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TOWN OF BALDWIN, LOUISIANA

Financial Report

Year Ended June 30, 1996

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Release Date FEB 26 1997

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DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

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Independent Auditor's Report

The Honorable Wayne Breaux, Mayor
and Members of the Board of Aldermen
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We have audited the accompanying general purpose financial statements of the Town of Baldwin, Louisiana, as of and for the year ended June 30, 1996. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with 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 general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Town of Baldwin, Louisiana, as of June 30, 1996, and the results of its operations and the cash flows of its proprietary fund type for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated August 9, 1996, on our consideration of the Town of Baldwin's internal control structure and a report dated August 9, 1996 on its compliance with laws and regulations.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Town of Baldwin, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole, except that:

- (1) the insurance coverage data has not been audited by us and we express no opinion on it, and
- (2) information as to the number of utility customers presented on page 76 is based on unaudited data obtained from the Town's records, on which we express no opinion.

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose financial statements of the Town of Baldwin, Louisiana.

Darnall, Sikes, Kolder, Frederick & Rainey
A Corporation of Certified Public Accountants

Morgan City, Louisiana
August 9, 1996

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

TOWN OF BALDWIN, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups
June 30, 1996

	Governmental Fund Types			Proprietary Fund Type Enterprise	Fiduciary Fund Type Trust	Account Groups		Totals	
	General	Special Revenue	Capital Projects			General Fixed Assets	Long-Term Debt	1996	(Memorandum Only) 1995
Cash	\$ 38,908	\$ 871,353	\$ 139,315	\$ 690,350	\$ 12,617	\$ -	\$ -	\$ 1,752,543	\$ 1,627,841
Interest-bearing deposits	-	100,000	-	500,000	-	-	-	600,000	500,000
Receivables:									
Taxes	6,952	35,142	-	-	-	-	-	42,094	39,178
Accounts	8,146	8,770	-	53,994	-	-	-	70,910	64,725
Accrued interest	-	254	-	2,205	-	-	-	2,459	1,962
Due from other funds	199,350	-	-	-	-	-	-	199,350	99,782
Due from other governmental units	49,990	14,681	14,090	-	-	-	-	78,761	50,456
Restricted assets:									
Cash	-	-	-	28,955	-	-	-	28,955	28,835
Land	-	-	-	-	-	-	-	206,971	186,555
Buildings	-	-	-	-	-	-	206,971	416,870	416,870
Equipment	-	-	-	-	-	-	188,225	188,225	183,497
Autos and trucks	-	-	-	-	-	-	161,204	161,204	156,506
Utility property, plant and equipment	-	-	-	4,732,394	-	-	-	4,732,394	4,725,337
Accumulated depreciation	-	-	-	(1,799,850)	-	-	-	(1,799,850)	(1,682,780)
Amount to be provided for retirement of long-term debt	-	-	-	-	-	-	205,000	205,000	230,000
Total assets and other debits	\$303,346	\$1,030,200	\$153,405	\$ 4,208,048	\$12,617	\$973,270	\$205,000	\$6,885,886	\$ 6,628,764

(continued)

TOWN OF BALDWIN, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups (Continued)
June 30, 1996

	Governmental Fund Types		Proprietary Fund Type Enterprise	Fiduciary Fund Type Trust	Account Groups		Totals (Memorandum Only)
	General	Special Revenue			General Fixed Assets	General Long-Term Debt	
LIABILITIES AND FUND EQUITY							
Liabilities:							
Accounts payable	\$ 1,174	\$ 6,621	\$ 15,023	\$ -	\$ -	\$ 33,934	\$ 22,301
Accrued liabilities	9,108	-	855	-	-	9,963	11,760
Retainage payable	-	-	-	-	-	4,200	-
Payable from restricted assets - Customers' deposits	-	-	28,955	-	-	28,955	28,835
Due to other funds	-	199,350	-	-	-	199,350	99,782
Certificates of indebtedness	-	-	-	-	205,000	205,000	230,000
Total liabilities	<u>10,282</u>	<u>205,971</u>	<u>44,833</u>	<u>-</u>	<u>205,000</u>	<u>481,402</u>	<u>392,678</u>
Fund equity:							
Contributed capital (net of accumulated amortization)	-	-	2,813,688	-	-	2,813,688	2,911,640
Investment in general fixed assets	-	-	-	-	973,270	973,270	943,428
Retained earnings - unreserved	-	-	-	-	-	1,349,527	1,277,846
Fund balances - Unreserved:							
Designated for subsequent years' expenditures	-	-	-	12,617	-	12,617	14,682
Undesignated	293,064	824,229	-	-	-	1,255,382	1,088,490
Total fund balances	<u>293,064</u>	<u>824,229</u>	<u>-</u>	<u>12,617</u>	<u>-</u>	<u>1,267,999</u>	<u>1,103,172</u>
Total fund equity	<u>293,064</u>	<u>824,229</u>	<u>4,163,215</u>	<u>12,617</u>	<u>973,270</u>	<u>6,404,484</u>	<u>6,236,086</u>
Total liabilities and fund equity	<u>\$303,346</u>	<u>\$1,030,200</u>	<u>\$4,208,048</u>	<u>\$12,617</u>	<u>\$973,270</u>	<u>\$6,885,886</u>	<u>\$6,628,764</u>

The accompanying notes are an integral part of this statement.

TOWN OF BALDWIN, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
All Governmental Fund Types and Expendable Trust Funds
Year Ended June 30, 1996

	Governmental Fund Types			Fiduciary	Totals	
	General	Special Revenue	Capital Projects	Expendable Trust	(Memorandum Only)	
					1996	1995
Revenues:						
Taxes	\$ 32,193	\$ 431,720	\$ -	\$ -	\$ 463,913	\$ 401,834
Licenses and permits	68,092	-	-	-	68,092	77,421
Charges for services	-	55,952	-	-	55,952	58,397
Intergovernmental	208,876	24,182	447,399	-	680,457	433,888
Fines and forfeits	113,946	-	-	-	113,946	101,194
Miscellaneous	12,476	36,584	15,869	441	65,370	38,266
Total revenues	<u>435,583</u>	<u>548,438</u>	<u>463,268</u>	<u>441</u>	<u>1,447,730</u>	<u>1,111,000</u>
Expenditures:						
Current -						
General government	307,126	-	2,604	-	309,730	255,980
Public safety:						
Police	12,139	203,830	-	-	215,969	182,438
Fire	2,209	20,491	-	-	22,700	9,976
Streets and drainage	103,324	-	-	-	103,324	89,637
Culture and recreation	18,708	-	-	-	18,708	6,443
Sanitation	-	124,693	-	-	124,693	124,675
Debt service -						
Principal	-	25,000	-	-	25,000	25,000
Interest and fiscal charges	-	13,594	-	-	13,594	15,158
Emergency assistance	-	-	-	-	-	4,151
Capital outlay	4,606	12,852	447,815	2,506	467,779	296,215
Total expenditures	<u>448,112</u>	<u>400,460</u>	<u>450,419</u>	<u>2,506</u>	<u>1,301,497</u>	<u>1,009,673</u>
Excess (deficiency) of revenues over expenditures	<u>(12,529)</u>	<u>147,978</u>	<u>12,849</u>	<u>(2,065)</u>	<u>146,233</u>	<u>101,327</u>
Other financing sources (uses):						
Operating transfers in	190,000	38,690	7	-	228,697	245,633
Operating transfers out	(103)	(210,000)	-	-	(210,103)	(30,501)
Total other financing sources (uses)	<u>189,897</u>	<u>(171,310)</u>	<u>7</u>	<u>-</u>	<u>18,594</u>	<u>215,132</u>
Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses	177,368	(23,332)	12,856	(2,065)	164,827	316,459
Fund balances, beginning of year	<u>115,696</u>	<u>847,561</u>	<u>125,233</u>	<u>14,682</u>	<u>1,103,172</u>	<u>786,713</u>
Fund balances, end of year	<u>\$293,064</u>	<u>\$ 824,229</u>	<u>\$138,089</u>	<u>\$12,617</u>	<u>\$1,267,999</u>	<u>\$1,103,172</u>
	=====	=====	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF BALDWIN, LOUISIANA

Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget (GAAP Basis) and Actual -
General and Special Revenue Fund Types
Year Ended June 30, 1996

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
Taxes	\$ 31,500	\$ 32,193	\$ 693	\$ 416,000	\$ 431,720	\$ 15,720
Licenses and permits	72,200	68,092	(4,108)	-	-	-
Charges for services	-	-	-	55,000	55,952	952
Intergovernmental	208,475	208,876	401	24,800	24,182	(618)
Fines and forfeits	115,000	113,946	(1,054)	-	-	-
Miscellaneous	7,400	12,476	5,076	32,500	36,584	4,084
Total revenues	<u>434,575</u>	<u>435,583</u>	<u>1,008</u>	<u>528,300</u>	<u>548,438</u>	<u>20,138</u>
Expenditures:						
Current -						
General government	302,820	307,126	(4,306)	-	-	-
Public safety:						
Police	11,900	12,139	(239)	197,100	203,830	(6,730)
Fire	2,092	2,209	(117)	19,092	20,491	(1,399)
Streets and drainage	95,500	103,324	(7,824)	-	-	-
Culture and recreation	13,900	18,708	(4,808)	-	-	-
Sanitation	-	-	-	125,000	124,693	307
Debt service -						
Principal	-	-	-	25,000	25,000	-
Interest and fiscal charges	-	-	-	13,594	13,594	-
Capital outlay	3,600	4,606	(1,006)	21,000	12,852	8,148
Total expenditures	<u>429,812</u>	<u>448,112</u>	<u>(18,300)</u>	<u>400,786</u>	<u>400,460</u>	<u>326</u>
Excess (deficiency) of revenues over expenditures	<u>4,763</u>	<u>(12,529)</u>	<u>(17,292)</u>	<u>127,514</u>	<u>147,978</u>	<u>20,464</u>
Other financing sources (uses):						
Operating transfers in	110,000	190,000	80,000	60,000	38,690	(21,310)
Operating transfers out	-	(103)	(103)	(192,000)	(210,000)	(18,000)
Total other financing sources (uses)	<u>110,000</u>	<u>189,897</u>	<u>79,897</u>	<u>(132,000)</u>	<u>(171,310)</u>	<u>(39,310)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>114,763</u>	<u>177,368</u>	<u>62,605</u>	<u>(4,486)</u>	<u>(23,332)</u>	<u>(18,846)</u>
Fund balances, beginning of year	<u>115,696</u>	<u>115,696</u>	<u>-</u>	<u>847,561</u>	<u>847,561</u>	<u>-</u>
Fund balances, end of year	<u>\$230,459</u>	<u>\$293,064</u>	<u>\$ 62,605</u>	<u>\$ 843,075</u>	<u>\$ 824,229</u>	<u>\$(18,846)</u>

The accompanying notes are an integral part of this statement.

