

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Debt Service Funds	\$ ---	\$ 384
Enterprise Fund - Utility Fund	66,852	---
Sales Tax Fund	---	66,468

NOTE 4 - RESTRICTED ASSETS - PROPRIETARY FUND TYPE

Restricted assets were applicable to the following at June 30:

	<u>1996</u>	<u>1995</u>
Bond reserve account	\$ 235,127	\$ 262,813
Bond contingency account	40,622	38,122
Customers' deposits	<u>61,299</u>	<u>57,861</u>
	337,048	358,796
	=====	=====

NOTE 5 - DEFICITS IN INDIVIDUAL FUNDS

The following funds reflected deficits in their retained earnings/fund balances at June 30, 1996:

Enterprise Fund - Utility Fund	\$ (766,269)
--------------------------------	--------------

The enterprise fund deficit is due to depreciation expense on contributed assets, and not from normal operations.

The Town Council plans to eliminate the deficit in retained earnings of the Utility Fund by reducing the operating transfers required by the general fund, and increasing operating transfers in from the sales tax fund.

It is estimated that the accumulated deficit should be eliminated within the next seven fiscal years.

NOTE 6 - DEPOSITS AND INVESTMENTS

At June 30, 1996, the carrying amount of the Town's deposits was \$ 22,414 and the bank balances were \$109,582. The Town's deposits and bank balances were covered by federal depository insurance up to \$ 100,000. The remaining balance was covered by collateral held in the pledging financial institutions' trust department in the Town's name.

SPECIAL REVENUE FUNDS

SALES TAX FUND

To account for the receipt and use of proceeds of the Town's 1.2% sales and use tax. These taxes are dedicated to capital expenditures for sewer and sewage disposal department operations and maintenance.

Proceeds of the tax have been pledged and dedicated to the retirement of Utilities Revenues Refunding Bonds dated April 6, 1989.

A portion of accumulated sales tax revenues has been dedicated to be used for street improvements.

CEMETERY FUND

To account for the receipts and subsequent expenditure of funds received for the sale of cemetery plots and the maintenance and upkeep of the Town-owned cemetery.

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Public safety - police (continued):				
Uniforms	800.00	1,167.28	(367.28)	674.55
Capital outlay	---	---	---	35,593.00
Total expenditures	<u>100,230.00</u>	<u>103,445.58</u>	<u>(3,215.58)</u>	<u>127,213.30</u>
Street department:				
Salaries	30,200.00	30,202.24	(2.24)	35,931.19
Truck expense	8,600.00	9,052.31	(452.31)	3,024.85
Repairs and maintenance	6,600.00	6,768.67	(168.67)	4,837.78
Concrete, gravel, etc.	3,100.00	3,116.32	(16.32)	5,542.28
Miscellaneous	400.00	253.35	146.65	20.50
Small tools and supplies	6,000.00	6,143.10	(143.10)	3,757.85
Capital outlay	<u>12,000.00</u>	<u>11,332.96</u>	<u>667.04</u>	<u>45,430.57</u>
Total street department	<u>66,900.00</u>	<u>66,868.95</u>	<u>31.05</u>	<u>98,545.02</u>
Total expenditures	<u>362,160.00</u>	<u>361,874.39</u>	<u>285.61</u>	<u>381,071.00</u>

TOWN OF WASHINGTON, 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 (Unfavorable)	1995 Actual
	Budget	Actual		
General government:				
Auto expense	\$ 1,000.00	\$ 953.62	\$ 46.38	\$ 1,209.00
Audit fees	2,800.00	3,250.00	(450.00)	2,400.00
Salaries	22,600.00	22,185.73	414.27	23,589.46
Attorney fees	12,000.00	12,380.00	(380.00)	1,332.75
Accounting fees	1,950.00	2,170.00	(220.00)	1,835.00
Advertising	300.00	366.24	(66.24)	203.00
Group insurance	12,000.00	11,018.70	981.30	21,558.20
Utilities	12,200.00	12,743.53	(543.53)	11,014.13
Office supplies	3,000.00	2,833.46	166.54	3,019.55
Payroll taxes	10,200.00	10,173.20	26.80	12,890.85
Miscellaneous	8,400.00	4,810.89	3,589.11	11,009.84
Dues and subscriptions	1,000.00	952.30	47.70	710.13
Insurance	48,000.00	48,527.31	(527.31)	46,431.73
Preparation of tax roll	580.00	620.00	(40.00)	570.40
Repairs and maintenance	1,000.00	843.61	156.39	2,142.01
Court clerk	300.00	300.00	---	325.00
Mayor's auto allowance	2,400.00	2,436.00	(36.00)	2,400.00
Washington museum	3,000.00	3,000.00	---	3,000.00
Telephone	1,200.00	1,439.39	(239.39)	1,395.98
Meetings and conventions	1,400.00	1,663.65	(263.65)	1,645.16
Pest control	500.00	519.32	(19.32)	526.24
Supplies - general	1,800.00	1,615.19	184.81	2,552.32
Janitorial supplies	1,200.00	1,072.67	127.33	1,801.93
Capital outlay	<u>46,200.00</u>	<u>45,685.05</u>	<u>514.95</u>	<u>1,750.00</u>
 Total general government	 <u>195,030.00</u>	 <u>191,559.86</u>	 <u>3,470.14</u>	 <u>155,312.68</u>
Public safety - police:				
Salaries	80,800.00	82,514.37	(1,714.37)	72,565.81
Auto expense	8,200.00	8,070.83	129.17	8,988.13
Film and developing	100.00	83.23	16.77	96.60
Coroner's fees	200.00	200.00	---	---
Equipment repairs	1,800.00	1,081.13	718.87	1,806.27
Supplies	780.00	1,221.39	(441.39)	969.66
Telephone	2,400.00	3,105.13	(705.13)	2,228.41
Miscellaneous	4,130.00	4,850.87	(720.87)	3,231.21
Office supplies	620.00	994.99	(374.99)	880.56
Feeding prisoners	400.00	156.36	243.64	179.10

