

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements June 30, 1996

(7) CHANGES IN LONG-TERM DEBT:

The following is a summary of the long-term debt transactions of the Town of Vivian, Louisiana, for the year ended June 30, 1996:

	<u>Note Payable</u>	<u>General Obligation</u>	<u>Special Revenue</u>	<u>Utilities Revenue</u>	<u>Total</u>
Debt payable at June 30, 1995	\$ 109,958	\$ 1,848,000	\$ 20,000	\$ 1,830,000	\$ 3,807,958
Additions to debt payable					-
Debt retired	<u>(20,932)</u>	<u>(70,000)</u>	<u>(20,000)</u>	<u>(100,000)</u>	<u>(210,932)</u>
Debt payable at June 30, 1996	<u>\$ 89,026</u>	<u>\$ 1,778,000</u>	<u>\$ -</u>	<u>\$ 1,730,000</u>	<u>\$ 3,597,026</u>

Debt payable at June 30, 1996 is comprised of the following individual issues:

Note payable:

\$136,041 note payable to Citizens Bank and Trust Company dated 02/24/94; due in 72 monthly installments of \$2,270 through February 24, 2000, interest at 6.25% (secured by levy and collection of ad valorem taxes).

\$ 89,026

General obligation:

\$275,000 Public Improvement (Sewer Utilities) bonds dated 06/01/68; due in annual installments of \$8,000 - \$17,000 through June 1, 1998, interest at 5.5% (secured by levy and collection of ad valorem taxes).

\$ 33,000

\$1,850,000 Industrial Development bonds dated 05/01/92; due in annual installments of \$50,000-\$180,000 through May 1, 2012, interest at 6.8% to 9.85% (secured by levy and collection of ad valorem taxes).

1,745,000
\$ 1,778,000

Enterprise fund obligation:

\$2,400,000 Utilities Revenue (Water and Sewer) bonds dated 04/01/87; due in annual installments of \$55,000 - \$225,000 through April 1, 2007; interest at 6.2% - 10.0%.

\$ 1,730,000

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements
June 30, 1996

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

E. Investments - (Continued)

exceed at any time the amount insured by the Federal Deposit Insurance Corporation in any one bank, or in any one savings and loan association, or by the National Credit Union Administration in any one credit union, unless the uninsured portion is collateralized by the pledge of securities in the manner provided in R.S. 39:1221.

- (3) Mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. government or its agencies.

Cash and cash equivalents are comprised of daily cash balances above the day-to-day needs and funds set aside for portfolio strategy reasons. Short term investments of cash and cash equivalents may be placed in:

- (1) Obligations of the U.S. Treasury, federal agencies, or U.S. government instrumentalities (as provided herein) with maturities of less than 2 years.
- (2) Time certificates of deposit, as provided herein.
- (3) Money market mutual funds, as provided herein.
- (4) The Louisiana Asset Management Pool, Inc. as provided in Op. Atty. Gen. 94-186.

For fiscal year 1996, the Town invested only in U.S. Treasury Notes. These investments are stated at cost which approximates market value.

- #### F. Bad Debts - Uncollectible amounts due for the customers' utility and ad valorem taxes receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. No provision for ad valorem taxes receivable has been deemed necessary. The allowance for uncollectible customers' utilities was \$21,300 and \$9,700 at June 30, 1996 and 1995, respectively.

G. Property, Plant, and Equipment -

General Fixed Assets Account Group:

Fixed assets in governmental fund type operations are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. Public domain ("infrastructure") general fixed assets, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized along with other general fixed assets. No depreciation has been provided on such assets.

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements
June 30, 1996

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

G. Property, Plant, and Equipment (Continued)

Water and Sewer System:

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

Depreciation has been calculated on each class of depreciable property using the straight-line basis, with one-half year's depreciation calculated in the year of acquisition. The estimated service lives by asset type are as follows:

Buildings	20-40 Years
Water System	10-40 Years
Sewer System	10-40 Years
Equipment	6-8 Years

- H. Restricted Assets - The Debt Service and Enterprise Funds, because of certain bond covenants, are required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt. The Enterprise Funds also restrict customer and vendor deposits.
- I. Compensated Absences - No liability is recorded for nonvesting accumulating rights to receive vacation or sick pay benefits.
- J. Comparative Data - Comparative totals for the prior year have been presented in the accompanying general purpose financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, presentation of prior year amounts by fund type have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.
- K. Total Columns on Combined Statements - Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in 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.
- L. Statement of Cash Flows - For the purposes of the Statement of Cash Flows, the Enterprise Fund considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.
- M. Inventories - Inventory of supplies in the Proprietary Fund is not material and is charged to operations as purchased.

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements
June 30, 1996

- N. Refundable Deposits - The Enterprise Fund of the Town requires customers to place a deposit before service is rendered. These monies are considered restricted and are held until the customer disconnects service.
- O. Reclassification - Certain 1995 amounts were reclassified to conform to 1996 presentation.
- P. Fund Equity -
Contributed capital is recorded in the Enterprise Fund for capital grants restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources.
Reserves represent those portions of fund equity not appropriable for expenditures or legally separated for a specific future use.
- Q. Interfund Transactions - Interfund transactions that would be treated as revenues, expenditures, or expenses if they involved organizations external to the Town are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from it which are properly applicable to another fund are recorded as expenditures or expenses (as appropriate) in the reimbursing fund, or as reductions of the expenditures or expense in the fund that is reimbursed and are distinguished from revenues, expenses, or expenditures in the financial statements. These transfers are reported in the "Other Financing Sources (Uses)" section in the Statement of Revenues, Expenditures, and Changes in Fund Balance (governmental funds) and in the "Operating Transfers" section in the Statement of Revenues, Expenses, and Changes in Retained Earnings (proprietary fund).

(2) DEPOSITS AND INVESTMENTS:

Deposits

Deposits are carried at cost which approximates market value.

The Town's deposits are categorized to give an indication of the level of risk assumed by the Town at June 30, 1996. The categories are described as follows:

Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

Category 3 - Uncollateralized.

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements
June 30, 1996

(2) CASH AND INVESTMENTS: (Continued)

Deposits, categorized by level of risk, are:

<u>Description</u>	<u>Category</u>			<u>Bank Balance</u>	<u>Carrying Amount</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
General fund	\$ 42,763	\$ 572,926	\$	\$ 615,689	\$ 577,374
Special revenue fund	34,752	465,592		500,344	538,313
Debt service fund	5,701	66,348		72,049	72,049
Capital projects fund	1			1	1
Enterprise fund	<u>116,783</u>	<u>497,074</u>		<u>613,857</u>	<u>586,636</u>
Total deposits	<u>\$ 200,000</u>	<u>\$ 1,601,940</u>	<u>\$ -</u>	<u>\$ 1,801,940</u>	<u>\$ 1,774,373</u>

Investments

The Town's investments are categorized to give an indication of the level of risk assumed by the Town at June 30, 1996. The categories are described as follows:

Category 1 - Insured or registered, with securities held by the Town or its agent in the Town's name.