TOWN OF BALDWIN, LOUISIANA

Comparative Statements of Revenues, Expenses, and Changes in Retained Earnings -
 Proprietary Fund Type
 Years Ended June 30, 1996 and 1995

	<u>Enterprise</u>	
	<u>1996</u>	<u>1995</u>
Operating revenues:		
Charges for services -		
Gas sales and services	\$ 226,688	\$ 189,556
Water sales and services	83,381	81,159
Sewerage services	67,845	64,824
Delinquent charges	12,783	12,055
Commissions, transfers and reconnections	<u>2,300</u>	<u>800</u>
Total operating revenues	<u>392,997</u>	<u>348,394</u>
Operating expenses:		
Gas department	171,216	125,600
Water department	103,802	46,436
Sewerage department	62,627	47,137
Depreciation	<u>117,069</u>	<u>116,881</u>
Total operating expenses	<u>454,714</u>	<u>336,054</u>
Operating income (loss)	(61,717)	12,340
Nonoperating revenues:		
Interest income	<u>54,041</u>	<u>40,885</u>
Income (loss) before other financing sources (uses)	<u>(7,676)</u>	<u>53,225</u>
Other financing sources (uses):		
Operating transfers in	20,000	5,327
Operating transfers out	<u>(38,594)</u>	<u>(220,459)</u>
Total other financing sources (uses)	<u>(18,594)</u>	<u>(215,132)</u>
Net loss	(26,270)	(161,907)
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>97,951</u>	<u>97,951</u>
Increase (decrease) in retained earnings	71,681	(63,956)
Retained earnings, beginning	<u>1,277,846</u>	<u>1,341,802</u>
Retained earnings, ending	<u>\$1,349,527</u>	<u>\$1,277,846</u>

The accompanying notes are an integral part of this statement.

TOWN OF BALDWIN, LOUISIANA

Comparative Statements of Cash Flows
 Proprietary Fund Type
 Years Ended June 30, 1996 and 1995

	<u>Enterprise</u>	
	<u>1996</u>	<u>1995</u>
Cash flows from operating activities:		
Operating income (loss)	\$ (61,717)	\$ 12,340
Adjustments to reconcile net income to net cash provided by operating activities -		
Depreciation	117,069	116,881
Changes in current assets and liabilities:		
(Increase) decrease in accounts receivable	(8,706)	20,259
Increase (decrease) in accounts payable	5,572	(4,654)
Increase in accrued liabilities	195	165
Total adjustments	<u>114,130</u>	<u>132,651</u>
Net cash provided by operating activities	<u>52,413</u>	<u>144,991</u>
Cash flows from noncapital financing activities:		
Cash paid to other funds	(38,594)	(220,459)
Cash received from other funds	<u>20,000</u>	<u>5,327</u>
Net cash used by noncapital financing activities	<u>(18,594)</u>	<u>(215,132)</u>
Cash flows from capital and related financing activities:		
Purchase of fixed assets	(7,057)	-
Increase in customer meter deposits	<u>120</u>	<u>1,461</u>
Net cash provided (used) by capital and related financing activities	<u>(6,937)</u>	<u>1,461</u>
Cash flows from investing activities:		
Purchase of interest-bearing deposits	(500,000)	(600,000)
Proceeds from the sale and maturities of interest-bearing deposits	400,000	500,000
Interest on interest-bearing deposits	<u>53,560</u>	<u>40,885</u>
Net cash used by investing activities	<u>(46,440)</u>	<u>(59,115)</u>
Net decrease in cash and cash equivalents	(19,558)	(127,795)
Cash and cash equivalents, beginning of period	<u>738,863</u>	<u>866,658</u>
Cash and cash equivalents, end of period	<u>\$ 719,305</u>	<u>\$ 738,863</u>

(continued)

TOWN OF BALDWIN, LOUISIANA

Comparative Statements of Cash Flows (Continued)
 Proprietary Fund Type
 Years Ended June 30, 1996 and 1995

	<u>Enterprise</u>	
	<u>1996</u>	<u>1995</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents beginning of period -		
Cash - unrestricted	\$ 710,028	\$ 839,283
Interest-bearing deposits - unrestricted	400,000	300,000
Cash - restricted	28,835	27,375
Less: Interest-bearing deposits with a maturity over three months	<u>(400,000)</u>	<u>(300,000)</u>
Total cash and cash equivalents	<u>738,863</u>	<u>866,658</u>
Cash and cash equivalents, end of period -		
Cash - unrestricted	690,350	710,028
Interest-bearing deposits - unrestricted	500,000	400,000
Cash - restricted	28,955	28,835
Less: Interest-bearing deposits with a maturity over three months	<u>(500,000)</u>	<u>(400,000)</u>
Total cash and cash equivalents	<u>719,305</u>	<u>738,863</u>
Net decrease	<u>\$ (19,558)</u>	<u>\$ (127,795)</u>

The accompanying notes are an integral part of this statement.

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

Special revenue funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Capital projects funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Proprietary Fund -

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 cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Town of Baldwin's enterprise fund is the Utility Fund.

Fiduciary Funds -

Trust funds

Trust funds are used to account for assets held by the Town in a trustee capacity for individuals, private organizations, other governments or other funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds.

C. Fixed Assets and Long-Term Liabilities

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

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

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased. The Town has elected not to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems. No depreciation has been provided on general fixed assets.

All 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 market value on the date donated. Estimated amounts are immaterial in relation to total fixed assets.

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

The proprietary fund is accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and all liabilities (whether current or noncurrent) associated with its activity are included on its balance sheet.

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

Buildings	20 - 30 years
Improvements	10 - 30 years
Equipment	4 - 20 years

D. Basis of Accounting

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

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Sales taxes are considered as "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Ad valorem taxes are recognized as revenue in the year for which budgeted, that is, in the year in which such taxes are billed. Other major revenues that are considered susceptible to accrual include earned grant revenues and other intergovernmental revenues, charges for services and interest on investments. Franchise fees, licenses, permits and fines are recognized when received because they are not objectively measurable.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

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

E. Budgets and Budgetary Accounting

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

1. The Town Clerk prepares a proposed budget and submits it to the Mayor and Board of Aldermen for the fiscal year 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.
4. After holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

5. Budgetary amendments involving the transfers 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 Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the General and Special Revenues Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board of Aldermen. Such amendments were not material in relation to the original appropriations.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Town as an extension of formal budgetary integration in the funds.

G. Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

H. Statement of Cash Flows

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.

I. Bad Debts

Uncollectible amounts due for ad valorem taxes and customers' utility receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible accounts receivable was made due to immateriality at June 30, 1996.

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

J. Vacation and Sick Leave

Vacation and sick leave are recorded as expenditures of the period in which paid. Sick leave does not accumulate and is not payable at termination of employment. Vacation must be taken in the year accrued and cannot be carried over. Any liability the Town might have in this regard at June 30, 1996, is considered immaterial; therefore, no liability has been recorded in the accounts.

K. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

L. Capitalization of Interest Expense

It is the policy of the Town of Baldwin to capitalize material amounts of interest resulting from borrowings in the course of the construction of fixed assets. For the year ended June 30, 1996, no capitalized interest expense was recorded on the books.

M. 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 cash flows 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.

N. Infrastructure

Infrastructure such as roads, bridges and curbs are considered public property and are not accounted for in the General Fixed Assets Account Group.

O. Adoption of GASB Statement 27

During the year ended June 30, 1996, the Town of Baldwin adopted GASB Statement 27, Accounting for Pensions by State and Local Government Employees. Although this statement is effective for periods beginning after June 15, 1997, the Governmental Accounting Standards Board is encouraging early implementation.

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

P. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures/expenses.

(2) Cash and Interest-Bearing Deposits

Under state law, the Town may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Town may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 1996, the Town has cash and interest-bearing deposits (book balances) totaling \$2,381,498, as follows:

Demand deposits	\$1,781,498
Time deposits	<u>600,000</u>
Total	<u>\$2,381,498</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Bank balances at June 30, 1996 are secured as follows:

Bank balances	<u>\$2,556,059</u>
Federal deposit insurance	\$ 700,000
Pledged securities (Category 3)	<u>1,856,059</u>
Total federal insurance and pledged securities	<u>\$2,556,059</u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Town's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Town that the fiscal agent has failed to pay deposited funds upon demand.

