

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary amendments involving the transfer of funds from one department, program, or function to another and/or those amendments involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.

Budgetary amounts are as originally adopted, or as amended by the Board of Aldermen. All budgetary appropriations lapse at the end of the fiscal year.

The Combined Statements of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund and Special Revenue Fund presents a comparison of budgetary data to actual results of operations for which annual budgets have been adopted. These funds utilize the same basis of accounting for both budgetary purposes and actual results.

F. ASSETS AND LIABILITIES

Cash and Cash Equivalents. For reporting purposes, cash and cash equivalents (restricted and unrestricted) includes all cash on hand, cash in bank accounts, certificates of deposit, and highly liquid investments maturing in three months or less. Cash restricted for payment as required by law, contract, or agreement is reported separately in the financial statements.

The City has adopted Governmental Accounting Standards Board Statement No. 9, *Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities that Use Proprietary Fund Accounting*. This statement requires entities to report a statement of cash flows as part of a full set of financial statements instead of reporting a statement of changes in financial position. For the year ended June 30, 1996, there were no investing, capital, non-capital, and financing activities that did not result in cash receipts or payments.

Receivables. All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Estimated unbilled revenues from utility funds are recognized at the end of each fiscal year on a pro-rata basis based on billings during the month following the close of the fiscal year.

Interfund Receivables and Payables. Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

Due From Other Governmental Units. Receivables from other governmental units represent collections of various revenues which are expected to be submitted within sixty days after the close of the fiscal year.

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CITY OF BUNKIE, LOUISIANA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 1996

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

Printed Date DEC 18 1996

CITY OF HUNTSVILLE, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
All Governmental Fund Types
For the Year Ended June 30, 2006

	General	Special Revenues	IMM Revenues	Capital Revenues	Miscellaneous Funds
Revenues					
Taxes	\$ 280,947	\$ 394,873	\$ -	\$ -	\$ -
Licenses and permits	854,788	-	-	-	854,788
Intergovernmental	203,976	-	-	282,893	486,869
Utility agreements	114,488	-	-	-	114,488
Other	47,083	8,200	-	-	55,283
Total Revenues	\$ 789,282	\$ 403,073	\$ -	\$ 282,893	\$ 1,454,031
Expenditures					
General government	\$ 328,394	\$ 14,773	\$ -	\$ -	\$ 343,167
Fire protection	241,779	-	-	-	241,779
Police protection	282,581	-	-	-	282,581
Highways and streets	276,626	-	-	-	276,626
Sanitation	55,386	-	-	-	55,386
Airport	6,021	-	-	-	6,021
Animal control	24,900	-	-	-	24,900
Capital outlay	-	-	-	238,400	238,400
Debt service	-	-	80,000	-	80,000
Interest on bonds	-	-	11,824	-	11,824
Total Expenditures	\$ 1,260,811	\$ 14,773	\$ 91,824	\$ 238,400	\$ 1,595,808
Excess (deficiency) of revenues over expenditures					
	\$ (471,529)	\$ 388,282	\$ (91,824)	\$ (60,507)	\$ (85,554)
Other financing resources used					
Operating transfers in	860,200	-	64,823	-	925,023
Operating transfers (out)	-	(679,684)	-	-	(679,684)
Total other resources (used)	\$ 860,200	\$ (679,684)	\$ 64,823	\$ -	\$ 245,339
Excess (deficiency) of revenues and other resources over expenditures and other uses					
	\$ 388,671	\$ (291,392)	\$ -	\$ (60,507)	\$ 36,772
Fund balances, beginning	\$ 38,382	\$ 689,236	\$ -	\$ -	\$ 727,618
Fund balances, ending	\$ 389,942	\$ 397,844	\$ -	\$ (60,507)	\$ 764,390

The accompanying notes are an integral part of the financial statements.

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General Long-Term Debt Account Group - This account group is established to account for all of the City's long-term debt that will be financed from general governmental resources. Long-term liabilities of proprietary funds are accounted for in those funds.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The governmental fund types use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments to be made early in the following year.

The proprietary fund types are accounted for on an economic resources measurement focus using the accrual basis of accounting. Revenues are recorded when they are earned, including unbilled water and sewer services which are accrued. Expenses are recorded at the time liabilities are incurred.

E. BUDGETARY CONTROL

The City Charter establishes the fiscal year as the twelve-month period beginning July 1. The procedures detailed below are followed in establishing the budgetary data reflected in the financial statements.

The City Clerk and Mayor prepare a proposed budget based on an estimate of the revenues expected to be received in the next fiscal year and submit the proposal to the Board of Aldermen by April 30 of each year. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is set.

A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, Plant, and Equipment. Fixed assets used in governmental fund type operations (general fund 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 or "infrastructure" fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

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. At June 30, 1995, there were no material amounts of donated fixed assets.

Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as shown below:

Distribution system and extensions	25 years
Water wells, tanks, lines, pumps, and hydrants	25 years
Wastewater plant upgrade	40 years
Sewer lines and stations	40 years
Water meters	10 years

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. Long-term liabilities for certain general obligation debt and revenue bonds used to construct proprietary fund fixed assets are accounted for in the enterprise funds.

Compensated Absences. The City does not accumulate unpaid vacation, sick pay, and other employee benefit amount amounts because employees are not allowed to carry over significant amounts.

Total Columns on Combined Statements - Oursines. Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in 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.

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General Fund - The general fund is the main operating fund of the City. It is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted for a specific purpose are accounted for in this fund.

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

Debt Service Fund - The debt service fund is used to account for the accumulation of financial resources for the payment of principal, interest, and other related costs on general long-term debt, paid primarily from taxes levied by the City.

Capital Projects Fund - The capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds) being financed from general obligation bond proceeds, grants, or transfers from other funds.

3. Proprietary Fund Types. Proprietary funds are accounted for on a flow of economic resources measurement basis. The accounting objectives are a determination of net income, financial position, and changes in cash flow. All assets and liabilities associated with a proprietary fund's activities are included on its balance sheet. Proprietary fund equity is segregated into contributed capital and retained earnings. The following is the City's proprietary fund type:

Enterprise Fund - Enterprise funds are used to account for activities which are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The enterprise fund reported in the financial statements provides water and sewer services to the residents of the City and certain adjacent areas.

3. Account Groups. Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term debt obligations. The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with the measurement of results of operations.

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the City, other than those assets accounted for in the proprietary funds. Capital outlays in funds other than the proprietary funds are recorded as expenditures of those funds at the time of purchase and are subsequently recorded for control purposes in the General Fixed Assets Account Group.

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1994

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. GENERAL STATEMENT

The City of Bunkie, Louisiana (the City) was incorporated in 1910 under the provisions of Louisiana Law. The City operates under the Mayor - Board of Aldermen form of government and provides the following functions to its citizens: public safety (police and fire protection), highways and streets, sanitation, health and social services, culture and recreation, public improvements, utility services (water and sewer), planning and zoning, and general administrative services.

The accounting and reporting policies of the City conform to generally accepted accounting principles as applicable to local governments. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting practices. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Comptroller General's *Audit and Accounting Guide* and to the industry audit guide, *Audits of State and Local Governmental Units*. The following is a summary of the more significant policies.

B. FINANCIAL REPORTING ENTITY

The accompanying financial statements reflect only the primary government of the City of Bunkie. The primary government includes only those funds, organizations, institutions, agencies, departments, and offices that are not legally separate from the City. The financial statements do not include the data of the component units necessary for general purpose financial reporting, in conformity with generally accepted accounting principles.

C. BASIS OF PRESENTATION

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 the 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 into fund types and account groups as described below.

1. **Governmental Fund Types.** Governmental funds are those through which general government functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The following are the City's governmental fund types:

CITY OF BUNKIE, LOUISIANA
COMBINED STATEMENT OF CASH FLOWS
Proprietary Fund Type
For the Year Ended June 30, 1990

	<u>EXPENSE FUNDS</u>
Cash flows from operating activities:	
Operating income	\$ 790,624
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	305,428
Changes in assets and liabilities:	
Increase in accounts receivable	(4,482)
Decrease in payable and accrued expenses	(2,576)
Increase in water deposits	<u>1,520</u>
Net adjustments	<u>299,890</u>
Net cash provided by operating activities	\$ 595,542
Cash flows from non-capital financing activities:	
Increase in (de) from other funds	\$ (66)
Decrease in debt-related funds	(96,474)
Operating transfers in	12,831
Operating transfers (out)	<u>(118,852)</u>
Net cash used by non-capital financing activities	\$ (342,861)
Cash flows from capital and related financing activities:	
Construction capital	\$ 405,403
Purchase of property and equipment	(997,284)
Ad valorem taxes	152,506
Special principal payments	(79,594)
Interest payments	<u>(185,611)</u>
Net cash used by capital and related financing activities	\$ (604,580)
Cash flows from investing activities:	
Interest earned	<u>\$ 2,452</u>
Net cash provided by investing activities	\$ 22,452
Net decrease in cash and cash equivalents	\$ (333,947)
Cash and cash equivalents, beginning	<u>511,125</u>
Cash and cash equivalents, ending	\$ 177,178
Reconciled Cash	\$ 177,178
Cash and cash equivalents, unrecconciled	\$ 235,125

The accompanying notes are an integral part of the financial statements.