Category 2 - Uninsured or unregistered, with the securities held by the counterparty's trust department or agent in the Town's name.

Category 3 - Uninsured and unregistered, with securities held by the counterparty, or its trust department or agent but not in the Town's name.

Investments, categorized by level of risk, are:

<u>Description</u>	<u>Category</u>			<u>Carrying Amount</u>	<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
U.S. Treasury Notes	<u>\$ 525,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 517,873</u>	<u>\$ 519,199</u>

(3) SPECIAL ASSESSMENT RECEIVABLE

The Town of Vivian completed a building in 1991 for a new industry (Novatron) in the Industrial Park. Novatron is assessed \$3,029 a month to reimburse the Town for these expenditures.

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements
June 30, 1996

(9) RETIREMENT COMMITMENTS:

A. Municipal Employees Retirement System of Louisiana (System)

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

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average monthly salary for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 60, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 percent of final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (504) 925-4810.

Funding Policy. Under Plan B, members are required by state statute to contribute 5.0 percent of their annual covered salary and the Town is required to contribute at an actuarially determined rate. The current rate is 3.0 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Town are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the System under Plan B for the years ending June 30, 1996, 1995, and 1994, were \$27,668, \$22,374, and \$23,059, respectively, equal to the required contributions for each year.

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

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

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements
June 30, 1996

(5) COMPONENTS OF RESTRICTED ASSETS: (Continued)

C. A Revenue Bond Contingency Fund to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the utilities system by transferring monthly a sum at least equal to 5% of the gross revenue of the utilities system for the preceding month, provided that sum is available after provision for the above payments. The payments shall continue as long as any of the bonds are outstanding. Money in this fund may also be used to pay debt service on the bonds when the amounts in the Sinking Fund and Reserve Fund are not sufficient.

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

Restricted Assets -			
Revenue Bond Sinking Fund	\$	59,568	
Revenue Bond Reserve Fund		<u>244,462</u>	
			\$ 304,030
Less -			
Accrued revenue bond interest payable from restricted assets		31,630	
Current portion of revenue bonds payable from restricted assets		<u>105,000</u>	
			<u>136,630</u>
Retained earnings reserved			<u>\$ 167,400</u>

(6) CHANGES IN GENERAL FIXED ASSETS:

The following is a summary of changes in the general fixed assets account group during the fiscal year:

	Balance June 30, 1995	Additions	Deductions	Balance June 30, 1996
Land	\$1,080,849	\$	\$	\$ 1,080,849
Buildings	1,912,711			1,912,711
Improvements other than buildings	912,029	20,592		932,621
Equipment	<u>869,549</u>	<u>62,011</u>		<u>931,560</u>
	<u>\$ 4,775,138</u>	<u>\$ 82,603</u>	<u>\$ -</u>	<u>\$ 4,857,741</u>

A summary of proprietary fund-type assets is as follows:

Land	\$ 61,786
Buildings	23,856
Water system	2,499,387
Sewer system	2,987,795
Equipment	<u>163,324</u>
	5,736,148
Less accumulated depreciation	<u>1,796,445</u>
Net property, plant and equipment	<u>\$ 3,939,703</u>

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements June 30, 1996

(12) INTERFUND ASSETS/LIABILITIES:

Due from/to Other Funds balances at June 30, 1996, were as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	
General Fund	\$ 301,430	\$ 36,606	
Special Revenue Funds	-	270,919	
Debt Service Funds	-	2,888	
Enterprise Fund	<u>36,606</u>	<u>27,623</u>	
	<u>\$ 338,036</u>	<u>\$ 338,036</u>	

(13) INTERFUND OPERATING TRANSFERS:

Individual fund operating transfers for fiscal year 1996, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>	
General Fund	\$ 635,291	\$ 69,267	
Special Revenue Funds	90,756	726,047	
Debt Service Funds	27,245	-	
Enterprise Fund	<u>42,022</u>	<u>-</u>	
	<u>\$ 795,314</u>	<u>\$ 795,314</u>	

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements
June 30, 1996

(7) CHANGES IN LONG-TERM DEBT: (Continued)

The annual requirements to amortize all debt outstanding as of June 30, 1996, including interest payments of \$2,068,645 are as follows:

<u>Year Ending June 30,</u>	<u>Note Payable</u>	<u>General Obligation</u>	<u>Enterprise Fund Obligations</u>	<u>Total</u>
1997	\$ 27,245	\$ 199,413	\$ 231,520	\$ 458,178
1998	27,245	199,342	234,485	461,072
1999	27,245	181,045	231,665	439,955
2000	18,188	180,375	233,265	431,828
2001	-	179,300	234,035	413,335
2002-2006	-	900,905	1,191,635	2,092,540
2007-2012	-	1,126,663	242,100	1,368,763
	<u>\$ 99,923</u>	<u>\$ 2,967,043</u>	<u>\$ 2,598,705</u>	<u>\$ 5,665,671</u>

(8) DEDICATION OF PROCEEDS AND FLOW OF FUNDS - 2% SALES AND USE TAX:

Proceeds of a 1% sales and use tax levied by the Town of Vivian (collections for the year ended June 30, 1996 and 1995 are \$363,024 and \$355,361, respectively) are dedicated to the following purposes:

1. Providing funds in the amount of 25% of the proceeds of such tax each year for constructing, acquiring, improving and/or maintaining industrial parks and buildings and equipment to induce the location of industry in the Town.
2. Providing funds in the amount of 25% of the proceeds of such tax for such year to the General Fund of the Town to be used for any lawful corporate purpose.
3. The remaining proceeds are to be used for the current year's retirement requirements of 1971 Public Improvement Bonds, with any excess to be used for street improvements and/or recreational programs.

Proceeds of another 1% sales and use tax levied by the Town of Vivian (collections for the year ended June 30, 1996 and 1995 are \$363,024 and \$355,361, respectively) are dedicated to the Police Department to be used for any lawful corporate purpose.