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, 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		
Revenues:				
Ad valorem taxes	\$ 19,200.00	\$ 19,744.93	\$ 544.93	\$ 18,709.11
Licenses and permits	32,800.00	31,864.65	(935.35)	29,849.98
Intergovernmental	11,300.00	11,115.68	(184.32)	8,828.23
Charges for services	1,000.00	1,365.15	365.15	2,310.30
Fines and forfeits	16,600.00	15,905.99	(694.01)	19,533.50
Miscellaneous revenues	42,700.00	42,571.99	(128.01)	34,267.39
Total revenues	<u>123,600.00</u>	<u>122,568.39</u>	<u>(1,031.61)</u>	<u>113,498.51</u>
Expenditures:				
General government	195,030.00	191,559.86	3,470.14	155,312.68
Public safety - police	100,230.00	103,445.58	(3,215.58)	127,213.30
Street department	66,900.00	66,868.95	31.05	98,545.02
Total expenditures	<u>362,160.00</u>	<u>361,874.39</u>	<u>285.61</u>	<u>381,071.00</u>
Excess (deficiency) of revenues over expenditures	(238,560.00)	(239,306.00)	(746.00)	(267,572.49)
Other financing sources:				
Operating transfer from:				
Utility fund	180,000.00	180,481.99	481.99	202,698.55
Sales tax fund	58,000.00	57,018.01	(981.99)	62,032.20
Total other sources	<u>238,000.00</u>	<u>237,500.00</u>	<u>(500.00)</u>	<u>264,730.75</u>
Excess (deficiency) of revenues & other sources over expenditures & other uses	(560.00)	(1,806.00)	(1,246.00)	(2,841.74)
Fund balance, beginning	---	11,009.96	11,009.96	13,851.70
Fund balance, ending	(560.00)	9,203.96	9,763.96	11,009.96
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
GENERAL FUND
COMPARATIVE BALANCE SHEET
June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
ASSETS		
Cash	\$ 15,109.04	\$ 12,794.69
Ad valorem taxes receivable	<u>1,985.34</u>	<u>1,801.05</u>
Total assets	<u>17,094.38</u> =====	<u>14,595.74</u> =====
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	5,743.31	3,585.78
Payroll taxes payable	<u>2,147.11</u>	<u>---</u>
Total liabilities	<u>7,890.42</u>	<u>3,585.78</u>
Fund balance - Unreserved-undesignated	<u>9,203.96</u>	<u>11,009.96</u>
Total fund balance (deficit)	<u>9,203.96</u>	<u>11,009.96</u>
Total liabilities and fund balance	<u>17,094.38</u> =====	<u>14,595.74</u> =====

The accompanying notes are an integral part of this statement.

GENERAL FUND

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

<u>Equipment</u>	<u>Other Structures & Improvements</u>	<u>Total</u>
\$ 231,167	\$ 28,336	\$ 1,386,131
<u>---</u>	<u>45,685</u>	<u>57,018</u>
<u>---</u>	<u>45,685</u>	<u>57,018</u>
<u>231,167</u>	<u>74,021</u>	<u>1,443,149</u>
<u>=====</u>	<u>=====</u>	<u>=====</u>

TOWN OF WASHINGTON, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 1996
With Comparative Totals for June 30, 1995

	<u>Cemetery</u>	<u>Sales Tax</u>	<u>Totals</u>	
			<u>1996</u>	<u>1995</u>
ASSETS				
Cash	\$1,869.13	\$ 13,880.90	\$ 15,750.03	\$ 12,918.36
Investments, at cost	---	262,816.01	262,816.01	232,057.15
Accrued interest receivable	---	4,426.70	4,426.70	3,633.45
	<u>1,869.13</u>	<u>281,123.61</u>	<u>282,992.74</u>	<u>248,608.96</u>
	=====	=====	=====	=====
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Payroll taxes payable	\$ 114.54	---	114.54	---
Due to Utility Fund	---	66,468.19	66,468.19	---
	<u>114.54</u>	<u>66,468.19</u>	<u>66,582.73</u>	<u>---</u>
 Fund Balances:				
Reserved for debt service	---	214,655.42	214,655.42	247,610.91
Unreserved-Undesignated	1,754.59	---	1,754.59	998.05
	<u>1,754.59</u>	<u>214,655.42</u>	<u>216,410.01</u>	<u>248,608.96</u>
	<u>1,869.13</u>	<u>281,123.61</u>	<u>282,992.74</u>	<u>248,608.96</u>
	=====	=====	=====	=====
Total liabilities and fund balances	1,869.13	281,123.61	282,992.74	248,608.96

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
SCHEDULE OF GENERAL INFORMATION AND STATISTICAL DATA
June 30, 1996

Governing Body

The Town of Washington, Louisiana operates under the "Mayor and Board of Aldermen" form of government. The governing body and their income for the year ended June 30, 1996 is as follows:

Honorable John K. Soileau, Mayor	\$8,034
Honorable T. J. Smith, Alderman	1,311
Honorable Gary Wilson, Alderman	1,311
Honorable John L. Matt, Alderman	1,311
Honorable Wilbert Ledet, Alderman	1,286
Honorable Dorothy Mayer, Alderwoman	1,311

TOWN OF WASHINGTON, LOUISIANA
DEBT SERVICE FUND
BALANCE SHEET
June 30, 1996
With Comparative Totals for June 30, 1995

	Street Paving Project Fund	
	1996	1995
ASSETS		
Assessments receivable	\$ <u>9,115.05</u>	\$ <u>9,115.05</u>
Total assets	<u>9,115.05</u> =====	<u>9,115.05</u> =====
LIABILITIES AND FUND BALANCES		
Liabilities:		
Due to utility fund	<u>383.90</u>	<u>383.90</u>
Total liabilities	<u>383.90</u>	<u>383.90</u>
Fund balances:		
Reserved for debt service	---	---
Unreserved-undesignated	<u>8,731.15</u>	<u>8,731.15</u>
Total fund balances	<u>8,731.15</u>	<u>8,731.15</u>
Total liabilities and fund balances	<u>9,115.05</u> =====	<u>9,115.05</u> =====

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS (continued)

All fixed assets are stated at historical cost.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. No interest costs have been capitalized for the fiscal year ended June 30, 1996.

Compensated Absences

The Town has adopted a policy of ten days vacation per year, which may not carry over or accumulate to future years. At June 30, 1996, the liability for accumulated unpaid vacation was minimal for both the general and proprietary funds, and no liability has been recorded.

Comparative Data

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

Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - 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 the taxpayers in November. Billed 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, the Town levied a general tax of 7.08 mills on property with an assessment valuation totaling \$2,788,810.

Total tax levied was \$19,744.93 with \$838 and \$1,147 being receivable from current roll and prior years, respectively.

NOTES TO FINANCIAL STATEMENTS (continued)

Investments

Investments consist of certificates of deposit and are stated at cost.