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

(3) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in September or October and are actually billed to taxpayers in November or December. Billed taxes become delinquent on January 1 of the following year. The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of St. Mary Parish. Town property tax revenues are budgeted in the year billed.

For the year ended June 30, 1996, taxes of 11.03 mills were levied on property with assessed valuations totaling \$2,852,400 and were dedicated as follows:

General corporate purposes 11.03 mills

Total taxes levied were \$31,462. The total amount of taxes receivable at June 30, 1996, was \$1,742.

(4) Interfund Receivables/Payables

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$199,350	\$ -
Special Revenue Funds:		
3/4% Sales Tax Fund	<u>-</u>	<u>199,350</u>
Total interfund receivables/payables	<u>\$199,350</u>	<u>\$199,350</u>

(5) Due from Other Governmental Units

Amounts due from other governmental units at June 30, 1996, consisted of the following:

Beer, tobacco, video poker and indian gaming mitigation taxes due from the State of Louisiana	\$49,990
Payment due from U. S. Department of Housing and Urban Development	14,090
Payment due from U. S. Department of Justice for police grant	8,881
Payment due from St. Mary Parish School Board for drug dog reimbursement	<u>5,800</u>
	<u>\$78,761</u>

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

(6) Restricted Assets - Proprietary Fund Type

Restricted assets were applicable to the following at June 30, 1996.

Customers' deposits	\$28,955
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(7) Changes in Fixed Assets

A summary of general fixed assets at June 30, 1996, follows:

	<u>Balance</u> <u>July 1, 1995</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 1996</u>
Land	\$186,555	\$20,416	\$ -	\$206,971
Buildings	416,870	-	-	416,870
Equipment	183,497	8,166	3,438	188,225
Autos and trucks	<u>156,506</u>	<u>6,218</u>	<u>1,520</u>	<u>161,204</u>
 Total general fixed assets	 \$943,428	 \$34,800	 \$4,958	 \$973,270

A summary of proprietary fund type property, plant and equipment at June 30, 1996, follows:

Land	\$ 116,110
Gas utility: System	354,190
Water utility: System	1,226,479
Sewerage utility: System	<u>3,035,615</u>
	4,732,394
Less: Accumulated depreciation	<u>(1,799,850)</u>
 Net proprietary fund type property, plant and equipment	 \$ 2,932,544

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

(8) Changes in Long-Term Debt

The following is a summary of certificates of indebtedness transactions of the Town of Baldwin for the year ended June 30, 1996:

	<u>General Obligation</u>
Certificates payable, July 1, 1995	\$230,000
Certificates issued	-
Certificates retired	<u>(25,000)</u>
Certificates payable, June 30, 1996	<u>\$205,000</u>

Certificates payable at June 30, 1996, is comprised of the following individual issue:

\$300,000 Sewer Certificates of Indebtedness, Series 1995, due in annual installments of \$20,000 to \$40,000 through September 19, 2001, interest at 6.25 percent, secured by levy and collection of 3/4 percent sales taxes	<u>\$205,000</u>
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The annual requirements to amortize all debt outstanding as of June 30, 1996, including interest payments of \$40,470, are as follows:

<u>Year Ending June 30,</u>	<u>General Obligation</u>
1997	\$ 41,875
1998	40,000
1999	42,969
2000	40,782
2001	38,594
2002	<u>41,250</u>
	<u>\$245,470</u>

(9) Dedication of Proceeds and Flow of Funds - Sales and Use Taxes

The Town of Baldwin collects sales taxes under three sales tax levies as follows:

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

- A. Proceeds of a 1% parish wide sales and use tax levied in 1966 (1996 collections \$180,912). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is remitted to each participating municipality on a monthly basis. Proceeds of this tax shall be used for the following purposes: construction, acquisition, improvement, maintenance and repairs of streets, capital improvements, public works and buildings (including the acquisition of sites and necessary fixtures, equipment, furnishings and appurtenances, and the payment of obligations and refunding obligations which have been or may be issued for the purpose of acquiring and improving public works and buildings); for payment or supplementing salaries of all municipal employees; for the operation of recreational facilities; for the acquisition, maintenance, repairs and payment of operating expenses of equipment, vehicles, and other machinery owned by the municipality; and for any other public purpose authorized by state law.
- B. Proceeds of a 3/10 of 1% sales and use tax levied in 1982 (1996 collections \$56,944). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is allocated and distributed monthly as above. Proceeds are dedicated to the following purposes: operating and maintaining the police department, including the acquisition and maintenance of equipment and supplies; paying or supplementing the salaries of municipal employees; and purchasing, constructing, acquiring, extending and/or improving all or any portion of public works or capital improvements, including but not limited to the construction, improvement and maintenance of drainage, water, and flood control extensions and improvements and the acquisition, construction, improvement, maintenance and repair of streets, roads, and bridges.
- C. Proceeds of a 3/4 of 1% sales and use tax levied in 1974 (1996 collections \$193,864). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is allocated and distributed monthly as above. Proceeds are to be used for the construction, acquisition, extension, improvement, operation and maintenance of solid waste collection and disposal facilities, sewers and sewerage disposal works, and other facilities for pollution control and abatement; and to pay debt service requirements on bonds issued for any of the above-mentioned purposes. This tax is to be collected until all bonds payable shall have been paid in full in principal and interest or 1/1/99, whichever is later.

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

(10) Pension Plan

Eligible employees of the Town participate in one of three multiple-employer public employee retirement systems (PERS), which are controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to each plan follows:

A. Municipal Employees' Retirement System

Plan members are required to contribute 5.0 percent of their annual covered salary to the system while the Town is required to contribute the statutory rate of 3.0 percent of the total annual covered salary. The Town's contributions to the system for the years ended June 30, 1996, 1995 and 1994 were \$9,469, \$6,763 and \$8,259, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Employees' Retirement System, 7937 Office Park Bldg., Baton Rouge, Louisiana 70809.

B. Municipal and State Police Retirement System of Louisiana

Plan members are required to contribute 7.5 percent of their annual covered salary to the system while the Town is required to contribute the statutory rate of 9.0 percent of the total annual covered salary. The Town's contributions to the system for the years ended June 30, 1996, 1995 and 1994 were \$9,502, \$8,861 and \$7,821, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Police Employees' Retirement System, P. O. Box 94095 - Capital Station, Baton Rouge, Louisiana 70804-9095.

C. Firefighters' Retirement System

Plan members are required to contribute 8.0 percent of their annual covered salary to the system while the Town is required to contribute the statutory rate of 9.0 percent of the total annual covered salary. The Town's contributions to the system for the years ended June 30, 1996, 1995 and 1994 were \$409, \$-0- and \$-0-, respectively, equal to the required contribution for each year.

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Firefighters' Retirement System, P. O. Box 94095 - Capital Station, Baton Rouge, Louisiana 70804.

(11) Individual Fund Deficit Requiring Disclosure

The following individual fund deficit which is not apparent from the face of the combined financial statements requires disclosure:

Special Revenue Fund:	
3/4% Sales Tax Collection Fund	\$(94,893)
	=====

It is anticipated that the above deficit will be funded by excess revenues in subsequent periods or by appropriations from the General Fund or Utility Fund.

(12) Segment Information for the Enterprise Fund

The Town of Baldwin maintains one enterprise fund with three departments which provide gas, water and sewerage services. Segment information for the year ended June 30, 1996, was as follows:

	<u>Gas</u> <u>Department</u>	<u>Water</u> <u>Department</u>	<u>Sewerage</u> <u>Department</u>	<u>Total</u> <u>Enterprise</u> <u>Fund</u>
Operating revenues	\$233,763	\$ 87,472	\$ 71,762	\$392,997
Operating expenses	<u>187,354</u>	<u>144,021</u>	<u>123,339</u>	<u>454,714</u>
Operating income (loss)	<u>\$ 46,409</u>	<u>\$(56,549)</u>	<u>\$(51,577)</u>	<u>\$(61,717)</u>

(13) Contributed Capital

Amounts contributed to the enterprise fund for acquisition or construction of fixed assets is recognized as contributed capital. Contributed capital generated through grants externally restricted for capital acquisitions is amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such grants. This depreciation is closed to the appropriate contributed capital account and is reflected as an adjustment to net income on the Statement of Revenues, Expenses, and Changes in Retained Earnings.