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements
June 30, 1996

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

C. Basis of Accounting (Continued)

Those revenues susceptible to accrual are property taxes, franchise taxes, interest revenue and charges for services. Fines, permit and license revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The accrual basis of accounting is utilized by the proprietary fund type. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The preparation of financial statements generally requires management to make estimates and assumptions that affect the reported amounts and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

D. Budgets and Budgetary Accounting - The Town follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The accounting clerk prepares a proposed budget and submits same to the Mayor and Board of Aldermen 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 the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. The budget ordinance is structured such that revenues are budgeted by source and appropriations are budgeted by department and by principal object of expenditure. The Board of Aldermen may revise or amend the budget at its discretion during legally convened sessions. Amendments to the budget were made and adopted by the Board of Aldermen during the fiscal year ended June 30, 1996.
6. The Town utilizes formal budgetary integration as a management control device for all funds.

E. Investments - Legal investments by municipalities are restricted according to Louisiana Revised Statute 39:1276. Further, the Town's investment policy allows investments only in:

- (1) Direct U.S. Treasury obligations, the principal and interest of which are fully guaranteed by the U.S. government.
- (2) The certificates of deposit of state banks organized under the laws of Louisiana, or national banks having their principal offices in that state of Louisiana, savings accounts or shares of savings and loan associations and savings banks, or share accounts and share certificates accounts of federally or state chartered credit unions issuing time certificates of deposit. Funds invested in accordance with this paragraph shall not

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements
June 30, 1996

(9) RETIREMENT COMMITMENTS: (Continued)

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

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (504) 929-7411.

Funding Policy. Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Town is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the Town are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the system for the years ending June 30, 1996, 1995, and 1994, were \$12,719, \$10,781, and \$12,411, respectively, equal to the required contributions for each year.

(10) COMMITMENTS AND CONTINGENCIES:

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance.

During the year ended June 30, 1996, an out-of-court litigation settlement for \$36,750 was reached with a former employee who alleged that the Town discriminated against them in their employment. The settlement was paid and recorded in the current expenditures of the general fund. No settlements exceeded insurance coverage during the years ended June 30, 1995 and 1994.

The Town participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Various claims and lawsuits are pending against the Town. In the opinion of management, the potential loss on all claims and lawsuits will not be significant to the Town's financial statements.

(11) RELATED PARTY TRANSACTION

During fiscal year end June 30, 1995, the state Legislative Auditor conducted an investigation that revealed that during a 14-month period (May, 1993 through July, 1994) Mayor Rick McMillan paid his construction company, Trey Corporation, \$25,875 to perform work on several Town projects. According to the Legislative auditor's report dated October 26, 1995, these payments may be in violation of the Louisiana Code of Governmental Ethics and may violate other state laws.

SUPPLEMENTAL INFORMATION

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements
June 30, 1996

(4) AD VALOREM TAXES:

Ad valorem taxes attach as an enforceable lien on property as of January 1. Tax notices are prepared by the tax assessor and mailed by the Town in November. All unpaid taxes become delinquent on January 1 of the following year.

Revenues from ad valorem taxes are budgeted in the year billed. For the year ended June 30, 1996, taxes of \$219,566 were levied on property with assessed value totaling \$9,592,220 and were dedicated as follows:

General corporate purposes	15.58 mills
Street maintenance	2.92 mills
Sewer maintenance	2.92 mills
Water maintenance	<u>1.47 mills</u>
Total	<u>22.89 mills</u>

(5) COMPONENTS OF RESTRICTED ASSETS:

Enterprise Fund

	<u>Revenue Bond Sinking Fund</u>	<u>Revenue Bond Reserve Fund</u>	<u>Revenue Bond Contingency Fund</u>	<u>Customer Deposits</u>	<u>Total</u>
Cash	\$ 59,568	\$ 8,531	\$ 276,579	\$ 35,350	\$ 380,028
U.S. Government Securities		<u>235,931</u>		<u>30,494</u>	<u>266,425</u>
	<u>\$ 59,568</u>	<u>\$ 244,462</u>	<u>\$ 276,579</u>	<u>\$ 65,844</u>	<u>\$ 646,453</u>

The ordinance authorizing the water and sewer system revenue bonds requires that the Town establish the following funds:

- A. A Revenue Bond Sinking Fund sufficient in amount to pay promptly and fully the principal and interest on bonds by transferring monthly, in advance, a sum equal to 1/6 of the interest falling due on the next interest payment date and 1/12 of the principal falling due on the next principal payment date.
- B. A Revenue Bond Reserve Fund solely for the purpose of paying the principal and interest on the bonds payable from the Sinking Fund, as to which there would otherwise be default, by transferring from the proceeds of the Bonds to the Reserve Fund the amount of \$240,000.

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements
June 30, 1996

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

B. Fund Accounting (Continued) -

Proprietary Fund Types:

Enterprise Fund - The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed through user charges. The Town maintains an Enterprise Fund for water and sewer utilities provided.

Account Groups:

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

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

C. Basis of Accounting - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes available if they are collected within 60 days after year end. Special assessments in the debt service fund, though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, a special assessment receivable is recorded and deferred until it becomes available. Expenditures are recorded when the related fund liability is incurred.

TOWN OF VIVIAN, LOUISIANA

Notes to Financial Statements June 30, 1996

The Town of Vivian was incorporated February 12, 1912, under the provisions of the Lawrason Act. The Town operates under the Mayor-Board of Aldermen form of government.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting and reporting policies of the Town of Vivian conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the "Louisiana Municipal Audit and Accounting Guide."

The following is a summary of certain significant accounting policies:

- A. Reporting Entity - This report includes all funds and account groups which are controlled by or dependent on the Town's Executive and Legislative Branches (the Mayor and Board of Aldermen). Control by or dependence on the Town was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibilities.
- B. Fund Accounting - The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following funds and group of accounts are used by the Town:

Governmental Fund Types:

General Fund - The General Fund is the general operating fund of the Town. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

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

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt including principal, interest, and related costs.

Capital Projects Fund - The Capital Projects Fund is used to account for the Louisiana Community Development Block Grant for the construction of street improvements.

TOWN OF VIVIAN, LOUISIANA

Statement of Cash Flows - Proprietary Fund Type
Year Ended June 30, 1996Reconciliation of Operating Income to Net Cash
Provided by Operating Activities

	<u>Enterprise Fund</u>	
	<u>June 30, 1996</u>	<u>June 30, 1995</u>
Operating income	\$ 81,339	\$ 101,226
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	153,401	156,141
Bad debt expense	11,600	3,336
Changes in assets and liabilities:		
(Increase) in accounts receivable	(16,239)	(11,083)
(Increase) decrease in due from other funds	(8,174)	60,544
(Increase) decrease in prepaid expenses	(1,411)	(682)
Increase (decrease) in due to other funds	13,021	205
Increase (decrease) in accounts payable	708	(9,022)
Increase in accrued expenses	966	3,951
Increase (decrease) in customer deposits	262	4,466
Total adjustments	<u>154,134</u>	<u>207,856</u>
Net cash provided by operating activities	<u>\$ 235,473</u>	<u>\$ 309,082</u>

See accompanying notes to financial statements.