CITY OF MONTELEONE, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE

Budget Year Ending June 30, 2006
 (Approved Special Business Month
 by the Tax Electors June 28, 2005)

	GENERAL FUND		SPECIAL REVENUE FUNDS			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues						
Taxes	\$ 26,000	\$ 26,917	\$ 917	\$ 26,000	\$ 26,917	\$ 917
License and permits	45,750	46,781	1,031	-	-	-
Intergovernmental	18,000	20,076	2,076	-	-	-
State expenditures	10,000	10,440	440	-	-	-
Other	18,000	11,000	(7,000)	0.00	0.00	0.00
Total Revenues	\$ 118,750	\$ 125,214	\$ 6,464	\$ 26,000	\$ 27,917	\$ 1,917
Expenses						
General government	\$ 10,000	\$ 10,000	\$ 0	\$ 10,000	\$ 10,000	\$ 0
Police protection	27,000	27,119	119	-	-	-
Water protection	27,000	27,288	288	-	-	-
Highway and streets	15,000	15,000	-	-	-	-
Sanitation	30,000	32,700	2,700	-	-	-
Amuse	6,000	6,000	-	-	-	-
Administrative	20,000	23,000	3,000	-	-	-
Total Expenditures	\$ 155,000	\$ 161,117	\$ 6,117	\$ 10,000	\$ 10,000	\$ 0.00
Excess (deficiency) of revenues over expenditures	\$ 63,750	\$ 63,999	\$ 249	\$ 16,000	\$ 17,917	\$ 917
Other (Increase) decrease (over)						
Operating transfers in	90,000	90,114	114	-	-	-
Operating transfers out	-	-	-	-	-	-
Total other sources/(uses)	\$ 90,000	\$ 90,114	\$ 114	\$ -	\$ -	\$ 0.00
Excess (deficiency) of revenues available over expenditures available used	\$ 153,750	\$ 154,113	\$ 363	\$ 16,000	\$ 17,917	\$ 917
Transfers in, beginning	75,000	75,000	-	75,000	75,000	-
Transfers in, ending	\$ 78,750	\$ 79,113	\$ 363	\$ 75,000	\$ 76,017	\$ 1,017

The accompanying notes are an integral part of the financial statements.

The Honorable John Guillory, Mayor
August 16, 1996
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In accordance with Government Auditing Standards, I have also issued a report dated August 16, 1996 on my consideration of the City of Bossier's internal control structure and a report dated August 16, 1996 on its compliance with laws and regulations.

My audit was conducted for the purpose of forming an opinion on the primary government financial statements taken as a whole. The combining and individual fund 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 primary government financial statements of the City of Bossier, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in my opinion, is fairly presented in all material respects in relation to the primary government financial statements taken as a whole.



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INDEPENDENT AUDITOR'S REPORT

August 16, 1996

The Honorable John Guillory, Mayor
and Members of the Board of Aldermen
City of Houma, Louisiana

I have audited the accompanying primary government financial statements of the City of Houma, Louisiana as of June 30, 1996 and for the year then ended. These financial statements are the responsibility of the City's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget Circular A-128, *Audits of States and Local Governments*. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In my opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the City of Houma, Louisiana, as of June 30, 1996, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

However, the primary government financial statements, because they do not include the financial data of the component units of the City of Houma, Louisiana, do not purport to, and do not, present fairly the financial position of the City of Houma, Louisiana, as of June 30, 1996 and the results of its operations and cash flows of its proprietary fund for the year then ended in conformity with generally accepted accounting principles.

FINANCIAL AND COMPLIANCE REPORTS

**CITY OF BUNNIE, LOUISIANA
ANNUAL FINANCIAL REPORT**

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CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 2 - CASH AND CASH EQUIVALENTS

At June 30, 1996, cash and cash equivalents totaled \$1,255,430 (book balance) and \$1,388,642 (bank balance). The book balance included \$887,072 that is classified as restricted, and the remaining \$368,358 is considered unrestricted. The composition of these accounts is as follows:

	<u>Book Balance</u>	<u>Bank Balance</u>
Demand Deposits - noninterest bearing	\$ 10,180	\$ 20,000
Interest-bearing checking and certificates of deposit	1,141,238	1,378,689
Petty cash	<u>3,012</u>	<u> </u>
	<u>\$1,254,430</u>	<u>\$1,398,689</u>

Under state law, these deposits must be secured by federal deposit insurance or by the pledge of securities held by the bank. The securities pledged are held in the name of the pledging bank in a custodial bank that is mutually acceptable to both parties. At June 30, 1996, all deposits with financial institutions were fully covered by federal deposit insurance and/or pledged securities. A detailed analysis of this coverage is as follows:

Total cash at June 30, 1996 (Bank Balance)	\$1,388,642
Less: FDIC insurance coverage	<u>258,380</u>
Subtotal	1,144,332
Pledged securities at custodial banks	<u>244,310</u>
Excess of FDIC insurance and pledged assets	<u>\$1,388,642</u>

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the City that the pledging bank has failed to pay deposited funds on demand.

GENERAL FUND

General Fund - The main operating fund of the City. It is used to account for all financial resources traditionally associated with government except those required to be accounted for in another fund.

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1995

NOTE 15: PROPRIETARY FUNDS - SEGMENT DISCLOSURE (CONTINUED)

Nonoperating revenues (expenses)			
Interest income	12,451	8,984	21,435
Interest expense	(15,350)	(126,340)	(141,690)
Ad valorem taxes	_____	297,369	197,990
Total nonoperating revenues (expenses)	(2,899)	80,144	77,045
Operating transfers in (out)	(235,128)	(103,617)	(338,745)
Net income	\$ 30,431	\$ (207)	\$ 29,924
Fixed asset acquisitions	\$ 494,440	\$ 21,207	\$ 506,337
Net working capital	\$ 145,681	\$ 133,612	\$ 289,293
Total assets	\$ 1,371,422	\$ 4,403,242	\$ 5,781,582
General obligation bonds	\$ _____	\$ 2,921,903	\$ 2,921,903
Revenue bonds	\$ 311,000	\$ _____	\$ 311,000
Total equity	\$ 896,683	\$ 1,678,353	\$ 2,567,332

NOTE 16: INTERGOVERNMENTAL AGREEMENT

The 1991 Louisiana Legislature mandated that there be one agency per parish to collect the various taxes levied in each parish. In June 1992, the City entered into an agreement with the Assumption Parish School Board whereby the School Board will act as the collecting agent and charge the City one and one-half percent per month of the total taxes collected on behalf of the City. For the year ended June 30, 1995, the City paid the School Board \$8,062 in collection fees.

On October 4, 1994, the City entered into a cooperative endeavor agreement with the State of Louisiana, Office of Facility Planning and Control, for capital improvements to the Bunkie Evacuation and Civic Center. The agreement provides for funding in the amount of \$250,000. Expenditures related to the project as of June 30, 1995 are summarized as follows:

	Cash Disbursed	Retainage	Total
Public Facilities			
Engineering	\$ 18,200	\$ -	\$ 18,200
Construction	203,689	32,525	237,613
Total	\$ 221,889	\$ 32,525	\$ 255,813

REPORTS REQUIRED UNDER OMB CIRCULAR A-123

**CITY OF MONROE, LOUISIANA
ANNUAL FINANCIAL REPORT**

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The Honorable John Guilfoyle, Mayor
August 16, 1996
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This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.


KENNETH J. BREAUX
CERTIFIED PUBLIC ACCOUNTANT

CITY OF MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 18: CONTRIBUTED CAPITAL

Capital contributions reported by the Proprietary Fund for the year ended June 30, 1996 are summarized as follows:

	Water System Fund	Sewer System Fund	Total
Balance June 30, 1995	\$ 219,387	\$ 1,312,286	\$ 1,531,773
Current contributions - LCSD&G	<u>493,758</u>	<u> </u>	<u>493,758</u>
Balance June 30, 1996	<u>\$ 713,145</u>	<u>\$ 1,312,286</u>	<u>\$ 2,025,431</u>

Contributed capital is recorded in the proprietary funds that have received capital grants or contributions and such resources are restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on the portion of the assets acquired or constructed from such resources.