Short-term Interfund Receivables/Payables

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

Prepaid Items

Payments made to insurance companies for coverage that will benefit the period beyond June 30, 1996, are recorded as prepaid insurance.

Bad Debts

Uncollectable amounts due for ad valorem taxes, customers' utility receivables, and special assessments are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectability of the particular receivable.

Fixed Assets and Long-term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets account group, and are recorded as expenditures in the governmental fund types when purchased. The Town has elected to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

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

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

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

Utility systems	50 years
Machinery and equipment	5 - 10 years

NOTES TO FINANCIAL STATEMENTS (continued)

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.

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. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of collecting governments and are recognized as revenue at that time. Fines and permits are not susceptible to accrual because generally they are not measurable until received. Therefore, they are not recognized as revenue until received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principle and interest on general long-term debt which is recognized when due.

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

Budgets and Budgetary Accounting

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

1. The Mayor prepares a proposed budget and submits same to the Board of Aldermen no later than thirty 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.
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. Any budgetary amendments require the approval of the Mayor and Board of Aldermen.
6. Any budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the General, Special Revenue and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

TOWN OF WASHINGTON
NOTES TO FINANCIAL STATEMENTS
June 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Washington, Louisiana was incorporated under the provisions of the Lawrason Act. The Town operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting policies of the Town of Washington 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, and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies.

Reporting Entity

This report includes all funds and the general long-term debt account group which are controlled by or dependent on 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 responsibility.

Fund Accounting

The accounts of the Town of Washington 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 comprises its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two categories: governmental and proprietary. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to outside parties (enterprise funds).

NOTES TO FINANCIAL STATEMENTS (continued)

Utility revenues refunding bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Utility system refinancing	11 %	\$ 372,874
		<u>372,874</u>
		=====

Annual debt service requirements to maturity for the utility revenues refunding bonds, including interest of \$ 264,488 are as follows:

<u>Fiscal Year Ending 6/30</u>	<u>Enterprise Fund - Utility Fund</u>	<u>Totals</u>
1997	\$ 62,533	\$ 62,533
1998	63,252	63,252
1999	61,770	61,770
2000	61,770	61,770
2001	64,028	64,028
Thereafter	<u>324,009</u>	<u>324,009</u>
Total	<u>637,362</u>	<u>637,362</u>
	=====	=====

NOTE 10 - DEDICATION OF PROCEEDS AND FLOW OF FUNDS

1.2% Sales and Use Tax

The Town of Washington has dedicated the proceeds of its 1% sales and use tax to the purpose of retirement of utility revenues refunding bonds dated April 6, 1989. These bonds were issued for the purpose of refinancing the original bonds issued for constructing sewers, sewer disposal works, and water systems.

The Town has dedicated the proceeds of its .2% sales and use tax to the purpose of street and sidewalk improvements. For the year ended June 30, 1996, \$ 7,975 had been collected and used for these purposes.

NOTE 11 - FLOW OF FUNDS: RESTRICTIONS ON USE - PROPRIETARY FUNDS

Under the terms of the bond indenture on outstanding utility revenues refunding bonds dated April 6, 1989, all income and revenue of every nature derived from the operation of the system are pledged for the purpose of the following funds and shall be set aside into the following separate funds:

Utilities Revenue Fund

All revenues derived or to be derived from the operation of the System shall be deposited promptly in a separate account designated as the "Utilities Revenue Fund". Out of these revenues shall be first set aside an amount sufficient to provide for the payment of the reasonable and necessary expenses of operating and maintaining the System.

	<u>1996</u>	<u>1995</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Current liabilities		
(payable from current assets):		
Accounts payable	3,642.29	912.40
Accrued expenses	<u>2,231.07</u>	<u>1,070.00</u>
Total current liabilities		
(payable from current assets)	<u>5,873.36</u>	<u>1,982.40</u>
Current liabilities		
(payable from restricted assets):		
Utility refunding bonds payable	21,517.00	19,652.00
Accrued interest payable	10,198.00	10,853.45
Customers' deposits	<u>41,462.23</u>	<u>39,296.65</u>
Total current liabilities		
(payable from restricted assets)	<u>73,177.23</u>	<u>69,802.10</u>
Long-term liabilities:		
Utility refunding bonds payable	<u>351,357.00</u>	<u>372,874.00</u>
Total long-term liabilities	<u>351,357.00</u>	<u>372,874.00</u>
Total liabilities	<u>430,407.59</u>	<u>444,658.50</u>
Fund equity:		
Contributed capital:		
State grants	236,146.36	236,146.36
Federal grants	2,366,219.00	2,366,219.00
Intergovernmental	<u>643,501.53</u>	<u>643,501.53</u>
Total contributed capital	<u>3,245,866.89</u>	<u>3,245,866.89</u>
Retained earnings:		
Reserved for bond retirement	275,748.71	300,934.95
Unreserved	(1,042,017.56)	(938,577.34)
Total retained earnings (deficit)	<u>(766,268.85)</u>	<u>(637,642.39)</u>
Total fund equity	<u>2,479,598.04</u>	<u>2,508,224.50</u>
Total liabilities and fund equity	<u>2,910,005.63</u>	<u>3,052,883.00</u>
	=====	=====

NOTES TO FINANCIAL STATEMENTS (continued)

The Town's investments consist of certificates of deposit and are secured by the same collateral discussed above. The total collateral pledged amounted to \$ 721,567 (market value) at June 30, 1996, and averaged \$ 700,000 to \$ 850,000 for the entire year. Total investments of \$ 686,897, deposits of \$ 22,414 and bank balances of \$109,582 were adequately secured as of and for the year ended June 30, 1996.

NOTE 7 - FIXED ASSETS

The following is a summary of proprietary fund-type fixed assets at June 30, 1996:

	<u>Enterprise Fund - Utility Fund</u>
Land	\$ 113,559
Buildings	39,995
Furniture and fixtures	15,533
Transportation equipment	51,643
Machinery and equipment	82,370
Gas system and extensions	309,935
Water system and extensions	1,504,461
Sewer system and extensions	<u>1,854,145</u>
	3,971,641
Less accumulated depreciation	<u>1,715,166</u>
Net fixed assets	2,256,475 =====

NOTE 8 - CONTINGENT LIABILITIES

The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Town's attorney the resolution of these matters will not have a materially adverse effect on the financial condition of the Town.