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INDEPENDENT AUDITOR'S REPORT

The Honorable Richard J. McMillan, II, Mayor,
and the Members of the Board of Aldermen of
The Town of Vivian, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Vivian, Louisiana, as of and for the year ended June 30, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town of Vivian, Louisiana's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office and Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. 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 above present fairly, in all material respects, the financial position of the Town of Vivian, Louisiana, as of June 30, 1996, and the results of its operations and cash flows of its proprietary fund 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 19, 1996, on our consideration of the Town of Vivian, Louisiana's internal control structure and a report dated August 19, 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 combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Vivian, 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.

Smith Pugh Rabinowitz LLP
Certified Public Accountants
Shreveport, Louisiana

August 19, 1996

TOWN OF VIVIAN, LOUISIANA

Statement of Revenues, Expenses and
 Changes in Retained Earnings - Proprietary Fund Type
 Year Ended June 30, 1996
 With Comparative Amounts as of June 30, 1995

	<u>Enterprise Funds</u>	
	<u>June 30, 1996</u>	<u>June 30, 1995</u>
Operating revenues:		
Water sales	\$ 416,085	\$ 415,718
Sewer user charges	254,715	250,257
Delinquent charges	28,718	31,826
Miscellaneous revenues	4,838	2,093
Total operating revenues	<u>704,356</u>	<u>699,894</u>
Operating expenses:		
General and administrative expenses	80,382	71,711
Water department expenses	338,187	296,922
Sewer department expenses	204,449	230,035
Total operating expenses	<u>623,018</u>	<u>598,668</u>
Operating income	<u>81,338</u>	<u>101,226</u>
Non-operating revenues (expenses):		
Maintenance fees	1,200	1,200
Collection fees	6,600	6,600
Interest income	38,222	35,478
Amortization - bond issue costs	(3,152)	(3,187)
Interest expense and fiscal charges	<u>(132,526)</u>	<u>(138,490)</u>
Total non-operating revenues (expenses)	<u>(89,656)</u>	<u>(98,399)</u>
Income (loss) before operating transfers	(8,318)	2,827
Operating transfers:		
Operating transfers in:		
General fund	<u>42,022</u>	<u>40,573</u>
Net income	33,704	43,400
Retained earnings at beginning of year	1,622,242	1,622,970
Reclassify LCDB grant received in prior years to contributed capital	<u>-</u>	<u>(44,128)</u>
Retained earnings at end of year	<u>\$ 1,655,946</u>	<u>\$ 1,622,242</u>

See accompanying notes to financial statements.

<u>Special Revenue Fund Types</u>			<u>Debt Service Funds</u>			<u>Capital Projects Fund</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance-Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance-Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance-Favorable (Unfavorable)</u>
\$ 740,000	\$ 733,917	\$ (6,083)	\$	\$	\$	\$	\$	\$
4,500	5,476	(976)	2,000	995	(1,005)			
36,348	36,348	-						
			<u>181,602</u>	<u>182,401</u>	<u>799</u>	<u>247,606</u>	<u>246,276</u>	<u>(1,330)</u>
<u>780,848</u>	<u>775,741</u>	<u>(7,059)</u>	<u>183,602</u>	<u>183,396</u>	<u>(206)</u>	<u>247,606</u>	<u>246,276</u>	<u>(1,330)</u>
144,242	55,734	88,508						
						247,606	246,342	1,264
			111,273	90,000	21,273			
			<u>136,415</u>	<u>131,779</u>	<u>4,636</u>			
<u>144,242</u>	<u>55,734</u>	<u>88,508</u>	<u>247,688</u>	<u>221,779</u>	<u>25,909</u>	<u>247,606</u>	<u>246,342</u>	<u>1,264</u>
<u>636,606</u>	<u>720,007</u>	<u>83,401</u>	<u>(64,086)</u>	<u>(38,383)</u>	<u>25,703</u>	<u>-</u>	<u>(66)</u>	<u>(66)</u>
91,575	90,756	(819)						
<u>(732,600)</u>	<u>(726,048)</u>	<u>6,552</u>						
<u>(641,025)</u>	<u>(635,292)</u>	<u>5,733</u>						
(4,419)	84,715	89,134	(64,086)	(38,383)	25,703	-	(66)	(66)
<u>182,011</u>	<u>182,011</u>	<u>-</u>	<u>110,432</u>	<u>110,432</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 177,592</u>	<u>\$ 266,726</u>	<u>\$ 89,134</u>	<u>\$ 46,346</u>	<u>\$ 72,049</u>	<u>\$ 25,703</u>	<u>\$ -</u>	<u>\$ (66)</u>	<u>\$ (66)</u>

TOWN OF VIVIAN, LOUISIANA

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

	Governmental Fund Types				Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	1996	1995
Revenues:						
Taxes	\$ 219,108	\$ 733,917	\$	\$	\$ 953,025	\$ 932,486
Oil and gas income	7,584				7,584	7,032
Licenses and permits	92,359				92,359	86,109
Intergovernmental	52,097				52,097	45,454
Charges for services	167,961				167,961	171,948
Fines and forfeits	31,926				31,926	32,159
Franchise tax	82,331				82,331	80,874
Interest	35,079	5,476	995		41,550	42,092
Special assessment		36,348			36,348	39,378
Miscellaneous	65,136		182,401		247,537	227,751
LCDB Capital Grant				246,276	246,276	-
Total revenues	<u>753,581</u>	<u>775,741</u>	<u>183,396</u>	<u>246,276</u>	<u>1,958,994</u>	<u>1,665,283</u>
Expenditures:						
Current:						
General government	162,262	55,734			217,996	198,140
Public safety	533,342				533,342	471,217
Public works	261,558				261,558	253,170
Town services	198,430				198,430	162,658
Recreation	66,506				66,506	99,598
Capital outlay	73,130			246,342	319,472	49,499
Debt service:						
Principal retirement			90,000		90,000	84,000
Interest and fiscal charges			131,779		131,779	138,330
Total expenditures	<u>1,295,228</u>	<u>55,734</u>	<u>221,779</u>	<u>246,342</u>	<u>1,819,083</u>	<u>1,456,612</u>
Excess (deficiency) of revenues over expenditures	(541,647)	720,007	(38,383)	(66)	139,911	208,671
Other financing sources (uses):						
Operating transfers in	635,291	90,756			726,047	710,721
Operating transfers out	(69,267)	(726,048)			(795,315)	(796,310)
Total other financing sources (uses)	<u>566,024</u>	<u>(635,292)</u>			<u>(69,268)</u>	<u>(85,589)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	24,377	84,715	(38,383)	(66)	70,643	123,082
Fund balance at beginning of year	<u>1,019,996</u>	<u>182,011</u>	<u>110,432</u>	<u>-</u>	<u>1,312,439</u>	<u>1,189,357</u>
Fund balance at end of year	<u>\$ 1,044,373</u>	<u>\$ 266,726</u>	<u>\$ 72,049</u>	<u>\$ (66)</u>	<u>\$ 1,383,082</u>	<u>\$ 1,312,439</u>

See accompanying notes to financial statements.

