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CITY OF BOGALUSA, LOUISIANA

*General-Purpose Financial Statements,
Supplemental Information and Independent Auditor's Reports*

Year Ended December 31, 1995

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 7-17-96

Richard M. Seal
CERTIFIED PUBLIC ACCOUNTANT

CITY OF BOGALUSA, LOUISIANA

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*AUDIT REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, I have also issued a report dated May 24, 1996, on my consideration of the City of Bogalusa's internal control structure and a report, dated May 24, 1996, on its compliance with laws and regulations.

My audit was made 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 City of Bogalusa, Louisiana. Such information has been subjected to auditing procedures applied in the audit of the general-purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.



Certified Public Accountant

Bogalusa, Louisiana
May 24, 1996

GENERAL-PURPOSE FINANCIAL STATEMENTS

CITY OF BOGALUSA, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS
AND DISCRETELY PRESENTED COMPONENT UNITS

December 31, 1995

	Governmental Fund Types			Proprietary Fund Type Enterprise	Fiduciary Fund Type Pension	Account Groups			Totals- Memorandum Only Primary Government	Discretely Presented Component Units
	General	Special Revenue	Debt Service Capital Projects			General	Fixed Assets	Long-Term Debt		
ASSETS AND OTHER DEBITS										
Assets:										
Cash	\$ 467,462	\$ 1,724,045	\$ 362,019	\$ 846,113	\$ 76,253	\$ 117,827	\$	\$ 3,593,719	\$ 69,968	
Investments		6,000				6,164,173		6,170,173	16,785	
Accrued interest receivable						51,298		51,298		
Receivables	605,449	312,243	134,506	35,387	131,367			1,218,952	32,712	
Interfund receivables	364,337	44,057			26,630	198,501		633,525	1,950	
Inventory of supplies, at cost	27,915							27,915		
Equity in Choctaw Road Landfill			6				21,454,934	6	7,429	
Fixed assets					8,854,908			30,309,842		
Other debits:										
Amount available in debt service funds							496,526	496,526		
Amount to be provided for retirement of general long-term debt							3,722,012	3,722,012		
Total assets and other debits	\$ 1,465,163	\$ 2,086,351	\$ 496,525	\$ 881,500	\$ 9,089,158	\$ 6,531,799	\$ 21,454,934	\$ 46,223,968	\$ 128,844	

**LIABILITIES AND
FUND EQUITY**

Liabilities:									
Accounts payable	\$ 139,925	\$ 58,542	\$	\$ 1,741	\$ 63,868	\$ 1,031	\$	\$ 265,107	\$ 1,270
Workers' compensation claims payable	122,020	88,617					174,987	297,007	34,175
Retainage payable								88,617	1,950
Due to other governmental units								633,896	36,751
Interfund payable	196,631	281,796	34,926		120,543				
Other payables									
General obligation bonds payable							1,545,000	1,545,000	

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF BOGALUSA, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS
AND DISCRETELY PRESENTED COMPONENT UNITS

December 31, 1995

	Governmental Fund Types				Proprietary Fund Type Enterprise	Fiduciary Fund Type Pension	Account Groups			Totals- Memorandum Only Primary Government	Discretely Presented Component Units
	General	Special Revenue	Debt Service	Capital Projects			General	Fixed Assets	Long-Term Debt		
LIABILITIES AND FUND EQUITY											
Certificates of indebtedness	\$ 955,000	\$	\$	\$	\$	\$	\$ 739,385	\$	\$ 1,694,385	\$	
Accumulated unpaid vacation & sick pay					52,581		384,940		437,521 14,780		
Due to Choctaw Road Landfill		14,780					1,238,323		1,238,323		
Due to Firefighter's Retirement System							47,929		47,929		
Capital leases payable							87,974		87,974		
Landfill closure and post-closure care costs				36,667		1,031	4,218,538		6,350,539		74,146
Total liabilities	1,413,576	443,735		36,667	236,992	1,031	4,218,538		6,350,539		74,146
Fund equity:					18,934,166				18,934,166		
Contributed capital								21,454,934	21,454,934		7,429
Investment in general fixed assets									(10,082,000)		
Retained earnings: Unreserved					(10,082,000)						
Fund balances (deficit):									27,915		
Reserved for inventory of supplies	27,915										
Reserved for employee retirement			496,525						6,530,768		
Reserved for debt service											
Reserved for Cassidy Park	5,937										
Reserved for Diamond Jubilee	64								64		
Unreserved - undesignated	17,671	1,642,616		844,833					2,505,120		47,269
Total fund equity	51,587	1,642,616	496,525	844,833	8,852,166			21,454,934	39,873,429		54,698
Total liabilities and fund equity	1,465,163	2,086,351	496,525	881,500	9,089,158	6,531,799	4,218,538	21,454,934	46,223,968		128,844

(Concluded)
The accompanying notes are an integral part of this statement.

CITY OF BOGALUSA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS
Year Ended December 31, 1995

	General	Special Revenue	Debt Service	Capital Projects	Totals- Memorandum Only	Discretely Presented Component Units
Revenues:						
Taxes	\$ 3,454,976	\$ 2,736,407	\$ 481,075	\$	\$ 6,672,458	\$
Licenses and permits	431,660				431,660	
Franchise fees	301,678			264,554	301,678	4,820
Intergovernmental	185,261	139,588			589,403	
Service charges	5,560				5,560	
Fines and penalties	72,457				72,457	70,999
Miscellaneous	54,957	226,890	5,466	35,364	322,677	33,060
Total revenues	<u>4,506,549</u>	<u>3,102,885</u>	<u>486,541</u>	<u>299,918</u>	<u>8,395,893</u>	<u>108,879</u>
Expenditures:						
Current -						
General government	1,803,052	125,619			1,928,671	55,389
Public safety	2,766,996				2,766,996	
Public works	1,133,212				1,133,212	
Highway, streets & sanitation		1,681,058			1,681,058	
Health and welfare		140,616			140,616	
Culture and recreation		59,300			59,300	
Economic development & assistance		97,716			97,716	49,928
Pension contributions	649,710				649,710	
Capital outlay	63,290	214,389		395,883	673,562	
Debt service -						
Principal retirement	3,432	26,872	662,878		693,182	
Interest and fiscal charges	970	2,884	155,171		159,025	
Total expenditures	<u>6,420,662</u>	<u>2,348,454</u>	<u>818,049</u>	<u>395,883</u>	<u>9,983,048</u>	<u>105,317</u>

(Continued)
The accompanying notes are an integral part of this statement

CITY OF BOGALUSA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS
Year Ended December 31, 1995

	General	Special Revenue	Debt Service	Capital Projects	Totals- Memorandum Only Primary Government	Discretely Presented Component Units
Excess (deficiency) of revenues over expenditures	\$ (1,914,113)	\$ 754,431	\$ (331,508)	\$ (95,965)	\$ (1,587,155)	\$ 3,562
Other financing sources (uses):						
Choctaw Road Landfill joint venture income (loss)		(108,010)			(108,010)	743
Operating transfers in	1,614,585	57,879	402,121	124,794	2,199,379	(500)
Operating transfers (out)	(57,379)	(1,445,402)			(1,502,781)	
Capital lease financing	20,280				20,280	
Total other financing sources (uses)	1,577,486	(1,495,533)	402,121	124,794	608,868	243
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(336,627)	(741,102)	70,613	28,829	(978,287)	3,805
Fund balances, beginning	388,214	2,383,718	425,912	816,004	4,013,848	43,464
Fund balances, ending	\$ 51,587	\$ 1,642,616	\$ 496,525	\$ 844,833	\$ 3,035,561	\$ 47,269

(Concluded)
The accompanying notes are an integral part of this statement.

CITY OF BOGALUSA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUND TYPES
 Year Ended December 31, 1995

	General Fund		Variance- Favorable (Unfavorable)	Special Revenue Fund Type		Variance- Favorable (Unfavorable)	Debt Service Fund Type		Variance- Favorable (Unfavorable)
	Budget	Actual		Budget	Actual		Budget	Actual	
Revenues:									
Taxes	\$ 3,829,000	\$ 3,454,976	\$ (374,024)	\$ 3,005,490	\$ 2,736,407	\$ (269,083)	\$ 483,990	\$ 481,075	\$ (2,915)
Licenses and permits	423,430	431,660	8,230						
Franchise fees	295,660	301,678	6,018						
Intergovernmental	137,380	185,261	47,881	140,440	139,588	(852)			
Service charges	8,500	5,560	(2,940)						
Fines and penalties	60,000	72,457	12,457						
Miscellaneous	59,430	54,957	(4,473)	242,200	226,890	(15,310)	3,000	5,466	2,466
Total revenues	4,813,400	4,506,549	(306,851)	3,388,130	3,102,885	(285,245)	486,990	486,541	(449)
Expenditures:									
Current -									
General government	1,708,980	1,803,052	(94,072)	365,190	125,619	239,571			
Public safety	2,602,860	2,766,996	(164,136)						
Public works	1,107,620	1,133,212	(25,592)						
Highways, streets and sanitation				2,235,790	1,681,058	554,732			
Health & welfare				140,590	140,616	(26)			
Culture and recreation				55,180	59,300	(4,120)			
Economic development & assistance				180,000	97,716	82,284			
Pension contributions	632,730	649,710	(16,980)						
Capital outlay	40,000	63,290	(23,290)		214,389	(214,389)			
Debt service:									
Principal retirement		3,432	(3,432)		26,872	(26,872)	643,430	662,878	(19,448)
Interest & fiscal charges		970	(970)		2,884	(2,884)	175,580	155,171	20,409
Miscellaneous				50,000		50,000			
Total expenditures	6,092,190	6,420,662	(328,472)	3,026,750	2,348,454	678,296	819,010	818,049	961

(Continued)
 The accompanying notes are an integral part of this statement.

CITY OF BOGALUSA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUND TYPES
 Year Ended December 31, 1995

	General Fund		Special Revenue Fund Type		Debt Service Fund Type	
	Budget	Actual	Budget	Actual	Budget	Actual
Excess (deficiency) of revenue over expenditures	\$ (1,278,790)	\$ (1,914,113)	\$ 361,380	\$ 754,431	\$ (332,020)	\$ (331,508)
		\$ (635,323)		\$ 393,051		\$ 512
Other financing sources (uses):						
Choctaw Road Landfill joint venture income (loss)				(108,010)		(229)
Operating transfers in	1,628,660	1,614,585	45,670	57,879	402,350	402,121
Operating transfers (out)	(45,670)	(57,379)	(1,559,480)	(1,445,402)		
Capital lease financing	20,280	20,280				
Total other financing sources (uses)	1,582,990	1,577,486	(1,513,810)	(1,495,533)	402,350	402,121
		(5,504)		18,277		(229)
Excess (deficiency) of revenue and other financing sources over expenditures and other uses	304,200	(336,627)	(1,152,430)	(741,102)	70,330	70,613
Fund balances, beginning	114,550	388,214	2,183,330	2,383,718	425,910	425,912
Fund balances (deficit), ending	\$ 418,750	\$ 51,587	\$ 1,030,900	\$ 1,642,616	\$ 496,240	\$ 496,525
		\$ (367,163)		\$ 611,716		\$ 285

(Concluded)
 The accompanying notes are an integral part of this statement.

CITY OF BOGALUSA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN RETAINED EARNINGS - PROPRIETARY FUND TYPE
AND FIDUCIARY FUND TYPE
Year Ended December 31, 1995

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>
	<u>Enterprise</u>	<u>Pension Trusts</u>
Operating revenues:		
Charges for services	\$ 1,932,500	\$
Taxes	90,224	195,428
Interest		404,618
Contributions		336,069
Miscellaneous	<u>46,042</u>	<u> </u>
Total operating revenues	<u>2,068,766</u>	<u>936,115</u>
Operating expenses:		
Billing & collection	44,143	
Water and sewer works	345,495	
Sewer treatment plant	130,212	
Sewer collection system	94,651	
General and administrative	1,192,255	
Benefit payments		573,412
Other	<u> </u>	<u>33,264</u>
Total operating expense	<u>1,806,756</u>	<u>606,676</u>
Operating income	<u>262,010</u>	<u>329,439</u>
Other financing sources (uses):		
Operating transfers in	128,901	
Operating transfers (out)	<u>(825,000)</u>	<u> </u>
Total other financing sources(uses)	<u>(696,099)</u>	<u> </u>
Net income (loss)	(434,089)	329,439
Retained earnings (deficit), beginning	<u>(9,647,911)</u>	<u>6,201,329</u>
Retained earnings (deficit), ending	<u>\$ (10,082,000)</u>	<u>\$ 6,530,768</u>

The accompanying notes are an integral part of this statement.

CITY OF BOGALUSA, LOUISIANA
ENTERPRISE FUND
UTILITY FUND

COMBINED STATEMENT OF CASH FLOWS
Year Ended December 31, 1995

Increase (Decrease) in Cash and Cash Equivalents:

CASH FLOWS FROM OPERATIONS:

Receipts from customers	\$ 1,937,341
Receipts from ad valorem taxes	83,887
Receipts from other revenues	46,042
Payments to suppliers	<u>(1,374,443)</u>
Net cash flow provided by operations	<u>692,827</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:

Operating transfers in	128,901
Operating transfers out	(825,000)
Decrease due to other funds	<u>(59,693)</u>
Net cash provided from non-capital financing activities	<u>(755,792)</u>

Net increase in Cash and Cash Equivalents (62,965)

Cash and Cash Equivalents at beginning of year 139,218

Cash and Cash Equivalents at end of year \$ 76,253

The accompanying notes are an integral part of this statement.

CITY OF BOGALUSA, LOUISIANA

Notes to the General-Purpose Financial Statements
As of and for the Year Ended December 31, 1995

INTRODUCTION

The City of Bogalusa, Louisiana (the City) was incorporated July 4, 1914, and is governed by the provisions of a home rule charter adopted October 22, 1977. The city operates under a "mayor-council" form of government.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for general purpose financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

As required by generally accepted accounting principles, these financial statements present the City of Bogalusa (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

Blended Component Units

Bogalusa Parks and Recreation Commission (the Commission) - The Bogalusa Parks and Recreation Commission is governed by a seventeen-member board appointed by the Mayor with the approval of the Council. The Commission was established by Ordinance No. 824 dated March 6, 1973. Although it is legally separate from the City, the Commission is reported as if it were part of the primary government because the City maintains the accounting records, and the financial statements of the Commission are not material to the financial statements of the City.

Bogalusa Community Arena Commission (the Commission) - The Bogalusa Community Arena Commission is governed by a eleven-member board appointed by the Mayor with approval of the Council. The Commission was established by

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

Ordinance 1607 dated June 21, 1995 and amended on December 20, 1995 by Ordinance 1623. Although it is legally separate from the City, the Commission is reported as if it were part of the primary government because the City maintains the accounting records, and the financial statements of the Commission are not material to the financial statements of the City.

City Employee's Retirement System, Firemen's Pension and Relief Fund, Policemen's Pension and Relief Fund (the Pension Plans) - The Pension Plans are legally separate organizations, but are fiscally dependent upon the City. They meet the definition of a component unit, but are not reported as component units because there is an exception to the rule for fiduciary pension plans. Therefore, the pension plans are blended into the general-purpose financial statements in the Fiduciary Fund Type column.

Discretely Presented Component Unit

City Court of Bogalusa (the Court) - The City Court of Bogalusa is a court of limited jurisdiction and serves Ward 4 of Washington Parish, Louisiana. Although the City Court Judge is an independently elected official, the Court is considered a component unit of the City because of fiscal dependence. The City provides the courtroom and office space for the Court. The City also pays salaries and retirement for the Court's secretaries.

Constable of City Court of Bogalusa (the Constable) - The office of Constable of City Court of Bogalusa was created by special legislative act R.S. 13:1952(5). The Constable is an elected official, and is responsible for executing the orders and mandates of the City Court of Bogalusa. The Constable is also fiscally dependent on the City and considered a component unit.

Christmas in the Park Commission (the Commission) - The Commission was created on November 1, 1995 by ordinance number 1588. The Commission is governed by an 11 member board appointed by the Mayor, with approval of the City Council. The Commission advises the Mayor and the City Council, stimulates public interest and accepts donations to enhance holiday lighting and activities.

The following two pages present condensed financial statements for each of the three discretely presented component units. Complete financial statements of the individual component units can be obtained from their respective administrative offices.