NOTE 9 - LONG-TERM DEBT

Utility Revenues Refunding Bonds

The Town issued refunding bonds to provide for the refinancing of the Town's general obligation and revenue bonds. The original bonds were issued to provide funds for the acquisition and construction of major capital facilities. Since the major portion of these facilities consisted of the Town's water and sewer systems, the entire portion of the utility revenues refunding bonds are being reported in the proprietary fund and will be repaid from proprietary fund revenues.

TOWN OF WASHINGTON, LOUISIANA
 COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
 Year Ended June 30, 1996

CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss	\$(128,626.46)
Adjustments to reconcile net loss to net cash provided by operations:	
Depreciation	146,198.19
Decrease (increase) in:	
Accounts receivable	(159.16)
Unbilled service revenue	1,426.20
Accrued interest receivable	(1,890.37)
Inventory	(5,355.17)
Due from other funds	(66,468.19)
Prepaid expenses	(1,962.03)
Increase (decrease) in:	
Accounts payable	2,729.89
Accrued expenses	1,161.07
NET CASH (USED BY) OPERATING ACTIVITIES	<u>(52,946.03)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Decrease in investments, at cost	113,880.46
Purchases of plant and equipment	(18,116.02)
Decrease in restricted assets	21,748.97
Increase in current liabilities payable from restricted assets	<u>3,375.13</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>120,888.54</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Contributed capital	---
Principal reduction of long-term liabilities	(21,517.00)
NET CASH (USED BY) FINANCING ACTIVITIES	<u>(21,517.00)</u>
NET INCREASE IN CASH	46,425.51
CASH AT BEGINNING OF YEAR	<u>32,297.06</u>
CASH AT END OF YEAR	<u>78,722.57</u> =====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
ENTERPRISE FUND
UTILITY FUND
SCHEDULE OF OPERATING EXPENSES
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Gas department:		
Audit fees	\$ 1,750.00	\$ 3,800.00
Accounting fees	840.00	1,565.00
Depreciation	11,481.60	10,086.72
Gas purchases	129,664.90	97,462.08
Insurance and bond expenses	17,452.96	31,728.85
Miscellaneous	6,884.53	3,633.29
Office supplies	806.60	1,042.77
Payroll taxes	4,243.98	4,074.73
Postage	3,008.99	2,866.02
Repairs - meters	3,133.65	917.47
Repairs - other	1,392.64	407.43
Salaries	46,210.49	44,659.54
Supplies - other	11,981.13	6,307.22
Telephone	3,715.56	4,080.25
Truck expenses	1,717.07	1,610.37
Utilities	<u>6,211.90</u>	<u>5,677.71</u>
Total gas department	<u>250,496.00</u>	<u>219,919.45</u>
Water department:		
Accounting fees	480.00	480.00
Depreciation	59,232.76	59,080.75
Insurance	2,109.53	---
Miscellaneous	1,121.50	1,282.28
Materials and supplies	---	113.00
Outside services	87.50	---
Repairs	5,207.75	2,655.79
Supplies - other	11,364.78	9,336.81
Telephone	363.00	319.14
Truck expenses	<u>---</u>	<u>35.21</u>
Total water department	<u>79,966.82</u>	<u>73,302.98</u>

The accompanying notes are an integral part of this statement.

	<u>1996</u>	<u>1995</u>
Sewer department:		
Accounting fees	480.00	480.00
Insurance	4,293.52	4,097.15
Depreciation	75,483.83	75,501.53
Miscellaneous	1,520.00	1,870.95
Supplies - other	8,119.54	2,339.31
Payroll taxes	1,614.73	1,358.77
Repairs	4,140.95	3,732.06
Salaries	17,862.19	14,838.16
Truck expenses	10.00	765.80
Total sewer department	<u>113,524.76</u>	<u>104,983.73</u>
Total operating expenses	443,987.58 =====	398,206.16 =====

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account group accounts for fixed assets not used in proprietary fund operations.

TOWN OF WASHINGTON, 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

	1996		Variance - Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Sales Taxes	\$ 56,000.00	\$ 55,370.54	\$(629.46)	\$ 52,515.67
Miscellaneous revenues:				
Interest on investments	10,300.00	12,052.65	1,752.65	9,979.63
Total revenues	<u>66,300.00</u>	<u>67,423.19</u>	<u>1,123.19</u>	<u>62,495.30</u>
Expenditures:				
General government	---	59.95	(59.95)	---
Total expenditures	<u>---</u>	<u>59.95</u>	<u>(59.95)</u>	<u>---</u>
Excess of revenues over expenditures	66,300.00	67,363.24	1,063.24	62,495.30
Other financing uses:				
Operating transfer to:				
General Fund	58,000.00	57,018.01	981.99	62,032.20
Utility Fund	43,301.00	43,300.72	.28	34,650.66
Total other uses	<u>101,301.00</u>	<u>100,318.73</u>	<u>982.27</u>	<u>96,682.86</u>
Excess (deficiency) of revenues over expenditures & other uses	(35,001.00)	(32,955.49)	2,045.51	(34,187.56)
Fund balance, beginning	<u>---</u>	<u>247,610.91</u>	<u>247,610.91</u>	<u>281,798.47</u>
Fund balance, ending	(35,001.00) =====	214,655.42 =====	249,656.42 =====	247,610.91 =====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
STATEMENT OF CHANGES IN GENERAL FIXED ASSETS
Year Ended June 30, 1996