Liabilities	Governmental Fund Types				Proprietary Fund Type	Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects		General Fixed Assets	General Long-term Debt	June 30, 1996	June 30, 1995
	\$	\$	\$	\$		\$	\$	\$	\$
Accounts payable	11,539	668		16,368	6,983		35,558	35,571	
Accrued expenses	45,014				10,934		55,948	49,475	
Due to other funds	36,606	272,022	1,199	2,888	27,623		340,338	356,138	
Deferred revenue		595,724					595,724	632,072	
Payable from restricted assets:									
Current portion of revenue bonds payable					105,000		105,000	100,000	
Accrued interest-revenue bonds					31,630		31,630	33,255	
Deposits					63,920		63,920	63,658	
Note payable						89,026	89,026	109,958	
General obligation bonds payable						1,778,000	1,778,000	1,848,000	
Special revenue bonds payable								20,000	
Revenue bonds payable					1,625,000		1,625,000	1,730,000	
Total liabilities	93,159	868,414	1,199	19,256	1,871,090	1,867,026	4,720,144	4,978,127	
Fund Equity									
Contributed capital					1,495,967		1,495,967	1,495,967	
Investment in general fixed assets						4,857,741	4,857,741	4,775,138	
Retained earnings:									
Reserved for revenue bond retirement					167,400		167,400	169,523	
Unreserved					1,488,546		1,488,546	1,452,719	
Fund balance:									
Reserved for debt service			72,049				72,049	110,432	
Unreserved/undesignated	1,044,373	266,726		(66)			1,311,033	1,202,007	
Total retained earnings/fund balance	1,044,373	266,726	72,049	(66)	1,655,946	-	3,039,028	2,934,681	
Total fund equity	1,044,373	266,726	72,049	(66)	3,151,913	4,857,741	9,392,736	9,205,786	
Total liabilities and fund equity	1,137,532	1,135,140	73,248	19,190	5,023,003	4,857,741	14,112,880	14,183,913	

See accompanying notes to financial statements.

COMBINED STATEMENTS - OVERVIEW

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TOWN OF VIVIAN, LOUISIANA

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FINANCIAL STATEMENTS

June 30, 1996

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

Release Date NOV 27 1996



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**INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF
FEDERAL FINANCIAL ASSISTANCE**

The Honorable Richard J. McMillan, II, Mayor
and the Members of the Board of Aldermen of the
Town of Vivian, Louisiana

We have audited the general purpose financial statements of the Town of Vivian, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated August 19, 1996. These general purpose financial statements are the responsibility of the Town of Vivian, Louisiana's, management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, Audits of State and Local Governments. Those standards and OMB 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 Vivian, 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.

Smith Pugh Rabinowitz LLP
Certified Public Accountants
Shreveport, Louisiana

August 19, 1996

TOWN OF VIVIAN, LOUISIANA

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Year Ended June 30, 1996

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TOWN OF VIVIAN, LOUISIANA

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(Continued)

TOWN OF VIVIAN, LOUISIANA

Statement of Cash Flows - Proprietary Fund Type
Year Ended June 30, 1996

	<u>Enterprise Fund</u>	
	<u>June 30, 1996</u>	<u>June 30, 1995</u>
Cash flows from operating activities:		
Cash received from customers	\$ 680,206	\$ 696,613
Cash payments to suppliers for goods and services	(272,880)	(227,404)
Cash payments to employees for services	(171,853)	(160,127)
Net cash provided by operating activities	<u>235,473</u>	<u>309,082</u>
Cash flows from noncapital financing activities:		
Ad valorem taxes received	42,022	40,573
Miscellaneous revenues	7,800	7,800
Net cash provided by noncapital financing activities	<u>49,822</u>	<u>48,373</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(37,872)	(414,747)
Principal paid on revenue bond maturities	(100,000)	(90,000)
Interest paid on revenue bonds	(134,151)	(139,930)
Grants received for capital projects	-	371,828
Net cash used for capital and related financing activities	<u>(272,023)</u>	<u>(272,849)</u>
Cash flows from investing activities:		
Interest on investments	37,366	34,539
Net cash provided by investing activities	<u>37,366</u>	<u>34,539</u>
Net increase in cash and cash equivalents	50,638	119,145
Cash and cash equivalents at beginning of year (including \$342,479 in restricted accounts for 1996, \$295,291 for 1995)	<u>535,998</u>	<u>416,853</u>
Cash and cash equivalents at end of year (including \$380,028 in restricted accounts for 1996, \$342,479 for 1995)	<u>\$ 586,636</u>	<u>\$ 535,998</u>

(Continued)



SMITH PUGH RABINOWITZ L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

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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 Richard J. McMillan, II, Mayor
and the Members of the Board of Aldermen of
The Town of Vivian, Louisiana

We have audited the general purpose financial statements of the Town of Vivian, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated August 19, 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 Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

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

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

However, as described in Footnote (11) of the Notes to the Financial Statements, June 30, 1996, the state Legislative Auditor issued an investigative report to the management of the Town dated October 26, 1995, which reports certain instances of noncompliance during a prior year.

This report is intended for the information of management, Board of Aldermen, and Federal and State Grantor Agencies. However, this report is a matter of public record and its distribution is not limited.