NOTE 19: BUDGETARY AMENDMENTS

Budgetary amendments involving the transfer of funds from one department, program, or function to another or revisions that alter the total expenditures must be approved by the Board of Aldermen. In May 1996, the Board of Aldermen adopted an amended budget approving the following changes to the City's budget for the year ended June 30, 1996:

	Original Budget	Amended Budget	Increase (Decrease)
General Fund:			
Revenues	\$ 450,150	\$ 731,400	\$ 281,250
Expenditures	<u>1,288,729</u>	<u>1,236,790</u>	<u>51,939</u>
Excess (deficit) revenues over expenditures	(835,579)	(505,390)	330,189
Operating transfers	<u>370,000</u>	<u>645,100</u>	<u>275,100</u>
Excess revenues and other sources over expenditures	<u>\$ 54,421</u>	<u>\$ 139,710</u>	<u>\$ 85,289</u>

CITY OF BUNNIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1994

NOTE 19: BUDGETARY AMENDMENTS (CONTINUED)

Special Revenue Fund:

Revenues	\$ 353,800	\$ 376,500	\$ 22,700
Expenditures	<u>3,360</u>	<u>3,058</u>	<u>(302)</u>
Excess (deficit) revenues over expenditures	343,640	367,458	22,810
Operating transfers	<u>(523,500)</u>	<u>(429,575)</u>	<u>(145,641)</u>
Excess (deficiency) of revenues over expenditures and other uses	<u>\$ 9,796</u>	<u>\$ (132,172)</u>	<u>\$ (121,831)</u>

These amendments were passed to authorize increased spending as a result of higher revenues than originally projected, and to authorize certain fund transfer activities during the fiscal year ended June 30, 1994.

NOTE 20: RISK MANAGEMENT

The City 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. These risks of loss are covered by participation in a public entity risk pool that operates as a common insurance program and by acquiring commercial insurance coverage. Claims resulting from these risks have historically not exceeded insurance coverage.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

August 18, 1996

The Honorable John Guillory, Mayor
and Members of the Board of Aldermen
City of Bunkie, Louisiana

I have audited the financial statements of the City of Bunkie, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated August 16, 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 Bunkie, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of 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 financial statements of the City of Bunkie, Louisiana for the year ended June 30, 1996, 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 financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

The Honorable John Gallory, Mayor
August 16, 1996
Page 3

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

Condition: Infrequent reconciliations of revenues with bank deposits.

Collection of revenues has not been reconciled with bank deposits in a timely manner. Reconciliations of this nature must be performed on a frequent basis in order to adequately safeguard the City's resources.

Recommendation: Cash reconciliations are an important internal control used to ensure that cash transactions are properly recorded. To be effective, they must be performed timely, and should be reviewed by management to ensure their accuracy and completion. Cash collections should be reconciled to supporting documentation daily and deposited as soon as practical, but not later than the next business day. The City Clerk should review and approve each reconciliation and review each deposit for accuracy.

Response: Corrective action was adopted by management prior to the conclusion of the fiscal year. At June 30, 1996, reconciliations were performed in a timely manner.

Condition: Failure to complete annual fixed asset inventory as required by law.

During the fiscal year ended June 30, 1996, management failed to properly complete an annual fixed asset inventory as required by state law.

Recommendation: An annual inventory should be undertaken during each fiscal year to safeguard the City's "non-infrastructure" assets, which may be subject to theft. I recommend that an annual inventory be undertaken as soon as practical before the close of each fiscal year, and a detailed record of all fixed assets owned by the City be compiled and maintained by the City Clerk rather than at the department level.

Response: This matter was discussed with management. Corrective action was promised for future periods.

The Honorable John Guilford, Mayor
August 18, 1996
Page 3

A material weakness is a reportable condition in which the design or operation of one or more of the internal control (accounting) 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 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.

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 as defined above. However, I believe none of the reportable conditions described above is a material weakness.

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


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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

August 16, 1996

The Honorable John Guillory, Mayor
and Members of the Board of Aldermen
City of Bunkie, Louisiana

I have audited the financial statements of the City of Bunkie, Louisiana, as of and for the year ended June 30, 1996 and have issued my report thereon dated August 16, 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 Bunkie, Louisiana, is the responsibility of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the City of Bunkie, Louisiana's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the 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 no instances of noncompliance that are required to be reported under Government Auditing Standards.

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



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

August 16, 1996

The Honorable John Guilford, Mayor
and Members of the Board of Aldermen
City of Bunkie, Louisiana

I have audited the financial statements of the City of Bunkie, Louisiana as of and for the year ended June 30, 1996, and have issued my report thereon dated August 16, 1996. These financial statements are the responsibility of the City's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget Circular A-128, *Audit of State and Local Governments*. These standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the financial statements of the City of Bunkie, Louisiana, taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.


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

August 16, 1996

The Honorable John Gallory, Mayor
and Members of the Board of Aldermen
City of Bunkie, Louisiana

I have audited the financial statements of the City of Bunkie, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated August 16, 1996. I have also audited the compliance of the City of Bunkie, Louisiana, with requirements applicable to major federal financial assistance programs and have issued my report thereon dated August 16, 1996.

I conducted my audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the 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 financial statements are free of material misstatement, and about whether the City of Bunkie, Louisiana, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing my audits for the year ended June 30, 1996, I considered the internal control structure of the City of Bunkie, Louisiana, in order to determine my auditing procedures for the purpose of expressing my opinions on the financial statements of the City of Bunkie, Louisiana and on the compliance of the City of Bunkie, Louisiana, with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses 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 financial statements in a separate report dated August 16, 1996.

Management of the City of Bunkie, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required.

to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of 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 the 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:

Accounting Applications:

- Cash Receipts
- Cash Disbursements

General Requirements:

- Political Activity
- Davis-Bacon Act
- Civil Rights
- Allowable Cost/Cost principles
- Administrative Requirements

Specific Requirements:

- Types of Services Allowed or Unallowed
- Special Terms and Provisions

For all of the 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 June 30, 1996, the City of Dunbar, Louisiana, expended 100% of its federal financial assistance under major federal financial assistance programs.

**CITY OF MONROE, LOUISIANA
 SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED JUNE 30, 1994**

<u>FEDERAL PASS-THROUGH GRANTOR</u>	<u>FEDERAL CFDA#</u>	<u>PASS-THROUGH GRANTOR'S NUMBER</u>	<u>EXPENDITURES</u>
U. S. Department of Housing and Urban Development			
Pass-Through State of Louisiana, Division of Administration - Community Development Block Grant	14.128	181-0073	\$ <u>491,798</u>
Total Federal Financial Assistance Expended			\$ <u>491,798</u>

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

August 16, 1996

The Honorable John Gallory, Mayor
and Members of the Board of Aldermen
City of Bunkie, Louisiana

I have audited the financial statements of the City of Bunkie, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated August 16, 1996.

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

- Political Activity
- Debris - Bazon Act
- Allowable Cost / Cost Principles
- Civil Rights
- 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 Bunkie, Louisiana'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 non-compliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that the City of Bunkie, Louisiana had not complied, in all material respects, with those requirements.

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 2 - CASH AND CASH EQUIVALENTS (CONTINUED)

Restrictions on cash imposed by various bond agreements and/or state law are disclosed in Note 7. The composition of these accounts is as follows:

General Fund			
Reserve for property taxes	\$ 28,553		\$ 28,553
Special Revenue Fund			
Bond reserve fund - sales tax	\$ 62,188		
Bond sinking fund - sales tax	60,245		
Bond surplus fund	<u>53,769</u>		176,412
Debt Service Fund			
Cash with paying agent	\$ 6,217		6,217
Enterprise Fund			
Bond reserve fund - water	\$ 234,361		
Bond sinking fund - water	60,466		
Capital addition fund - water	81,445		
Debt service fund - sewer	218,081		
Wastewater plant - sewer	<u>327</u>		503,680
Total Restricted Cash - All Funds			<u>\$807,032</u>

NOTE 3 - RECEIVABLES

Receivables at June 30, 1998 consisted of the following:

	General Fund	Enterprise Fund	Memorandum Totals
Charges for services	\$ -	\$ 112,724	\$ 112,724
Other charges	45,363	-	45,363
Less: allowance for uncollectibles	<u>-</u>	<u>2,800</u>	<u>2,800</u>
Totals	<u>\$45,363</u>	<u>\$ 110,724</u>	<u>\$ 156,087</u>