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

Administrative Offices

City Court of Bogalusa
202 Arkansas Avenue
Bogalusa, LA 70427

Constable of City Court of Bogalusa
202 Arkansas Avenue
Bogalusa, LA 70427

Christmas in the Park Commission
c/o Mr. Jerry Bailey
Director of Administration
Post Office Box 1179
Bogalusa, LA 70429-1179

Combining Balance Sheet - Component Units

	<u>City Court of Bogalusa</u>	<u>Constable of City Court of Bogalusa</u>	<u>Christmas in the Park Commission</u>	<u>Totals</u>
Assets:				
Cash	\$ 39,943	\$ 17,040	\$ 12,985	\$ 69,968
Investments	16,785			16,785
Receivables	32,712			32,712
Advance to other funds	1,950			1,950
Fixed assets		<u>7,429</u>		<u>7,429</u>
Total Assets	<u>\$ 91,390</u>	<u>\$ 24,469</u>	<u>\$ 12,985</u>	<u>\$ 128,844</u>
Liabilities:				
Accounts payable	\$	\$ 517	\$ 753	\$ 1,270
Due to other governmental units	34,175			34,175
Other payables	36,751			36,751
Advance from other funds	<u>1,950</u>			<u>1,950</u>
Total Liabilities	<u>72,876</u>	<u>517</u>	<u>753</u>	<u>74,146</u>
Equity:				
Investment in general fixed assets		7,429		7,429
Fund balance	<u>18,514</u>	<u>16,523</u>	<u>12,232</u>	<u>47,269</u>
Total Equity	<u>18,514</u>	<u>23,952</u>	<u>12,232</u>	<u>54,698</u>
Total Liabilities and Fund Equity	<u>\$ 91,390</u>	<u>\$ 24,469</u>	<u>\$ 12,985</u>	<u>\$ 128,844</u>

CITY OF BOGALUSA
 BOGALUSA, LOUISIANA
 Notes to the General-Purpose Financial Statements (continued)

**Combining Statement of Revenues, Expenditures, and
 Changes in Fund Equity - Component Units**

	<u>City Court of Bogalusa</u>	<u>Constable City Court of Bogalusa</u>	<u>Christmas in the Park Commission</u>	<u>Totals</u>
Revenues:				
Donations	\$	\$	\$ 18,771	\$ 18,771
Court costs and fees	52,469	18,530		70,999
Ticket sales			12,181	12,181
Intergovernmental	4,820			4,820
Interest	1,430		491	1,921
Other	187			187
Total Revenues	<u>58,906</u>	<u>18,530</u>	<u>31,443</u>	<u>108,879</u>
Expenditures:				
Current:				
General government	47,114	8,275		55,389
Culture and recreation			49,928	49,928
Total Expenditures	<u>47,114</u>	<u>8,275</u>	<u>49,928</u>	<u>105,317</u>
Excess(deficiency) of revenues over expenditures	<u>11,792</u>	<u>10,255</u>	<u>(18,485)</u>	<u>3,562</u>
Other financing sources (uses):				
Operating transfers in (uses)	743		(500)	243
Total other financing sources (uses)	<u>743</u>	<u>---</u>	<u>(500)</u>	<u>243</u>
Excess(deficiency) of revenues and other financing sources over expenditures and other uses	12,535	10,255	(18,985)	3,805
Fund Balances, beginning	<u>5,979</u>	<u>6,268</u>	<u>31,217</u>	<u>43,464</u>
Fund Balances, ending	<u>\$ 18,514</u>	<u>\$ 16,523</u>	<u>\$ 12,232</u>	<u>\$ 47,269</u>

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

Primary government officials may appoint some, or all, governing board members of organizations that are not included as component units in the primary government's reporting entity. These organizations are classified as (a) related organizations and (b) joint ventures, as follows:

Related Organizations

Housing Authority of Bogalusa - The Mayor, with confirmation of the City Council, appoints all five Commissioners of the Housing Authority of Bogalusa. However, no further contact or influence exists. Therefore, it is not included in the City's financial statements.

Washington Industrial Development Foundation, Inc. - The Mayor appoints one member and the City Council appoints two members of the thirty member Board of Directors of Washington Industrial Development Foundation, Inc., which is a non-profit corporation exempt from federal income tax under Internal Revenue Code Section 501(c)(3). The City made contributions to the Foundation of \$38,000 in 1995. However, no further contact or influence exists. Therefore, it is not included in the City's financial statements.

Joint Ventures

Choctaw Road Landfill (the Joint Venture) - The City is a participant with the Washington Parish Police Jury (the Police Jury) in a joint venture to construct and operate the Choctaw Road Landfill, a solid waste disposal landfill. The Joint Venture was opened in July of 1989. The agreed upon percentages for sharing of construction costs and operating losses were 58.1% for the Police Jury and 41.9% for the City. The Police Jury's share of costs has been funded by a dedicated one percent sales tax in Washington Parish, excluding Ward 4. The City's share of costs has been funded by an ad valorem tax and the issuance of general obligation bonds. Although there were no equity balances at December 31, 1995, the Joint Venture is apparently not experiencing any financial stress. Complete financial statements for the Joint Venture can be obtained from the Washington Parish Police Jury at the parish courthouse in Franklinton, LA.

Washington Parish Drug Task Force (the Task Force) - The City together with the Washington Parish Sheriff comprise the Washington Parish Drug Task Force, which was created to combat drug problems in their joint jurisdictions. The operations of the Task Force are funded by federal grants from the United States Department of Justice through the Louisiana Commission on Law Enforcement and Administration of Criminal Justice, together with contributions from the two law enforcement agencies. Financial activities

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

of the Task Force for the period January 1, 1995 through June 30, 1995 are included in the Washington Parish Sheriff's general-purpose financial statements for the fiscal year ended June 30, 1995 as a special revenue fund.

B. FUND ACCOUNTING

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

Governmental Funds

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

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

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

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

Proprietary Fund

An enterprise fund (the Utility Fund) is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the government body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Fiduciary Funds

Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve an assessment of results of operations.

C. FIXED ASSETS AND LONG-TERM LIABILITIES

The accounting and reporting treatment applied to 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 sheet.

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

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

All propriety funds are accounted for on a cost of service 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 Utility Fund is charged as an expense against fund operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives of fund assets range from 20 to 40 years.

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

D. BASIS OF ACCOUNTING

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

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. Gross receipts and sales taxes are considered "measurable" when in the hands of collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recognized as liabilities and reductions of revenue when they are measurable and their validity seems certain.

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

All proprietary funds and pension trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

E. BUDGETS

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

1. The Mayor submits to the council a proposed operating budget at least forty-five days prior to the beginning of each fiscal year. The operating budget includes proposed expenditures and total anticipated revenues.
2. At the meeting of the council at which the operating budget is submitted, the council orders a public hearing on it.
3. At least ten days prior to the date of such hearing the council publishes in the official journal a general summary of the proposed budget.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally enacted through passage of an ordinance, no later than the twenty-seventh day of the last month of the fiscal year.

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

5. Budgetary amendments involving the transfer of funds from one department, office, or agency to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the adoption of an ordinance by the council.
6. Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered.
7. Budgets for the General, Special Revenue, Debt Service, and Capital Project Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended from time to time by the City Council.

F. INVESTMENTS

Investments are stated at cost or amortized cost. Discounts and premiums on the purchase of investments are amortized over the life of the investment remaining from the date of purchase to the date of maturity.

G. INVENTORY OF SUPPLIES

Inventories are stated at cost, using the first-in, first-out method.

H. ACCOUNTS RECEIVABLE - UTILITY FUND

The City provides for estimated uncollectible accounts receivable based on the age and status of outstanding receivables. Accounts receivable are presented net of estimated uncollectible accounts of \$56,216 at December 31, 1995.

I. ACCUMULATED UNPAID VACATION AND SICK PAY BENEFITS

The City's liability for accumulated unpaid vacation and sick pay benefits has been recorded in the General Long-Term Debt Account Group and Utility Fund.

J. REVENUES AND EXPENDITURES/EXPENSES

Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees, and nontax revenues are recognized when received. Grants from other governments are recognized when

CITY OF BOGALUSA
 BOGALUSA, LOUISIANA
 Notes to the General-Purpose Financial Statements (continued)

qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred.

Revenues and expenses of proprietary funds are recognized in essentially the same manner as commercial accounting.

K. TOTAL COLUMNS ON COMBINED STATEMENTS-OVERVIEW

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

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 City in September or October and are actually billed to the taxpayer in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The City bills and collects its own property taxes using the assessed values determined by the tax assessor of Washington Parish. When the City receives the tax roll, a receivable is set up and revenue is recognized based on the assessed values.

For the year ended December 31, 1995 taxes of 49.83 mills were levied on property with assessed valuation totaling \$33,271,590 and were dedicated as follows:

<u>Fund</u>	<u>Purpose</u>	<u>Mills</u>
General Fund	General Municipal	10.84
General Fund	Maintenance, Equipment, Operations, and Salaries of Municipal Employees	2.71
General Fund	Fire Department Maintenance	2.71
General Fund	Maintenance and Operation of Municipal Services	3.62
Debt Service Fund	Paying Bonds and Interest	14.45
Utility Fund	Sewer and Water Works	2.71

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

City Employees Retirement System	City Employees Pension	1.92
Firemen's Pension and Relief Fund	Firemen's Pension	3.10
Policemen's Pension and Relief Fund	Policemen's Pension	2.77
Landfill	Landfill	<u>5.00</u>
Total		<u>49.83</u>

Total taxes levied were \$1,657,927. Taxes receivable at December 31, 1995 consisted of the following:

Taxes receivable current roll	\$ 453,049
Taxes receivable prior year	<u>11,381</u>
	<u>\$ 464,430</u>

3. CASH AND CASH EQUIVALENTS

The following is a summary of cash and cash equivalents (book balances) at December 31, 1995:

Demand deposits	\$ 58,912
Interest-bearing demand deposits	<u>3,534,807</u>
Total	<u>\$ 3,593,719</u>

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

At December 31, 1995, the primary government has \$3,897,684 in deposits (collected bank balances). These deposits are secured from risk by \$179,493 of federal deposit insurance and \$3,142,310 in pledged securities held by the custodial bank in the name of the fiscal agent bank leaving \$575,881 in uncollateralized deposits. However, the fiscal agent may not be complying with certain requirements of Section 1823(e) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. Therefore, the \$3,718,191 deposits in the fiscal agent bank are considered uncollateralized (Category 3) by GASB Statement 3.

CITY OF BOGALUSA
 BOGALUSA, LOUISIANA
 Notes to the General-Purpose Financial Statements (continued)

At December 31, 1995, the discretely presented component units have \$104,043 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance.

4. INVESTMENTS

The following is a summary of investments at December 31, 1995:

	<u>Carrying Amount</u>	<u>Market Value</u>
City Employee Retirement System	\$ 6,164,173	\$ 5,813,885
Bogalusa Parks and Recreation Commission	<u>6,000</u>	<u>6,000</u>
Total	<u>\$ 6,170,173</u>	<u>\$ 5,819,885</u>

The City Employee's Retirement System has invested \$6,164,173 in obligations of U.S. Government; \$4,738,831 is held by a custodian bank's trust department in the name of the City and \$1,425,342 is held by a broker in the name of the City. The Bogalusa Parks and Recreation Commission has invested \$6,000 in an obligation of the U.S. Government. These investments are considered collateralized (Category 2) by GASB Statement 3.

5. RECEIVABLES

The following is a summary of receivables for December 31, 1995:

<u>Class of Receivable</u>	<u>Primary Government</u>				
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Proprietary Funds</u>
Taxes:					
Ad valorem	\$ 258,147	\$ 46,539	\$ 134,506	\$	\$ 25,238
Sales and use	248,407	265,304			
Franchise	22,123				
Intergovernmental -					
Federal				35,387	
State	45,522				
Local	31,250	400			
Utility bills					<u>106,129</u>
Total	<u>\$ 605,449</u>	<u>\$ 312,243</u>	<u>\$ 134,506</u>	<u>\$ 35,387</u>	<u>\$ 131,367</u>

CITY OF BOGALUSA
 BOGALUSA, LOUISIANA
 Notes to the General-Purpose Financial Statements (continued)

6. GENERAL FIXED ASSETS AND UTILITY SYSTEM PLANT AND EQUIPMENT

A summary of changes in general fixed assets follows:

	Balance December 31, 1994	Additions	Deletions	Balance December 31, 1995
Land	\$ 696,181	\$	\$	\$ 696,181
Buildings	9,858,296	56,351		9,914,647
Improvements other than buildings	6,838,802	4,815		6,843,617
Equipment	2,218,415	190,450	91,905	2,316,960
Construction in progress	<u>1,308,543</u>	<u>374,986</u>	<u> </u>	<u>1,683,529</u>
Total general fixed assets	<u>\$ 20,920,237</u>	<u>\$ 626,602</u>	<u>\$ 91,905</u>	<u>\$ 21,454,934</u>

Prior to 1980 the City did not maintain a record of its fixed assets. During 1980 the City recorded all existing fixed assets at actual cost if the fixed assets documents were available or at an estimated cost based on appraisals made by persons knowledgeable about the fixed assets whose costs were being estimated. The extent to which fixed assets costs were estimated is \$172,600.

A summary of proprietary fund type property plant and equipment at December 31, 1995 follows:

Construction-in-Progress	\$ 2,600,242
Water and Sewer System	7,886,337
Sewer Treatment Plant	2,661,378
Water Well	223,853
Collection System	2,744,249
Sewer Pumping System	1,343,751
Water Line	<u>1,446,424</u>
Total	\$ 18,906,234
Less Accumulated Depreciation	<u>(10,051,326)</u>
Net	<u>\$ 8,854,908</u>

7. PENSION PLANS

Retirement plans have been established covering substantially all of the employees of the City. Retirement plan funding methods and determination of benefits payable are provided in various acts, and amendments thereto of the Louisiana Legislature which created the plans. The following retirement plans are funded by the City:

City Employees Retirement System

The City Employees Retirement System covers appointive officers and permanent employees of the City excluding firemen, policemen, and other police department personnel. It is a single-employer public employee retirement system (PERS). Members' contributions are 6% of compensation; the City's contributions are 11% of member compensation, which includes a 1.92 mill ad valorem tax.

A member may retire after either completing 10 years of credited service and attaining age 60 or upon completing 25 years of credited service and attaining age 50. Compulsory retirement is stipulated at age 68. Upon retirement a member will be entitled to receive a service retirement annuity equal to 2 2/3% of average salary for each year of total service and any fractional part of a year of service. Average salary means the average annual earnable rate of salary of a member for the three highest consecutive years during the total service of the member. The minimum amount of service retirement annuity in any case will be 25% of average salary. The maximum service retirement annuity will be 66 2/3% of average salary. The normal form of retirement benefit is a joint and 75% survivor benefit.

Any member whose withdrawal from service occurs prior to attainment of age 60, who has completed at least 10 years of total service and has not received a refund of his contributions from the system, will be entitled to a service retirement annuity upon application when he attains age 60. Any member whose employment is terminated after completing less than 10 years of total service will be entitled to a refund of his contributions from the system without interest.

Upon the death of a member while in active employment of the City, a death benefit will be payable to the spouse or beneficiary which will consist of: (1) the accumulated contributions of the member without interest, and (2) an amount equal to \$500 for each full year of total service of the member subject to a maximum payment of \$3,000. Instead of this option, a surviving spouse of any member who dies while in active employment of the City, and who at the time of death has the necessary qualifications for retirement but who has not at the time exercised the

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

right to retire, may elect, at his or her option, to receive an amount equal to 75% of the monthly amount which the deceased would have been entitled to receive had he retired before death. The spouse would continue to receive monthly payments until death or remarriage. Upon the death of a member who has already retired, the surviving spouse would receive monthly payments of 75% of the member's monthly service retirement annuity with these payments continuing until death or remarriage of the spouse. Upon the death of either a member with no spouse or the surviving spouse of a member, any unpaid accumulated contributions of the member will be refunded without interest to a beneficiary designated by the member or to the estate where no beneficiary has been designated.

A member with at least 10 years of service, less than 60 years old, who becomes totally and permanently disabled from duty-connected causes will receive a duty disability of 1 1/2% of average final compensation for each year of total service subject to a minimum of 25% of average compensation and a maximum annual payment of 50% of average compensation. The disability benefit is subject to a reduction by any amounts received or receivable by a member from workmen's compensation.

Funding Status and Progress

The amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess PERS funding status on a going concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS. The measure is independent of the actuarial funding method that might be used to determine contributions to a PERS.