	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
General fixed assets, beginning of year	\$ 60,980	\$ 384,397	\$ 681,251
Additions:			
Special fund revenues	<u>---</u>	<u>---</u>	<u>11,333</u>
Total additons	<u>---</u>	<u>---</u>	<u>24,981</u>
General fixed assets, end of year	<u>60,980</u> =====	<u>384,397</u> =====	<u>692,584</u> =====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
SPECIAL REVENUE FUND
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>Cemetery</u>	<u>Sales Tax</u>	<u>Totals</u>	
			<u>1996</u>	<u>1995</u>
Revenue:				
Taxes	\$ ---	\$ 55,370.54	\$ 55,370.54	\$ 52,515.67
Charges for services	8,645.00	---	8,645.00	6,490.00
Miscellaneous	---	12,052.65	12,052.65	9,979.63
Total revenues	<u>8,645.00</u>	<u>67,423.19</u>	<u>76,068.19</u>	<u>68,985.30</u>
Expenditures:				
General government	<u>18,888.46</u>	<u>59.95</u>	<u>18,948.41</u>	<u>15,109.28</u>
Total expenditures	<u>18,888.46</u>	<u>59.95</u>	<u>18,948.41</u>	<u>12,506.55</u>
Excess (deficiency) of revenues over expenditures	(10,243.46)	67,363.24	57,119.78	57,401.14
Other financing sources (uses):				
Operating transfers in	11,000.00	---	11,000.00	5,400.00
Operating transfers out	---	(100,318.73)	(100,318.73)	(162,800.72)
Total other financing sources (uses)	<u>11,000.00</u>	<u>(100,318.73)</u>	<u>(89,318.73)</u>	<u>(157,400.72)</u>
Excess (deficiency) of revenues and other sources over expend- itures and other uses	756.54	(32,955.49)	(32,198.95)	(99,999.58)
Fund balances, beginning	<u>998.05</u>	<u>247,610.91</u>	<u>248,608.96</u>	<u>382,215.38</u>
Fund balances, ending	<u>1,754.59</u>	<u>214,655.42</u>	<u>216,410.01</u>	<u>282,215.80</u>
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
UTILITY FUND
COMPARATIVE BALANCE SHEET
June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
ASSETS		
Current assets:		
Cash	\$ 78,722.57	\$ 32,297.06
Investments, at cost	109,448.24	223,328.70
Accounts receivable, net of allowance for uncollectable accounts (\$671.25)	32,890.97	32,731.81
Unbilled service revenue	17,457.63	18,883.83
Accrued interest receivable	3,436.80	1,546.43
Due from debt service fund	383.90	383.90
Due from sales tax fund	66,468.19	---
Inventory	5,355.17	---
Prepaid expenses	<u>2,320.22</u>	<u>358.19</u>
Total current assets	<u>316,483.69</u>	<u>309,529.92</u>
Restricted assets:		
Bond reserve account:		
Investments, at cost	235,126.89	262,812.93
Bond contingency account:		
Investments, at cost	40,621.82	38,122.02
Customers deposits:		
Cash	22,414.21	20,160.57
Investments, at cost	<u>38,884.45</u>	<u>37,700.82</u>
Total restricted assets	<u>337,047.37</u>	<u>358,796.34</u>
Plant and equipment, at cost, net of accumulated depreciation (1996 - \$1,715,166.89; 1995 - \$1,568,968.70)	<u>2,256,474.57</u>	<u>2,384,556.74</u>
Total assets	<u>2,910,005.63</u> =====	<u>3,052,883.00</u> =====

The accompanying notes are an integral part of this statement.

ENTERPRISE FUND

Utility Fund - To account for the provision of gas, water and sewer services to resident 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 WASHINGTON, LOUISIANA
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP) BASIS AND ACTUAL
Year Ended June 30, 1996

	Street Paving Project Fund		
	Budget	Actual	(Unfavorable)
Revenues:			
Miscellaneous -			
Interest Income	\$ ---	\$ ---	\$ ---
Total revenue	---	---	---
Expenditures:	---	---	---
Excess revenues over expenditures	---	---	---
Other financing uses:			
Operating transfer from (to):			
General fund	---	---	---
Utility fund	---	---	---
Total other uses	---	---	---
Excess (deficiency) of revenues over expenditures and other uses	---	---	---
Fund balance, beginning	---	8,731.15	8,731.15
Fund balance, ending	---	8,731.15	8,731.15
	-----	-----	-----

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
June 30, 1996

With Comparative Totals for Year Ended June 30, 1995

	Street Paving Project Fund	
	1996	1995
Revenues:		
Miscellaneous -		
Interest Income	\$ ---	\$ ---
Total revenue	---	---
Expenditures:		
Principle retirement	---	---
Interest	---	---
Total expenditures	---	---
Excess (deficiency) of revenues over expenditures	---	---
Other financing sources (uses):		
Operating transfer from (to)		
Sales tax fund	---	---
Utility fund	---	---
Total other sources (uses)	---	---
Excess (deficiency) of revenues and other sources over expenditures and other uses	---	---
Fund balance, beginning	8,731.15	8,731.15
Fund balance, ending	8,731.15	8,731.15

The accompanying notes are an integral part of this statement.

DEBT SERVICE FUND

To account for the funds generated by assessing individual property owners for a share of the cost of paving several streets within the Town.

TOWN OF WASHINGTON, LOUISIANA
SPECIAL REVENUE FUNDS
CEMETERY 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		
Revenues:				
Charges for services:				
Sale of plots	\$ 4,000.00	\$ 3,900.00	\$(100.00)	\$ 5,500.00
Interment fees	650.00	625.00	(25.00)	950.00
Maintenance & upkeep	3,150.00	4,120.00	970.00	40.00
Total revenues	<u>7,800.00</u>	<u>8,645.00</u>	<u>845.00</u>	<u>6,490.00</u>
Expenditures:				
General government:				
Miscellaneous	3,430.00	3,562.20	(132.20)	2,440.20
Interment fees	200.00	190.00	10.00	210.00
Gas, oil & repairs	2,200.00	2,242.95	(42.95)	2,112.32
Supplies	100.00	69.98	30.02	698.77
Capital outlay	600.00	599.00	1.00	765.00
Salaries	10,800.00	11,191.60	(391.60)	8,190.25
Payroll taxes	800.00	1,032.73	(232.73)	692.74
Total expenditures	<u>18,130.00</u>	<u>18,888.46</u>	<u>(758.46)</u>	<u>15,109.28</u>
Excess (deficiency) of revenues over expenditures	(10,330.00)	(10,243.46)	86.54	(8,619.28)
Other financing sources:				
Operating transfer from				
Utility Fund	11,000.00	11,000.00	---	9,200.00
Total other sources	<u>11,000.00</u>	<u>11,000.00</u>	---	<u>9,200.00</u>
Excess (deficiency) of revenues over expenditures	670.00	756.54	86.54	580.72
Fund balance, beginning	---	998.05	998.05	417.33
Fund balance, ending	670.00	1,754.59	1,084.59	998.05
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
 COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
 June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
General Fixed Assets		
Land	\$ 60,980	\$ 60,980
Buildings	384,397	384,397
Improvements other than buildings	692,584	681,251
Equipment	231,167	231,167
Other structures and improvements	<u>74,021</u>	<u>28,336</u>
Total general fixed assets	1,443,149 =====	1,386,131 =====
Investment in General Fixed Assets From:		
General Fund revenues	345,546	345,546
Federal Revenue Sharing Fund revenues	71,788	71,788
Special Revenue Fund revenues	325,049	268,031
Federal grants	325,000	325,000
Contributions by property owners	121,273	121,273
Utility Fund revenues	47,675	47,675
State Revenue Sharing Funds	19,675	19,675
Department of Transportation	176,000	176,000
State Mineral Trust Fund	<u>11,143</u>	<u>11,143</u>
Total investment in general fixed assets	1,443,149 =====	1,386,131 =====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN RETAINED EARNINGS - PROPRIETARY FUND TYPE
 Years Ended June 30, 1996 and 1995