Smith Pugh Rabinowitz LLP
Certified Public Accountants
Shreveport, Louisiana

August 19, 1996

TOWN OF VIVIAN, LOUISIANA

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TOWN OF VIVIAN, LOUISIANA

GENERAL FUND
Statement of Current Expenditures by Department
Year Ended June 30, 1996
With Comparative Amounts for Year Ended June 30, 1995

	<u>June 30,</u> <u>1996</u>	<u>June 30,</u> <u>1995</u>
General Government		
Personal services	\$ 88,831	\$ 83,600
Heat, light and power	2,784	2,615
Insurance and maintenance	9,310	7,470
Professional fees and legal costs	18,877	18,972
Supplies	3,266	4,888
Airport expense	6,840	9,370
Cemetery expense	18,556	14,192
Miscellaneous	<u>13,798</u>	<u>12,720</u>
Total general government expenditures	<u>162,262</u>	<u>153,827</u>
Public Safety		
Personal services	345,723	301,144
Heat, light and power	13,674	21,106
Insurance and maintenance	94,026	90,452
Professional fees and legal costs	37,172	10,282
Supplies	35,529	45,018
Miscellaneous	<u>7,218</u>	<u>3,215</u>
Total public safety expenditures	<u>533,342</u>	<u>471,217</u>
Public Works		
Personal services	141,980	122,083
Heat, light and power	33,644	26,334
Insurance and maintenance	61,173	88,501
Supplies	<u>24,761</u>	<u>16,252</u>
Total public works expenditures	<u>261,558</u>	<u>253,170</u>
Town Services		
Heat, light and power	3,309	2,666
Insurance and maintenance	4,171	4,526
Professional fees and legal costs	29,129	-
Garbage collection expense	157,694	153,066
Supplies	643	1,132
Miscellaneous	<u>3,484</u>	<u>1,268</u>
Total town services	<u>198,430</u>	<u>162,658</u>

(Continued)

TOWN OF VIVIAN, LOUISIANA

Notes to Schedule of Federal Financial Assistance June 30, 1996

NOTE A - BASIS OF ACCOUNTING

The accompanying Schedule of Federal Financial Assistance is a summary of the cash activity of the Town's federal financial assistance programs and does not present transactions that would be included in financial statements of the Town presented on the accrual basis of accounting, as contemplated by generally accepted accounting principles.

NOTE B - STREET IMPROVEMENTS

In accordance with the provisions of the grant, the Town expended \$246,275 during the year ended June 30, 1996.

TOWN OF VIVIAN, LOUISIANA

Schedule of Federal Financial Assistance
June 30, 1996

<u>Federal Grantor</u>	<u>CFDA No.</u>	<u>Program Amount</u>	<u>Cash Balance July 1, 1995</u>	<u>Receipts</u>	<u>Federal Expenditures</u>	<u>Cash Balance June 30, 1996</u>
U.S. Department of Housing and Urban Development: Pass-through State Department of Administration	14.219	\$ 247,606	\$ -	\$ 246,276	\$ 246,275	\$ 1

See notes to Schedule of Federal Financial Assistance.



SMITH PUGH RABINOWITZ L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS**

The Honorable Richard J. McMillan, II, Mayor
and the Members of the Board of Aldermen of the
Town of Vivian, Louisiana

We have audited the general purpose financial statements of the Town of Vivian, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated August 19, 1996.

In connection with our audit of the general purpose financial statements of the Town of Vivian, Louisiana, and with our consideration of the Town of Vivian, Louisiana'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 eligibility 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 of Vivian, Louisiana'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 Vivian, 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 management and the Board of Aldermen. However, this report is a matter of public record and its distribution is not limited.

Smith Pugh Rabinowitz L.L.P.
Certified Public Accountants
Shreveport, Louisiana

August 19, 1996



SMITH PUGH RABINOWITZ L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH THE GENERAL REQUIREMENTS APPLICABLE TO
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

The Honorable Richard J. McMillan, II, Mayor
and the Members of the Board of Aldermen of the
Town of Vivian, Louisiana

We have audited the general purpose financial statements of the Town of Vivian, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated August 19, 1996.

We have applied procedures to test the Town of Vivian, Louisiana's, compliance with the following requirements applicable to its federal financial assistance program, which is identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996: (1) political activity, (2) Davis-Bacon Act, (3) civil rights, (4) cash management, (5) relocation assistance and real property acquisition, (6) Drug-free Workplace Act, (7) administrative requirements, and (8) 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 Vivian, 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 Vivian, Louisiana, had not complied, in all material respects, with those requirements.

This report is intended for the information of Management and the Board of Aldermen. However, this report is a matter of public record and its distribution is not limited.

Smith Pugh Rabinowitz LLP
Certified Public Accountants
Shreveport, Louisiana

August 19, 1996



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**INDEPENDENT AUDITOR'S REPORT ON THE
INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

The Honorable Richard J. McMillan, II, Mayor
and the Members of the Board of Aldermen of the
Town of Vivian, Louisiana

We have audited the general purpose financial statements of the Town of Vivian, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated August 19, 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 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.

In planning and performing our audit for the year ended June 30, 1996, we considered the internal control structure of the Town of Vivian, Louisiana, in order to determine our auditing procedures for the purpose of expressing our opinion on the Town of Vivian, Louisiana's general purpose financial statements 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 19, 1996.

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

- Cash and Cash Equivalents
- Receivables
- Property and Equipment
- Payables and Accrued Liabilities
- Retained Earnings/Contributed Capital

TOWN OF VIVIAN, LOUISIANA

GENERAL FUND

Statement of Current Expenditures by Department
Year Ended June 30, 1996

With Comparative Amounts for Year Ended June 30, 1995

	<u>June 30,</u> <u>1996</u>	<u>June 30,</u> <u>1995</u>
<i>Recreation</i>		
Personal services	\$ 29,957	\$ 34,131
Heat, light and power	6,880	8,747
Insurance and maintenance	17,546	29,001
Supplies	5,556	11,427
Miscellaneous	<u>6,587</u>	<u>16,292</u>
Total recreation	<u>66,506</u>	<u>99,598</u>
<i>Capital outlay</i>		
General government	472	-
Public safety	19,598	10,799
Public works	41,218	32,615
Town services	-	587
Recreation	<u>11,842</u>	<u>5,498</u>
Total capital outlay	<u>\$ 73,130</u>	<u>\$ 49,499</u>
Total current expenditures	<u>\$ 1,295,228</u>	<u>\$ 1,189,969</u>



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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 Richard J. McMillan, II, Mayor
and the Members of the Board of Aldermen of
The Town of Vivian, Louisiana

We have audited the general purpose financial statements of the Town of Vivian, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated August 19, 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 Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Town of Vivian, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors 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 Vivian, 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. 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 and 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of management, Board of Aldermen, and Federal and State Grantor Agencies. However, this report is a matter of public record and its distribution is not limited.