At June 30, 1995, the unfunded pension benefit obligation using the standardized disclosure measure was as follows:

CITY OF BOGALUSA, LOUISIANA
FIDUCIARY FUNDS

CITY EMPLOYEES RETIREMENT SYSTEM
Analysis of Funding Progress

<u>Fiscal Year Ending</u>	<u>Net assets available for benefits</u>	<u>Pension benefit obligation</u>	<u>Percentage funded</u>	<u>Unfunded pension benefit obligation</u>	<u>Annual Covered payroll</u>	<u>Unfunded Pension benefit obligation as a % of covered payroll</u>
June 30, 1995	\$ 6,286,098	\$ 7,634,163	82.3%	\$ 1,348,229	\$ 1,771,683	76.10%
June 30, 1994	6,003,561	7,273,650	82.5%	1,270,089	1,600,667	79.35%
June 30, 1993	5,718,330	6,693,000	85.4%	974,590	1,537,104	63.40%
June 30, 1992	5,429,329	6,554,367	82.8%	1,125,038	1,508,222	74.60%
June 30, 1991	5,056,796	5,990,064	84.4%	933,268	1,474,066	63.32%
June 30, 1990	4,735,385	5,837,156	81.1%	1,101,771	1,478,838	74.50%
June 30, 1989	4,409,546	5,436,574	81.1%	1,027,028	1,411,463	72.76%
June 30, 1988	4,075,439	5,339,810	76.3%	1,264,371	1,326,813	95.29%

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
FIDUCIARY FUNDS

CITY EMPLOYEES RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
REVENUES BY SOURCES AND EXPENSES BY TYPE

<u>Fiscal Year</u>	<u>Revenues by Sources</u>			<u>Total</u>
	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Investment Income</u>	
6/30/95	\$ 106,270	\$ 194,885	\$ 400,602	\$ 701,757
6/30/94	98,216	180,068	393,836	672,120
6/30/93	94,025	172,287	409,769	676,081
6/30/92	93,783	171,936	449,383	715,102
6/30/91	88,444	162,147	402,535	653,126
6/30/90	94,845	162,672	393,651	651,168
6/30/89	84,688	155,221	381,982	621,890
6/30/88	79,759	146,230	369,563	595,552
6/30/87	74,953	137,413	361,251	573,617
6/30/86	67,097	133,185	362,104	562,386

<u>Fiscal Year</u>	<u>Expenses By Type</u>			<u>Total</u>
	<u>Benefits</u>	<u>Administrative</u>	<u>Refunds</u>	
6/30/95	\$ 386,971	\$ 499	\$ 30,904	\$ 418,374
6/30/94	370,927	169	15,853	386,949
6/30/93	358,950	426	12,903	372,279
6/30/92	332,260	321	4,613	337,194
6/30/91	324,426	134	10,759	335,319
6/30/90	297,338	159	27,831	325,329
6/30/89	276,816	119	10,848	287,783
6/30/88	250,097	301	17,815	268,214
6/30/87	229,485	64	22,981	252,529
6/30/86	222,798	55	55,417	278,269

See accompanying auditor's report.

GENERAL FIXED ASSETS ACCOUNT GROUP

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

CITY OF BOGALUSA, LOUISIANA

STATEMENT OF GENERAL FIXED ASSETS
December 31, 1995

General Fixed Assets, at cost:	
Land	\$ 696,181
Buildings	9,914,647
Improvements other than buildings	6,843,617
Equipment	2,316,960
Construction in progress	<u>1,683,529</u>
Total general fixed assets	<u>\$ 21,454,934</u>
Investment in general fixed assets:	
Property acquired from -	
General fund revenues	\$ 695,513
Special revenue fund	11,131,169
Special revenue bonds	1,162,471
General obligation bonds	2,130,796
Federal revenue sharing funds	1,789,256
State revenue sharing funds	731,882
Federal grants	3,088,380
State grants	295,530
Donations	393,033
Other funds	<u>36,904</u>
Total investment in general fixed assets	<u>\$ 21,454,934</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS

Year Ended December 31, 1995

	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other than Buildings</u>	<u>Equipment</u>	<u>Construction in Progress</u>	<u>Total</u>
General fixed assets, beginning of year	\$ 696,181	\$ 9,858,296	\$ 6,838,802	\$ 2,218,415	\$ 1,308,543	\$ 20,920,237
Additions:						
Bond issue	\$	\$	\$ 4,815	\$	\$	\$ 4,815
Federal grants				3,131	250,970	254,101
State grants				145,990	54,316	54,316
Special revenue funds		56,351		37,829	69,700	272,041
General fund				3,500		37,829
Donations						3,500
Total additions	\$ ---	\$ 56,351	\$ 4,815	\$ 190,450	\$ 374,986	\$ 626,602
Deductions:						
Assets sold, traded or junked	\$ ---	\$ ---	\$ ---	\$ (91,905)	\$ ---	\$ (91,905)
Other:						
Completion of construction in progress	\$	\$	\$ ---	\$ ---	\$ ---	\$ ---
General fixed assets, end of year	\$ 696,181	\$ 9,914,647	\$ 6,843,617	\$ 2,316,960	\$ 1,683,529	\$ 21,454,934

See accompanying auditor's report.

AUDIT REPORTS REQUIRED BY THE SINGLE AUDIT ACT

Richard M. Seal

Certified Public Accountant

732-2536

Post Office Box 128

Bogalusa, Louisiana 70429-0128

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

The Honorable M.E. "Toye" Taylor, Mayor
and Members of the City Council
City of Bogalusa, Louisiana

I have audited the general-purpose financial statements of the City of Bogalusa as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996. These general-purpose financial statements are the responsibility of the City of Bogalusa's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my 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 I 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. I believe that my audit provides a reasonable basis for my opinion.

My audit was made for the purpose of forming an opinion on the general-purpose financial statements of the City of Bogalusa 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 my opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

Richard M. Seal

Certified Public Accountant

Bogalusa, Louisiana
May 24, 1996

CITY OF BOGALUSA, LOUISIANA

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
For the Year Ended December 31, 1995

<u>FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM NAME</u>	<u>CFDA NUMBER</u>	<u>EXPENDITURES</u>
<u>United States Department of Agriculture</u>		
<u>Passed through Louisiana Department of Health and Human Services</u>		
Food Stamps	10.551★	\$ 5,869,203
Administrative Grant	10.561	<u>29,170</u>
		5,898,373
<u>Passed through Louisiana Department of Education</u>		
Summer Food Service Program for Children	10.559	<u>139,587</u>
Total United States Department of Agriculture		<u>6,037,960</u>
<u>Department of Housing and Urban Development</u>		
<u>Passed through Louisiana Division of Administration</u>		
Community Development Block Grant	14.218	<u>4,000</u>
Total Department of Housing and Urban Development		<u>4,000</u>
<u>Department of Transportation</u>		
<u>Passed through Louisiana Department of Aviation</u>		
Airport Improvement Program	20.106	<u>250,970</u>
Total Department of Transportation		<u>250,970</u>
TOTAL EXPENDITURES		<u>\$ 6,292,930</u>

★ Major federal financial assistance program

Richard M. Seal

Certified Public Accountant

732-2536

Post Office Box 128

Bogalusa, Louisiana 70429-0128

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

The Honorable M. E. "Toye" Taylor, Mayor
and Members of the City Council
City of Bogalusa, Louisiana

I have audited the general-purpose financial statements of the City of Bogalusa as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996. I have also audited the compliance of the City of Bogalusa with requirements applicable to major federal financial assistance programs and have issued my report thereon dated May 24, 1996.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement and about whether the City of Bogalusa complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing my audit for the year ended December 31, 1995, I considered the internal control structure of the City of Bogalusa in order to determine my auditing procedures for the purpose of expressing my opinion on the general-purpose financial statements of the City of Bogalusa, and on the compliance of the City of Bogalusa, with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures relevant to my audit of the general-purpose financial statements in a separate report dated May 24, 1996.

The management of the City of Bogalusa 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, I have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

General requirements:

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

Specific requirements:

- Types of services allowed or unallowed
- Matching, level of effort, or earmarking
- Special reporting
- Special requirements, if any

Claims for Advances and Reimbursements

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

During the year ended December 31, 1995, the City of Bogalusa, expended 97 percent of its total federal financial assistance under major federal financial assistance programs and the following nonmajor program: Airport Improvement Program.

I 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 I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the City of Bogalusa's major and tested nonmajor federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the City of Bogalusa's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I noted the following matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the compliance of the City of Bogalusa with requirements applicable to its major and tested nonmajor federal financial assistance programs for the year ended December 31, 1995, and this report does not affect my report thereon dated May 24, 1996.

GRANT ADMINISTRATION

Criteria - When the City accepts financial assistance from the federal government, it also accepts the responsibility for administering the funds in a manner consistent with underlying agreements, and in accordance with generally accepted accounting principles.

Condition - The City contracted with an engineering firm to provide engineering services, drafting services, and inspection services of construction for the Airport Improvement Grant. Although not part of the contract, the City also relied on the engineering firm for administration of the grant. In addition, key city employees were not familiar enough with grant activities to maintain accurate accounting records.

Auditor's Recommendation - The City should establish adequate internal control policies and procedures to ensure proper grant administration and accounting.

Management's Response - The administration will review the feasibility of employing two options to assist in establishing and maintaining adequate internal control of policies and procedures to ensure proper grant administration and accounting. Option one will be the appointing of several key City employees to serve on a Grants Committee which will meet periodically out of necessity to ensure proper communication and documentation. Option two, if necessary, will be the employment of a trained grant administrator.

This report is intended for the information of the Mayor, the City Council, and the office of the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

Bogalusa, Louisiana
May 24, 1996

Richard M. Seal

Certified Public Accountant

732-2536

Post Office Box 128

Bogalusa, Louisiana 70429-0128

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

The Honorable M.E. "Toye" Taylor, Mayor
and Members of the City Council
City of Bogalusa, Louisiana

I have audited the general-purpose financial statements of the City of Bogalusa as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996.

I have applied procedures to test the City of Bogalusa's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended December 31, 1995.

General requirements:

- Political activity
- Civil rights
- Cash management
- Federal financial reports
- Allowable costs/cost principles
- Administrative requirements

My 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*. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Bogalusa's compliance with the requirements listed in the preceding paragraph. Accordingly, I 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 the items not tested, nothing came to my attention that caused me to believe that the City of Bogalusa had not complied, in all material respects, with those requirements.

This report is intended for the information of the Mayor, the City Council, and the office of the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script that reads "Richard M. Seal".

Certified Public Accountant

Bogalusa, Louisiana
May 24, 1996

Richard M. Seal

Certified Public Accountant

732-2536

Post Office Box 128

Bogalusa, Louisiana 70429-0128

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

The Honorable M. E. "Toye" Taylor, Mayor
and Members of the City Council
City of Bogalusa, Louisiana

I have audited the general-purpose financial statements of the City of Bogalusa as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996.

I have also audited the City of Bogalusa's compliance with the requirements governing:

1. Types of services allowed or unallowed
2. Eligibility
3. Matching, level of effort, and/or earmarking requirements
4. Reporting
5. Special tests and provisions

Advances for Claims and Reimbursements

that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance for the year ended December 31, 1995. The management of the City of Bogalusa is responsible for the City of Bogalusa's compliance with those requirements. My responsibility is to express an opinion on compliance with those requirements based on my audit.

I conducted my audit of compliance with those requirements in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City of Bogalusa's compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the City of Bogalusa complied, in all material respects, with the above listed requirements that are applicable to each of its major federal financial assistance programs for the year ended December 31, 1995.

This report is intended for the information of the Mayor, the City Council, and the office of the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

Bogalusa, Louisiana
May 24, 1996

Richard M. Seal

Certified Public Accountant

732-2536

Post Office Box 128

Bogalusa, Louisiana 70429-0128

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

The Honorable M.E. "Toye" Taylor, Mayor
and Members of the City Council
City of Bogalusa, Louisiana

I have audited the general-purpose financial statements of the City of Bogalusa as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996.

In connection with my audit of the general-purpose financial statements of the City of Bogalusa, and with my consideration of the City of Bogalusa'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*, I selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended December 31, 1995. As required by OMB Circular A-128, I 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. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Bogalusa's compliance with these requirements. Accordingly, I 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 my attention that caused me to believe that the City of Bogalusa had not complied, in all material respects, with those requirements.

This report is intended for the information of the Mayor, the City Council, and the office of the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Richard M. Seal

Certified Public Accountant

Bogalusa, Louisiana
May 24, 1996

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

Actuarial present value of credited projected plan benefits:	
Vested benefits -	
Participants currently receiving payments	\$ 3,736,626
Other participants	<u>4,425,794</u>
	8,162,420
Non-vested benefits	<u>527,226</u>
Total pension benefit obligation	7,635,194
Net assets available for benefits at cost (market value \$6,326,308)	<u>6,286,965</u>
Unfunded pension benefit obligation	<u>\$ 1,348,229</u>

The contributions are set by law. As of the actuarial valuation date of June 30, 1995 the suggested actuarial contribution requirement is \$328,350 representing funding for normal cost of \$202,345 and the amortization of the unfunded actuarial accrued liability of \$126,005 over an 18 year period. Contributions totalling \$301,154 (\$194,885 employer and \$106,269 employee) were made during the year.

Policemen's Pension and Relief Fund

The Policemen's Pension and Relief Fund was established to provide retirement, death, and disability benefits for policemen, their spouses, children, and dependent mothers. It is a single-employer PERS. On January 1, 1976 the City and the Board of Trustees of the Policemen's Pension and Relief Fund merged the members of the Policemen's Pension and Relief Fund who had not yet retired with the Municipal Police Employees' Retirement System of the State of Louisiana under the authority of Resolution No. 882 of the City Council. At the time of the passage of the resolution and at the time of the merger, all of the members of the police force, except for three individuals who brought suit against the City to be allowed to remain members of the Policemen's Pension and Relief Fund, had previously voluntarily joined the state retirement system under a statute which allows individual city police officers to voluntarily join the state system on their own accord. The lawsuit involving the three individuals who wished to remain in the Policemen's Pension and Relief Fund was settled by having the Policemen's Pension and Relief Fund pay the three individuals the pension and retirement benefits that

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

they would have been entitled to under the city system, if the system had not merged with the state police retirement system, from the time that the individuals have 20 years of service with the Bogalusa Police Department until the time that they reach 50 years of age and are qualified to start receiving pension and retirement benefits from the State Municipal Police Employees' Retirement System. Therefore, the Policemen's Pension and Relief Fund only covers those policemen and their families who had retired prior to the merger except for the three policemen mentioned above who will be covered from retirement until they attain age 50.

There are no member contributions since all members of the system are retired or merged with the state system. The City contributes 25% of all court fines and 20% of money collected for licenses, privilege taxes, and permits for selling alcoholic beverages. This system is also funded by a 2.77 mills ad valorem tax. Members were allowed to retire after completing 20 years of service or after 18 years of service and attaining age 65. Retiring members receive benefits of 2/3 of monthly compensation with a minimum set at \$100 per month.

Upon the death of a member of this system, the surviving spouse receives \$400 per month while unmarried, each unmarried child under 17 years of age (22 if full time college student) receives \$150 per month, and the dependent mother while unmarried receives \$100 per month.

A member of this system who became totally and permanently disabled from duty-connected causes receives a duty disability of 2/3 of monthly compensation with a minimum set at \$100 per month.

The Policemen's Pension and Relief Fund is accounted for as a fiduciary fund using the accrual basis of accounting. The accrued liability is \$806,202 with net assets available for benefits of \$132,568 leaving an unfunded pension obligation of \$673,634.

Firemen's Pension and Relief Fund

The Firemen's Pension and Relief Fund was established to provide retirement, death, and disability benefits for firemen, their spouses, children, and dependent mothers. On February 3, 1981 the City and the Board of Trustees of the Firemen's Pension and Relief Fund merged the members of the Firemen's Pension and Relief Fund who had not yet retired with the State of Louisiana Firefighters Retirement System under the authority of Ordinance No. 1029 of the City Council. Employees

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

covered by the transfer were all full-time employees who were not receiving retirement benefits or were not eligible for retirement benefits on the date of merger.

There are no member contributions since all members of the system are retired or merged with the state system. The City contributes \$1,500 per year and supplements the fund whenever necessary. This system is also funded by a 3.10 mills ad valorem tax and $\frac{1}{2}$ of a 2% fire insurance tax received from the State of Louisiana.

Members are allowed to retire after completing 20 years of service. Retired members receive benefits of $\frac{2}{3}$ of monthly compensation.