TOWN OF BALDWIN, LOUISIANA

Notes to Financial Statements (Continued)

The sources of contributed capital used to acquire and construct facilities of the Enterprise Fund are as follows:

	<u>Municipality</u>	<u>Federal Grants</u>	<u>Total</u>
Total contributed capital	\$3,095,926	\$1,041,900	\$4,137,826
Less: Accumulated amortization	<u>920,304</u>	<u>403,834</u>	<u>1,324,138</u>
Net contributed capital	<u>\$2,175,622</u>	<u>\$ 638,066</u>	<u>\$2,813,688</u>

(14) Compensation of Town Officials

A detail of compensation paid to the Mayor and Board of Aldermen for the year ended June 30, 1996, follows:

Wayne J. Breaux, Mayor	\$27,600
Aldermen:	
Jay Boudreaux	2,400
Herbert Druilhet, Jr.	2,400
Gene St. Germain	2,400
Mike Lancelin	2,400
Clarence Vappie	<u>2,400</u>
	<u>\$39,600</u>

SUPPLEMENTAL INFORMATION

SCHEDULE OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS

GENERAL FUND

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

TOWN OF BALDWIN, LOUISIANA
General Fund

Comparative Balance Sheets
June 30, 1996 and 1995

ASSETS

	<u>1996</u>	<u>1995</u>
Cash	\$ 38,908	\$ 9,342
Accounts receivable	8,146	11,043
Taxes and licenses receivable	6,952	5,896
Due from other funds	199,350	99,782
Due from other governmental units	<u>49,990</u>	<u>4,886</u>
Total assets	<u>\$303,346</u>	<u>\$130,949</u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts payable	\$ 1,174	\$ 4,153
Accrued liabilities	<u>9,108</u>	<u>11,100</u>
Total liabilities	<u>10,282</u>	<u>15,253</u>
Fund balance:		
Unreserved - undesignated	<u>293,064</u>	<u>115,696</u>
Total fund balance	<u>293,064</u>	<u>115,696</u>
Total liabilities and fund balance	<u>\$303,346</u>	<u>\$130,949</u>

TOWN OF BALDWIN, LOUISIANA
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended June 30, 1996
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		Actual
Revenues:				
Taxes	\$ 31,500	\$ 32,193	\$ 693	\$ 30,292
Licenses and permits	72,200	68,092	(4,108)	77,421
Intergovernmental	208,475	208,876	401	40,822
Fines and forfeits	115,000	113,946	(1,054)	101,194
Miscellaneous	<u>7,400</u>	<u>12,476</u>	<u>5,076</u>	<u>9,708</u>
Total revenues	<u>434,575</u>	<u>435,583</u>	<u>1,008</u>	<u>259,437</u>
Expenditures:				
Current -				
General government:				
Administrative	302,820	307,126	(4,306)	254,730
Public safety:				
Police	11,900	12,139	(239)	9,460
Fire	2,092	2,209	(117)	1,477
Streets and drainage	95,500	103,324	(7,824)	89,637
Culture and recreation	13,900	18,708	(4,808)	6,443
Capital outlay	<u>3,600</u>	<u>4,606</u>	<u>(1,006)</u>	<u>31,027</u>
Total expenditures	<u>429,812</u>	<u>448,112</u>	<u>(18,300)</u>	<u>392,774</u>
Deficiency of revenues over expenditures	<u>4,763</u>	<u>(12,529)</u>	<u>(17,292)</u>	<u>(133,337)</u>
Other financing sources (uses):				
Transfer to other funds	-	(103)	(103)	(3,017)
Transfer from other funds	<u>110,000</u>	<u>190,000</u>	<u>80,000</u>	<u>20,484</u>
Total other financing sources (uses)	<u>110,000</u>	<u>189,897</u>	<u>79,897</u>	<u>17,467</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	114,763	177,368	62,605	(115,870)
Fund balance, beginning of year	<u>115,696</u>	<u>115,696</u>	-	<u>231,566</u>
Fund balance, end of year	<u>\$230,459</u>	<u>\$293,064</u>	<u>\$ 62,605</u>	<u>\$ 115,696</u>

TOWN OF BALDWIN, LOUISIANA
General Fund

Statement of Revenues Compared to Budget (GAAP) Basis
Year Ended June 30, 1996
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	<u>Budget</u>	<u>Actual</u>		
Taxes:				
Ad valorem	\$ 31,500	\$ 32,193	\$ 693	\$ 30,292
Licenses and permits:				
Occupational licenses	35,000	30,311	(4,689)	38,970
Franchise fees	36,600	37,209	609	38,108
Permits	600	572	(28)	343
	<u>72,200</u>	<u>68,092</u>	<u>(4,108)</u>	<u>77,421</u>
Intergovernmental:				
State of Louisiana -				
Beer taxes	4,300	4,571	271	4,644
Tobacco taxes	12,700	12,730	30	12,744
Video poker	3,000	3,294	294	3,709
Indian gaming	174,000	173,829	(171)	-
State revenue sharing	-	-	-	273
St. Mary Parish Council	14,475	13,777	(698)	18,777
St. Mary Parish School Board	-	675	675	675
	<u>208,475</u>	<u>208,876</u>	<u>401</u>	<u>40,822</u>
Fines and forfeits	<u>115,000</u>	<u>113,946</u>	<u>(1,054)</u>	<u>101,194</u>
Miscellaneous:				
Interest	1,500	1,454	(46)	1,471
Collection fees	3,400	3,484	84	3,399
Other sources	2,500	7,538	5,038	4,838
	<u>7,400</u>	<u>12,476</u>	<u>5,076</u>	<u>9,708</u>
Total revenues	<u>\$434,575</u>	<u>\$435,583</u>	<u>\$ 1,008</u>	<u>\$259,437</u>

TOWN OF BALDWIN, LOUISIANA
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis)
Year Ended June 30, 1996
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable	1995
	Budget	Actual	(Unfavorable)	Actual
General government:				
Administration -				
Salaries	\$ 60,000	\$ 69,752	\$ (9,752)	\$ 49,188
Payroll taxes	25,500	25,583	(83)	22,304
Retirement contributions	6,000	9,469	(3,469)	6,763
Group insurance	37,800	40,214	(2,414)	35,381
General insurance	96,220	87,449	8,771	75,716
Professional fees	16,000	12,630	3,370	15,096
Aldermen fees	12,000	12,000	-	12,000
Dues	1,600	1,353	247	1,348
Office expense	8,500	9,489	(989)	9,133
Assessment rolls and tax notices	1,200	872	328	563
Telephone	1,600	1,652	(52)	1,494
Tools and supplies	15,700	15,817	(117)	9,101
Maintenance and repairs	7,000	7,662	(662)	4,351
Fuel	9,800	9,491	309	7,733
Printing and advertising	1,400	1,694	(294)	1,366
Miscellaneous	2,500	1,999	501	3,193
Total administrative	302,820	307,126	(4,306)	254,730
Public safety:				
Police -				
Retirement contributions	9,300	9,502	(202)	8,861
Autopsies	2,600	2,637	(37)	599
Total police	11,900	12,139	(239)	9,460
Fire -				
Convention expenses	1,800	1,800	-	1,460
Retirement contributions	292	409	(117)	-
Supplies and maintenance	-	-	-	17
Total fire	2,092	2,209	(117)	1,477
Total public safety	13,992	14,348	(356)	10,937

(continued)

TOWN OF BALDWIN, LOUISIANA
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)
Year Ended June 30, 1996
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	<u>Budget</u>	<u>Actual</u>		
Streets and drainage:				
Salaries	\$ 66,500	\$ 67,800	\$ (1,300)	\$ 64,089
Lights	7,500	9,382	(1,882)	5,712
Materials and supplies	5,000	7,493	(2,493)	4,265
Equipment maintenance	<u>16,500</u>	<u>18,649</u>	<u>(2,149)</u>	<u>15,571</u>
Total streets and drainage	<u>95,500</u>	<u>103,324</u>	<u>(7,824)</u>	<u>89,637</u>
Culture and recreation:				
Supplies	-	3,405	(3,405)	792
Utilities	-	1,912	(1,912)	746
Miscellaneous	<u>13,900</u>	<u>13,391</u>	<u>509</u>	<u>4,905</u>
Total culture and recreation	<u>13,900</u>	<u>18,708</u>	<u>(4,808)</u>	<u>6,443</u>
Capital outlay:				
Administrative equipment	3,600	4,606	(1,006)	-
Street equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,027</u>
Total capital outlay	<u>3,600</u>	<u>4,606</u>	<u>(1,006)</u>	<u>31,027</u>
Total expenditures	<u>\$429,812</u>	<u>\$448,112</u>	<u>\$(18,300)</u>	<u>\$392,774</u>

SPECIAL REVENUE FUNDS

1% Sales Tax Collection Fund - To account for the collection and distribution of proceeds of the Town's 1% sales and use tax. These taxes are dedicated to the construction, acquisition, improvement, maintenance and repair of streets, capital improvements, public works and buildings, paying salaries of municipal employees, operation of recreation facilities, operating expenses of equipment and vehicles, and for any other public purpose authorized by the Constitution and Statutes of the State of Louisiana.

3/10% Sales Tax Collection Fund - To account for the receipt and use of proceeds of the Town's 3/10% sales and use tax. These taxes are dedicated to operating and maintaining the municipal police department, paying or supplementing salaries of municipal employees, and purchasing, constructing, acquiring, extending and/or improving public works or capital improvements.

3/4% Sales Tax Collection Fund - To account for the receipt and use of proceeds of the Town's 3/4% sales and use tax. These taxes are dedicated to the construction, acquisition, extension, improvement, operation and maintenance of solid waste collection and disposal facilities. They may also be used for police and fire protection.

Emergency Management Fund - To account for the federal and state monies received and expended for damages as a result of Hurricane Andrew.