Smith Pugh Rabinowitz LLP
Certified Public Accountants
Shreveport, Louisiana

August 19, 1996

OTHER REPORTS

TOWN OF VIVIAN, LOUISIANA

SPECIAL REVENUE FUNDS

Sales Tax 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

	<u>June 30, 1996</u>			<u>June 30,</u> <u>1995</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>	<u>Actual</u>
Revenues:				
Taxes	\$ 740,000	\$ 733,917	\$ (6,083)	\$ 717,364
Miscellaneous - interest	-	1,124	1,124	1,333
Total revenues	740,000	735,041	(4,959)	718,697
Expenditures:				
General government:				
Collection expense	7,400	7,868	(468)	6,642
Excess of revenues over expenditures	732,600	727,173	(5,427)	712,055
Other financing sources (uses):				
Operating transfers (out)	(732,600)	(726,048)	6,552	(710,721)
Excess of revenues over expenditures and other financing sources	-	1,125	1,125	1,334
Fund balance at beginning of year	125,711	125,711	-	124,377
Fund balance at end of year	<u>\$ 125,711</u>	<u>\$ 126,836</u>	<u>\$ 1,125</u>	<u>\$ 125,711</u>

TOWN OF VIVIAN, LOUISIANA

ENTERPRISE FUND

Utility Fund

Statement of Operating Expenses by Department

Year Ended June 30, 1996

With Comparative Amounts for Year Ended June 30, 1995

	<u>June 30,</u> <u>1996</u>	<u>June 30,</u> <u>1995</u>
General and administrative:		
Personal services	\$ 42,163	\$ 40,774
Supplies	8,100	9,181
Maintenance	2,547	200
Heat, light and power	2,246	3,037
Depreciation	10,968	13,522
Bad debts	11,600	3,551
Miscellaneous	<u>2,758</u>	<u>1,446</u>
Total administrative expenses	<u>80,382</u>	<u>71,711</u>
Water:		
Personal services	127,486	121,923
Supplies	18,816	13,039
Maintenance	71,775	56,561
Heat, light and power	30,241	19,233
Depreciation	64,758	64,663
Miscellaneous	<u>25,111</u>	<u>21,503</u>
Total water department expenses	<u>338,187</u>	<u>296,922</u>
Sewer:		
Personal services	44,696	48,204
Supplies	7,559	6,255
Maintenance	40,640	50,929
Heat, light and power	23,422	35,049
Depreciation	77,675	78,012
Miscellaneous	<u>10,457</u>	<u>11,586</u>
Total sewer department expenses	<u>204,449</u>	<u>230,035</u>
Total operating expenses	<u>\$ 623,018</u>	<u>\$ 598,668</u>

LIABILITIES AND FUND EQUITY

	<u>June 30, 1996</u>	<u>June 30, 1995</u>
Liabilities:		
Current liabilities (payable from current assets):		
Accounts payable	\$ 6,983	\$ 6,275
Accrued expenses	10,934	9,968
Due to other funds	<u>27,623</u>	<u>14,602</u>
Total current liabilities (payable from current assets)	<u>45,540</u>	<u>30,845</u>
Current liabilities (payable from restricted assets):		
Current portion of revenue bonds	105,000	100,000
Accrued revenue bond interest	31,630	33,255
Customers' deposits	<u>63,920</u>	<u>63,658</u>
Total current liabilities (payable from restricted assets)	<u>200,550</u>	<u>196,913</u>
Long-term liabilities (net of current portion):		
Revenue bonds	<u>1,625,000</u>	<u>1,730,000</u>
Total liabilities	<u>1,871,090</u>	<u>1,957,758</u>
Fund equity:		
Contributed capital:		
Municipality	474,517	474,517
Intergovernmental	<u>1,021,450</u>	<u>1,021,450</u>
Total contributed capital	<u>1,495,967</u>	<u>1,495,967</u>
Retained earnings:		
Reserved for revenue bonds	167,400	169,523
Unreserved	<u>1,488,546</u>	<u>1,452,719</u>
Total retained earnings	<u>1,655,946</u>	<u>1,622,242</u>
Total fund equity	<u>3,151,913</u>	<u>3,118,209</u>
Total liabilities and fund equity	<u>\$ 5,023,003</u>	<u>\$ 5,075,967</u>

TOWN OF VIVIAN, LOUISIANA

DEBT SERVICE 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

	1968 Public Improvement Bonds-A	1971 Public Improvement Bonds-ST-1	1992 Industrial Development Bond	1994 Note Citizens Bank	Totals June 30, 1996	June 30, 1995
Revenues:						
Miscellaneous:						
Rents/interest	\$	\$ 995	\$ 182,401	\$	\$ 183,396	\$ 183,998
Expenditures:						
Principal retirement	15,000	20,000	55,000	20,932	110,932	103,747
Interest and fiscal charge	2,943	1,420	127,416	6,313	138,092	145,827
Total expenditures	17,943	21,420	182,416	27,245	249,024	249,574
Deficiency of revenues over expenditures	(17,943)	(20,425)	(15)	(27,245)	(65,628)	(65,576)
Other financing sources (uses):						
Operating transfers in:						
General Fund				27,245	27,245	27,245
Deficiency of revenues and other financing sources over expenditures	(17,943)	(20,425)	(15)		(38,383)	(38,331)
Fund balance at beginning of year	73,916	34,957	1,559		110,432	148,763
Fund balance at end of year	\$ 55,973	\$ 14,532	\$ 1,544	\$ -	\$ 72,049	\$ 110,432

TOWN OF VIVIAN, LOUISIANA

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

Assets	1968 Public	1971 Public	1992 Industrial	Totals	
	Improvement Bonds-A	Improvement Bonds-ST 1	Development Bond	June 30, 1996	June 30, 1995
Cash and cash equivalents	\$ 57,172	\$ 14,532	\$ 345	\$ 72,049	\$ 110,432
Due from other funds			1,199	1,199	1,199
Total assets	<u>\$ 57,172</u>	<u>\$ 14,532</u>	<u>\$ 1,544</u>	<u>\$ 73,248</u>	<u>\$ 111,631</u>
Liabilities and Fund Balance					
Due to other funds	\$ 1,199	\$	\$	\$ 1,199	\$ 1,199
Fund balance:					
Reserved for debt service	55,973	14,532	1,544	72,049	110,432
Total liabilities and fund balances	<u>\$ 57,172</u>	<u>\$ 14,532</u>	<u>\$ 1,544</u>	<u>\$ 73,248</u>	<u>\$ 111,631</u>

TOWN OF VIVIAN, LOUISIANA

SPECIAL REVENUE FUNDS
 Caddo Parish Industrial District, Ward II
 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