	Enterprise	
	1996	1995
Operating revenues:		
Charges for services:		
Gas sales	\$ 356,946.61	\$ 334,446.62
Water sales	87,037.33	86,792.36
Sewer charges	38,446.35	37,995.40
Connection charges	1,817.98	2,350.00
Tapping charges	3,408.36	1,385.00
Miscellaneous revenues	1,510.48	1,026.01
Total operating revenue	489,167.11	463,995.39
Operating expenses:		
Gas department	250,496.00	219,919.45
Water department	79,966.82	73,302.98
Sewer department	113,524.76	104,983.73
Total operating expenses	443,987.58	398,206.16
Operating income	45,679.53	65,789.23
Non-operating revenues (expenses):		
Interest income	16,897.69	16,121.33
Interest expense	(42,522.41)	(44,695.93)
Total non-operating revenues (expenses)	(25,624.72)	(28,574.60)
Income (loss) before operating transfers	20,054.81	37,214.63
Transfers to General Fund	180,481.99	202,698.55
Transfers to Cemetery Fund	11,000.00	9,000.00
Transfers from Sales Tax Fund	(43,300.72)	(34,650.66)
Net operating transfers	148,181.27	177,047.89
Net income (loss)	(128,626.46)	(139,833.26)
Retained earnings (deficit), beginning	(637,642.39)	(497,809.13)
Retained earnings (deficit), ending	(766,268.85)	(637,642.39)

The accompanying notes are an integral part of this statement.

For all of the internal control structure categories listed above, 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.

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 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. 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 the Town Council, the federal grantor agency, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.



RICHARD C. URBAN, C.P.A.

Opelousas, Louisiana
October 21, 1996

RICHARD C. URBAN

CERTIFIED PUBLIC ACCOUNTANT

MEMBER:
AMERICAN INSTITUTE OF
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SOCIETY OF LOUISIANA
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1137 HEATHER DRIVE
OPELOUSAS, LOUISIANA 70570
PHONE (318) 942-2154

To the Mayor and Board of Aldermen
Town of Washington, Louisiana

INDEPENDENT AUDITOR'S REPORT

We have audited the general purpose financial statements of the Town of Washington, Louisiana, for the year ended June 30, 1996, and have issued our report thereon dated October 21, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit of the general purpose financial statements of the Town of Washington, Louisiana, for the year ended June 30, 1996, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the Town of Washington, 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 authorizations and recorded properly to permit the preparation of general purpose financial statements in accordance with the prescribed basis of accounting. 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.

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories: cash receipts, cash disbursements, and reporting.

RICHARD C. URBAN

CERTIFIED PUBLIC ACCOUNTANT

MEMBER:
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PHONE (318) 942-2154

To the Mayor and Board of Aldermen
Town of Washington, Louisiana

INDEPENDENT AUDITOR'S REPORT

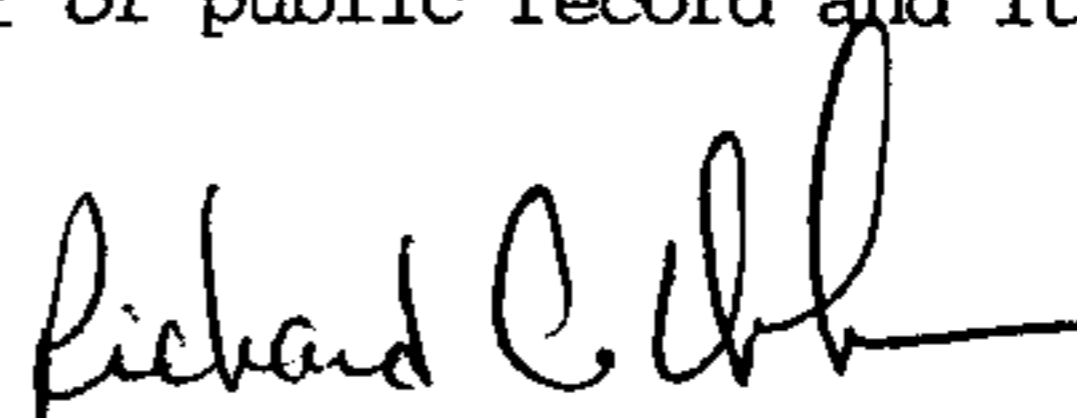
We have audited the general purpose financial statements of the Town of Washington, Louisiana, for the year ended June 30, 1996, and have issued our report thereon dated October 21, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Town of Washington, Louisiana, is the responsibility of the Town's management. As part of obtaining reasonable assurance about whether the general purpose 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 of overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, the Town of Washington, Louisiana, complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Town had not complied, in all material respects, with those provisions.

This report is intended for the information of the Town Council, the federal grantor agency, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.



RICHARD C. URBAN, C.P.A.

Opelousas, Louisiana
October 21, 1996

NOTES TO FINANCIAL STATEMENTS (continued)

Bond Sinking Fund

There shall next be set aside into a fund called the "Bond Sinking Fund" during each fiscal year, an amount sufficient to pay all principal and interest falling due on October 1 of the current fiscal year and April 1 of the next succeeding fiscal year on all bonds and obligations payable therefrom. The amount to be so paid into such fund in each fiscal year shall be paid in monthly installments on or before the 20th day of each month.

Contingency Fund

There shall next be set aside into the "Contingency Fund" a monthly deposit equal to 5% of the amount to be paid into the "Sinking Fund" for the corresponding monthly period. Such deposits shall continue for the life of the bonds.

Reserve Fund

In addition, there shall be paid into a "Reserve Fund" a sum equal to 5% of the amount to be paid into the "Sinking Fund" for the corresponding monthly period. Such deposits shall continue until such time as there is on deposit in the "Reserve Fund" an amount equal to the highest combined principal and interest requirements falling due and any succeeding bond year.