TOWN OF BALDWIN, LOUISIANA
Special Revenue Funds

Combining Balance Sheet
June 30, 1996
With Comparative Totals for Year Ended June 30, 1995

	<u>1% Sales Tax Fund</u>	<u>3/10% Sales Tax Fund</u>	<u>3/4% Sales Tax Fund</u>	<u>Emergency Management Fund</u>	<u>Totals</u>	
					<u>1996</u>	<u>1995</u>
ASSETS						
Cash	\$219,912	\$574,720	\$ 76,721	\$ -	\$ 871,353	\$809,524
Interest-bearing deposits	100,000	-	-	-	100,000	100,000
Accounts receivable	-	-	8,770	-	8,770	8,394
Accrued interest receivable	254	-	-	-	254	238
Sales tax receivable	13,391	5,045	16,706	-	35,142	33,282
Due from other governmental units	<u>5,800</u>	<u>-</u>	<u>8,881</u>	<u>-</u>	<u>14,681</u>	<u>4,602</u>
Total assets	\$339,357	\$579,765	\$111,078	\$ -	\$1,030,200	\$956,040
	=====	=====	=====	=====	=====	=====
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ 6,621	\$ -	\$ 6,621	\$ 8,697
Due to other funds	<u>-</u>	<u>-</u>	<u>199,350</u>	<u>-</u>	<u>199,350</u>	<u>99,782</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>205,971</u>	<u>-</u>	<u>205,971</u>	<u>108,479</u>
Fund balances:						
Unreserved -						
Undesignated	<u>339,357</u>	<u>579,765</u>	<u>(94,893)</u>	<u>-</u>	<u>824,229</u>	<u>847,561</u>
Total fund balances (deficit)	<u>339,357</u>	<u>579,765</u>	<u>(94,893)</u>	<u>-</u>	<u>824,229</u>	<u>847,561</u>
Total liabilities and fund balances	\$339,357	\$579,765	\$111,078	\$ -	\$1,030,200	\$956,040
	=====	=====	=====	=====	=====	=====

TOWN OF BALDWIN, LOUISIANA
Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 1996
With Comparative Totals for Year Ended June 30, 1995

	1%	3/10%	3/4%	Emergency	Totals	
	Sales Tax Fund	Sales Tax Fund	Sales Tax Fund	Management Fund	1996	1995
Revenues:						
Taxes	\$ 180,912	\$ 56,944	\$ 193,864	\$ -	\$ 431,720	\$371,542
Charges for services	-	-	55,952	-	55,952	58,397
Intergovernmental	5,800	-	18,382	-	24,182	269,084
Miscellaneous	14,718	16,306	5,560	-	36,584	25,858
Total revenues	<u>201,430</u>	<u>73,250</u>	<u>273,758</u>	<u>-</u>	<u>548,438</u>	<u>724,881</u>
Expenditures:						
Public safety	5,800	-	218,521	-	224,321	181,477
Sanitation	-	-	124,693	-	124,693	124,675
Debt service	-	-	38,594	-	38,594	40,158
Emergency assistance	-	-	-	-	-	4,151
Capital outlay	-	5,581	7,271	-	12,852	27,174
Total expenditures	<u>5,800</u>	<u>5,581</u>	<u>389,079</u>	<u>-</u>	<u>400,460</u>	<u>377,635</u>
Excess (deficiency) of revenues over expenditures	<u>195,630</u>	<u>67,669</u>	<u>(115,321)</u>	<u>-</u>	<u>147,978</u>	<u>347,246</u>
Other financing sources (uses):						
Operating transfers out	(210,000)	-	-	-	(210,000)	(27,484)
Operating transfers in	-	-	38,690	-	38,690	43,143
Total other financing sources (uses)	<u>(210,000)</u>	<u>-</u>	<u>38,690</u>	<u>-</u>	<u>(171,310)</u>	<u>15,659</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(14,370)	67,669	(76,631)	-	(23,332)	362,905
Fund balances, beginning of year	<u>353,727</u>	<u>512,096</u>	<u>(18,262)</u>	<u>-</u>	<u>847,561</u>	<u>484,656</u>
Fund balances (deficit), end of year	<u>\$ 339,357</u> =====	<u>\$579,765</u> =====	<u>\$ (94,893)</u> =====	<u>\$ -</u> =====	<u>\$ 824,229</u> =====	<u>\$847,561</u> =====

TOWN OF BALDWIN, LOUISIANA
Special Revenue Fund
1% Sales Tax Collection Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended June 30, 1996
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	<u>Budget</u>	<u>Actual</u>		
Revenues:				
Taxes - sales tax	\$ 179,000	\$ 180,912	\$ 1,912	\$163,929
Intergovernmental	5,800	5,800	-	-
Miscellaneous - interest on deposits	<u>15,000</u>	<u>14,718</u>	<u>(282)</u>	<u>8,250</u>
Total revenues	199,800	201,430	1,630	172,179
Expenditures:				
Public Safety	<u>5,800</u>	<u>5,800</u>	<u>-</u>	<u>-</u>
Excess of revenue over expenditures	<u>194,000</u>	<u>195,630</u>	<u>1,630</u>	<u>172,179</u>
Other uses:				
Transfer to General Fund	(190,000)	(190,000)	-	(20,000)
Transfer to Sewer Revenue Fund	-	(20,000)	(20,000)	-
Transfer to Special Fire Equipment Fund	<u>(2,000)</u>	<u>-</u>	<u>2,000</u>	<u>(2,000)</u>
Total other financing uses	<u>(192,000)</u>	<u>(210,000)</u>	<u>(18,000)</u>	<u>(22,000)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	2,000	(14,370)	(16,370)	150,179
Fund balance, beginning of year	<u>353,727</u>	<u>353,727</u>	<u>-</u>	<u>203,548</u>
Fund balance, end of year	<u>\$ 355,727</u>	<u>\$ 339,357</u>	<u>\$(16,370)</u>	<u>\$353,727</u>

TOWN OF BALDWIN, LOUISIANA
Special Revenue Fund
3/10% Sales Tax Collection Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended June 30, 1996
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	<u>Budget</u>	<u>Actual</u>		
Revenues:				
Taxes - sales tax	\$ 51,000	\$ 56,944	\$ 5,944	\$ 44,696
Intergovernmental - parish grant	-	-	-	250,000
Miscellaneous - interest on deposits	<u>15,000</u>	<u>16,306</u>	<u>1,306</u>	<u>12,378</u>
Total revenues	<u>66,000</u>	<u>73,250</u>	<u>7,250</u>	<u>307,074</u>
Expenditures:				
Drainage	6,000	5,581	419	24,288
Streets and sidewalks	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Total expenditures	<u>11,000</u>	<u>5,581</u>	<u>5,419</u>	<u>24,288</u>
Excess of revenues over expenditures	55,000	67,669	12,669	282,786
Fund balance, beginning of year	<u>512,096</u>	<u>512,096</u>	<u>-</u>	<u>229,310</u>
Fund balance, end of year	<u>\$567,096</u>	<u>\$579,765</u>	<u>\$12,669</u>	<u>\$512,096</u>

TOWN OF BALDWIN, LOUISIANA
Special Revenue Fund
3/4% Sales Tax Collection Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended June 30, 1996
With Comparative Actual Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		Actual
Revenues:				
Taxes - sales tax	\$ 186,000	\$ 193,864	\$ 7,864	\$ 162,917
Federal grants	19,000	18,382	(618)	19,084
Charges for services	55,000	55,952	952	58,397
Miscellaneous -				
Interest on deposits	2,500	3,228	728	2,025
Other	-	2,332	2,332	2,570
Total revenues	262,500	273,758	11,258	244,993
Expenditures:				
Public safety -				
Police:				
Salaries	141,000	143,687	(2,687)	131,097
Telephone	8,000	7,771	229	6,755
Equipment maintenance	14,500	16,885	(2,385)	7,715
Prisoner expenses	3,000	2,883	117	1,961
Supplies	2,500	2,288	212	809
Fuel	9,800	10,207	(407)	9,896
Miscellaneous	12,500	14,309	(1,809)	14,745
Total police	191,300	198,030	(6,730)	172,978
Fire:				
Salaries	10,400	10,400	-	-
Telephone	4,600	4,642	(42)	4,364
Equipment maintenance	1,592	949	643	2,052
Power	-	2,424	(2,424)	-
Supplies	2,500	2,076	424	2,083
Total fire	19,092	20,491	(1,399)	8,499
Total public safety	210,392	218,521	(8,129)	181,477
Sanitation -				
Salaries	80,000	81,321	(1,321)	75,730
Equipment maintenance	5,500	4,004	1,496	14,565
Waste disposal fees	37,000	37,727	(727)	31,279
Miscellaneous	2,500	1,641	859	3,101
Total sanitation	125,000	124,693	307	124,675

(continued)

TOWN OF BALDWIN, LOUISIANA
Special Revenue Fund
3/4% Sales Tax Collection Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual (Continued)
Year Ended June 30, 1996
With Comparative Amounts for Year Ended June 30, 1995

	<u>1996</u>		Variance - Favorable (Unfavorable)	1995 Actual
	<u>Budget</u>	<u>Actual</u>		
Debt service -				
Principal	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
Interest and fiscal charges	<u>13,594</u>	<u>13,594</u>	<u>-</u>	<u>15,158</u>
	<u>38,594</u>	<u>38,594</u>	<u>-</u>	<u>40,158</u>
Capital outlay -				
Police equipment	<u>10,000</u>	<u>7,271</u>	<u>2,729</u>	<u>2,886</u>
Total expenditures	<u>383,986</u>	<u>389,079</u>	<u>(5,093)</u>	<u>349,196</u>
Deficiency of revenues over expenditures	<u>(121,486)</u>	<u>(115,321)</u>	<u>6,165</u>	<u>(104,203)</u>
Other financing sources (uses):				
Transfer to other funds	-	-	-	(5,000)
Transfer from other funds	<u>60,000</u>	<u>38,690</u>	<u>(21,310)</u>	<u>40,410</u>
Total other financing sources	<u>60,000</u>	<u>38,690</u>	<u>(21,310)</u>	<u>35,410</u>
Deficiency of revenues and other financing sources over expenditure and other financing uses	(61,486)	(76,631)	(15,145)	(68,793)
Fund balance, beginning of year	<u>(18,262)</u>	<u>(18,262)</u>	<u>-</u>	<u>50,531</u>
Fund balance (deficit), end of year	<u>\$ (79,748)</u>	<u>\$ (94,893)</u>	<u>\$ (15,145)</u>	<u>\$ (18,262)</u>

TOWN OF BALDWIN, LOUISIANA
Special Revenue Fund
Emergency Management Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended June 30, 1996
With Comparative Amounts for Year Ended June 30, 1995

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Revenues:				
Intergovernmental -				
Federal Emergency Management Agency	\$ -	\$ -	\$ -	\$ -
Miscellaneous -				
Other	-	-	-	635
Total revenues	-	-	-	635
Expenditures:				
Emergency assistance	-	-	-	4,151
Capital outlay	-	-	-	-
Total expenditures	-	-	-	4,151
Deficiency of revenues over expenditures	-	-	-	(3,516)
Other financing uses:				
Transfers to other funds	-	-	-	(484)
Transfers from other funds	-	-	-	2,733
Total other financing sources (uses)	-	-	-	2,249
Deficiency of revenues and other financing sources over expenditures and other financing uses	-	-	-	(1,267)
Fund balance, beginning	-	-	-	1,267
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

CAPITAL PROJECTS FUNDS

Recreation Fund - To account for the financing and construction of improvements to the recreation park and other recreation facilities of the Town.