Upon the death of a fireman in the line of duty when the fireman had under 10 years of continuous service, the surviving spouse receives \$100 per month while unmarried and each unmarried child under the age of 17 (22 if full-time college student) receives \$25 per month not to exceed \$200 per month for the widow and all the children. Upon the death of a fireman which was not incurred in the line of duty and who had under 10 years of continuous service, the surviving spouse receives \$50 per month while unmarried and each unmarried child under the age of 17 (22 if full-time college student) receives \$12.50 per month not to exceed \$100 per month for the widow and all the children. Upon the death of a fireman with over 10 years of continuous service irrespective of cause of death, the surviving spouse receives \$200 per month while unmarried and each unmarried child under the age of 17 (22 if full-time college student) receives \$25 per month not to exceed \$300 per month for both the widow and all the children. Also, in no case could the death benefit to the surviving spouse, excluding the children's benefits, exceed $\frac{2}{3}$ of the husband's pension or a maximum of \$200 per month. Where the deceased member had no spouse or children, his mother will be eligible for any benefits his spouse would have been entitled to if she is a widow at the time of his death and remains unmarried.

A member of this system who became totally and permanently disabled from duty-connected causes receives a duty disability of $\frac{2}{3}$ of monthly compensation. A member of this system whose permanent and total disability was not incurred in the line of duty receives monthly payments as follows: (1) less than 10 years of continuous service, an amount equal to $\frac{1}{3}$ of salary less 20%; (2) 10 years or more but less than 20 years of continuous service, an amount equal to $\frac{2}{3}$ of salary less 20%; and (3) 20 years or more of continuous service, an amount equal to $\frac{2}{3}$ of salary.

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

The Firemen's Pension and Relief Fund is accounted for as a fiduciary fund using the accrual basis of accounting. Since the plan is closed the present value of future benefits (accrued liability) was determined. The accrued liability of \$901,467 with net assets available for benefits of \$111,235 leaving an unfunded liability of \$790,232.

The State of Louisiana maintains the following retirement systems covering certain City employees:

Municipal Police Employees' Retirement System of the State of Louisiana

The Municipal Police Employees' Retirement system of the State of Louisiana covers all active policemen, police department employees, and their families. Member contributions are set by law at 7½% of compensation. The City's contributions, also set by law, are 9% of member compensation.

State of Louisiana Firefighters Retirement System

The State of Louisiana Firefighters Retirement System covers all active firemen and their families. Member contributions are set by law at 8% of compensation. The City's contributions, also set by law, are 9% of member compensation. Under the terms of the merger agreement, the City had to buy into the firemen's state system. The City agreed to pay 60% of the accrued pension liability for those employees transferred to the state system, which amounted to \$1,655,753. The City makes annual payments of \$127,069 including interest. The balance owed at December 31, 1995 was \$1,238,323.

Total contributions made by the City to the various plans through December 31, 1995 were as follows:

City Employees Retirement System (6/30/95)	\$ 194,885
Firemen's Pension and Relief Fund	115,436
State of Louisiana Firefighters Retirement System	202,153
Policemen's Pension and Relief Fund	113,421
Municipal Police Employees' Retirement System	<u>78,956</u>
 Total	 <u>\$ 704,851</u>

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

Employee membership data for pensions maintained by the City is as follows:

	<u>12/31/95</u>
Current retirants and beneficiaries:	
City Employees Retirement System	59
Policemen's and Firemen's Pension and Relief Fund	<u>36</u>
Total	<u><u>95</u></u>
Terminated vested participants:	
City Employees Retirement System	3
Policemen's and Firemen's Pension and Relief Fund	<u>---</u>
Total	<u><u>3</u></u>
Active plan participants:	
City Employees Retirement System	
Vested	48
Non-vested	42
Policemen's and Firemen's Pension and Relief Fund	
Vested	<u>---</u>
Non-vested	<u>---</u>
Total	<u><u>90</u></u>

For city employees, the entry age normal cost method was utilized in determining pension cost, while the projected unit credit cost method was used to calculate the unfunded accrued liability. The following significant actuarial assumptions were used for the City Employees Retirement System in the actuarial valuation as of June 30, 1995: (1) a rate of return on investments of present and future assets of 7.00% compounded annually; (2) projected salary increases of 4.5% per years of employment; (3) pre- and post-mortality life expectancies of participants based on 1971 Group Annuity Table; (4) termination rates based on the experience of the Louisiana State Employees' Retirement System; (5) disability rates based on experience under the Eleventh Actuarial Valuation of the Railroad Retirement System; and (6) expected retirement ages developed on the basis of actual plan experience.

8. COMPENSATED ABSENCES

At December 31, 1995, employees of the primary government have accumulated and vested \$384,940 of leave benefits, which was computed in accordance with GASB Codification Section C60 and is recorded within the general long-term debt account group. The leave liability for employees of the Enterprise Fund, for \$52,581, is accounted for within the fund.

9. CAPITAL LEASES

The City is obligated under certain leases for copying equipment and a sweeper truck accounted for as capital leases. The leased assets and related obligations are accounted for in the General Fixed Assets Account Group and the General Long-Term Debt Account Group, respectively. The following is a schedule of future minimum lease payments as of December 31, 1995:

Year ending <u>December 31</u>	
1996	\$ 37,523
1997	10,247
1998	<u>3,366</u>
Minimum lease payments for capital leases	51,136
Less: amount representing interest	<u>3,207</u>
Present value of minimum lease payments	<u>\$ 47,929</u>

10. SOLID WASTE LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

State and federal laws and regulations require the Choctaw Road Landfill (a joint venture of the City of Bogalusa and the Washington Parish Police Jury) to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. A related liability is being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs was \$209,962 as of December 31, 1995, which was based on 16 per cent usage (filled) of the landfill. It is estimated that an additional \$1,102,299 will be recognized as closure and postclosure care expenditures between the date of the balance sheet and the date the landfill is expected to be filled to capacity. The estimated total current cost of the landfill closure and postclosure care (\$1,312,261) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of

CITY OF BOGALUSA
 BOGALUSA, LOUISIANA
 Notes to the General-Purpose Financial Statements (continued)

December 31, 1995. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The City is not required to set aside funds in escrow to finance future closure and postclosure care costs.

The City's portion of the liability reported in General Long-Term Debt Account Group is computed as follows:

Total estimated liability	\$ 209,962
City's participating percentage	X 41.9%
	<u>\$ 87,974</u>

The City is under an order from the Louisiana Department of Environmental Quality to make certain postclosure improvements to the Old Bogalusa Landfill. The City's Engineer has stated that it is impossible to estimate the cost, if any, of these possible improvements. Therefore, no liability has been recorded in these financial statements.

11. DUE TO LOUISIANA FIREFIGHTERS' RETIREMENT SYSTEM

On February 3, 1981 the City and the Board of Trustees of the Firemen's Pension and Relief Fund merged their members, who had not retired, with the State of Louisiana Firefighters' Retirement System. Under the terms of the merger, the City had to buy into the state system for \$1,655,753. The City makes annual payments of \$127,069 including interest.

The annual requirements to amortize the debt to the Firefighters' Retirement System are as follows for the year ended December 31 (in thousands):

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001 and Thereafter</u>	<u>Total</u>
Principal	\$ 49	\$ 53	\$ 56	\$ 60	\$ 65	\$ 956	\$ 1,239
Interest	<u>78</u>	<u>74</u>	<u>71</u>	<u>67</u>	<u>62</u>	<u>315</u>	<u>667</u>
	<u>\$ 127</u>	<u>\$ 127</u>	<u>\$ 127</u>	<u>\$ 127</u>	<u>\$ 127</u>	<u>\$ 1,271</u>	<u>\$ 1,906</u>

CITY OF BOGALUSA
 BOGALUSA, LOUISIANA
 Notes to the General-Purpose Financial Statements (continued)

12. CHANGES IN LONG-TERM DEBT

The annual requirements to amortize all bond and certificate debts outstanding are as follows for year ending December 31 (in thousands):

<u>Description</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001 and Thereafter</u>	<u>Total</u>
General Obligation Bonds:							
1972 Issue - 4.75 - 5.50%	\$ 150	\$ 150	\$	\$	\$	\$	\$ 300
1973 Issue - 5.00 - 6.00%	110	110	110				330
1975 Issue 5.90 - 6.00%	10	10	10	10	10		50
1992 Issue 4.4 - 9.00%	<u>50</u>	<u>55</u>	<u>60</u>	<u>60</u>	<u>65</u>	<u>575</u>	<u>865</u>
Total bonds	<u>\$ 320</u>	<u>\$ 325</u>	<u>\$ 180</u>	<u>\$ 70</u>	<u>\$ 75</u>	<u>\$ 575</u>	<u>\$ 1,545</u>
Certificates of Indebtedness:							
1993 Issue 6 - 8.5%	\$ 89	\$	\$	\$	\$	\$	\$ 89
1994 Issue 5.5%	<u>249</u>	<u>264</u>	<u>137</u>				<u>650</u>
Total certificates	<u>\$ 338</u>	<u>\$ 264</u>	<u>\$ 137</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 739</u>
Interest Requirements: General Obligations Bonds:							
1972 Series	\$ 11	\$ 4	\$	\$	\$	\$	\$ 15
1973 Series	15	9	3				27
1975 Series	3	2	3				8
1992 Series	<u>46</u>	<u>41</u>	<u>38</u>	<u>35</u>	<u>32</u>	<u>115</u>	<u>307</u>
	<u>\$ 75</u>	<u>\$ 56</u>	<u>\$ 44</u>	<u>\$ 35</u>	<u>\$ 32</u>	<u>\$ 115</u>	<u>\$ 357</u>

CITY OF BOGALUSA
 BOGALUSA, LOUISIANA
 Notes to the General-Purpose Financial Statements (continued)

Certificates of Indebtedness:							
1993 Issue	\$ 5	\$	\$	\$	\$	\$	\$ 5
1994 Issue	<u>32</u>	<u>18</u>	<u>4</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>54</u>
Total interest	<u>\$ 37</u>	<u>\$ 18</u>	<u>\$ 4</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 59</u>

The following is a summary of general long-term debt transactions of the City of Bogalusa for the year ended December 31, 1995:

	Long-term Debt <u>1/1/95</u>	Debt Incurred	Debt Retired	Long-term Debt <u>12/31/95</u>
General obligation bonds	\$ 1,865,000	\$ ---	\$ 320,000	\$ 1,545,000
Certificates of indebtedness	1,082,264	---	342,878	739,386
Accumulated unpaid vacation and sick pay	404,550	---	19,610	384,940
Due to Firefighters' Retirement System	1,284,380	---	46,057	1,238,323
Capital leases	58,911	20,280	31,262	47,929
Landfill closure and post-closure care costs	85,411	2,563	---	87,974
Workers' compensation	<u>---</u>	<u>174,987</u>	<u>---</u>	<u>174,987</u>
	<u>\$ 4,780,516</u>	<u>\$ 197,830</u>	<u>\$ 759,807</u>	<u>\$ 4,218,539</u>

13. INTERFUND RECEIVABLES AND PAYABLES

Reflected in the accompanying financial statements of the City are the following interfund receivables and payables:

	Interfund <u>Receivables</u>	Interfund <u>Payables</u>
General Fund	<u>\$ 364,337</u>	<u>\$ 196,631</u>
Special Revenue Funds		
Street Improvement Sales Tax	\$	\$ 150,243
Employee Pay Raise		82,600
Industrial Park Rent	32,780	5,830
Landfill	543	
Capital Improvement Sales Tax		21,773
Water and Sewer Sales Tax		21,351

CITY OF BOGALUSA
 BOGALUSA, LOUISIANA
 Notes to the General-Purpose Financial Statements (continued)

Airport Maintenance	<u>10,734</u>	
	\$ <u>44,057</u>	\$ <u>281,797</u>
Debt Service Funds		
Certificate of Indebtedness		
Sinking Fund	\$ <u>---</u>	\$ <u>---</u>
Capital Projects Funds		
Industrial Park Development Fund	\$	\$
Airport Expansion		34,383
Landfill Improvement	<u>---</u>	<u>543</u>
		<u>34,926</u>
Enterprise Fund		
Utility Fund	\$ <u>26,630</u>	\$ <u>120,543</u>
Pension Trust Funds		
Firemen's Pension and Relief Fund	\$ 95,450	\$
Policemen's Pension and Relief Fund	86,747	
City Employees Retirement System	<u>16,304</u>	
	\$ <u>198,501</u>	\$ <u>---</u>
	\$ 633,525	\$ 633,897
Difference due to fiscal year end of City Employees Retirement System	<u>372</u>	<u>---</u>
	<u>\$ 633,897</u>	<u>\$ 633,897</u>

14. JUNE 30, 1995 FISCAL YEAR END INCLUDED

All funds and account groups have a calendar year end of December 31, 1995, except the City Employees Retirement System. It has a fiscal year end of June 30, so that figures for the year ended June 30, 1995 have been included.

15. GRANTS FROM OTHER GOVERNMENTAL UNITS

Federal and state governmental units represent an important source of supplementary funding used to finance employment, construction programs, and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in the General Fund, Special Revenue Funds, and Capital Project Funds. A grant receivable is recorded when the City has a right to reimbursement under the related grant.

CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)

Some of the grants received by the City specify the purpose for which the grant monies are to be used and such grants are subject to audit by the granting agency. No material amounts have been disallowed as a result of any audits for the year ended December 31, 1995.

16. LEASES OF CITY PROPERTY

Industrial Park Leases

The City (Lessor) has a lease with Veecor Company, Inc. (Lessee) for a building located on Lot Number One (1) of the Industrial Park. The carrying value of this building on the City's books is \$1,276,519. The primary term of the lease was five (5) years from August 1, 1984 to July 31, 1989. The original lease has been amended twice and extended for three years. The amended lease, which expired July 31, 1994, requires monthly rental payments by lessee of \$2,600. The City received \$33,600 rent income from this lease during 1995.

There is a lease between the City (Lessor) and The American Fabrics Company (Lessee) for a building and improvements located on Lot Number Seventeen (17) of the Industrial Park. The building is carried on the books of the City at \$1,677,258. The original lease, which expired on July 31, 1994, was extended for five years. The rental price of the lease is \$24,000 per year, subject to certain abatement provisions based on the level of employment of the Lessee. The City received no rent income from the lease in 1995; \$34,000 was owed by the Lessee. Lessee has option to extend term for three (3) additional, successive, and separate periods of five (5) years each. At anytime during the primary or extended term of the lease, Lessee has the right to purchase the leased property pursuant to a schedule provided for in the lease agreement. The lease agreement also requires that in the event the Industrial Park Tax Fund account should fall below the sum of \$500,000, all rent collected thereafter by Lessor be deposited in a special escrow account for repairs and maintenance of the property.

The City (Lessor) also has a lease with The American Fabrics (Lessee) for a building on Lot Number Fourteen (14) of the Industrial Park. The building is carried on the books of the City at \$943,497. The original lease, which expired on March 31, 1995, was extended for five years. The Lessee has options to extend the term of the lease for three (3) additional, successive, and separate periods of five (5) years each. At anytime during the primary or extended term of the lease, Lessee has the right to purchase the leased property pursuant to a schedule provided for in the lease agreement. The rental payments for the lease are \$10,000 per year, payable at the end of each year, subject to certain abatement provisions based on the level of employment of the Lessee. The City received no rent income from the lease in 1995; \$50,000 was owed by the Lessee on December 31, 1995. The lease agreement also requires that in the event the Industrial Park Tax Fund account should fall below the sum of \$500,000, all rent collected thereafter by Lessor be deposited in a special escrow account for repairs and maintenance of the property.

CITY OF BOGALUSA

BOGALUSA, LOUISIANA

Notes to the General-Purpose Financial Statements (continued)

The City (Lessor) has also entered into a lease with The American Fabrics for a building and 7.33 acres of land designated as tracts 2 and 3 in the Industrial Park. The building is carried on the books of the City at \$1,052,122. The original lease, which expired on July 31, 1995, was extended for five years. The Lessee has the option of extending the lease for three (3) additional, successive, and separate periods of five (5) years each. The rent is \$20,000.00 per year payable in monthly installments subject to certain abatement provisions based on the level of employment by the Lessee. The City received \$20,000 rent income from the lease in 1995.

The City (Lessor) has also entered into an agreement with The American Fabrics Company to lease lot 15 of the Industrial Park including improvements. As of December 31, 1995, the City had spent \$1,727,783 for construction in progress of a building on the lot. The primary term of the lease is twenty (20) years. Lessee has options to extend the lease for two (2) successive, separate and additional periods of ten (10) years. During the primary term of the lease, rental is calculated at the rate of \$1.00 per square foot. During any extended term of the lease, rental is calculated at the rate of \$.50 per square foot. Except for the first year of the lease, Lessee is obligated to employ a minimum of (50) people in its operations on the leased premises. The City received \$85,000 rent income from this lease during 1995.