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 17: FEDERAL FINANCIAL ASSISTANCE

The City was awarded funding for the repair of and improvements to its water wells and distribution system in the form of a Community Development Block Grant. Expenditures related to the project as of June 30, 1996 are summarized as follows:

	Current Expenditures	Prior Expenditures	Total Expenditures
Administration			
Consulting fees	\$ 14,500	\$ 10,748	\$ 25,248
Miscellaneous	-	635	635
Public Facilities			
Engineering	18,701	38,279	56,980
Construction	<u>461,557</u>	<u>-</u>	<u>461,557</u>
Total	<u>\$ 482,758</u>	<u>\$ 49,662</u>	<u>\$ 532,420</u>

The project is slated for completion in late 1996. Expenditures to date are reported as construction in progress by the City's water system fund. Funding has been provided by the Louisiana Community Development Block Grant Program (LCDBG) in the following manner:

Cash received:	
Current year	\$ 400,354
Prior year	<u>12,481</u>
Total cash received	412,835
Balance due	<u>119,585</u>
Total LCDBG assistance	<u>\$ 532,420</u>

The City has incurred a contractual obligation in the amount of \$388,197 in connection with construction of the water well and distribution system improvements. As June 30, 1996, construction was 91% complete and a portion of the contractual obligation totaling \$461,557 has been recognized.

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 14: RESERVED FUND BALANCES AND RETAINED EARNINGS

Description	General Fund	Special Revenue Fund	Debt Service Fund	Proprietary Fund	Totals Miscellaneous City
Reserve for ad valorem taxes	\$ 28,553	\$ -	\$ -	\$ -	\$ 28,553
Restricted for bond payments	<u> </u>	<u>136,412</u>	<u>6,217</u>	<u>565,890</u>	<u>778,519</u>
Total restricted assets	28,553	136,412	6,217	565,890	807,072
Payable from restricted assets	<u> </u>	<u> </u>	<u>6,217</u>	<u>218,851</u>	<u>231,078</u>
Total	<u>\$ 28,553</u>	<u>\$ 136,412</u>	<u>\$ 6,217</u>	<u>\$ 565,890</u>	<u>\$ 778,519</u>

The amount reported as reserve for ad valorem taxes consists of taxes paid under protest. These amounts will remain restricted until issues contributing to the restriction can be resolved.

Various bond covenants require the City to maintain cash reserves that can only be used under specific circumstances. These cash reserves are presented above under the caption "Restricted by bond agreement".

NOTE 15: PROPRIETARY FUNDS - SEGMENT DISCLOSURE

The City maintains two Enterprise Funds. The water system fund provides water service to customers within the City and certain outlying areas. The sewer system fund provides wastewater treatment service to the citizens within the limits of the City.

Key financial information as of and for the year ended June 30, 1998 for these funds are as follows:

	Water System Fund	Sewer System Fund	Total
Operating revenues	\$ 428,346	\$ 299,943	\$ 728,287
Operating expenses (incl. depreciation)	114,800	246,433	361,233
Depreciation	<u>45,888</u>	<u>123,342</u>	<u>169,230</u>
Operating income	268,658	(70,004)	198,654

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

August 16, 1996

The Honorable John Guillory, Mayor
and Members of the Board of Aldermen
City of Bunkie, Louisiana

I have audited the financial statements of the City of Bunkie, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated August 16, 1996.

I have also audited the City of Bunkie, Louisiana's compliance with the requirements governing types of services allowed or unallowed, and special tests and provisions applicable to its major federal financial assistance program, which is identified in the accompanying Schedule of Federal Financial Assistance, for the year ended June 30, 1996. The management of the City of Bunkie, Louisiana, is responsible for the City of Bunkie, Louisiana's compliance with these 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 Office of Management and Budget Circular A-128, *Audit 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 Bunkie, Louisiana's compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the City of Bunkie, Louisiana, complied, in all material respects, with the requirements governing types of services allowed or unallowed, and special tests and provisions applicable to its major federal financial assistance program for the year ended June 30, 1996.

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



KENNETH J. BREAUX
CERTIFIED PUBLIC ACCOUNTANT

**CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996**

NOTE 10: PENSION PLANS (CONTINUED)

Contributions to the System include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each municipality, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. State statute requires covered employees to contribute 9.25 percent of their annual covered salary to the System. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (504) 925-4833.

Municipal Police Employees Retirement System of Louisiana (System). All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 1/3 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 24 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employer contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

State statute requires covered employees to contribute 7.5 percent of their annual covered salary to the System. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809, or by calling (504) 939-7411.

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 8 - AD VALOREM TAXES

Ad valorem taxes are assessed on a calendar year basis and are due on or before December 31 in the year in which the tax is levied. Property taxes are recognized in compliance with NCGA Interpretation 3 - (Revenue Recognition - Property Taxes) which states that such revenues is recorded when it becomes measurable and available. Available means due or past due and collected no longer than 60 days after the close of the current period.

For the year ended June 30, 1995, the City levied 5.65 mills of taxes totaling \$64,056 and collected \$63,878, which was dedicated to the general corporate purposes of the City.

For the year ended June 30, 1996, the City levied 17.50 mills of taxes totaling \$198,865 and collected \$197,580, which is dedicated to the payment of general obligation bonds issued to finance construction of the Wastewater Treatment Plant.

NOTE 9 - INDIVIDUAL FUND DISCLOSURES

During the year ended June 30, 1996, the City had a deficit in the Capital Projects Fund totaling \$5,813. This deficit represents the amount spent on the Civic Center in excess of grant revenues received from the state. This deficit will be eliminated in the next fiscal year by transfer of amounts from other funds.

NOTE 10 - PENSION PLANS

Substantially all employees of the City of Bunkie are members of the Municipal Police Employees' Retirement System of Louisiana or the Municipal Employees' Retirement System. These systems are multiple-employer (cost-sharing) public employer retirement systems (PERS), controlled and administered by separate boards of trustees.

Municipal Employees' Retirement System of Louisiana (System). The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the City participating in the retirement system are members of Plan A. All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 7: LONG-TERM DEBT (CONTINUED)

The revenue bonds are collateralized by the revenue of the water system and the various special funds established by the bond ordinance. The ordinance provides that the revenue of the system is to be used first to satisfy the City's obligation on the bond issue, second to pay all reasonable expenses of administration, operation, and maintenance of the system, and third to establish and maintain the revenue bond funds as set forth in the bond ordinance. Remaining revenues may then be used for any lawful purpose. The City is in compliance with all significant requirements of the ordinance as June 30, 1996.

Annual Requirements to Retire Debt Obligations -

The annual aggregate maturities for the years subsequent to June 30, 1996 are as follows:

Year Ending June 30	General Long-Term Debt		Proprietary Bond		Total
	Principal	Interest	Principal	Interest	
1997	\$ 63,889	\$ 9,267	\$ 503,512	\$ 146,680	\$ 1,199,448
1998	55,000	6,050	508,788	135,454	1,065,292
1999	55,000	3,825	114,227	128,964	303,216
2000	-	-	119,839	104,200	244,040
2001	-	-	125,631	118,161	243,792
2002 - 2006	-	-	543,810	501,105	1,044,915
2007 - 2011	-	-	389,655	368,305	957,960
2012 - 2016	-	-	752,564	205,396	957,960
2017 - 2018	-	-	155,367	26,845	182,212
Total	\$ 173,889	\$ 19,142	\$ 2,839,593	\$ 1,350,111	\$ 4,227,602

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 7: LONG-TERM DEBT (CONTINUED)

Transactions for the year ended June 30, 1996 are summarized as follows:

	Balance 6-30-95	Additions	Payments	Balance 6-30-96
General Long-Term Debt Group				
General obligation bonds	\$ 115,000	\$ -	\$ 50,000	\$ 165,000
Capital lease obligations	<u>20,200</u>	<u>-</u>	<u>13,481</u>	<u>10,889</u>
Total	<u>\$ 141,200</u>	<u>\$ -</u>	<u>\$ 63,481</u>	<u>\$ 175,889</u>
 Proprietary Fund				
General obligation bonds	\$ 2,583,986	\$ -	\$ 62,393	\$ 2,521,593
Revenue bonds	<u>147,000</u>	<u>-</u>	<u>36,080</u>	<u>311,000</u>
Total	<u>\$ 2,590,986</u>	<u>\$ -</u>	<u>\$ 98,473</u>	<u>\$ 2,832,593</u>

General Obligation Bonds -

General obligation bonds are direct obligations issued as a pledge of the general taxing power for the payment of the debt obligations of the City. General obligation bonds require the City to compute, at the time the taxes are levied, the rate of tax required to provide (in each year the bonds are outstanding) sufficient resources to pay principal and interest at maturity.