LCDBG Housing Rehabilitation Program - To account for the receipt and disbursement of federal grant funds passed through the State of Louisiana for rehabilitation of certain substandard residences located within the Town.

TOWN OF BALDWIN, LOUISIANA
Capital Projects Funds

Combining Balance Sheet
June 30, 1996
With Comparative Totals for June 30, 1995

	<u>Recreation Fund</u>	<u>LCDBG Housing Rehabilitation Program</u>	<u>Totals</u>	
			<u>1996</u>	<u>1995</u>
ASSETS				
Cash	\$138,483	\$ 832	\$139,315	\$ 84,265
Due from other governmental units	<u>-</u>	<u>14,090</u>	<u>14,090</u>	<u>40,968</u>
Total assets	<u>\$138,483</u>	<u>\$14,922</u>	<u>\$153,405</u>	<u>\$125,233</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 406	\$10,710	\$ 11,116	\$ -
Retainage payable	<u>-</u>	<u>4,200</u>	<u>4,200</u>	<u>-</u>
Total liabilities	406	14,910	15,316	-
Fund balances:				
Unreserved, undesignated	<u>138,077</u>	<u>12</u>	<u>138,089</u>	<u>125,233</u>
Total liabilities and fund balances	<u>\$138,483</u>	<u>\$14,922</u>	<u>\$153,405</u>	<u>\$125,233</u>

TOWN OF BALDWIN, LOUISIANA
Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 1996
With Comparative Totals for Year Ended June 30, 1995

	<u>Recreation Fund</u>	<u>LCDBG Housing Rehabilitation Program</u>	<u>Totals</u>	
			<u>1996</u>	<u>1995</u>
Revenues:				
Intergovernmental				
Parish grant	\$ -	\$ -	\$ -	\$ 25,000
Federal grant	-	427,399	427,399	98,982
State grant	20,000	-	20,000	-
Miscellaneous -				
Interest on deposits	4,269	-	4,269	2,370
Rent	11,600	-	11,600	-
Total revenues	<u>35,869</u>	<u>427,399</u>	<u>463,268</u>	<u>126,352</u>
Expenditures:				
General government -				
Professional fees	462	-	462	1,250
Repairs	2,067	-	2,067	-
Other	75	-	75	-
Capital outlay -				
Housing rehabilitation	-	427,399	427,399	58,014
Recreation	20,416	-	20,416	180,000
Total expenditures	<u>23,020</u>	<u>427,399</u>	<u>450,419</u>	<u>239,264</u>
Excess (deficiency) of revenues over expenditures	12,849	-	12,849	(112,912)
Other financing sources:				
Operating transfer in	<u>-</u>	<u>7</u>	<u>7</u>	<u>180,006</u>
Excess of revenues and other financing sources over expenditures	12,849	7	12,856	67,094
Fund balances, beginning of year	<u>125,228</u>	<u>5</u>	<u>125,233</u>	<u>58,139</u>
Fund balances, end of year	<u>\$138,077</u>	<u>\$ 12</u>	<u>\$138,089</u>	<u>\$ 125,233</u>

ENTERPRISE FUND

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

TOWN OF BALDWIN, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Balance Sheets
June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
ASSETS		
Current assets:		
Cash	\$ 690,350	\$ 710,028
Interest-bearing deposits	500,000	400,000
Receivables -		
Accounts receivable	53,994	45,288
Accrued interest receivable	<u>2,205</u>	<u>1,724</u>
Total current assets	1,246,549	1,157,040
Restricted assets:		
Customers' deposits -		
Cash	28,955	28,835
Property, plant and equipment:		
Property, plant and equipment, at cost, net of accumulated depreciation of \$1,799,850	<u>2,932,544</u>	<u>3,042,557</u>
Total assets	<u>\$4,208,048</u>	<u>\$4,228,432</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Current liabilities (payable from current assets) -		
Accounts payable	\$ 15,023	\$ 9,451
Accrued liabilities	<u>855</u>	<u>660</u>
Total current liabilities (payable from current assets)	15,878	10,111
Current liabilities (payable from restricted assets) -		
Customers' deposits	<u>28,955</u>	<u>28,835</u>
Total liabilities	<u>44,833</u>	<u>38,946</u>
Fund equity:		
Contributed capital -		
Municipality (net of accumulated amortization)	2,175,622	2,244,465
Federal grants (net of accumulated amortization)	<u>638,066</u>	<u>667,175</u>
Total contributed capital	2,813,688	2,911,640
Retained earnings -		
Unreserved	<u>1,349,527</u>	<u>1,277,846</u>
Total fund equity	<u>4,163,215</u>	<u>4,189,486</u>
Total liabilities and fund equity	<u>\$4,208,048</u>	<u>\$4,228,432</u>

TOWN OF BALDWIN, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Statements of Revenues, Expenses, and Changes in Retained Earnings
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Operating revenues:		
Charges for services -		
Gas sales and services	\$ 226,688	\$ 189,556
Water sales and services	83,381	81,159
Sewerage services	67,845	64,824
Delinquent charges	12,783	12,055
Commissions, transfers and reconnections	2,300	800
Total operating revenues	<u>392,997</u>	<u>348,394</u>
Operating expenses:		
Gas department	187,354	141,738
Water department	144,021	86,467
Sewerage department	123,339	107,849
Total operating expenses	<u>454,714</u>	<u>336,054</u>
Operating income (loss)	(61,717)	12,340
Nonoperating revenues:		
Interest income	<u>54,041</u>	<u>40,885</u>
Income (loss) before other financing sources (uses)	<u>(7,676)</u>	<u>53,225</u>
Other financing sources (uses):		
Operating transfers in	20,000	5,327
Operating transfers out	<u>(38,594)</u>	<u>(220,459)</u>
Total other financing sources (uses)	<u>(18,594)</u>	<u>(215,132)</u>
Net loss	(26,270)	(161,907)
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>97,951</u>	<u>97,951</u>
Increase (decrease) in retained earnings	71,681	(63,956)
Retained earnings, beginning of year	<u>1,277,846</u>	<u>1,341,802</u>
Retained earnings, end of year	<u>\$1,349,527</u>	<u>\$1,277,846</u>

TOWN OF BALDWIN, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Statements of Operating Expenses by Department
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Gas department:		
Salaries	\$ 18,000	\$ 18,000
Gas purchases	128,612	93,544
Meter expenses and supplies	5,341	4,869
Postage and stationery	1,690	2,160
Drug testing	2,080	1,268
Inspection and tests	3,919	768
Depreciation	16,138	16,138
Bad debts	3,848	2,368
Repairs and maintenance	3,656	2,265
Miscellaneous	4,070	358
Total gas department	<u>187,354</u>	<u>141,738</u>
Water department:		
Salaries	14,400	14,400
Supplies	13,544	4,296
Brine	23,623	12,608
Chemicals	7,185	4,986
Power	13,620	2,817
Repairs and maintenance	25,790	3,108
Depreciation	40,219	40,031
Bad debts	1,491	921
Miscellaneous	4,149	3,300
Total water department	<u>144,021</u>	<u>86,467</u>
Sewerage department:		
Salaries	12,000	12,175
Supplies	2,672	3,063
Power	8,107	3,899
Waste water analysis	1,465	1,500
Repairs and maintenance	37,009	25,776
Depreciation	60,712	60,712
Bad debts	891	669
Miscellaneous	483	55
Total sewerage department	<u>123,339</u>	<u>107,849</u>
Total operating expenses	<u>\$454,714</u>	<u>\$336,054</u>

TOWN OF BALDWIN, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Statements of Cash Flows
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Cash flows from operating activities:		
Operating income	\$ (61,717)	\$ 12,340
Adjustments to reconcile operating income (loss) to net cash provided by operating activities -		
Depreciation	117,069	116,881
Changes in current assets and liabilities:		
(Increase) decrease in accounts receivable	(8,706)	20,259
Increase (decrease) in accounts payable	5,572	(4,654)
Increase in accrued liabilities	<u>195</u>	<u>165</u>
Total adjustments	<u>114,130</u>	<u>132,651</u>
Net cash provided by operating activities	<u>52,413</u>	<u>144,991</u>
Cash flows from noncapital financing activities:		
Cash paid to other funds	(38,594)	(220,459)
Cash received from other funds	<u>20,000</u>	<u>5,327</u>
Net cash used by noncapital financing activities	<u>(18,594)</u>	<u>(215,132)</u>
Cash flows from capital and related financing activities:		
Purchases of fixed assets	(7,057)	-
Increase in customer meter deposits	<u>120</u>	<u>1,461</u>
Net cash provided (used) by capital and related financing activities	<u>(6,937)</u>	<u>1,461</u>
Cash flows from investing activities:		
Purchase of interest-bearing deposits	(500,000)	(600,000)
Proceeds from the sale and maturities of interest-bearing deposits	400,000	500,000
Interest on interest-bearing deposits	<u>53,560</u>	<u>40,885</u>
Net cash used by investing activities	<u>(46,440)</u>	<u>(59,115)</u>
Net decrease in cash and cash equivalents	(19,558)	(127,795)
Cash and cash equivalents, beginning of year	<u>738,863</u>	<u>866,658</u>
Cash and cash equivalents, end of year	<u>\$ 719,305</u>	<u>\$ 738,863</u>