17. RISK MANAGEMENT

The City of Bogalusa 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. During 1993, the City purchased workers' compensation insurance through Risk Management, Inc. Accounted for in the General Fund, the City pays workers' compensation claims of \$175,000 per claim up to a maximum of \$417,000 annually. Risk Management, Inc. provides coverage in excess of these limits. Settled claims have not exceeded this coverage in any of the past three fiscal years. However, due to the chemical spill explained in Note 21, claims are expected to meet or exceed the maximum liability of the City.

Claims paid by the City during fiscal year 1995 were \$119,993. The claims liability of \$122,020 recorded in the General Fund includes \$49,613 in claims made by December 31, 1995, plus \$72,407 of chemical spill related claims made through April 29, 1996. The claims liability of \$174,987 recorded in the General Long-Term Debt account group is the remainder of amounts recorded in the General Fund and the \$417,000 maximum liability to the City. The preceding amounts are based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated.

CITY OF BOGALUSA
 BOGALUSA, LOUISIANA
 Notes to the General-Purpose Financial Statements (continued)

18. COMPENSATION PAID TO CITY COUNCIL AND MAYOR

<u>Name</u>	<u>Title</u>	<u>Amount</u>
Mervin E. Taylor, Jr.	Mayor	\$ 34,116
Paul D. Kates	City Council - District A	4,757
Reubin Sumrall	City Council - District C	4,200
Johnnie Holcomb	City Council - District D	4,243
John E. Vaughn	City Council - At Large	4,200
McClurie Sampson	City Council - District B	4,200
James McGehee	City Council - At Large	4,200
Herbert Wilson	City Council - District E	4,200

19. LITIGATION

At December 31, 1995, the City was a defendant in several lawsuits arising principally from the normal course of operations. The ultimate resolution of these lawsuits would not materially affect the financial statements in the estimation of the legal advisor of the City. He has also advised that provisions of the Louisiana Constitution do not permit a person holding a judgment against the City to levy or collect that judgement against any assets of the City in a judicial fashion.

20. PRIOR PERIOD ADJUSTMENTS

During 1995, the City of Bogalusa changed its method of accounting for sales tax revenue to conform with the new requirements of GASB Statement No. 22, *Accounting for Taxpayer-Assessed Tax Revenues in Governmental Funds*. In the past, sales tax revenue was recognized in the month collected. The new method requires such revenue be recognized in the month collected by the merchant. The accompanying financial statements have been retroactively restated for the effects of this change. The fund balances below have been increased by the following amounts as of December 31, 1994.

General Fund	\$ 273,663.79
Industrial Complex Sales Tax Fund	47,157.92
Employee Pay Raise Sales Tax Fund	94,372.51
Street Improvement Sales Tax Fund	47,157.92
Water and Sewer Sales Tax Fund	28,306.05
Capital Improvement Sales Tax Fund	28,306.05
Water System Improvement Fund	47,157.92

*CITY OF BOGALUSA
BOGALUSA, LOUISIANA
Notes to the General-Purpose Financial Statements (continued)*

The Industrial Park Rent Fund finances the Airport Expansion Fund for expenditures prior to grant approval. At December 31, 1994, the Airport Expansion Fund receivable was overstated by \$92,076, for the expenditures mentioned above. The adjusting entries necessary to correct the Airport Expansion Fund for 1995, created a prior period adjustment to the Industrial Park Rent Fund by decreasing its fund balance from \$179,363 to \$87,286.

21. CHEMICAL SPILL

On Monday, October 23, 1995 at approximately 4:00pm, there was an explosion from a leaking railroad tanker car at the Gaylord Chemical plant. An orange cloud of gas floated through the City. The gas was the product of nitrogen tetroxide used by Gaylord Chemical in the production of a solvent used in the manufacture of pharmaceutical and agricultural chemicals.

The chemical spill caused a city-wide evacuation for two days of 3,000 people. Over 1,200 people visited local emergency rooms in the aftermath of the spill. The City had to bring in help from the Louisiana State Hazardous Materials Team, the National Guard, the Department of Environmental Quality, the Coast Guard, and surrounding area police and fire departments. The Governor of Louisiana declared Bogalusa a disaster area on October 24, thus making the City eligible for disaster assistance.

The City has been working with the Louisiana Office of Emergency Preparedness to recover the costs incurred in connection with the chemical spill. The City filed a "Disaster Recovery Documentation Package" on November 20, 1995. Listed below are the costs the City is seeking reimbursement for:

Overtime incurred from 4:00pm, October 23 thru 6:30am, October 25	\$ 15,757.39
Overtime incurred from 6:30am, October 25 thru November 15	25,474.43
Materials and equipment	<u>229,771.14</u>
Total	<u>\$ 270,942.96</u>

Richard M. Seal

Certified Public Accountant

732-2536

Post Office Box 128

Bogalusa, Louisiana 70429-0128

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL AS PART
OF AN AUDIT OF THE GENERAL-PURPOSE FINANCIAL STATEMENTS

The Honorable M. E. "Toye" Taylor, Mayor
and Members of the City Council
City of Bogalusa, Louisiana

I have audited the general-purpose financial statements of the City of Bogalusa as of and for the year ended, December 31, 1995 and have issued my report thereon dated May 24, 1996.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the City of Bogalusa 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 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 my audit of the general-purpose financial statements of the City of Bogalusa for the year ended December 31, 1995, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general-purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses 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 the specific 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. I noted no matters involving the internal control structure and its operations that I consider to be a material weakness as defined above.

This report is intended for the information of the Mayor, the City Council and the office of the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

Bogalusa, Louisiana
May 24, 1996

Richard M. Seal

Certified Public Accountant

732-2536

Post Office Box 128

Bogalusa, Louisiana 70429-0128

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AS PART OF
AN AUDIT OF THE GENERAL-PURPOSE FINANCIAL STATEMENTS

The Honorable M. E. "Toye" Taylor, Mayor
and the Members of the City Council
City of Bogalusa, Louisiana

I have audited the general-purpose financial statements of the City of Bogalusa, Louisiana as of and for the year ended December 31, 1995, and have issued my report thereon dated May 24, 1996.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

The results of my tests disclosed the following instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

I. PUBLIC BID LAW

Criteria - Louisiana R.S. 38:2212 requires that three telephone quotes be obtained for purchases of \$5,000 or more, and that competitive bids be obtained for purchases over \$10,000.

Condition - In my review of selected invoices for substantive testing, I noticed the following:

1. There was no documentation that price quotes had been obtained for eight invoices, each over \$5,000, amounting to a total \$50,651.
2. There was no documentation that bids had been obtained for four invoices, each over \$10,000, amounting to a total of \$104,412.

Auditor's Recommendation - All city employees involved in the procurement process should become familiar with and comply with the public bid law.

Management's Response - The administration will examine each individual transaction reported by the auditor, and take the necessary action to ensure that it does not occur in the future. The entire purchasing system will be internally examined with possible modifications forthcoming to ensure compliance.

II. DEPOSITS UNDER COLLATERALIZED

Criteria - Louisiana law requires the City's fiscal agent to set aside security as collateral for bank deposits. The security is to guard against loss, and must be maintained by an unaffiliated bank.

Condition - On December 31, 1995, the City had \$3,824,191 in bank deposits with its fiscal agent. These deposits were secured from risk by \$106,000 of FDIC insurance and \$3,142,310 of U. S. Obligations pledged to the City, for a total of \$3,248,310. This means that the City's fiscal agent was \$575,881 short in its collateral of bank deposits.

Auditor's Recommendation - The City should notify its fiscal agent of this shortfall in writing, and ask that they be more attentive. The City should also monitor (and document) that deposits are adequately collateralized.

Management's Response - The City's Fiscal Agent has been notified in writing to comply with the law in regards to collateralized deposits. In addition, the finance department will be notified in writing to monitor and document that deposits are properly collateralized.

I considered these instances of noncompliance in forming my opinion on whether the City of Bogalusa's 1995 general-purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect my report dated May 24, 1996, on those general-purpose financial statements.

This report is intended for the information of the Mayor, the City Council and the office of the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Richard M. Seal

Certified Public Accountant

Bogalusa, Louisiana
May 24, 1996

SUPPLEMENTAL INFORMATION

CITY OF BOGALUSA, LOUISIANA
GENERAL FUND

BALANCE SHEET
December 31, 1995

ASSETS

Cash	\$ 467,462
Receivables	605,449
Interfund receivables	364,337
Inventory of supplies, at cost	<u>27,915</u>
Total assets	<u>\$ 1,465,163</u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$ 139,925
Workers' compensation claims payable	122,020
Certificates of indebtedness	955,000
Interfund payables	<u>196,631</u>
Total liabilities	<u>1,413,576</u>

Fund balance:

Reserved for:

Inventory of supplies	27,915
Cassidy Park Campground	5,937
Diamond Jubilee	64

Unreserved:

Undesignated	<u>17,671</u>
Total fund balance	<u>51,587</u>

Total liabilities and fund balance	<u>\$ 1,465,163</u>
------------------------------------	---------------------

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Revenues:			
Taxes:			
Ad valorem	\$ 931,500	\$ 924,606	\$ (6,894)
Bogalusa Housing Authority	14,500	24,412	9,912
Sales	2,773,000	2,397,521	(375,479)
Sales-penalty & interest	8,000	7,594	(406)
Beer	32,000	31,195	(805)
Tobacco	70,000	69,648	(352)
Licenses and permits:			
General occupational	383,000	394,557	11,557
Chain store licenses	8,930	8,930	---
Building permits	10,000	8,040	(1,960)
Electric wiring permits	15,000	13,606	(1,394)
Plumbing permits	5,000	6,527	1,527
Heating & air permits	1,500	---	(1,500)
Franchise fees:			
LP&L 2% electrical	150,000	149,389	(611)
Entex	95,660	95,656	(4)
Washington Parish Cablevision	50,000	56,633	6,633
Intergovernmental:			
Food stamp grant	28,000	29,170	1,170
Ball park grant	30,000	43,010	13,010
LCLE Police	6,850	15,051	8,201
SNAP Police	5,000	---	(5,000)
COPFAST Police	8,530	2,820	(5,710)
Troops to Cops Police	5,000	---	(5,000)
Housing Authority Police	6,000	43,955	37,955
Video poker	48,000	51,255	3,255
Service charges:			
Fire runs outside city	---	---	---
Zoning changes	1,000	1,410	410
Cemetery plot sales	7,500	4,150	(3,350)
Fines and penalties	60,000	72,457	12,457
Miscellaneous:			
Utilities refunds	---	---	---
2% fire insurance	24,430	24,427	(3)
Other	35,000	30,530	(4,470)
Total revenues	<u>4,813,400</u>	<u>4,506,549</u>	<u>(306,851)</u>

(Continued)

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable <u>(Unfavorable)</u>
Expenditures:			
General Government:			
Legislative:			
Council salaries	\$ 30,000	\$ 30,000	\$ ---
Secretary salary	18,300	18,371	(71)
Supplies	5,000	4,627	373
Group insurance	2,990	2,982	8
Travel	7,500	7,340	160
Auditing fee	35,000	35,496	(496)
Publications	4,500	3,487	1,013
Miscellaneous	<u>150</u>	<u>---</u>	<u>150</u>
Total legislative	<u>103,440</u>	<u>102,303</u>	<u>1,137</u>
Judicial:			
City Attorney	40,000	49,958	(9,958)
City Prosecutor	7,200	7,200	---
Office allowance	5,000	4,473	527
City Court:			
Judge's salary	7,500	7,788	(288)
Office salaries	45,840	45,841	(1)
Supplies	4,000	6,370	(2,370)
Marshall's salary	5,200	5,122	78
Group insurance	8,950	8,945	5
State retirement	<u>890</u>	<u>896</u>	<u>(6)</u>
Total judicial	<u>124,580</u>	<u>136,593</u>	<u>(12,013)</u>
Executive:			
Mayor's salary	35,000	34,596	404
Secretary salary	18,300	18,297	3
Overtime	---	156	(156)
Supplies	6,500	6,637	(137)
Gas and oil	1,300	1,509	(209)
Group insurance	2,990	2,982	8
Travel	6,000	9,703	(3,703)
Publications	300	505	(205)
Miscellaneous	300	---	300
Dues/subscriptions	<u>5,500</u>	<u>5,127</u>	<u>373</u>
Total executive	<u>76,190</u>	<u>79,512</u>	<u>(3,322)</u>

(Continued)
See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Personnel:			
Secretary salary	\$ 17,090	\$ 17,035	\$ 55
Group insurance	<u>2,990</u>	<u>2,982</u>	<u>8</u>
Total personnel	<u>20,080</u>	<u>20,017</u>	<u>63</u>
Administration:			
Director's salary	29,830	29,761	69
Office salaries	125,780	130,806	(5,026)
Overtime	2,500	594	1,906
Supplies	23,000	20,387	2,613
Group insurance	26,690	24,933	1,757
Travel	3,000	3,202	(202)
Gas and oil	1,300	1,624	(324)
Contract labor	4,500	4,500	---
Computer maintenance	8,500	3,720	4,780
Computer education and training	3,000	1,599	1,401
Miscellaneous	750	---	750
Purchasing:			
Salary and wages	42,930	46,621	(3,691)
Overtime	100	---	100
Group insurance	7,750	6,776	974
Supplies	3,000	3,000	---
Travel	100	---	100
Gas and oil	<u>2,500</u>	<u>2,751</u>	<u>(251)</u>
Total administration	<u>285,230</u>	<u>280,274</u>	<u>4,956</u>
General and administrative:			
Maintenance of municipal buildings	15,000	27,292	(12,292)
Interest	38,110	38,114	(4)
Insurance	524,930	664,390	(139,460)
Recreation program	11,500	7,953	3,547
Legal & professional	20,000	17,308	2,692
Utilities	325,000	173,233	151,767
Assessor's salary	---	---	---
Sales tax expense	24,170	24,996	(826)
Coroner's expense	4,000	4,980	(980)
V.A. service office	2,550	2,532	18

(Continued)
See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable <u>(Unfavorable)</u>
General and administrative (cont'd):			
National Guard	\$ 1,200	\$ 1,200	\$ ---
Food stamp office	56,000	58,340	(2,340)
Christmas in the Park	15,000	16,820	(1,820)
Miscellaneous	<u>62,000</u>	<u>147,195</u>	<u>(85,195)</u>
Total general and administrative	<u>1,099,460</u>	<u>1,184,353</u>	<u>(84,893)</u>
 Total general government	 <u>1,708,980</u>	 <u>1,803,052</u>	 <u>(94,072)</u>
 Public safety:			
Police:			
Police Chief salary	63,040	63,540	(500)
Salaries and wages	929,500	937,753	(8,253)
Shift differential	9,850	9,545	305
Contract overtime	86,000	94,135	(8,135)
Overtime	80,000	159,409	(79,409)
Holiday pay	47,000	52,142	(5,142)
LCLE training	---	9,938	(9,938)
Copsfast grant	8,530	2,820	5,710
SNAP grant overtime	5,000	5,113	(113)
Housing authority grant	6,000	43,955	(37,955)
Troops to Cops grant	5,000	---	5,000
Gas and oil	47,000	53,882	(6,882)
Group insurance	136,720	140,737	(4,017)
Supplies	40,000	48,382	(8,382)
School patrol	23,000	24,860	(1,860)
Prepaid uniform allowance	11,000	10,625	375
Care of prisoners	2,500	1,066	1,434
Repairs to equipment and radios	5,000	14,977	(9,977)
Travel	10,000	9,679	321
Special investigations	2,000	460	1,540
Narcotics investigations	5,000	6,587	(1,587)
Education	16,000	17,156	(1,156)
Emergency training	---	---	---
Computer maintenance	6,690	4,440	2,250
Operation/maintenance - jail	<u>25,000</u>	<u>---</u>	<u>25,000</u>
Total police	<u>1,569,830</u>	<u>1,711,201</u>	<u>(141,371)</u>

(Continued)

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Fire:			
Fire Chief salary	\$ 33,020	\$ 33,549	\$ (529)
Salaries and wages	739,730	741,814	(2,084)
Holiday pay	42,000	40,732	1,268
Shift differential	6,900	6,109	791
Contract overtime	63,430	64,619	(1,189)
Overtime	6,000	24,110	(18,110)
Group insurance	105,000	103,752	1,248
Prepaid uniform allowance	8,250	8,000	250
Supplies	14,000	16,224	(2,224)
Gas and oil	5,000	6,172	(1,172)
Repairs to equipment	2,800	3,423	(623)
Municipal fire and police civil service	2,500	2,892	(392)
Education	4,000	3,688	312
Travel	400	711	(311)
Total fire	<u>1,033,030</u>	<u>1,055,795</u>	<u>(22,765)</u>
Total public safety	<u>2,602,860</u>	<u>2,766,996</u>	<u>(164,136)</u>
Public works:			
Central service:			
Director's salary	34,130	34,824	(694)
Supervisors' salaries	38,060	39,149	(1,089)
Office salaries	36,720	36,920	(200)
Building inspector	22,700	23,123	(423)
Overtime	27,000	34,720	(7,720)
Cleaning paved streets salaries	18,250	---	18,250
Cassidy Park salaries	14,830	15,165	(335)
Street maintenance salaries	309,180	301,619	7,561
Cemetery maintenance salaries	---	16,170	(16,170)
Drainage & ditching salaries	136,400	133,713	2,687
Group insurance	108,690	110,133	(1,443)
Allowance-rainsuits	2,660	2,520	140
Supplies	16,000	14,765	1,235
Travel	1,500	840	660
Gas and oil	11,000	10,447	553
Repairs to equipment	10,000	7,660	2,340
Pest control materials	4,000	694	3,306