NOTE 12 - RETIREMENT COMMITMENTS

The Town of Washington is a member of the Municipal Police Employees Retirement System of Louisiana, which covers the eligible employees of the police department. Other Town Employees are not covered by a plan. No employees were eligible to participate during the fiscal year ended June 30, 1996. The Town makes contributions for the covered employees based on fourteen percent (14%) of compensation, of which seven percent (7%) is the employees' share. No contributions were made during the fiscal year ended June 30, 1996.

NOTE 13 - FOOD STAMP PROGRAM

The Town of Washington assisted the St. Landry Parish Police Jury in distributing food stamps to qualified recipients. The Town provided space in the town hall as well as employees to distribute the food stamps. The Town was reimbursed by the State of Louisiana for a portion of the cost of distributing these food stamps. All expenses associated with this program as well as all reimbursements received have been accounted for in the General Fund. From July 1, 1995 until December 18, 1995, the Town received and distributed \$176,440 in food stamps. At June 30, 1996, the Town no longer participates in this assistance program and has accounted for and returned all unissued food stamps to the State of Louisiana.

FINANCIAL SECTION

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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 _____

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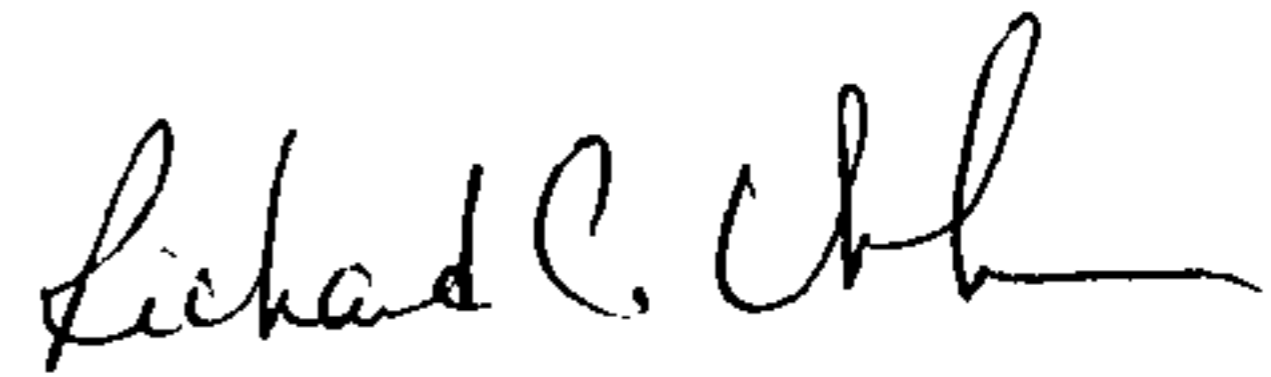
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Town Council
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and, in our opinion, is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds and account group, taken as a whole.

A handwritten signature in black ink, appearing to read "Richard C. Urban". The signature is written in a cursive style with a long horizontal flourish at the end.

RICHARD C. URBAN, C.P.A.

Opelousas, Louisiana
October 18, 1996

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FINANCIAL REPORT
OF THE
TOWN OF WASHINGTON, LOUISIANA
FOR THE YEAR ENDED 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 FEB 5 1997

RICHARD C. URBAN
CERTIFIED PUBLIC ACCOUNTANT
(A Professional Accounting Corporation)

RICHARD C. URBAN

CERTIFIED PUBLIC ACCOUNTANT (WE)

LEGISLATIVE AUDITOR

96 DEC 12 AM 8:57

MEMBER:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Town Council
Town of Washington, Louisiana

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

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

In our opinion, the general purpose financial statements referred to above, present fairly in all material respects, the financial position of the Town of Washington, Louisiana, as of June 30, 1996, and the results of its operations and cash flows of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the Town of Washington, Louisiana, at June 30, 1995, and the results of operations of such funds and the cash flows of individual proprietary funds for the year then ended, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining, individual fund and account group financial statements. The accompanying financial information listed as supporting schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Town of Washington, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining and individual fund and account group financial statements

Receipt Acknowledged
Legislative Auditor

1

By _____

**GENERAL PURPOSE
FINANCIAL STATEMENTS**

TOWN OF WASHINGTON, LOUISIANA
 COMBINING BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 1996
 With Comparative Totals for June 30, 1995

	Governmental Fund Types		
	General	Special Revenue	Debt Service
ASSETS			
Cash	\$ 15,109	\$ 15,750	\$ ---
Investments, at cost	---	262,816	---
Receivables (net of allow- ance for uncollectables):			
Interest	---	4,427	---
Taxes	1,985	---	---
Accounts	---	---	---
Special assessments	---	---	9,115
Due from other funds	---	---	---
Unbilled service revenue	---	---	---
Inventory	---	---	---
Prepaid expenses	---	---	---
Restricted assets:			
Cash	---	---	---
Investments, at cost	---	---	---
Fixed assets (net of accumulated depreciation)	---	---	---
 Total Assets	 17,094 =====	 282,993 =====	 9,115 =====

The accompanying notes are an integral part of this statement.

Proprietary Fund	Account Groups		TOTALS (Memorandum Only)	
	General Fixed Assets	General Long-term Debt	1996	1995
Enterprise				
\$ 78,723	\$ ---	\$ ---	\$ 109,582	\$ 58,010
109,448	---	---	372,264	455,386
3,437	---	---	7,864	5,180
---	---	---	1,985	1,801
32,891	---	---	32,891	32,732
---	---	---	9,115	9,115
66,852	---	---	66,852	384
17,458	---	---	17,458	18,884
5,355	---	---	5,355	---
2,320	---	---	2,320	358
22,414	---	---	22,414	20,160
314,633	---	---	314,633	338,636
<u>2,256,475</u>	<u>1,443,149</u>	<u>---</u>	<u>3,699,624</u>	<u>3,770,688</u>
2,910,006	1,443,149	---	4,662,357	4,711,334
=====	=====	=====	=====	=====

TOWN OF WASHINGTON, LOUISIANA
 COMBINING BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 1996
 With Comparative Totals for June 30, 1995

	Governmental Fund Types		
	General	Special Revenue	Debt Service
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$ 5,743	\$ ---	\$ ---
Accrued expenses	2,147	115	---
Due to other funds	---	66,468	384
Current liabilities payable from restricted assets:			
Utility refunding bonds payable	---	---	---
Accrued interest payable	---	---	---
Customers' deposits	---	---	---
Utility refunding bonds payable	---	---	---
Total liabilities	7,890	66,583	384
Fund equity:			
Investments in general fixed assets	---	---	---
Contributed capital	---	---	---
Retained earnings:			
Reserved	---	---	---
Unreserved	---	---	---
Fund balances:			
Reserved for debt service	---	214,655	---
Unreserved-undesignated	9,204	1,755	8,731
Total fund equity	9,204	216,410	8,731
Total liabilities and fund equity	17,094 =====	282,993 =====	9,115 =====

The accompanying notes are an integral part of this statement.