(continued)

TOWN OF BALDWIN, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Statements of Cash Flows (Continued)
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning of period -		
Cash - unrestricted	\$ 710,028	\$ 839,283
Interest-bearing deposits - unrestricted	400,000	300,000
Cash - restricted	28,835	27,375
Less: Interest-bearing deposits with a maturity over three months	<u>(400,000)</u>	<u>(300,000)</u>
Total cash and cash equivalents	<u>738,863</u>	<u>866,658</u>
Cash and cash equivalents, end of period -		
Cash - unrestricted	690,350	710,028
Interest-bearing deposits - unrestricted	500,000	400,000
Cash - restricted	28,955	28,835
Less: Interest-bearing deposits with a maturity over three months	<u>(500,000)</u>	<u>(400,000)</u>
Total cash and cash equivalents	<u>719,305</u>	<u>738,863</u>
Net decrease	<u>\$ (19,558)</u>	<u>\$(127,795)</u>

EXPENDABLE TRUST FUND

Special Fire Equipment Fund - To account for the receipt and subsequent expenditure of funds designated by the Town to be used for the purchase of equipment for the fire department.

TOWN OF BALDWIN, LOUISIANA
Expendable Trust Fund
Special Fire Equipment Fund

Balance Sheets
June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
ASSETS		
Cash	<u>\$12,617</u>	<u>\$14,682</u>
FUND BALANCE		
Fund balance - unreserved:		
Designated for subsequent years' expenditures	<u>\$12,617</u>	<u>\$14,682</u>

TOWN OF BALDWIN, LOUISIANA
 Expendable Trust Fund
 Special Fire Equipment Fund

Comparative Statements of Revenues, Expenditures and Changes in Fund Balance
 Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Revenues:		
Miscellaneous - interest on deposits	\$ 441	\$ 330
Expenditures:		
Capital outlay	<u>2,506</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(2,065)	330
Other financing sources:		
Operating transfers in	<u>-</u>	<u>2,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(2,065)	2,330
Fund balance, beginning of year	<u>14,682</u>	<u>12,352</u>
Fund balance, end of year	<u>\$12,617</u>	<u>\$14,682</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

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

TOWN OF BALDWIN, LOUISIANA

Comparative Statements of General Fixed Assets
June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
General fixed assets:		
Land	\$206,971	\$186,555
Buildings	416,870	416,870
Equipment	188,225	183,497
Autos and trucks	<u>161,204</u>	<u>156,506</u>
Total general fixed assets	\$973,270	\$943,428
	=====	=====
Investment in general fixed assets:		
Property acquired from -		
General Fund revenues	\$101,597	\$ 96,990
Special revenue fund revenues	664,333	639,098
Donations	27,340	27,340
Federal grants	40,968	40,968
Utility Fund revenues	<u>139,032</u>	<u>139,032</u>
Total investment in general fixed assets	\$973,270	\$943,428
	=====	=====

TOWN OF BALDWIN, LOUISIANA

Statement of Changes in General Fixed Assets
Year Ended June 30, 1996

	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Autos and Trucks</u>	<u>Total</u>
General fixed assets, beginning of year	\$186,555	\$416,870	\$183,497	\$156,506	\$943,428
Additions:					
General Fund revenues	-	-	4,607	-	4,607
Special revenue fund revenue	<u>20,416</u>	<u>-</u>	<u>3,559</u>	<u>6,218</u>	<u>30,193</u>
Total additions	\$ 20,416	\$ -	\$ 8,166	\$ 6,218	\$ 34,800
Deletion:					
Special revenue fund revenues	<u>-</u>	<u>-</u>	<u>(3,438)</u>	<u>1,520</u>	<u>(4,958)</u>
General fixed assets, end of year	<u>\$206,971</u>	<u>\$416,870</u>	<u>\$188,225</u>	<u>\$161,204</u>	<u>\$973,270</u>

GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds.

TOWN OF BALDWIN, LOUISIANA

Statement of General Long-Term Debt
June 30, 1996
With Comparative Totals for June 30, 1995

	<u>1996</u>	<u>1995</u>
AMOUNT TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT		
Amount to be provided from:		
Sales and use tax	<u>\$205,000</u>	<u>\$230,000</u>
GENERAL LONG-TERM DEBT PAYABLE		
Certificates of indebtedness	<u>\$205,000</u>	<u>\$230,000</u>

INTERNAL CONTROL, COMPLIANCE
AND
OTHER GRANT INFORMATION

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Independent Auditor's Report on Internal Control Structure Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable Wayne Breaux, Mayor
and Members of the Board of Aldermen
Town of Baldwin, Louisiana

We have audited the general purpose financial statements of the Town of Baldwin, Louisiana as of and for the year ended June 30, 1996, and have issued our report thereon dated August 9, 1996.

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.

The elected officials of the Town of Baldwin, Louisiana are 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 financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or 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 Town of Baldwin, Louisiana for the year ended June 30, 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.

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We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition 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 the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Town did not have adequate segregation of functions within the accounting system.

Recommendation:

Based upon the size of the administrative office and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Response:

No response is considered necessary.

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. We believe the reportable condition described above is a material weakness.

This report is intended for the information of the Town's elected officials. However, this report is a matter of public record and its distribution is not limited.

Darnall, Sikes, Kolder, Frederick & Rainey
A Corporation of Certified Public Accountants

Morgan City, Louisiana
August 9, 1996

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Independent Auditor's Report on Compliance Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable Wayne Breaux, Mayor
and Members of the Board of Aldermen
Town of Baldwin, Louisiana

We have audited the general purpose financial statements of the Town of Baldwin, Louisiana as of and for the year ended June 30, 1996, and have issued our report thereon dated August 9, 1996.

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.

Compliance with laws, regulations, contracts, and grants applicable to the Town of Baldwin, Louisiana is the responsibility of the Town's elected officials. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Town'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.

This report is intended for the information of the Town's elected officials. However, this report is a matter of public record and its distribution is not limited.

Darnall, Sikes, Kolder, Frederick & Rainey

A Corporation of Certified Public Accountants

Morgan City, Louisiana
August 9, 1996

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Independent Auditor's Report on the Internal Control Structure Used in Administering Federal Financial Assistance Programs

The Honorable Wayne Breaux, Mayor
and Members of the Board of Aldermen
Town of Baldwin, Louisiana

We have audited the general purpose financial statements of the Town of Baldwin, Louisiana for the year ended June 30, 1996, and have issued our report thereon dated August 9, 1996. We have also audited the compliance of the Town of Baldwin, Louisiana with requirements applicable to major federal financial assistance programs and have issued our report thereon dated August 9, 1996.

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 financial statements are free of material misstatement and about whether the Town of Baldwin, 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 June 30, 1996, we considered the internal control structure of the Town of Baldwin, Louisiana, in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements of the Town of Baldwin, Louisiana and on the compliance of the Town of Baldwin, 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 August 9, 1996.

The elected officials of the Town of Baldwin, Louisiana are 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 financial statements in accordance with generally accepted accounting

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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 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:

Accounting Controls

Billings and receivables
 Cash receipts
 Purchases and disbursements
 Accounts payable
 Property, plant and equipment
 Payroll
 General ledger

Administrative Controls

<u>General Requirements</u>	<u>Specific Requirements</u>
Political activity Davis-Bacon Act Civil rights Cash management Federal financial reports Allowable costs/cost principles Drug-free Workplace Act Administrative requirements	Types of services allowed or unallowed Eligibility Claims for advances or reimbursements

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 June 30, 1996, the Town of Baldwin, Louisiana, expended 96 percent of its total federal financial assistance under a major federal financial assistance program.

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 the Town of Baldwin, Louisiana's major federal financial assistance program, which is 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 a certain matter involving the internal control structure and its operation that we consider to be a reportable condition 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 judgement, could adversely affect the Town's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Town did not have adequate segregation of functions within the accounting system.

Recommendation:

Based upon the size of the administrative office and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Response:

No response is considered necessary.

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 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 the reportable condition described above is a material weakness.

This report is intended for the information of the Town's elected officials. However, this report is a matter of public record and its distribution is not limited.

Darnall, Sikes, Kolder, Frederick & Rainey
A Corporation of Certified Public Accountants

Morgan City, Louisiana
August 9, 1996

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Independent Auditor's Report on Compliance with Specific Requirements Applicable to Major Federal Financial Assistance Programs

The Honorable Wayne Breaux, Mayor
and Members of the Board of Aldermen
Town of Baldwin, Louisiana

We have audited the general purpose financial statements of the Town of Baldwin, Louisiana as of and for the year ended June 30, 1996, and have issued our report thereon dated August 9, 1996.

We have also audited the Town of Baldwin, Louisiana's compliance with the requirements governing types of services allowed or unallowed; eligibility; and claims for advances and reimbursements that are applicable to its major federal financial assistance program, which is identified in the accompanying Schedule of Federal Financial Assistance, for the year ended June 30, 1996. The elected officials of the Town of Baldwin, Louisiana are responsible for the 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; 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 the Town of Baldwin, Louisiana's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to above.

In our opinion, Town of Baldwin complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility, and claims for advances and reimbursements that are applicable to its major federal financial assistance program for the year ended June 30, 1996.