The 1974 Public Improvement Series G & H and Public Street Bonds are payable from sales taxes collected, within the limits prescribed by law, on sales within the City and are further payable from and secured by various sinking funds and reserve funds established by the bond ordinances.

The 1982 General Obligation Bonds are payable from all valuations taxes levied, within the limits prescribed by law, against all taxable property within the City as provided in the bond ordinance.

Revenue Bonds -

Waterworks Utility Revenue Bonds constitute special obligations of the City created by a lien on and pledge of the net revenues of the water system.

CITY OF DUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 7. LONG-TERM DEBT

At June 30, 1996, long-term debt consisted of the following individual issues:

	General Long-Term Debt	Separate Fund
General Obligation Bonds		
Public Improvement Series G & H Bonds, dated March 1, 1974, due in annual installments ranging from \$10,000 to \$25,000 maturing March 3, 1998, bearing interest at a rate of 5.5%, secured by proceeds from the City's sales and use tax collections.	\$ 60,000	\$ -
Public Street Bonds, dated March 3, 1974, due in annual installments ranging from \$18,000 to \$25,000, maturing March 1, 1999, bearing interest at a rate of 5.0%, secured by proceeds from the City's sales and use tax collections.	183,000	-
1982 General Obligation Bonds, dated July 30, 1982, due in annual installments ranging from \$26,500 to \$384,843, maturing July 10, 2017 bearing interest at a rate of 5.0%, secured by an annual ad valorem tax.	-	2,501,583
Revenue Bonds		
Waterworks Utility Revenue Bonds, dated July 1, 1979, due in annual installments ranging from \$9,000 to \$31,000, maturing July 1, 2003, bearing interest at a rate of 5.0%. Revenues generated by the City's water system has been pledged to secure these bonds.	-	343,000
Capital Lease Obligations		
Lease/purchase of a police van, dated March 25, 1994, due in twenty-four monthly installments of \$800, final payment due February 1997, bearing interest at a rate of 7.0%.	7,812	-
Lease/purchase of a police van, dated March 17, 1995, due in thirty-six monthly installments of \$468, final payment due February 1997, bearing interest at a rate of 7.0%.	3,872	-
Total	\$ 173,892	\$ 2,844,583

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 6 - FIXED ASSETS

A summary of general fixed asset transactions for the year ended June 30, 1996 follows:

	Balance June 30, 1995	Additions	Disposals	Balance June 30, 1996
Construction in progress	\$ 17,413	\$ 138,399	\$ -	\$ 255,812
Land	182,551	-	-	182,551
Buildings	534,708	15,589	-	550,297
Improvements	771,858	-	-	771,858
Vehicles	331,717	19,807	7,935	333,589
Equipment	<u>287,121</u>	<u>12,829</u>	<u>-</u>	<u>300,950</u>
Total	\$ 2,165,378	\$ 176,624	\$ 7,935	\$ 2,433,067

A summary of Proprietary Fund Type property, plant, and equipment at June 30, 1996 follows:

	Water System	Sewer System	Total
Construction in progress	\$ 542,400	\$ -	\$ 542,400
Wall area and right of way	42,546	-	42,546
Distribution system and equipment	1,574,708	-	1,574,708
Treatment plant and sewer lines	-	4,056,751	4,056,751
Vehicles and equipment	<u>18,265</u>	<u>131,043</u>	<u>149,308</u>
Subtotal	2,177,919	4,217,794	6,395,713
Less: accumulated depreciation	<u>1,451,282</u>	<u>287,125</u>	<u>1,738,407</u>
Net property and equipment	\$ 726,637	\$ 3,930,669	\$ 4,657,306

For the year ended June 30, 1996, depreciation expense totaled \$169,430.

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables at June 30, 1996 consisted of the following:

	Receivable	Payable
Special Revenue Fund		
Sales Tax Fund	\$ -	\$ 17,164
General Fund	13,361	666
Proprietary Fund		
Sewer System Fund	_____ 666	_____
Totals	<u>\$ 13,361</u>	<u>\$ 17,830</u>

NOTE 5 - DUE FROM OTHER GOVERNMENTAL UNITS

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

	General Fund	Special Revenue	Capital Projects	Enterprise Fund	Memorandum Total
State of Louisiana					
Fire insurance taxes	\$ 11,675	\$ -	\$ -	\$ -	\$ 11,675
Motor vehicle taxes	-	7,886	-	-	7,886
Tobacco taxes	6,803	-	-	-	6,803
Video poker tax	2,398	-	-	-	2,398
Facility Planning	-	-	26,712	-	26,712
LEDING	-	-	-	67,175	67,175
Sales taxes	-	-	-	1,261	1,261
Acadian Parish					
Sales taxes	-	43,597	-	-	43,597
Casino tax	9,379	-	-	-	9,379
Bunkie City Court					
Fines	5,000	-	-	-	5,000
Total	<u>\$ 24,853</u>	<u>\$ 51,483</u>	<u>\$ 26,712</u>	<u>\$ 68,376</u>	<u>\$ 211,386</u>

The Honorable John Gullino, Mayor
August 16, 1986
Page 3

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 advancements and reimbursements that are applicable to each of the City of Hankin's major 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.

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 constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reparable 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 may 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. I noted no matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above.

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


KENNETH J. BREAUX
CERTIFIED PUBLIC ACCOUNTANT

CITY OF BUNKIE, LOUISIANA

School System Fund (Continued)

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings - Budget and Actual
For the Year Ended June 30, 1994 with Comparative Totals for 1993

	Budget	Actual	Variance Favorable (Unfavorable)	1993 Actual
Operating transfers in (out)				
General Fund	-	(18,617)	(18,617)	-
Total operating transfers in (out)	-	(18,617)	(18,617)	-
Net income (loss)	(14,150)	(507)	21,643	(1,128)
Retained earnings, beginning	264,611	264,611	-	262,483
Retained earnings, ending	\$ 250,461	\$ 264,104	\$ 21,643	\$ 261,355

CITY OF DENIER, LOUISIANA
 General Fund
 Comparative Balance Sheet
 June 30, 1996 and 1995

	1996	1995
Assets		
Cash and cash equivalents	\$ 110,317	\$ 69,549
Receivables	45,360	40,688
Due from other funds	17,164	29,334
Due from other governments	34,880	51,814
Financial assets - cash	<u>28,350</u>	<u>-</u>
Total Assets	<u>\$ 236,061</u>	<u>\$ 191,385</u>
Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 34,308	\$ 40,328
Due to other funds	<u>666</u>	<u>79,460</u>
Total liabilities	34,974	119,788
Fund Balance		
Reserved for future	\$ 20,160	-
Unreserved	<u>181,052</u>	<u>76,597</u>
Total fund balance	<u>201,212</u>	<u>76,597</u>
Total Liabilities and Fund Balance	<u>\$ 246,186</u>	<u>\$ 196,385</u>

CITY OF MONROE, LOUISIANA

**Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ending June 30, 1996 with Comparative Totals for 1995**

	Budget GAAP		Variance Favorable	1995
Revenues:				
Taxes	\$ 280,200	\$ 280,247	\$ 47	\$ 211,221
Licenses and permits	42,850	424,788	32,938	165,890
Intergovernmental	180,900	203,976	23,076	261,888
Utility agreements	128,000	157,458	29,458	129,515
Other charges	49,200	47,082	(2,118)	47,523
Total Revenues	<u>711,400</u>	<u>779,351</u>	<u>67,951</u>	<u>616,037</u>
Expenditures:				
General government	318,295	328,184	(9,889)	326,881
Fire	237,470	240,718	(3,248)	237,624
Police	773,300	782,481	(9,181)	791,744
Street	271,800	276,026	(4,226)	280,497
Recreation	19,700	23,788	(4,088)	27,320
Airport	4,875	4,023	852	4,876
Animal control	20,850	20,998	(148)	-
Total Expenditures	<u>1,736,760</u>	<u>1,789,018</u>	<u>(52,258)</u>	<u>1,296,584</u>
Excess (deficiency) of revenues over expenditures	<u>(1,025,360)</u>	<u>(1,019,667)</u>	<u>(5,693)</u>	<u>(672,677)</u>
Other financing sources:				
Operating transfers in	645,000	663,556	18,556	390,267
Operating transfers out	-	-	-	-
Total other financing sources	<u>645,000</u>	<u>663,556</u>	<u>18,556</u>	<u>390,267</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>319,710</u>	<u>343,913</u>	<u>24,203</u>	<u>16,990</u>
Fund balance, beginning	<u>56,502</u>	<u>56,502</u>	<u>-</u>	<u>34,212</u>
Fund balance, ending	<u>\$ 396,212</u>	<u>\$ 398,415</u>	<u>\$ 2,203</u>	<u>\$ 51,202</u>

