease) in accrued interest payable	(143,119)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	2,204,961
 CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Operating transfers out to other funds	(1,093,304)
Operating transfers in from other funds	
NET CASH PROVIDED (USED) BY NON-CAPITAL FINANCING ACTIVITIES	(1,093,304)
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital asset	(267,816)
Principal paid on revenue bond maturities	(1,625,000)
Interest paid on revenue bonds	(241,752)
Paying agent fees	(1,236)
Amortization of discount and issue costs	(12,259)
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(2,148,063)
 CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	226,006
NET CASH PROVIDED BY INVESTING ACTIVITIES	226,006
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(810,400)
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,674,455
 CASH AND CASH EQUIVALENTS AT END OF YEAR	\$4,864,055

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) YEAR ENDED
OCTOBER 31, 1996

	1996		Variance Favorable (Unfavorable)
	Budget	Actual	
GENERAL AND ADMINISTRATIVE			
Salaries:			
Mayor	\$39,750	\$35,783	\$3,967
Clerk, Treasurer, Tax Collector	24,150	24,150	0
Clerical	56,886	53,331	3,555
City Attorney	6,000	6,000	0
Medicare and Social Security	17,388	22,534	(5,146)
Iberville Parish Library	12,500	12,498	2
Selectmen compensation	46,800	46,800	0
Contributed to Assessor's salary	4,270	4,270	0
City Attorney's fees	21,000	18,891	2,109
Insurance--Compensation	767	800	(33)
Insurance--Group	18,875	18,606	269
Insurance--Other	9,448	9,427	21
Public building expenses	40,000	35,773	4,227
Advertising	4,700	6,451	(1,751)
Recreation Commission			
Professional fees--audit	22,625	22,775	(150)
Professional fees--City Court audit			
Professional fees--computer, accounting, and engineering	7,870	7,804	66
Telephone	20,000	20,893	(893)
Publishing and recording	4,000	3,451	549
Retired employees insurance	17,640	17,710	(70)
Retirement	11,890	11,032	858
Repairs, supplies, maintenance	3,144	5,410	(2,266)
Travel and conventions	11,500	12,581	(1,081)
Coroner's reports	11,710	10,777	933
Postage and supplies	10,400	10,415	(15)
Stationery and printing	1,100	1,292	(192)
Dues and subscriptions	2,850	2,567	283
Contract and maintenance on machines	5,900	7,448	(1,548)
Zoning expenses	1,675	1,675	0
Unemployment compensation	193	207	(14)
Marshall expense			
Miscellaneous	10,000	9,733	267
Capital outlay	110,000	110,234	(234)
Civil Service Board	2,200	2,314	(114)
Tax collection expense			
Utilities	4,190	4,503	(313)
Janitorial services	16,800	16,800	0
Municipal code supplements	100	683	(583)
Main Street Development Program	12,600	9,000	3,600
Election	10,000	912	9,088
Tree planting program	2,000	1,641	359
HUD	1,500		1,500
TOTAL GENERAL AND ADMINISTRATIVE	\$604,421	\$587,171	\$17,250

The accompanying notes are an integral part of this statement.

CITY OF PLAQUEMINE, LOUISIANA
SPECIAL REVENUE FUNDS
FIRE DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED OCTOBER 31, 1996

	1996		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Intergovernmental revenues--			
<i>Fire tax from Parish</i>	\$75,000	\$81,300	\$6,300
Interest income	700	845	145
Miscellaneous	1,600	2,531	931
TOTAL REVENUES	<u>77,300</u>	<u>84,676</u>	<u>7,376</u>
EXPENDITURES			
Other Expenditures	-	3,409	(3,409)
Capital Outlay	23,000	15,929	7,071
TOTAL EXPENDITURES	<u>23,000</u>	<u>19,338</u>	<u>3,662</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>54,300</u>	<u>65,338</u>	<u>11,038</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	-	-
Operating transfers out	(46,831)	(46,831)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(46,831)</u>	<u>(46,831)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES	101,131	112,169	11,038
FUND BALANCE, BEGINNING	<u>45810</u>	<u>45810</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$146,941</u>	<u>\$157,979</u>	<u>\$11,038</u>

The accompanying notes are an integral part of this statement.