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Darnall, Sikes, Kolder, Frederick & Rainey

A Corporation of Certified Public Accountants

Morgan City, Louisiana
August 9, 1996

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Independent Auditor's Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs

The Honorable Wayne Breaux, Mayor
and Members of the Board of Aldermen
Town of Baldwin, Louisiana

We have audited the general purpose financial statements of the Town of Baldwin, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated August 9, 1996.

We have applied procedures to test the Town of Baldwin, Louisiana's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996:

General Requirements

Political activity
Davis-Bacon Act
Civil rights
Cash management
Allowable costs/cost principles
Drug-free Workplace Act
Administrative requirements
Federal financial reports

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 Town of Baldwin, 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 Town of Baldwin, Louisiana had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

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A Corporation of Certified Public Accountants

Morgan City, Louisiana
August 9, 1996

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Jennifer S. Ziegler, CPA
P. Troy Courville, CPA
Stephen R. Dischler, MBA, CPA

Independent Auditor's Report on Compliance with Specific Requirements Applicable to Nonmajor Federal Financial Assistance Program Transactions

The Honorable Wayne Breaux, Mayor
and Members of the Board of Aldermen
Town of Baldwin, Louisiana

We have audited the general purpose financial statements of the Town of Baldwin, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated August 9, 1996.

In connection with our audit of the general purpose financial statements of the Town of Baldwin, Louisiana and with our consideration of the Town'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 June 30, 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 and reporting 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 Town'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 Town of Baldwin, Louisiana had not complied, in all material respects, with those requirements. Also, 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 Town's elected officials. However, this report is a matter of public record and its distribution is not limited.

Darnall, Sikes, Kolder, Frederick & Rainey

A Corporation of Certified Public Accountants

Morgan City, Louisiana
August 9, 1996

MEMBERS OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report on Schedule of Federal Financial Assistance

The Honorable Wayne Breaux, Mayor
and Members of the Board of Aldermen
Town of Baldwin, Louisiana

We have audited the general purpose financial statements of the Town of Baldwin, Louisiana as of and for the year ended June 30, 1996, and have issued our report thereon dated August 9, 1996. These general purpose financial statements are the responsibility of the Town's elected officials. 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 Town of Baldwin, 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.

Darnall, Sikes, Kolder, Frederick & Rainey

A Corporation of Certified Public Accountants

Morgan City, Louisiana
August 9, 1996

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TOWN OF BALDWIN, LOUISIANA

Schedule of Federal Financial Assistance
Year Ended June 30, 1996

<u>Agency/Program Grant Title</u>	<u>Federal CFDA Number</u>	<u>Federal Assistance I.D. Number</u>	<u>Grant Funds Earned</u>	<u>Expended This Year</u>
Major Federal Assistance Program:				
Department of Housing and Urban Development - State of Louisiana Division of Administration - LCDBG	14.228	101-4059	<u>\$427,399</u>	<u>\$427,399</u>
Nonmajor Federal Assistance Programs:				
Department of Treasury: Passed through Louisiana Highway Safety Commission Summertime Holidays Safe and Sober			2,736	2,736
Department of Justice: Police hiring supplement			<u>15,646</u>	<u>15,646</u>
Total nonmajor federal financial assistance			<u>18,382</u>	<u>18,382</u>
Total federal financial assistance			<u>\$445,781</u>	<u>\$445,781</u>

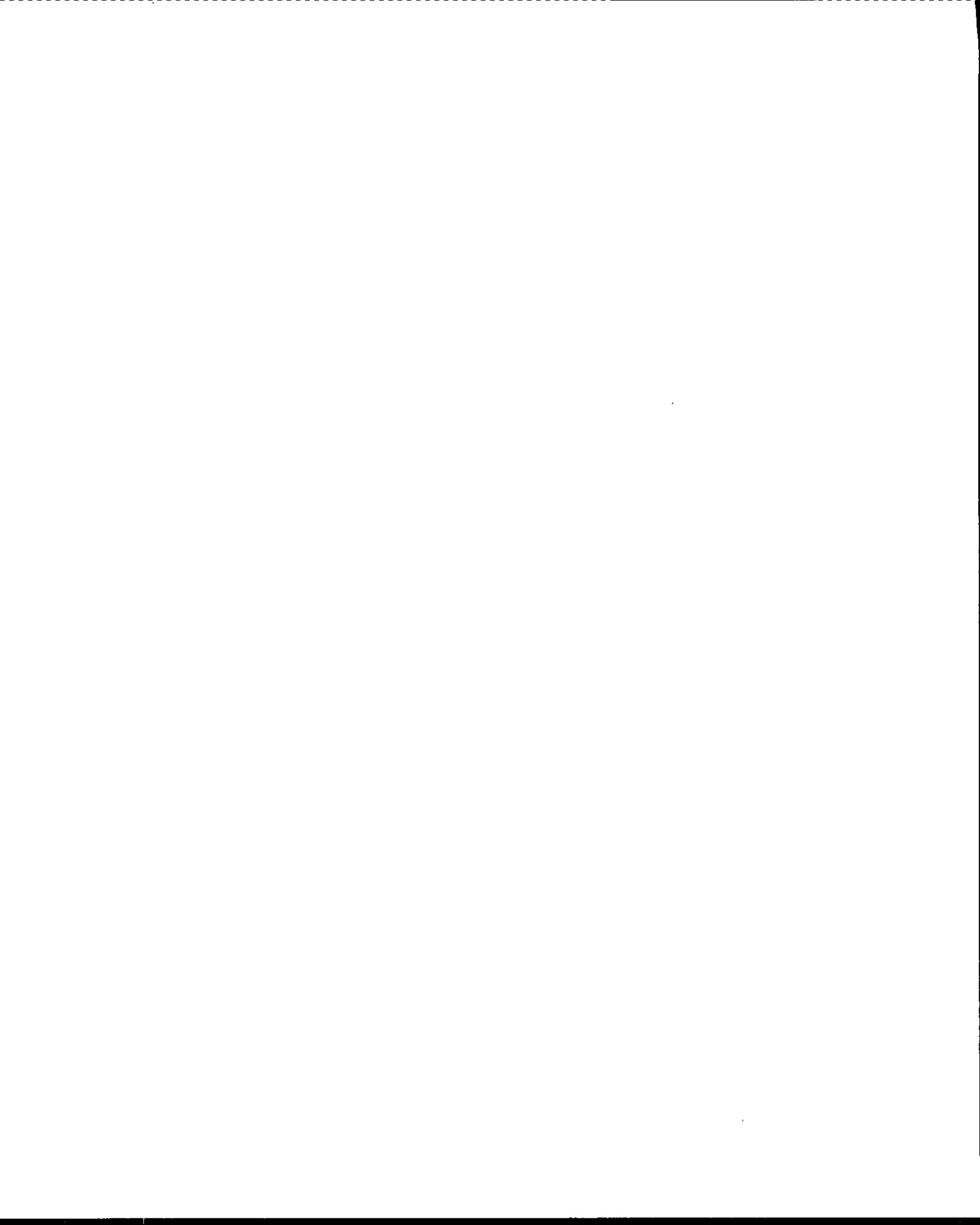
OTHER SUPPLEMENTARY INFORMATION

TOWN OF BALDWIN, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers
(Unaudited)
June 30, 1996

Records maintained by the Town indicated the following number of customers were being served during the month of June, 1996 and 1995:

<u>Department</u>	<u>1996</u>	<u>1995</u>
Gas	723	739
Water	834	838
Sewerage	843	845



Gas		Water		Sewerage	
1996	1995	1996	1995	1996	1995
\$226,688	\$189,556	\$ 83,381	\$81,159	\$ 67,845	\$ 64,824
6,715	5,934	3,151	3,010	2,917	3,111
360	430	940	120	1,000	250
<u>233,763</u>	<u>195,920</u>	<u>87,472</u>	<u>84,289</u>	<u>71,762</u>	<u>68,185</u>
18,000	18,000	14,400	14,400	12,000	12,175
128,612	93,544	-	-	-	-
5,341	4,869	13,544	4,296	2,672	3,063
-	-	13,620	2,817	8,107	3,899
1,690	2,160	-	-	-	-
2,080	1,268	-	-	-	-
3,919	768	-	-	-	-
16,138	16,138	40,219	40,031	60,712	60,712
3,848	2,368	1,491	921	891	669
3,656	2,265	25,790	3,108	37,009	25,776
-	-	-	-	1,465	1,500
-	-	23,623	12,608	-	-
-	-	7,185	4,986	-	-
4,070	358	4,149	3,300	483	55
<u>187,354</u>	<u>141,738</u>	<u>144,021</u>	<u>86,467</u>	<u>123,339</u>	<u>107,849</u>
\$ 46,409	\$ 54,182	\$(56,549)	\$(2,178)	\$(51,577)	\$(39,664)
=====	=====	=====	=====	=====	=====

TOWN OF BALDWIN, LOUISIANA

Schedule of Interest-Bearing Deposits - All Funds
June 30, 1996

	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
Special revenue funds:				
1% Sales Tax Fund -				
Certificate of deposit	182 days	12/11/96	4.88%	<u>\$100,000</u>
Utility funds:				
Certificate of deposit	182 days	9/16/96	4.75%	100,000
Certificate of deposit	182 days	7/08/96	4.80%	100,000
Certificate of deposit	2 years	9/26/96	5.50%	100,000
Certificate of deposit	2 years	12/14/96	6.25%	100,000
Certificate of deposit	1 year	7/01/97	4.90%	<u>100,000</u>
Total utility funds				<u>500,000</u>
Total - all funds				<u>\$600,000</u>