CITY OF DUNKEL, LOUISIANA
Schedule of Revenues - Budget and Actual
For the Year Ended June 30, 1995 with Comparative Totals for 1994

	Budget GAAP Basis	1994	Variance Favorable (Unfavorable)	1995 Actual
Taxes:				
Ad valorem taxes and interest	\$ 76,000	\$ 84,726	\$ (11,674)	\$ 64,900
Payments in lieu of taxes	20,000	20,317	17	6,988
Sales taxes - .5%	180,000	171,184	17,816	179,719
Total taxes	376,000	376,227	447	251,607
Licenses and permits				
Occupational licenses	90,000	101,404	11,404	103,098
Building permits	1,500	2,498	998	1,700
Electrical inspections	1,000	832	(168)	3,052
Total licenses and permits	92,500	104,734	12,134	107,850
Intergovernmental				
Device license office fee	8,600	8,956	356	-
Casino and video poker proceeds	44,100	55,914	11,814	21,871
Fees - City Court	10,500	10,000	(4,500)	21,963
Tobacco taxes	25,000	28,424	26	21,641
Boat taxes	8,000	10,700	2,600	6,977
Fire insurance taxes	11,800	11,675	(125)	11,841
Fire Protection District #2 taxes	45,000	50,158	5,158	47,671
Law enforcement grants	15,000	20,652	5,652	11,812
Total intergovernmental	183,500	200,479	17,979	161,693
Utility agreements				
Cable franchise	90,000	93,984	3,984	89,271
Electric franchise	27,000	25,860	(1,140)	29,350
Cable TV franchise	11,000	11,626	626	11,090
Total utility agreements	128,000	131,470	3,470	129,711
Other charges				
Miscellaneous	18,000	20,313	(267)	17,328
Group insurance refunds	7,000	7,871	871	7,114
Miscellaneous licenses	1,400	1,151	(249)	1,128
Interest and penalties	2,000	3,730	1,730	3,208
Summer recreation program fee	3,500	6,381	2,881	4,328
Fees	17,800	20,635	(2,835)	8,826
Total other charges	49,700	47,081	(2,619)	52,923
Total Revenues	\$ 731,800	\$ 779,268	\$ (51,568)	\$ 681,027

CITY OF MONROE, LOUISIANA
Schedule of Expenditures - Budget and Actual
For the Year Ended June 30, 1996 with Comparative Totals for 1995

	Budget		Variance	
	GAAP		Percent	1995
	Base	Actual	(Percentage)	Actual
General government:				
City court costs	\$ 20,928	\$ 24,266	\$ (346)	\$ 23,115
Mayor's salary	18,900	18,802	(2)	18,992
Aldermen's salaries	7,625	7,900	129	7,629
Office salaries	31,380	31,819	1,661	31,182
Sanitorial salaries	8,900	8,815	(8)	8,973
Mayor's expense allowance	1,200	1,198	-	1,200
Maintenance	2,820	3,180	(315)	1,896
Postage and supplies	12,600	18,179	1,821	16,792
Telephones and utilities	16,308	15,941	358	15,874
Miscellaneous	2,158	3,220	(870)	6,428
Capital outlay	3,000	838	172	8,044
Insurance - workmen's comp.	1,428	1,231	71	1,318
Insurance - general	63,600	71,232	(7,870)	64,501
Insurance deductibles and claims	7,500	7,235	274	4,931
Insurance - group	61,580	61,371	129	61,839
Payroll taxes	30,980	11,118	(600)	9,730
Retirement	5,800	4,074	936	2,886
Recruiting expenses	1,800	1,098	(489)	1,505
Docs and publications	2,200	1,679	321	2,691
Devenes license office	1,000	3,936	(3,916)	-
Audit and legal	20,000	20,124	(344)	12,794
Assessor's compensation	2,500	3,692	8	2,500
Printing and publications	4,000	4,990	(990)	9,310
State unemployment expense	150	217	22	152
Deferred compensation	1,200	1,179	23	1,083
Conferences and conventions	3,800	5,447	593	4,833
Drug testing expense	2,400	2,159	45	2,627
Warehouse expense	1,200	3,166	(666)	1,814
Total general government:	718,252	758,184	(35,882)	716,922

CITY OF MONROE, LOUISIANA
Schedule of Expenditures - Budget and Actual
For the Year Ended June 30, 1996 with Comparative Totals for 1995

	Budget GAAP		Variance Favorable	1995
	Base	Actual	(Unfavorable)	Actual
Fire department				
Salaries	181,600	170,415	(11,185)	187,084
Supplies	8,500	14,660	(6,160)	12,543
Equipment repairs	20,000	12,153	(7,847)	20,627
Gas and oil	2,800	3,296	(496)	3,731
Phone and utilities	4,800	4,696	1,044	5,835
Postage and freight	10	5	5	7
Volunteer Services	4,000	4,184	(1,184)	4,850
Training	1,500	1,716	(216)	807
Capital outlay	22,100	17,716	4,384	8,120
Insurance - worker's comp.	14,500	18,617	(4,117)	25,184
Insurance - general	14,000	11,507	2,493	15,697
Insurance - group	18,000	28,100	(10,100)	24,208
State unemployment expense	700	508	192	441
Newspapers	3,000	4,693	(1,693)	4,564
Audit and legal	100	500	(400)	-
Data service	-	-	-	11,618
Interest expense	-	-	-	964
Total fire department	327,670	344,712	(17,042)	373,624
Police department				
Salaries	306,500	289,088	(17,412)	308,294
Supplies	10,000	12,402	(2,402)	18,868
Equipment repairs	28,000	21,897	(6,103)	18,648
Gas and oil	13,000	24,761	(11,761)	19,080
Telephones and utilities	4,400	4,210	190	4,379
Medical exams	200	316	(116)	-
Prisoner meals	1,500	1,798	(298)	2,808
Training schools	1,800	3,097	(1,297)	5,200
Miscellaneous	5,000	4,951	49	1,811
Data service	15,300	18,481	(3,181)	8,777
Interest	1,400	1,371	29	1,198
Capital outlay	3,000	4,812	(1,812)	28,688
Insurance - worker's comp.	22,500	21,897	6,603	24,458
Retirement	14,500	14,392	108	18,288
Group insurance	22,000	21,998	2	49,897
State unemployment	1,000	808	192	739
Deferred compensation	-	-	-	12
Total police department	571,180	582,581	(11,401)	620,744

CITY OF MONROE, LOUISIANA
Schedule of Expenditures - Budget and Actual
For the Year Ended June 30, 1996 with Comparative Totals for 1995

	Budget GAAP Base	Actual	Variance Favorable (Unfavorable)	1995 Actual
Street department:				
Salaries	114,000	113,419	581	114,261
Supplies	18,000	21,438	(3,438)	17,439
Equipment repair	7,000	6,578	422	6,328
Miscellaneous	7,500	8,078	(578)	6,882
Gas and oil	3,000	3,077	(777)	2,882
Telephone and utilities	27,000	28,539	(1,539)	26,121
Capital outlay	700	888	(188)	11,783
Asphalt and culverts	14,500	14,681	(181)	21,221
Drainage canals	3,000	6,947	(3,947)	1,728
Insurance - worker's comp	20,000	20,412	412	21,666
Insurance - group	11,200	11,280	(80)	21,643
Retirement	13,000	10,740	2,260	2,482
State unemployment expense	500	530	30	429
Total street department	<u>271,000</u>	<u>276,636</u>	<u>(5,636)</u>	<u>286,627</u>
Recreation department:				
Salaries	4,400	4,287	113	2,148
Supplies	6,500	7,180	(680)	6,817
Repairs	3,000	3,931	(931)	3,668
Gas and oil	400	286	114	2,822
Equipment	1,300	1,347	(47)	698
Utilities	-	1,096	(1,096)	-
Uniforms	2,400	2,728	(328)	2,478
Miscellaneous	1,800	1,928	(128)	2,908
Insurance - worker's comp	400	418	(18)	426
State unemployment expense	-	24	(24)	12
Total recreation department	<u>19,300</u>	<u>23,788</u>	<u>(4,488)</u>	<u>22,189</u>
Airport department:				
Supplies	1,000	994	6	386
Repairs	180	-	180	736
Telephone and utilities	1,000	900	100	899
Insurance	2,175	2,175	-	2,175
Non-directional beacon	1,800	1,850	(150)	-
Total airport department	<u>6,055</u>	<u>6,819</u>	<u>(764)</u>	<u>4,076</u>