	June 30, 1996			June 30, 1995
	Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Revenues:				
Miscellaneous - interest	\$ -	\$ 179	\$ 179	\$ 2,053
Expenditures:				
General government	<u>53,760</u>	<u>(47,216)</u>	<u>6,544</u>	<u>(17,771)</u>
Deficiency of revenues over expenditures	(53,760)	(47,037)	6,723	(15,718)
Other financing sources (uses):				
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deficiency of revenues over expenditures and other financing sources (uses)	(53,760)	(47,037)	6,723	(15,718)
Fund balance at beginning of year	<u>47,037</u>	<u>47,037</u>	<u>-</u>	<u>62,755</u>
Fund balance at end of year	<u><u>\$ (6,723)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,723</u></u>	<u><u>\$ 47,037</u></u>

TOWN OF VIVIAN, LOUISIANA

SPECIAL REVENUE FUNDS
 Industrial Development 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

	<u>June 30, 1996</u>			<u>June 30, 1995</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>	<u>Actual</u>
Revenues:				
Miscellaneous - interest	\$ 4,500	\$ 4,173	\$ (327)	\$ 4,068
Special assessment	<u>36,348</u>	<u>36,348</u>	<u>-</u>	<u>39,378</u>
Total revenues	40,848	40,521	(327)	43,446
Expenditures:				
General government:				
Insurance, utilities and other	<u>83,082</u>	<u>650</u>	<u>82,432</u>	<u>37,671</u>
Excess (deficiency) of revenues over expenditures	(42,234)	39,871	82,105	5,775
Other financing sources (uses):				
Operating transfers in:				
Sales Tax Fund	<u>91,575</u>	<u>90,756</u>	<u>(819)</u>	<u>88,840</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	49,341	130,627	81,286	94,615
Fund balance (deficit) at beginning of year	<u>9,263</u>	<u>9,263</u>	<u>-</u>	<u>(85,352)</u>
Fund balance (deficit) at end of year	<u>\$ 58,604</u>	<u>\$ 139,890</u>	<u>\$ 81,286</u>	<u>\$ 9,263</u>

TOWN OF VIVIAN, LOUISIANA

Schedule of Mayor's and Aldermen's Compensation and Expense Reimbursement
For the Year Ended June 30, 1996

	<u>Compensation</u>	<u>Expense Reimbursement</u>
Mayor Richard J. McMillan, II	\$ 14,348	\$ -
Alderman Benny Beckham	1,800	-
Alderman Kenneth Clay	1,800	-
Alderman Sam Curry	1,800	-
Alderman Jerry Guin	1,800	-
Alderman Betty Mathews	1,800	-
Total	<u>\$ 23,348</u>	<u>\$ -</u>

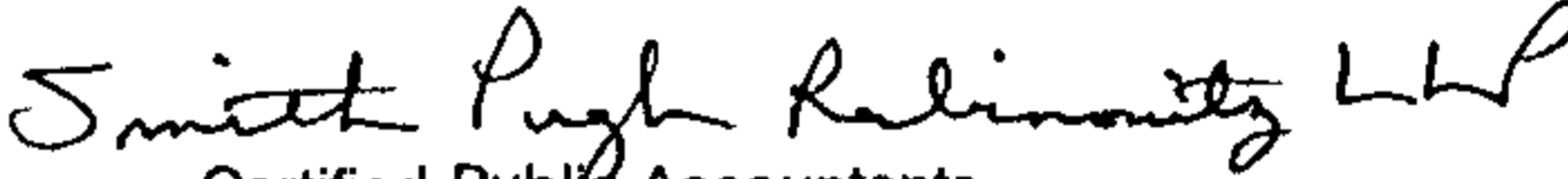
For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, the Town of Vivian, Louisiana, had no major federal financial assistance programs and expended 100% of its total federal financial assistance.

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 nonmajor programs, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

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 material weaknesses under standards established by the American Institute of Certified Public Accountants. 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of Management and the Board of Aldermen. However, this report is a matter of public record and its distribution is not limited.


Certified Public Accountants
Shreveport, Louisiana

August 19, 1996

TOWN OF VIVIAN, LOUISIANA
 SPECIAL REVENUE FUNDS
 Combining Balance Sheet
 June 30, 1996
With Comparative Totals for June 30, 1995

	Caddo Parish Industrial			<u>Totals</u>	
	<u>Sales Tax</u>	<u>Industrial Development</u>	<u>District Ward II</u>	<u>June 30, 1996</u>	<u>June 30, 1995</u>
Cash	\$ 135,893	\$ 402,420	\$	\$ 538,313	\$ 490,091
Special assessment receivable		595,724		595,724	632,072
Due from other funds		<u>1,103</u>		<u>1,103</u>	<u>4,382</u>
Total assets	<u>\$ 135,893</u>	<u>\$ 999,247</u>	<u>\$ -</u>	<u>\$1,135,140</u>	<u>\$1,126,545</u>
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	\$ 668	\$	\$	\$ 668	\$ 557
Due to other funds	8,389	263,633		272,022	311,905
Deferred revenue		<u>595,724</u>		<u>595,724</u>	<u>632,072</u>
Total liabilities	9,057	859,357	-	868,414	944,534
Fund balance:					
Unreserved - undesignated	<u>126,836</u>	<u>139,890</u>	-	<u>266,726</u>	<u>182,011</u>
Total liabilities and fund balance	<u>\$ 135,893</u>	<u>\$ 999,247</u>	<u>\$ -</u>	<u>\$1,135,140</u>	<u>\$1,126,545</u>

TOWN OF VIVIAN, 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

	Sales Tax	Industrial Development	Caddo Parish Industrial		Totals	
			District Ward II		June 30, 1996	June 30, 1995
Revenues:						
Taxes	\$ 733,917	\$	\$	\$	733,917	\$ 717,364
Miscellaneous - interest	1,124	4,173	179		5,476	7,454
Special assessment		36,348			36,348	39,378
Total revenues	735,041	40,521	179		775,741	764,196
Expenditures:						
General government	7,868	650	47,216		55,734	62,084
Excess of revenues over expenditures	727,173	39,871	(47,037)		720,007	702,112
Other financing sources (uses):						
Operating transfers in		90,756			90,756	88,840
Operating transfers out	(726,048)				(726,048)	(710,721)
Total other financing sources (uses)	(726,048)	90,756	-		(635,292)	(621,881)
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	1,125	130,627	(47,037)		84,715	80,231
Fund balance (deficit) at beginning of year	125,711	9,263	47,037		182,011	101,780
Fund balance (deficit) at end of year	\$ 126,836	\$ 139,890	\$ -		\$ 266,726	\$ 182,011