(Continued)

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Central service (cont'd):			
Cassidy Park expenses	\$ 2,000	\$ 5,447	\$ (3,447)
Maintenance of ballparks	5,000	5,940	(940)
Cemetery-temporary	25,000	20,690	4,310
Cemetery maintenance materials	<u>3,000</u>	<u>1,199</u>	<u>1,801</u>
Total central service	<u>826,120</u>	<u>815,738</u>	<u>10,382</u>
Motor pool:			
Shop supervisor/mechanic salary	19,600	20,021	(421)
Salaries and wages	87,360	87,365	(5)
Overtime	5,000	7,445	(2,445)
General	7,500	13,440	(5,940)
Administration	3,500	3,347	153
Police & fire	20,000	35,178	(15,178)
Public works	40,000	55,317	(15,317)
Group insurance	18,240	14,933	3,307
Tools and equipment	2,500	2,122	378
Supplies	2,500	3,005	(505)
Gas and oil	7,000	7,473	(473)
Allowance rainsuits	420	420	---
Licenses	<u>150</u>	<u>---</u>	<u>150</u>
Total motor pool	<u>213,770</u>	<u>250,066</u>	<u>(36,296)</u>
Electrical:			
Chief Electrician	27,470	27,468	2
Salaries and wages	29,530	29,574	(44)
Overtime	3,500	4,539	(1,039)
Group insurance	5,740	5,502	238
Tools and equipment	100	---	100
Supplies	800	51	749
Clothing allowance	390	260	130
Miscellaneous	<u>200</u>	<u>14</u>	<u>186</u>
Total electrical	<u>67,730</u>	<u>67,408</u>	<u>322</u>
Total public works	<u>1,107,620</u>	<u>1,133,212</u>	<u>(25,592)</u>
Pension contributions:			
City Employees Retirement System	135,000	138,258	(3,258)
Fire Pension-2% insurance	12,210	12,214	(4)

(Continued)
See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable <u>(Unfavorable)</u>
<i>Pension contributions (cont'd):</i>			
Firemen's Pension-City	\$ 1,500	\$ 1,500	\$ ---
Firemen's Pension-3.10M	104,080	103,207	873
Police Pension-fines & licenses	16,000	21,201	(5,201)
Policemen's Pension and Relief Fund	---		
State Firemen's Pension	200,000	202,153	(2,153)
State Policemen's Pension	70,000	78,956	(8,956)
<i>Police Pension-2.77M</i>	<u>93,940</u>	<u>92,221</u>	<u>1,719</u>
Total pension contributions	<u>632,730</u>	<u>649,710</u>	<u>(16,980)</u>
Capital outlay	<u>40,000</u>	<u>63,290</u>	<u>(23,290)</u>
Total capital outlay	<u>40,000</u>	<u>63,290</u>	<u>(23,290)</u>
Debt service			
Principal retirement	---	3,432	(3,432)
Interest and fiscal charges	<u>---</u>	<u>970</u>	<u>(970)</u>
Total debt service	<u>---</u>	<u>4,402</u>	<u>(4,402)</u>
Total expenditures	<u>6,092,190</u>	<u>6,420,662</u>	<u>(328,472)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,278,790)</u>	<u>(1,914,113)</u>	<u>(635,323)</u>
Other financing sources (uses):			
Operating transfers in (out)-			
Utility Fund	846,530	825,000	(21,530)
Employee Pay Raise Sales Tax Fund	782,130	789,585	7,455
Summer Food Fund	---	(879)	(879)
<i>Airport Maintenance and Improvement Fund</i>	<u>(45,670)</u>	<u>(56,500)</u>	<u>(10,830)</u>
Capital lease financing	<u>---</u>	<u>20,280</u>	<u>20,280</u>
Total other financing sources (uses)	<u>1,582,990</u>	<u>1,577,486</u>	<u>(5,504)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	304,200	(336,627)	(640,827)
Fund balance, beginning	<u>114,550</u>	<u>388,214</u>	<u>273,664</u>
Fund balance, ending	<u>\$ 418,750</u>	<u>\$ 51,587</u>	<u>\$ (367,163)</u>

(Concluded)
See accompanying auditor's report.

SPECIAL REVENUE FUNDS

Industrial Complex Sales Tax - To account for the receipt of a ¼ cent sales tax dedicated to improving and/or maintaining the City's Industrial Park. The tax expires January 31, 1998.

Employee Pay Raise Sales Tax - To account for the receipt of a ½ cent sales and use tax. The proceeds are dedicated to the purpose of paying salaries and benefits of City employees. The tax is for an indefinite period.

Street Improvement Sales Tax - To account for the receipt of 25% of a one cent sales and use tax. The proceeds are dedicated to street and drainage repair, maintenance, operation and additions. The tax expires May 31, 1997.

Water and Sewer Sales Tax - To account for the receipt of 15% of a one cent sales and use tax. The proceeds are dedicated to water and sewer repair, maintenance, operation and additions. The tax expires May 31, 1997.

Capital Improvement Sales Tax - To account for the receipt of 15% of a one cent sales and use tax. The proceeds are dedicated to the acquisition, operation, and maintenance of land, buildings, and equipment. The tax expires May 31, 1997.

Industrial Park Rent - To account for the receipt of rent from the Industrial Park. Expenditures are not legally restricted for any certain purpose.

Summer Food Program - To account for the receipt and expenditures from a Federal Grant dedicated to summer feeding program for children at various sites throughout the city. Breakfast and lunch are served during June and July to eligible children. At the end of each month a claim for reimbursement is filed for the month. The sponsor receives reimbursement from the Department of Education for operating and administrative expenses within certain limits set by the program regulations.

Parks and Recreation Commission - To account for the receipt and expenditures of the City of Bogalusa Park and Recreation Commission's funds. The commission is made up of seventeen people appointed by the Mayor with the approval of the Council. Expenditures are made with the approval of a majority of the commission.

Airport Maintenance and Improvement - To account for airport operations. This fund was established by the Mayor to separately account for airport operations.

Water System Improvement - To account for the receipt and expenditures of a ¼ cent sales tax. Funds are dedicated to constructing, acquiring and/or improving the water system of the City. The sales tax expires January 31, 1998. The fund is also used to account for the 1994 loan proceeds of \$1,000,000, which is also dedicated to constructing and improving water system facilities and equipment.

Landfill - To account for the receipt and expenditures of (1) a 5-mill ad valorem tax for the ten year period beginning in 1992 and ending with the year 2001. The tax proceeds are dedicated to constructing, acquiring, improving, maintaining and/or operating landfill facilities for the city, including the acquisition of land therefore. This fund also accounts for the City's investment in operations of the Choctaw Road Landfill, a joint venture with the Washington Parish Police Jury.

Bogalusa Community Arena Commission - This fund was established to plan and build a quality equine recreational facility for public use. The commission is made up of eleven people appointed by the Mayor, with the approval of the Council. It is funded by donations from the public.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET
December 31, 1995

	Industrial Complex Sales Tax	Employee Pay Raise Sales Tax	Street Improvement Sales Tax	Water and Sewer Sales Tax	Capital Improvement Sales Tax	Industrial Park Rent	Summer Food Program	Parks and Recreation Commission	Airport Main. & Improvement	Water System Improvement	Landfill	Bogalusa Community Arena Commission	Totals
Cash	\$ 1,137,827	\$ 20,228	\$ 201,034	\$ 11,571	\$ 52,968	\$ 43,662	\$	\$ 272	\$ 328	\$ 194,923	\$ 61,031	\$ 201	\$ 1,724,045
Receivables	42,779	85,611	42,780	25,678	25,678			400	400	42,779	46,538		312,243
Equity in Choctaw Road Landfill						32,781			10,733		6		6
Interfund receivable								6,000			543		44,057
Investments													6,000
Total assets	<u>\$ 1,180,606</u>	<u>\$ 105,839</u>	<u>\$ 243,814</u>	<u>\$ 37,249</u>	<u>\$ 78,646</u>	<u>\$ 76,443</u>	<u>\$</u>	<u>\$ 6,272</u>	<u>\$ 11,461</u>	<u>\$ 237,702</u>	<u>\$ 108,118</u>	<u>\$ 201</u>	<u>\$ 2,086,351</u>

LIABILITIES AND
FUND BALANCES

Liabilities:	\$	4	\$	3,583	\$	10,527	\$	34,482	\$	9,600	\$		\$	58,542
Accounts payable														88,617
Retainage payable														
Due to Choctaw Road Landfill			150,243	21,351	21,772	5,830					14,780			14,780
Interfund payables		82,600	153,826	31,878	56,254	15,430								281,796
Total liabilities		<u>4</u>	<u>82,600</u>	<u>31,878</u>	<u>56,254</u>	<u>15,430</u>	<u></u>	<u>200</u>	<u>146</u>	<u>88,617</u>	<u>14,780</u>	<u></u>	<u></u>	<u>443,735</u>
Fund balances (deficit):														
Unreserved	1,180,602	23,239	89,988	5,371	22,392	61,013		6,072	11,315	149,085	93,338	201		1,642,616
Total fund balances	<u>1,180,602</u>	<u>23,239</u>	<u>89,988</u>	<u>5,371</u>	<u>22,392</u>	<u>61,013</u>	<u></u>	<u>6,072</u>	<u>11,315</u>	<u>149,085</u>	<u>93,338</u>	<u>201</u>	<u></u>	<u>1,642,616</u>
Total liabilities and fund balances	<u>\$ 1,180,606</u>	<u>\$ 105,839</u>	<u>\$ 243,814</u>	<u>\$ 37,249</u>	<u>\$ 78,646</u>	<u>\$ 76,443</u>	<u>\$</u>	<u>\$ 6,272</u>	<u>\$ 11,461</u>	<u>\$ 237,702</u>	<u>\$ 108,118</u>	<u>\$ 201</u>	<u>\$</u>	<u>\$ 2,086,351</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
Year Ended December 31, 1995

	Industrial Complex Sales Tax	Employee Pay Raise Sales Tax	Street Improvement Sales Tax	Water and Sewer Sales Tax	Capital Improvement Sales Tax	Industrial Park Rent	Summer Food Program	Parks and Recreation Commission	Airport Main. & Improvement	Water System Improvement	Landfill	Bogalusa Community Arena Commission	Totals
Revenues:													
Taxes	\$ 414,398	\$ 829,294	\$ 414,398	\$ 248,738	\$ 248,738	\$	\$ 139,588	\$	\$	\$ 414,398	\$ 166,443	\$	\$ 2,736,407
Intergovernmental													139,588
Miscellaneous:													
Interest	41,387	5,137	5,547	1,329	1,737	1,628		258		20,584	2,733		80,340
Rent						133,800		3,000				7,026	136,800
Other								418	2,306			7,026	9,750
Total revenues	<u>455,785</u>	<u>834,431</u>	<u>419,945</u>	<u>250,067</u>	<u>250,475</u>	<u>135,428</u>	<u>139,588</u>	<u>3,676</u>	<u>2,306</u>	<u>434,982</u>	<u>169,176</u>	<u>7,026</u>	<u>3,102,882</u>
Expenditures:													
Current:													
General government	\$ 4,307	\$ 8,620	\$ 4,307	\$ 2,585	\$ 53,987	\$	\$	\$	\$ 47,506	\$ 4,307	\$ 20,415	\$	\$ 125,619
Highways, streets, and sanitation			362,606	270,618						1,027,419			1,681,058
Health & welfare							140,616					6,825	140,616
Culture & recreation						46,264		6,211					59,300
Economic development	57,809				208,559	39,907							97,716
Capital outlay						5,830							214,389
Debt service:													
Principal retirement			26,872										26,872
Interest and fiscal charges			2,884										2,884
Total expenditures	<u>62,116</u>	<u>8,620</u>	<u>396,669</u>	<u>273,203</u>	<u>262,546</u>	<u>92,001</u>	<u>140,616</u>	<u>6,211</u>	<u>47,506</u>	<u>1,031,726</u>	<u>20,415</u>	<u>6,825</u>	<u>2,348,454</u>
Excess (deficiency) of revenues over expenditures	<u>393,669</u>	<u>825,811</u>	<u>23,276</u>	<u>(23,136)</u>	<u>(12,071)</u>	<u>43,427</u>	<u>(1,028)</u>	<u>(2,535)</u>	<u>(45,200)</u>	<u>(596,744)</u>	<u>148,761</u>	<u>201</u>	<u>754,431</u>
Other financing sources (uses):													
Choctaw Road Landfill joint venture income (loss)							879	500	56,500		(108,010)		(108,010)
Operating transfers in						(69,700)				(282,223)			57,879
Operating transfers (out)													(1,445,402)
Total other financing sources (uses)	<u>(55,094)</u>	<u>(918,486)</u>				<u>(69,700)</u>				<u>(282,223)</u>			<u>(1,495,533)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	<u>338,575</u>	<u>(92,675)</u>	<u>23,276</u>	<u>(23,136)</u>	<u>(12,071)</u>	<u>(26,273)</u>	<u>(149)</u>	<u>(2,035)</u>	<u>11,300</u>	<u>(878,967)</u>	<u>(79,148)</u>	<u>201</u>	<u>(741,102)</u>
Fund balance, beginning	<u>842,027</u>	<u>115,914</u>	<u>66,712</u>	<u>28,507</u>	<u>34,463</u>	<u>87,286</u>	<u>149</u>	<u>8,107</u>	<u>15</u>	<u>1,028,052</u>	<u>172,486</u>		<u>2,383,718</u>
Fund balance, ending	<u>\$ 1,180,602</u>	<u>\$ 23,239</u>	<u>\$ 89,988</u>	<u>\$ 5,371</u>	<u>\$ 22,392</u>	<u>\$ 61,013</u>	<u>\$</u>	<u>\$ 6,072</u>	<u>\$ 11,315</u>	<u>\$ 149,085</u>	<u>\$ 93,338</u>	<u>\$ 201</u>	<u>\$ 1,642,616</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
INDUSTRIAL COMPLEX SALES TAX

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:			
Taxes -			
Sales taxes	\$ 392,890	\$ 414,398	\$ 21,508
Miscellaneous -			
Interest	<u>23,000</u>	<u>41,387</u>	<u>18,387</u>
Total revenues	<u>415,890</u>	<u>455,785</u>	<u>39,895</u>
 Expenditures:			
Current:			
General government-			
Sales tax collection expense	4,730	4,307	423
Economic development -			
Maintenance of Industrial Park	50,000	57,809	(7,809)
Insurance on buildings	<u>32,000</u>	<u>---</u>	<u>32,000</u>
Total expenditures	<u>86,730</u>	<u>62,116</u>	<u>24,614</u>
 Excess (deficiency) of revenues over expenditures	<u>329,160</u>	<u>393,669</u>	<u>64,509</u>
 Other financing sources (uses):			
Operating transfers in (out):			
Industrial Park Development Fund	<u>(250,000)</u>	<u>(55,094)</u>	<u>194,906</u>
Total other financing sources (uses)	<u>(250,000)</u>	<u>(55,094)</u>	<u>194,906</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other uses	79,160	338,575	259,415
 Fund balance, beginning	<u>794,870</u>	<u>842,027</u>	<u>47,157</u>
 Fund balance, ending	<u>\$ 874,030</u>	<u>\$1,180,602</u>	<u>\$ 306,572</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
EMPLOYEE PAY RAISE SALES TAX