CITY OF MONROE, LOUISIANA
Schedule of Expenditures - Budget and Actual
For the Year Ended June 30, 1996 with Comparative Totals for 1995

	Budget		Variance	
	GAAP		Favorable	1995
	Base	Actual	(Unfavorable)	Actual
Animal control department				
Salaries	8,100	3,184	(1,084)	-
Supplies	3,000	3,670	(670)	-
Repairs	1,150	1,043	215	-
Capital outlay	19,700	19,678	42	-
Utilities	250	208	42	-
Insurance - worker's comp.	300	175	125	-
Insurance - general	1,400	1,020	380	-
State unemployment expense	50	18	40	-
Total animal control department	<u>30,950</u>	<u>31,936</u>	<u>(984)</u>	<u>-</u>
Total Expenditures	<u>\$ 1,236,790</u>	<u>\$ 1,260,811</u>	<u>\$ (24,021)</u>	<u>\$ 1,265,184</u>

CITY OF MONTE, LOUISIANA
Special Revenue Funds
Combining Balance Sheet
Fund 30, 1996 with Comparative Totals for 1995

	Sales Tax Fund	Surtax Bond Fund	Totals	
			1996	1995
Assets				
Cash and cash equivalents	\$ 157,280	\$ -	\$ 157,280	\$ 82,238
Due from other funds	-	-	-	147,811
Due from other governments	50,480	-	50,480	48,800
Restricted assets - cash	<u>122,640</u>	<u>21,769</u>	<u>179,412</u>	<u>179,348</u>
Total Assets	<u>\$ 311,400</u>	<u>\$ 21,769</u>	<u>\$ 365,175</u>	<u>\$ 458,211</u>
Liabilities and Fund Balances				
Liabilities:				
Due to other funds	\$ 17,061	\$ -	\$ 17,061	\$ 15,702
Total liabilities	<u>17,061</u>	<u>-</u>	<u>17,061</u>	<u>15,702</u>
Fund balances:				
Proposed	122,640	50,769	179,412	179,248
Unreserved	<u>171,683</u>	<u>-</u>	<u>171,683</u>	<u>260,826</u>
Total fund balances	<u>294,323</u>	<u>50,769</u>	<u>348,932</u>	<u>440,074</u>
Total Liabilities and Fund Balances	<u>\$ 311,400</u>	<u>\$ 50,769</u>	<u>\$ 365,175</u>	<u>\$ 458,211</u>

CITY OF MONROE, LOUISIANA

Sewer System Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings - Budget and Actual
For the Year Ended June 30, 1996 with Comparative Totals for 1995

	Budget	Actual	Variance Favorable (Unfavorable)	1995 Actual
Operating revenues				
Sewer Millage	\$ 304,000	\$ 298,844	\$ (5,156)	\$ 301,293
Connection Fees	1,800	1,500	300	680
Miscellaneous	-	-	-	1,835
Total operating revenues	<u>305,800</u>	<u>299,944</u>	<u>(5,856)</u>	<u>303,808</u>
Operating expenses:				
Salaries and wages	67,800	67,766	(34)	68,416
Supplies	12,500	11,993	(507)	10,863
Equipment repair	2,500	9,806	(7,306)	6,710
Gasoline and oil	2,700	3,034	(334)	2,689
Telephone and utilities	34,400	30,065	4,335	36,703
Postage and supplies	600	944	(344)	74
Medical exams	120	-	120	243
Training schools	250	347	(97)	684
Annual inventories	6,000	-	6,000	7,215
Accounting and legal	-	-	-	1,785
Miscellaneous	200	4	196	200
Sledge bars	3,600	4,087	(487)	3,366
Lab testing	3,500	3,593	(93)	8,320
Bio-monitoring	2,000	1,000	1,000	3,150
Insurance	6,150	7,000	(850)	8,010
Retirement	8,100	6,882	1,218	3,274
Insurance - group	24,500	24,938	(438)	23,424
State unemployment	600	382	218	106,040
Depreciation	100,000	123,242	(23,242)	94,300
Chlorine and chemicals	12,500	11,740	760	36,800
I & I - salaries	38,200	39,411	(1,211)	3,783
I & I - supplies	17,000	14,607	2,393	1,895
I & I - repairs	40,500	3,100	37,400	-
I & I - gas and oil	1,800	2,300	(500)	388
I & I - cement and solvents	2,000	3,796	(1,796)	348
Total operating expenses	<u>408,750</u>	<u>389,929</u>	<u>18,821</u>	<u>379,352</u>
Operating income (loss)	<u>(102,950)</u>	<u>(90,034)</u>	<u>12,916</u>	<u>(85,544)</u>
Non-operating revenues (expenses)				
Interest income	10,000	8,984	(1,016)	9,882
Interest expense	(126,000)	(126,240)	240	(130,494)
Ad valorem taxes	195,000	197,500	(2,500)	199,491
Total non-operating revenues (expenses)	<u>79,000</u>	<u>80,244</u>	<u>(1,244)</u>	<u>79,869</u>
Income before operating transfers	<u>(23,950)</u>	<u>(9,790)</u>	<u>14,160</u>	<u>(5,675)</u>

CITY OF BUNKIE, LOUISIANA

Water System Fund (Continued)

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings - Budget and Actual
For the Year Ended June 30, 1998 with Comparative Totals for 1997

	Budget	Actual	Variance Favorable (Unfavorable)	1997 Actual
Operating transfers in (out)				
Sales Tax Fund	72,650	72,650	-	36,675
General Fund	<u>(609,000)</u>	<u>(507,776)</u>	<u>(1,736)</u>	<u>(710,331)</u>
Total operating transfers in (out)	<u>(536,350)</u>	<u>(435,126)</u>	<u>(1,736)</u>	<u>(673,656)</u>
Net income (loss)	48,680	30,431	(18,249)	(41)
Retained earnings, beginning	<u>148,116</u>	<u>148,116</u>	<u>-</u>	<u>148,116</u>
Retained earnings, ending	<u>\$ 196,796</u>	<u>\$ 178,547</u>	<u>\$ (18,249)</u>	<u>\$ 148,116</u>

CITY OF BUNNIE, LOUISIANA
Water System Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings - Budget and Actual
 For the Year Ended June 30, 1996 with Comparative Totals for 1995

	Budget	Actual	Variance Favorable (Unfavorable)	1995 Actual
Operating revenues				
Water billings	\$ 411,800	\$ 400,311	\$ (8,279)	\$ 408,768
Fees and interest	6,000	15,787	2,787	17,613
Service charges	1,800	4,800	1,180	3,075
Water connections	1,400	3,188	885	180
Miscellaneous	800	151	(31)	20,734
Total operating revenues	413,800	428,196	(1,474)	440,268
Operating expenses				
Salaries and wages	27,308	27,389	(100)	28,459
Supplies	23,080	21,596	400	18,478
Repairs	11,596	8,830	2,708	14,968
Gasoline and oil	2,700	2,849	(199)	2,878
Telephone and utilities	29,250	30,347	(1,097)	28,708
Postage and supplies	4,780	4,656	44	603
Medical exams	-	-	-	183
Miscellaneous	300	127	75	231
Training schools	300	459	31	391
Chemical and chemicals	2,000	1,804	186	3,800
Maint. and repairs	2,500	3,084	(5,496)	5,652
Lines and hydrants	-	-	-	2,130
Legal and accounting	-	-	-	3,480
Depreciation	40,000	40,000	100	40,700
Well survey	-	-	-	978
Insurance	2,880	2,504	(24)	3,089
Business supplies	1,000	1,888	(786)	848
Group insurance	4,800	4,500	(231)	4,933
Unemployment insurance	300	93	8	302
Service agreement	2,800	2,072	338	2,372
Total operating expenses	169,158	180,688	(418)	161,317
Operating income	244,642	247,508	(4,802)	278,951
Non-operating revenues (expense)				
Interest income	11,000	12,450	(999)	11,700
Interest expense	(11,000)	(11,150)	-	(8,814)
Total non-operating revenues (expense)	-	1,300	(999)	2,886
Income before operating transfers	244,642	248,808	(3,411)	281,837

CITY OF BUNKIE, LOUISIANA

Enterprise Fund

Comparing Statement of Revenues, Expenses, and Changes in Retained Earnings
For the Year Ended June 30, 1996 with Comparative Totals for 1995