Proprietary Fund	Account Groups		TOTALS (Memorandum Only)	
	General Fixed Assets	General Long-term Debt	1996	1995
Enterprise				
\$ 3,642	\$ ---	\$ ---	\$ 9,385	\$ 4,498
2,231	---	---	4,493	1,070
---	---	---	66,852	384
21,517	---	---	21,517	19,652
10,198	---	---	10,198	10,853
41,462	---	---	41,462	39,297
<u>351,357</u>	<u>---</u>	<u>---</u>	<u>351,357</u>	<u>372,874</u>
<u>430,407</u>	<u>---</u>	<u>---</u>	<u>505,264</u>	<u>448,628</u>
---	1,443,149	---	1,443,149	1,386,131
3,245,867	---	---	3,245,867	3,245,867
275,749	---	---	275,749	300,935
(1,042,017)	---	---	(1,042,017)	(938,577)
---	---	---	214,655	247,611
---	---	---	19,690	20,739
<u>2,479,599</u>	<u>1,443,149</u>	<u>---</u>	<u>4,157,093</u>	<u>4,262,706</u>
<u>2,910,006</u>	<u>1,443,149</u>	<u>---</u>	<u>4,662,357</u>	<u>4,711,334</u>
=====	=====	=====	=====	=====

TOWN OF WASHINGTON, LOUISIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
 Year Ended June 30, 1996
 With Comparative Totals for the Year Ended June 30, 1995

	<u>Governmental Fund Types</u>			TOTALS	
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	(Memorandum Only)	
				<u>1996</u>	<u>1995</u>
Revenues:					
Taxes	\$ 19,745	\$ 55,370	\$ ---	\$ 75,115	\$ 71,225
Licenses and permits	31,865	---	---	31,865	29,850
Intergovernmental	11,116	---	---	11,116	8,828
Charges for services	1,365	8,645	---	10,010	8,800
Fines	15,906	---	---	15,906	19,534
Miscellaneous	42,571	---	---	42,571	34,268
Interest	---	12,053	---	12,053	9,979
Total revenues	<u>122,568</u>	<u>76,068</u>	<u>---</u>	<u>198,636</u>	<u>182,484</u>
Expenditures:					
Current:					
General government	191,560	18,948	---	210,508	170,422
Public safety - police	103,445	---	---	103,445	127,213
Street department	66,869	---	---	66,869	98,545
Capital outlay	---	---	---	---	---
Total expenditures	<u>361,874</u>	<u>18,948</u>	<u>---</u>	<u>380,822</u>	<u>396,180</u>
Excess (deficiency) of revenues over (under) expenditures	(239,306)	57,120	---	(182,186)	(213,696)
Other financing sources (uses):					
Operating transfers in	237,500	11,000	---	248,500	273,930
Operating transfers out	---	(100,319)	---	(100,319)	(96,683)
Total other financing sources (uses)	<u>237,500</u>	<u>(89,319)</u>	<u>---</u>	<u>148,181</u>	<u>177,247</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,806)	(32,199)	---	(34,005)	(36,449)
Fund balance, beginning	<u>11,010</u>	<u>248,609</u>	<u>8,731</u>	<u>268,350</u>	<u>304,799</u>
Fund balance, ending	9,204	216,410	8,731	234,345	268,350
	=====	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - GENERAL,
 SPECIAL REVENUE, AND DEBT SERVICE FUNDS
 For the Year Ended June 30, 1996

	General Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Taxes	\$ 19,200	\$ 19,745	\$ 545
Licenses and permits	32,800	31,865	(935)
Intergovernmental	11,300	11,116	(184)
Charges for services	1,000	1,365	365
Fines	16,600	15,906	(694)
Miscellaneous	42,700	42,571	(129)
Interest	---	---	---
Total revenues	<u>123,600</u>	<u>122,568</u>	<u>(1,032)</u>
Expenditures:			
General government	195,030	191,560	3,470
Public safety	100,230	103,445	(3,215)
Street department	66,900	66,869	31
Capital Outlay	---	---	---
Total expenditures	<u>362,160</u>	<u>361,874</u>	<u>286</u>
Excess (deficiency) of revenues over (under) expenditures	(238,560)	(239,306)	(746)
Other financing sources (uses):			
Operating transfers in	238,000	237,500	(500)
Operating transfers out	---	---	---
Total other financing sources (uses)	<u>238,000</u>	<u>237,500</u>	<u>(500)</u>
Excess (deficiency) of revenues and other sources over expen- ditures and other uses	(560)	(1,806)	(1,246)
Fund balance, beginning	<u>---</u>	<u>11,010</u>	<u>11,010</u>
Fund balance, ending	(560) =====	9,204 =====	9,764 =====

The accompanying notes are an integral part of this statement.

Special Revenue Fund			Debt Service Fund		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 56,000	\$ 55,370	\$ (630)	\$ ---	\$ ---	\$ ---
---	---	---	---	---	---
---	---	---	---	---	---
7,800	8,645	845	---	---	---
---	---	---	---	---	---
---	---	---	---	---	---
10,300	12,053	1,753	---	---	---
<u>74,100</u>	<u>76,068</u>	<u>1,968</u>	<u>---</u>	<u>---</u>	<u>---</u>
18,130	18,948	(818)	---	---	---
---	---	---	---	---	---
---	---	---	---	---	---
---	---	---	---	---	---
<u>18,130</u>	<u>18,948</u>	<u>(818)</u>	<u>---</u>	<u>---</u>	<u>---</u>
55,970	57,120	1,150	---	---	---
11,000	11,000	---	---	---	---
<u>(101,301)</u>	<u>(100,319)</u>	<u>982</u>	<u>---</u>	<u>---</u>	<u>---</u>
<u>(90,301)</u>	<u>(89,319)</u>	<u>982</u>	<u>---</u>	<u>---</u>	<u>---</u>
(34,331)	(32,199)	2,132	---	---	---
---	248,609	248,609	---	8,731	8,731
<u>(34,331)</u>	<u>216,410</u>	<u>250,741</u>	<u>---</u>	<u>8,731</u>	<u>8,731</u>
=====	=====	=====	=====	=====	=====