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues:			
Taxes -			
Sales taxes	\$ 915,930	\$ 829,294	\$ (86,636)
Miscellaneous			
Interest	<u>3,000</u>	<u>5,137</u>	<u>2,137</u>
Total revenues	<u>918,930</u>	<u>834,431</u>	<u>(84,499)</u>
Expenditures:			
Current:			
General government -			
Sales tax collection expense	<u>8,340</u>	<u>8,620</u>	<u>(280)</u>
Total Expenditures	<u>8,340</u>	<u>8,620</u>	<u>(280)</u>
Excess (deficiency) of revenues over expenditures	<u>910,590</u>	<u>825,811</u>	<u>(84,779)</u>
Other financing sources (uses):			
Operating transfer in (out):			
General Fund	(782,130)	(789,585)	(7,455)
Utility Fund	<u>(125,000)</u>	<u>(128,901)</u>	<u>(3,901)</u>
Total other financing sources (uses)	<u>(907,130)</u>	<u>(918,486)</u>	<u>(11,356)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	3,460	(92,675)	(96,135)
Fund balance, beginning	<u>21,540</u>	<u>115,914</u>	<u>94,374</u>
Fund balance, ending	<u>\$ 25,000</u>	<u>\$ 23,239</u>	<u>\$ (1,761)</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
STREET IMPROVEMENT SALES TAX

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues:			
Taxes -			
Sales taxes	\$ 477,850	\$ 414,398	\$ (63,452)
Miscellaneous -			
Interest	<u>8,000</u>	<u>5,547</u>	<u>(2,453)</u>
Total revenues	<u>485,850</u>	<u>419,945</u>	<u>(65,905)</u>
Expenditures:			
Current:			
General government -			
Sales tax collection expense	4,170	4,307	(137)
Highways, streets and sanitation	501,230	362,606	138,624
Debt service -			
Principal retirement		26,872	(26,872)
Interest and fiscal charges		<u>2,884</u>	<u>(2,884)</u>
Total expenditures	<u>505,400</u>	<u>396,669</u>	<u>108,731</u>
Excess (deficiency) of revenues over expenditures	(19,550)	23,276	42,826
Fund balance, beginning	<u>19,550</u>	<u>66,712</u>	<u>47,162</u>
Fund balance, ending	<u>\$ ---</u>	<u>\$ 89,988</u>	<u>\$ 89,988</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
WATER AND SEWER SALES TAX

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:			
Taxes -			
Sales taxes	\$ 286,820	\$ 248,738	\$ (38,082)
Miscellaneous -			
Interest	<u>1,000</u>	<u>1,329</u>	<u>329</u>
Total revenues	<u>287,820</u>	<u>250,067</u>	<u>(37,753)</u>
 Expenditures:			
Current:			
General government -			
Sales tax collection expense	2,500	2,585	(85)
Highways, streets and sanitation	<u>285,530</u>	<u>270,618</u>	<u>14,912</u>
Total expenditures	<u>288,030</u>	<u>273,203</u>	<u>14,827</u>
 Excess (deficiency) of revenues over expenditures	(210)	(23,136)	(22,926)
 Fund balance, beginning	<u>210</u>	<u>28,507</u>	<u>28,297</u>
 Fund balance, ending	<u>\$ ---</u>	<u>\$ 5,371</u>	<u>\$ 5,371</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
CAPITAL IMPROVEMENT SALES TAX

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:			
Taxes -			
Sales taxes	\$ 286,820	\$ 248,738	\$ (38,082)
Miscellaneous -			
Interest	<u>1,000</u>	<u>1,737</u>	<u>737</u>
Total revenues	<u>287,820</u>	<u>250,475</u>	<u>(37,345)</u>
 Expenditures:			
Current:			
General government -	291,480		291,480
Equipment and building maintenance		51,402	(51,402)
Sales tax collection expense	2,500	2,585	(85)
Capital outlay		<u>208,559</u>	<u>(208,559)</u>
Total expenditures	<u>293,980</u>	<u>262,546</u>	<u>31,434</u>
 Excess (deficiency) of revenues over expenditures	 (6,160)	 (12,071)	 (5,911)
 Fund balance, beginning	 <u>6,160</u>	 <u>34,463</u>	 <u>28,303</u>
 Fund balance, ending	 <u>\$ ---</u>	 <u>\$ 22,392</u>	 <u>\$ 22,392</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
INDUSTRIAL PARK RENT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:			
Miscellaneous -			
Interest	\$ 2,400	\$ 1,628	\$ (772)
Rent	<u>140,000</u>	<u>133,800</u>	<u>(6,200)</u>
Total revenues	<u>142,400</u>	<u>135,428</u>	<u>(6,972)</u>
Expenditures:			
Current:			
Economic development -			
Washington Ind. Dev. Found., Inc.	38,000	38,000	
Industrial development	10,000	1,907	8,093
Downtown Development	50,000		50,000
Culture and Recreation -			
Avenue B Ballpark Construction	50,000	46,264	3,736
Miscellaneous -			
Airport Fuel System	<u>50,000</u>	<u>5,830</u>	<u>44,170</u>
Total expenditures	<u>198,000</u>	<u>92,001</u>	<u>105,999</u>
Excess (deficiency) of revenues over expenditures	<u>(55,600)</u>	<u>43,427</u>	<u>99,027</u>
Other financing sources (uses):			
Operating transfer in (out) -			
Airport Expansion	<u>---</u>	<u>(69,700)</u>	<u>(69,700)</u>
Total other financing sources (uses)	<u>---</u>	<u>(69,700)</u>	<u>(69,700)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(55,600)	(26,273)	29,327
Fund balance, beginning	<u>179,360</u>	<u>87,286</u>	<u>(92,074)</u>
Fund balance, ending	<u>\$ 123,760</u>	<u>\$ 61,013</u>	<u>\$ (62,747)</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
SUMMER FOOD PROGRAM

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Revenues:			
Intergovernmental -			
Entitlement from Federal Government	\$ 140,440	\$ 139,588	\$ (852)
Total revenue	<u>140,440</u>	<u>139,588</u>	<u>(852)</u>
Expenditures:			
Current:			
Health and Welfare -			
Operational costs:			
Food	49,500	49,497	3
Salaries	50,260	50,258	2
Non-food	12,440	12,443	(3)
Utilities	2,700	2,695	5
Garbage	3,510	3,513	(3)
Repairs	130	128	2
Rentals	150	146	4
Miscellaneous	440	746	(306)
Administrative costs:			
Salaries	11,030	11,203	(173)
Office supplies	680	682	(2)
Transportation	110	112	(2)
Payroll taxes	4,990	4,688	302
Workers compensation	4,500	4,505	(5)
Miscellaneous	<u>150</u>	<u>---</u>	<u>150</u>
Total expenditures	<u>140,590</u>	<u>140,616</u>	<u>(26)</u>
Excess (deficiency) of revenue over expenditures	<u>(150)</u>	<u>(1,028)</u>	<u>(878)</u>

(Continued)
See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
SUMMER FOOD PROGRAM

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Other financing sources (uses):			
Operating transfer in (out) -			
General fund	<u> </u>	<u> 879</u>	<u> 879</u>
Total other financing sources (uses)	<u> ---</u>	<u> 879</u>	<u> 879</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other uses	 (150)	 (149)	 1
 Fund balance, beginning	 <u> 150</u>	 <u> 149</u>	 <u> (1)</u>
 Fund balance, ending	 <u>\$ ---</u>	 <u>\$ ---</u>	 <u>\$ ---</u>

(Concluded)
See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
PARKS AND RECREATION COMMISSION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Revenues:			
Miscellaneous -			
Interest	\$ 180	\$ 258	\$ 78
Rent	3,000	3,000	
Other	<u>2,000</u>	<u>418</u>	<u>(1,582)</u>
Total revenues	<u>5,180</u>	<u>3,676</u>	<u>(1,504)</u>
Expenditures:			
Current:			
Culture and recreation	<u>5,180</u>	<u>6,211</u>	<u>(1,031)</u>
Total Expenditures	<u>5,180</u>	<u>6,211</u>	<u>(1,031)</u>
Excess (deficiency) of revenues over expenditures	_____	<u>(2,535)</u>	<u>(2,535)</u>
Other financing sources (uses):			
Operating transfer in (out) - Christmas in the Park	_____	<u>500</u>	<u>500</u>
Total other financing sources (uses)	<u>---</u>	<u>500</u>	<u>500</u>
Excess (deficiency) of revenues other financing sources over expenditures and other uses		(2,035)	(2,035)
Fund balance, beginning	<u>8,110</u>	<u>8,107</u>	<u>(3)</u>
Fund balance, ending	<u>\$ 8,110</u>	<u>\$ 6,072</u>	<u>\$ (2,038)</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
AIRPORT MAINTENANCE AND IMPROVEMENT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Revenues:			
Miscellaneous	\$ 1,620	\$ 2,306	\$ 686
Total revenues	<u>1,620</u>	<u>2,306</u>	<u>686</u>
Expenditures:			
Current:			
General government -			
Airport manager	15,600	15,600	
Inspection fees	12,000	3,725	8,275
Maintenance and survey	8,000	1,976	6,024
Insurance	1,200	4,130	(2,930)
Utilities	10,500	12,772	(2,272)
Supplies & expense	<u>9,303</u>	<u>9,303</u>	<u>(9,303)</u>
Total expenditures	<u>47,300</u>	<u>47,506</u>	<u>(206)</u>
Excess (deficiency) of revenues over expenditures	<u>(45,680)</u>	<u>(45,200)</u>	<u>480</u>
Other financing sources (uses):			
Operating transfers in (out) -			
General Fund	<u>45,670</u>	<u>56,500</u>	<u>10,830</u>
Total other financing sources (uses)	<u>45,670</u>	<u>56,500</u>	<u>10,830</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(10)	11,300	11,310
Fund balance, beginning	<u>10</u>	<u>15</u>	<u>5</u>
Fund balance, ending	<u>\$ ---</u>	<u>\$ 11,315</u>	<u>\$ 11,315</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
WATER SYSTEM IMPROVEMENT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues:			
Taxes -			
Sales taxes	\$ 477,850	\$ 414,398	\$ (63,452)
Miscellaneous -			
Interest	<u>55,000</u>	<u>20,584</u>	<u>(34,416)</u>
Total revenues	<u>532,850</u>	<u>434,982</u>	<u>(97,868)</u>
Expenditures:			
Current:			
General Government-			
Sales tax collection expense	4,170	4,307	(137)
Highway, streets and sanitation	<u>1,227,000</u>	<u>1,027,419</u>	<u>199,581</u>
Total expenditures	<u>1,231,170</u>	<u>1,031,726</u>	<u>199,444</u>
Excess (deficiency) of revenues over expenditures	<u>(698,320)</u>	<u>(596,744)</u>	<u>(101,576)</u>
Other financing sources (uses):			
Operating transfers in (out):			
Debt Service Fund	<u>(282,570)</u>	<u>(282,223)</u>	<u>347</u>
Total other financing sources (uses)	<u>(282,570)</u>	<u>(282,223)</u>	<u>347</u>
Excess (deficiency) of revenue and other financing sources over expenditures and other uses	(980,890)	(878,967)	(101,923)
Fund balance, beginning	<u>980,890</u>	<u>1,028,052</u>	<u>(47,162)</u>
Fund balance, ending	<u>\$ ---</u>	<u>\$ 149,085</u>	<u>\$ 149,085</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
LANDFILL

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Revenues:			
Taxes -			
Ad valorem taxes	\$ 167,330	\$ 166,443	\$ (887)
Miscellaneous -			
Interest	<u>2,000</u>	<u>2,733</u>	<u>733</u>
Total revenues	<u>169,330</u>	<u>169,176</u>	<u>(154)</u>
Expenditures:			
Current:			
Highways, streets and sanitation -			
Landfill investment	222,030		222,030
Landfill	<u> </u>	<u>20,415</u>	<u>(20,415)</u>
Total expenditures	<u>222,030</u>	<u>20,415</u>	<u>201,615</u>
Excess (deficiency) of revenues over expenditures	<u>(52,700)</u>	<u>148,761</u>	<u>201,461</u>
Other financing sources (uses):			
Choctaw Road Landfill joint venture income (loss)		(108,010)	(108,010)
Operating transfers in (out):			
Debt Service Fund	<u>(119,780)</u>	<u>(119,899)</u>	<u>(119)</u>
Total other financing sources (uses)	<u>(119,780)</u>	<u>(227,909)</u>	<u>(108,129)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(172,480)	(79,148)	93,332
Fund balance (deficit), beginning	<u>172,480</u>	<u>172,486</u>	<u>6</u>
Fund balance (deficit), ending	<u>\$ ---</u>	<u>\$ 93,338</u>	<u>\$ 93,338</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
SPECIAL REVENUE FUND
BOGALUSA COMMUNITY ARENA COMMISSION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - NO BUDGET ADOPTED
Year Ended December 31, 1995

Revenues:		
Miscellaneous-		
Other		\$ 7,026
Total revenues		<u>7,026</u>
Expenditures:		
Current:		
Culture & recreation-		
Arena construction		<u>6,825</u>
Total expenditures		<u>6,825</u>
Excess (deficiency) of revenues over expenditures		201
Fund balance, beginning		<u>---</u>
Fund balance, ending		<u>\$ 201</u>

See accompanying auditor's report.

DEBT SERVICE FUNDS

General Obligation Bond Sinking Fund - To accumulate monies for payment of the 1972 \$2,600,000 Public Improvement Sewer bonds, 1973 \$1,500,000 Public Improvement bonds, 1975 \$795,000 Public Improvement bonds, 1992 \$1,000,000 Landfill Facilities Improvement bonds. The bonds' debt service is financed by the levy of a specific ad valorem tax.

Certificate of Indebtedness Sinking Fund - To accumulate monies for the payment of the 1992 \$1,000,000 certificate of indebtedness issued for landfill improvement, and the 1994 \$1,000,000 certificate of indebtedness issued for water system improvements.

CITY OF BOGALUSA, LOUISIANA
DEBT SERVICE FUNDS

COMBINING BALANCE SHEET
December 31, 1995

	General Obligation Bond Sinking <u>Fund</u>	Certificate of Indebtedness Sinking <u>Fund</u>	<u>Total</u>
ASSETS			
Cash	\$ 263,794	\$ 98,225	\$ 362,019
Receivables	134,506		134,506
Interfund receivables			
Total assets	<u>\$ 398,300</u>	<u>\$ 98,225</u>	<u>\$ 496,525</u>
 LIABILITIES & FUND BALANCE			
Fund balance:			
Reserved for general obligation bond retirement	\$ 398,300	\$	\$ 398,300
Reserved for certificate of indebtedness retirement		98,225	98,225
Total fund balance	<u>\$ 398,300</u>	<u>\$ 98,225</u>	<u>\$ 496,525</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
Year Ended December 31, 1995

	General Obligation Bond Sinking Fund	Certificate of Indebtedness Sinking Fund	<u>Total</u>
Revenues:			
Taxes - ad valorem	\$ 481,075	\$	\$ 481,075
Interest	<u>2,745</u>	<u>2,721</u>	<u>5,466</u>
Total revenues	<u>483,820</u>	<u>2,721</u>	<u>486,541</u>
Expenditures:			
Bond principal retirements	320,000		320,000
Certificates of indebtedness principal retirements		342,878	342,878
Interest on bonds	93,663		93,663
Interest on certificates of indebtedness		59,588	59,588
Other	<u>1,920</u>		<u>1,920</u>
Total expenditures	<u>415,583</u>	<u>402,466</u>	<u>818,049</u>
Excess (deficiency) of revenues over expenditures	<u>68,237</u>	<u>(399,745)</u>	<u>(331,508)</u>
Other financing sources (uses):			
Operating transfers in (out) -			
Landfill Special Revenue Fund		119,899	119,899
Water System Improvement Fund		<u>282,222</u>	<u>282,222</u>
Total other financing sources (uses)	<u>---</u>	<u>402,121</u>	<u>402,121</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	68,237	2,376	70,613
Fund balance, beginning	<u>330,063</u>	<u>95,849</u>	<u>425,912</u>
Fund balance, ending	<u>\$ 398,300</u>	<u>\$ 98,225</u>	<u>\$ 496,525</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
DEBT SERVICE FUNDS
GENERAL OBLIGATION BOND SINKING FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - NO BUDGET ADOPTED
Year Ended December 31, 1995

Revenues:	
Taxes - ad valorem	\$ 481,075
Interest	<u>2,745</u>
Total revenues	<u>483,820</u>
Expenditures:	
Bond principal retirement	320,000
Interest on bonds	93,663
Other	<u>1,920</u>
Total expenditures	<u>415,583</u>
Excess (deficiency) of revenues over expenditures	68,237
Fund balance, beginning	<u>330,063</u>
Fund balance, ending	<u>\$ 398,300</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
DEBT SERVICE FUNDS
CERTIFICATE OF INDEBTEDNESS SINKING FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - NO BUDGET ADOPTED
Year Ended December 31, 1995

Revenues:		
Interest		\$ <u>2,721</u>
Expenditures:		
Certificates of indebtedness principal retirement	342,878	
Interest on certificates of indebtedness	<u>59,588</u>	
Total expenditures		<u>402,466</u>
Excess (deficiency) of revenue over expenditures		<u>(399,745)</u>
Other financing sources:		
Operating transfers in:		
Landfill Fund	119,899	
Water System Improvement Fund	<u>282,222</u>	
Total other financing sources		<u>402,121</u>
Excess (deficiency) of revenues and other sources over expenditures		<u>2,376</u>
Fund balance, beginning		<u>95,849</u>
Fund balance, ending		<u>\$ 98,225</u>

See accompanying auditor's report.