	Year Ended	Year Ended	Total 1996	Total 1995
Operating revenues:				
Charges for services	\$ 407,523	\$ 298,841	\$ 706,362	\$ 708,064
Delinquent and other charges	25,825	1,180	26,825	25,825
Total operating revenues	<u>433,348</u>	<u>299,941</u>	<u>733,187</u>	<u>733,889</u>
Operating expenses:				
Salaries and wages	21,589	47,760	69,079	66,794
Employee benefits	8,405	28,380	47,810	40,963
Chemicals and supplies	24,412	22,735	48,140	46,470
Repairs and maintenance	12,704	9,836	22,558	21,558
Utilities and telephone	26,247	24,206	50,453	48,483
Gasoline and oil	1,549	1,145	4,092	1,569
Depreciation	49,889	121,542	149,158	143,076
Other operating expenses	7,624	11,748	25,264	29,684
Inflow and infiltration	-	62,138	81,039	40,898
Total operating expenses	<u>160,682</u>	<u>369,572</u>	<u>529,263</u>	<u>531,881</u>
Operating income	268,658	(70,094)	199,424	212,008
Non-operating revenues (expenses):				
Interest income	11,471	8,584	21,435	21,431
Interest expense	(118,850)	(226,580)	(341,890)	(338,280)
Ad valorem taxes	-	193,598	222,260	199,491
Total non-operating revenues (expenses)	<u>(107,379)</u>	<u>68,144</u>	<u>77,645</u>	<u>65,842</u>
Income before operating transfers	161,279	(1,950)	277,069	277,850
Operating transfers in (out):				
General Fund	(307,778)	(26,877)	(318,395)	(318,100)
Sales Tax Fund	72,658	-	72,658	26,670
Total transfers in (out)	<u>(235,120)</u>	<u>(26,877)</u>	<u>(245,743)</u>	<u>(291,430)</u>
Net income	36,159	(297)	29,904	32,189
Retained earnings, beginning	148,116	264,611	412,787	580,578
Retained earnings, ending	<u>\$ 178,547</u>	<u>\$ 264,314</u>	<u>\$ 542,691</u>	<u>\$ 612,767</u>

CITY OF BENKE, LOUISIANA
Separate Fund
Comparative Balance Sheet
June 30, 1996 with Comparative Totals for 1995

	Year		Totals	
	1996	1995	1996	1995
Assets				
Current assets:				
Cash and cash equivalents	\$ 89,547	\$ 189,081	\$ 288,550	\$ 287,995
Receivables, net of allowance	68,557	90,187	160,734	168,243
Due from other funds	-	666	666	-
Due from other governments	78,526	-	78,526	13,181
Total current assets	<u>236,630</u>	<u>380,934</u>	<u>498,476</u>	<u>469,419</u>
Reported assets:				
Cash	376,471	319,418	595,890	631,237
Property, plant, and equipment				
Construction in progress	541,420	-	541,420	49,661
Well sites and distribution systems	1,817,254	-	1,817,254	1,817,254
Treatment plant and lines	-	4,096,751	4,096,751	4,096,759
Vehicles and equipment	18,265	131,043	149,308	143,849
Accumulated depreciation	(1,431,292)	(887,123)	(1,718,515)	(1,548,883)
Total property, plant, and equipment	<u>745,342</u>	<u>3,249,689</u>	<u>4,697,296</u>	<u>4,779,547</u>
Total Assets	<u>\$ 1,371,638</u>	<u>\$ 4,489,941</u>	<u>\$ 5,781,982</u>	<u>\$ 5,309,866</u>
Liabilities and Fund Equity				
Current liabilities:				
Accounts payable	\$ 162,153	\$ 65,297	\$ 196,659	\$ 27,994
Accrued salaries	188	812	1,152	988
Total current liabilities	<u>162,341</u>	<u>66,109</u>	<u>197,811</u>	<u>28,982</u>
Payable from restricted assets:				
Accounts payable	-	-	-	31,820
Bonds payable - current portion	98,680	65,712	164,392	98,593
Accrued interest	7,793	113,373	121,166	127,386
Other liabilities:				
Customer money deposits	99,236	-	99,236	59,912
Due to other funds	-	-	-	86,474
Long-term debt:				
General obligation bonds payable	-	2,456,081	2,456,081	2,511,594
Revenue bonds payable	373,608	-	373,608	313,688
Total liabilities	<u>635,979</u>	<u>2,735,482</u>	<u>3,218,366</u>	<u>3,355,152</u>
Fund Equity:				
Contributed capital	712,143	1,311,386	2,024,500	1,501,773
Retained earnings				
Reserved for bond retirement	328,697	38,332	367,029	373,896
Unreserved	(152,153)	335,815	173,662	138,671
Total fund equity	<u>888,687</u>	<u>1,685,533</u>	<u>2,565,251</u>	<u>2,044,340</u>
Total Liabilities and Fund Equity	<u>\$ 1,371,638</u>	<u>\$ 4,489,941</u>	<u>\$ 5,781,982</u>	<u>\$ 5,309,866</u>

CITY OF BUNKIE, LOUISIANA
Special Revenue Funds
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 1996 with Comparative Totals for 1995

	Sales		Receipts	
	Tax Fund	Bond Fund	1995	1996
Revenues:				
Taxes	\$ 304,871	\$ -	\$ 304,871	\$ 309,268
Interest	5,895	1,728	8,249	7,384
Total revenues	<u>481,766</u>	<u>1,728</u>	<u>483,120</u>	<u>366,572</u>
Expenditures:				
Audit and legal	-	-	-	1,288
Collection expense	8,061	-	8,061	7,748
Filing agent fees	388	-	388	582
Miscellaneous	-	14	14	-
Capital outlay	-	7,198	7,198	-
Total expenditures	<u>8,449</u>	<u>7,212</u>	<u>15,651</u>	<u>8,618</u>
Excess (deficiency) of revenues over expenditures	473,317	(5,484)	457,669	357,954
Other financing use:				
Operating transfers out	<u>479,636</u>	<u>-</u>	<u>479,636</u>	<u>376,188</u>
Excess (deficiency) of revenues over expenditures and other use	(6,319)	(5,484)	(82,967)	(18,234)
Fund balance, beginning	<u>389,217</u>	<u>58,587</u>	<u>447,804</u>	<u>458,218</u>
Fund balance, ending	<u>\$ 382,898</u>	<u>\$ 53,103</u>	<u>\$ 364,801</u>	<u>\$ 440,024</u>

ENTERPRISE FUNDS

The Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the City is that costs of providing the goods and services to the general public on a continuing basis will be financed or recovered through user charges.

Water System Fund and Sewer System Fund - The City maintains a Water System Fund and a Sewer System Fund. Activities of these funds include administration, operation, and maintenance of the facilities and billing and collection activities. These funds also account for the accumulation of resources for, and the payment of, long-term debt principal and interest on outstanding indebtedness. All costs are financed through user charges to utility customers, and are reviewed and adjusted periodically if necessary to ensure the integrity of the fund.

CITY OF BUNKIE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

NOTE 11: COMPENSATION OF ELECTED OFFICIALS

Per diem payments to the Board of Aldermen for the year ended June 30, 1996 were as follows:

Name	Position	Amount
Lemuel Bassette	Alderman	\$ 1,500
Bruce Coulon	Alderman	1,500
Charles Desaut	Alderman	1,500
Albert Kelley	Alderman	1,500
Geard Morcan	Alderman	1,500
		<u>\$ 6,000</u>

Compensation paid to the Mayor for the year ended June 30, 1996 totaled \$18,982.

NOTE 12: ACCOUNTS, SALARIES, AND OTHER PAYABLES

The following is a summary of payables as June 30, 1996:

Type	General Fund	Capital Projects Fund	Proprietary Fund	Total
Salaries	\$ 3,384	\$ -	\$ 1,133	\$ 4,517
Withholding	16,094	-	-	16,094
Accounts	25,000	-	12,813	37,813
Construction	-	32,325	183,187	215,512
Total	<u>\$ 44,478</u>	<u>\$ 32,325</u>	<u>\$ 197,120</u>	<u>\$ 273,923</u>

NOTE 13: COMMITMENTS AND CONTINGENCIES

The City has been named as a defendant in several lawsuits as of June 30, 1996. These suits are at various stages in the legal system. It is not possible to predict at this time the extent of the City's liability, if any.

SPECIAL REVENUE FUNDS

The Special Revenue Funds account for the accumulation and disbursement of restricted resources. The City has the following Special Revenue Funds:

Sales Tax Fund - The sales tax fund is used to account for the accumulation of resources from a 1.25% sales tax increment levied by the City.

Surplus Bond Fund - The surplus bond fund is used to account for funds remaining in a bond reserve fund. The original bond issue has been paid out, and the resources are restricted to expenditures consistent with the original indebtedness.