CAPITAL PROJECTS FUNDS

Industrial Park Development - To account for construction of buildings in the City's Industrial Park. Construction is financed by the Industrial Complex Sales Tax Fund.

LCDBG Block Grant 1992 - To account for the receipt and expenditures of a Louisiana Community Development Block Grant for water and sewer system improvements.

Landfill Improvement - To account for the proceeds of \$1,000,000 bond sale dedicated to construction and improvement of Choctaw Road Landfill.

Airport Expansion - To account for the receipt and expenditures of Federal Aviation Grants and State of Louisiana Matching Grant to expand the George R. Carr Municipal Airport apron, install perimeter fencing, and rehabilitate taxiway and existing apron.

CITY OF BOGALUSA, LOUISIANA
CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET
December 31, 1995

	<u>Industrial Park Development</u>	<u>LCDBG Block Grant 1992</u>	<u>Landfill Improvement</u>	<u>Airport Expansion</u>	<u>Total</u>
ASSETS					
Cash	\$	\$	\$ 845,375	\$ 738	\$ 846,113
Due from other governmental units				<u>35,387</u>	<u>35,387</u>
Total assets	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 845,375</u>	<u>\$ 36,125</u>	<u>\$ 881,500</u>
 LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$	\$	\$	\$ 1,741	\$ 1,741
Interfund payables			<u>543</u>	<u>34,383</u>	<u>34,926</u>
Total liabilities	<u>---</u>	<u>---</u>	<u>543</u>	<u>36,124</u>	<u>36,667</u>
 Fund balances			<u>844,832</u>	<u>1</u>	<u>844,833</u>
Total liabilities and fund balances	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 845,375</u>	<u>\$ 36,125</u>	<u>\$ 881,500</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Year ended December 31, 1995

	<u>Industrial Park Development</u>	<u>LCDBG Block Grant 1992</u>	<u>Landfill Improvement</u>	<u>Airport Expansion</u>	<u>Total</u>
Revenues:					
Intergovernmental - Entitlement from Federal/State Government	\$	\$ 2,280	\$	\$ 262,274	\$ 264,554
Interest			35,364		35,364
Total Revenues	---	2,280	35,364	262,274	299,918
Expenditures:					
Capital Outlay	55,094	4,000	4,815	331,974	395,883
Total expenditures	55,094	4,000	4,815	331,974	395,883
Excess (deficiency) of revenues over expenditures	(55,094)	(1,720)	30,549	(69,700)	(95,965)
Other financing sources(uses):					
Operating transfer in:					
Industrial Park Rent Fund				69,700	69,700
Industrial Complex Sales Tax Fund	55,094				55,094
Total other financing sources(uses)	55,094	---	---	69,700	124,794
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	---	(1,720)	30,549	---	28,829
Fund balance, beginning	---	1,720	814,283	1	816,004
Fund balance, ending	\$ ---	\$ ---	\$ 844,832	\$ 1	\$ 844,833

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
CAPITAL PROJECTS FUND
INDUSTRIAL PARK DEVELOPMENT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues	\$ <u>---</u>	\$ <u>---</u>	\$ <u>---</u>
Expenditures:			
Capital outlay -			
Contract costs	230,000	55,094	174,906
Architect fees	<u>20,000</u>	<u> </u>	<u>20,000</u>
Total expenditures	<u>250,000</u>	<u>55,094</u>	<u>194,906</u>
Excess (deficiency) of revenues over expenditures	<u>(250,000)</u>	<u>(55,094)</u>	<u>(194,906)</u>
Other financing sources(uses):			
Transfers in:			
Industrial Complex Sales Tax Fund	<u>250,000</u>	<u>55,094</u>	<u>(194,906)</u>
Total other financing sources(uses)	<u>250,000</u>	<u>55,094</u>	<u>(194,906)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	---	---	---
Fund balance, beginning	<u>10</u>	<u>---</u>	<u>(10)</u>
Fund balance, ending	<u>\$ 10</u>	<u>\$ ---</u>	<u>\$ (10)</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
 CAPITAL PROJECTS FUND
 LCDBG BLOCK GRANT 1992

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental -			
Entitlement from Federal Government	\$ 2,280	\$ 2,280	\$ _____
Total Revenues	<u>2,280</u>	<u>2,280</u>	<u>---</u>
Expenditures:			
Capital outlay -			
Administration	<u>4,000</u>	<u>4,000</u>	<u>_____</u>
Total expenditures	<u>4,000</u>	<u>4,000</u>	<u>---</u>
Excess (deficiency) of revenues over expenditures	(1,720)	(1,720)	---
Fund balance, beginning	<u>1,720</u>	<u>1,720</u>	<u>---</u>
Fund balance, ending	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
 CAPITAL PROJECTS FUND
 LANDFILL IMPROVEMENT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Revenues:	\$	\$	\$
Interest	<u>25,000</u>	<u>35,364</u>	<u>10,364</u>
Total Revenues	<u>25,000</u>	<u>35,364</u>	<u>10,364</u>
Expenditures:			
Capital outlay -			
Contract cost	839,280		839,280
Landfill construction	<u> </u>	<u>4,815</u>	<u>(4,815)</u>
Total expenditures	<u>839,280</u>	<u>4,815</u>	<u>834,465</u>
Excess (deficiency) of revenues over expenditures	(814,280)	30,549	844,829
Fund balance, beginning	<u>814,280</u>	<u>814,283</u>	<u>3</u>
Fund balance, ending	<u>\$ ---</u>	<u>\$ 844,832</u>	<u>\$ 844,832</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
CAPITAL PROJECTS FUND
AIRPORT EXPANSION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues:			
Intergovernmental -			
Federal government	\$ 423,630	\$ 250,970	\$ (172,660)
State government	<u>95,340</u>	<u>11,304</u>	<u>(84,036)</u>
Total revenue	<u>518,970</u>	<u>262,274</u>	<u>(256,696)</u>
Expenditures:			
Capital outlay -			
Contract costs	418,590	202,774	215,816
Engineering fees	84,030	112,852	(28,822)
Other costs	<u>16,350</u>	<u>16,348</u>	<u>2</u>
Total expenditures	<u>518,970</u>	<u>331,974</u>	<u>186,996</u>
Excess (deficiency) of revenues over expenditures	<u>---</u>	<u>(69,700)</u>	<u>(69,700)</u>
Other financing sources (uses):			
Operating transfer in:			
Industrial Park Rent Fund	<u>---</u>	<u>69,700</u>	<u>69,700</u>
Total other financing sources (uses)	<u>---</u>	<u>69,700</u>	<u>69,700</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	<u>---</u>	<u>---</u>	<u>---</u>
Fund balance, beginning	<u>10</u>	<u>1</u>	<u>(9)</u>
Fund balance, ending	<u>\$ 10</u>	<u>\$ 1</u>	<u>\$ (9)</u>

See accompanying auditor's report.

ENTERPRISE FUND

Utility Fund

To account for the provision of water and sewer services and garbage collection to residents of the City. 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.

CITY OF BOGALUSA, LOUISIANA
 ENTERPRISE FUND
 UTILITY FUND
 BALANCE SHEET
 December 31, 1995

ASSETS	
Current assets:	
Cash	\$ 76,253
Accounts receivable, net of allowance for uncollectible accounts, \$56,216	106,129
Receivables	25,238
Interfund receivables	<u>26,630</u>
Total current assets	<u>234,250</u>
Plant and equipment, at cost, net of accumulated depreciation of \$ 10,051,326	<u>8,854,908</u>
Total assets	<u>\$ 9,089,158</u>
LIABILITIES AND FUND BALANCE	
Current liabilities:	
Accounts payable	\$ 63,868
Interfund payables	<u>120,543</u>
Total current liabilities	184,411
Compensated absences payable	<u>52,581</u>
Total liabilities	<u>236,992</u>
Fund equity:	
Contributed capital -	
Municipality	16,403,989
Federal grants	1,531,862
Economic Development Administration	262,527
Environmental Protection Agency	167,180
State of Louisiana	<u>568,608</u>
Total contributed capital	<u>18,934,166</u>
Retained earnings (deficit)	
Unreserved	<u>(10,082,000)</u>
Total fund equity	<u>8,852,166</u>
Total liabilities and fund equity	<u>\$ 9,089,158</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
ENTERPRISE FUND
UTILITY FUND

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
RETAINED EARNINGS - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Operating revenues:			
Charges for services	\$ 1,940,160	\$ 1,932,500	\$ (7,660)
Miscellaneous revenues	45,000	46,042	1,042
Taxes - ad valorem	<u>91,010</u>	<u>90,224</u>	<u>(786)</u>
Total operating revenues	<u>\$ 2,076,170</u>	<u>\$ 2,068,766</u>	<u>\$ (7,404)</u>
Operating expenses:			
Billing & collection:			
Water collection salaries	\$ 27,430	\$ 27,598	\$ (168)
Overtime	300		300
Employee group insurance	6,000	5,963	37
Water collection expense	10,000	10,582	(582)
Water & Sewer Works:			
Water & sewer salaries	53,000	54,518	(1,518)
Overtime	40,000	59,999	(19,999)
Water maintenance salaries	18,800	24,756	(5,956)
Maint. sewer line salaries	53,240	61,797	(8,557)
Pump station operation salaries	17,920	18,233	(313)
Pump station maintenance salaries	82,500	80,865	1,635
Employee group insurance	45,600	43,689	1,911
Rain & clothing allowance	1,050	1,050	
Supplies	1,000		1,000
Travel	1,200	556	644
Gas & oil	120	3	117
Repair equipment	380		380
Pump station maintenance materials	400	29	371
Pump station operation & maintenance	100		100
Sewer Treatment Plant:			
Treatment plant supervisor	9,680	9,627	53
Treatment plant operation	76,230	77,660	(1,430)

(Continued)

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
ENTERPRISE FUND
UTILITY FUND

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
RETAINED EARNINGS - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable <u>(Unfavorable)</u>
Overtime	\$ 20,000	\$ 26,965	\$ (6,965)
Employee group insurance	13,500	13,431	69
Rain & clothing allowance	350	350	
Supplies	2,000	1,076	924
Travel	1,200	107	1,093
Gas and oil	800	922	(122)
Repairs - equipment	1,350		1,350
Repairs - plant		75	(75)
Miscellaneous	800		800
Sewer Collection System:			
Collection system supervisor	9,680	9,627	53
Sewer collection operators	49,920	57,991	(8,071)
Overtime	11,000	14,239	(3,239)
Employee group insurance	9,120	10,021	(901)
Rain & clothing allowance	210	210	
Supplies & expense	400	361	39
Gas & oil	2,760	2,201	559
Repairs - equipment	300		300
Maintenance lift station materials	500		500
General and Administrative:			
Insurance expense	2,300	2,732	(432)
Utilities expense	284,000	255,447	28,553
Trash & garbage	435,000	431,878	3,122
Depreciation expense	440,850	435,733	5,117
Contribution to pension	53,500	57,626	(4,126)
Bad debt expense	10,000	10,889	(889)
Unpaid vacation & sick pay	1,000	(2,050)	3,050
Total operating expenses	<u>1,795,490</u>	<u>1,806,756</u>	<u>(11,266)</u>
Operating income	<u>280,680</u>	<u>262,010</u>	<u>(18,670)</u>

(Continued)

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
 ENTERPRISE FUND
 UTILITY FUND

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
 RETAINED EARNINGS - BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Other financing sources (uses):			
Operating transfers in (out):			
Employee Pay Raise Sales Tax Fund	\$ 125,000	\$ 128,901	\$ 3,901
General Fund	<u>(846,530)</u>	<u>(825,000)</u>	<u>21,530</u>
Total other financing sources (uses)	<u>(721,530)</u>	<u>(696,099)</u>	<u>25,431</u>
Net income (loss)	(440,850)	(434,089)	6,761
Retained earnings (deficit), beginning	<u>(9,647,920)</u>	<u>(9,647,911)</u>	<u>9</u>
Retained earnings (deficit), ending	<u>\$ (10,088,770)</u>	<u>\$ (10,082,000)</u>	<u>\$ 6,770</u>

(Concluded)
 See accompanying auditor's report.

FIDUCIARY FUNDS

City Employees Retirement System - To account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees at amounts fixed by law and by the City at amounts determined as a percentage of ad valorem tax revenues which are also fixed by law. Note: This fund is presented at its year end - June 30, 1995. All other funds and account groups presented in these financial statements have a December 31, 1995 year end.

Firemen's Pension and Relief - To account for funds received from ad valorem tax revenue and from contributions from the general fund which are subsequently disbursed to beneficiaries of these pension funds. The contributions from the general fund are made in amounts necessary to fund current benefits payable only.

Policemen's Pension and Relief - To account for funds received from ad valorem tax revenue and from contributions from the general fund which are subsequently disbursed to beneficiaries of these pension funds. The contributions from the general fund are made in amounts necessary to fund current benefits payable only.

CITY OF BOGALUSA, LOUISIANA
FIDUCIARY FUNDS

COMBINING BALANCE SHEET
December 31, 1995

ASSETS	<u>City Employees Retirement System</u>	<u>Firemen's Pension and Relief</u>	<u>Policemen's Pension and Relief</u>	<u>Total</u>
Cash	\$ 56,221	\$ 15,785	\$ 45,821	\$ 117,827
Accrued interest	51,298			51,298
Interfund receivable	16,304	95,450	86,747	198,501
Investments (market value \$ 5,813,885)	<u>6,164,173</u>			<u>6,164,173</u>
Total assets	<u>\$ 6,287,996</u>	<u>\$ 111,235</u>	<u>\$ 132,568</u>	<u>\$ 6,531,799</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Other liability	<u>\$ 1,031</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 1,031</u>
Total liabilities	<u>1,031</u>	<u>---</u>	<u>---</u>	<u>1,031</u>
Fund balances:				
Reserved for employee retirement:				
Actuarial present value of credited projected benefits payable to current retirants and beneficiaries	3,736,626	901,467	806,202	5,444,295
Actuarial present value of credited projected benefits for active employees	<u>3,898,568</u>			<u>3,898,568</u>
Total actuarial present value of credited projected benefits	7,635,194	901,467	806,202	9,342,863
Unfunded actuarial present value of credited projected benefits	<u>(1,348,229)</u>	<u>(790,232)</u>	<u>(673,634)</u>	<u>(2,812,095)</u>
Total fund balances	<u>6,286,965</u>	<u>111,235</u>	<u>132,568</u>	<u>6,530,768</u>
Total liabilities and fund balances	<u>\$ 6,287,996</u>	<u>\$ 111,235</u>	<u>\$ 132,568</u>	<u>\$ 6,531,799</u>

See accompanying auditor's report.

CITY OF BOGALUSA, LOUISIANA
FIDUCIARY FUNDS

COMBINING STATEMENT OF OPERATIONS
AND CHANGES IN FUND BALANCES
Year Ended December 31, 1995

	City Employees Retirement <u>System</u>	Firemen's Pension and <u>Relief</u>	Policemen's Pension and <u>Relief</u>	<u>Total</u>
Operating Revenues:				
Contributions:				
City of Bogalusa	\$ 194,885	\$ 13,713	\$ 21,201	\$ 229,799
Employees	106,270			106,270
Ad valorem taxes		103,207	92,221	195,428
Interest	<u>400,602</u>	<u>1,439</u>	<u>2,577</u>	<u>404,618</u>
Total operating revenues	<u>701,757</u>	<u>118,359</u>	<u>115,999</u>	<u>936,115</u>
Operating Expenses:				
Benefit payments	386,971	102,805	83,636	573,412
Refunds of contributions	30,904			30,904
Administrative and other	<u>499</u>	<u>1,800</u>	<u>61</u>	<u>2,360</u>
Total operating expenses	<u>418,374</u>	<u>104,605</u>	<u>83,697</u>	<u>606,676</u>
Net income (loss)	283,383	13,754	32,302	329,439
Fund balances, beginning	<u>6,003,582</u>	<u>97,481</u>	<u>100,266</u>	<u>6,201,329</u>
Fund balances, ending	<u>\$ 6,286,965</u>	<u>\$ 111,235</u>	<u>\$ 132,568</u>	<u>\$ 6,530,768</u>

See accompanying auditor's report.