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Town of Glenora, Louisiana

Annual Financial Report

June 30, 1996

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FEB 13 1997

Release Date _____

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Clay S. Knight, Sr., CPA

September 6, 1996

K. Martin Masden, CPA

Independent Auditors' Report

The Honorable Tyrone L. Doyle, Mayor
and Members of the Board of Aldermen
Town of Glenmora, Louisiana

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

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

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

The Honorable Tyson L. Doyle, Mayor
and Members of the Board of Aldermen
Town of Clamoro, Louisiana
September 5, 1995

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining, individual fund and account group financial statements. The financial information listed as supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Town of Clamoro, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining and individual fund and account group financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds and account groups taken as a whole.



ROBERT W. MASON

General Purpose Financial Statements
(Combined Statements - Overview)

Town of Orono, Louisiana
 Combined Balance Sheet - All Fund Types and Account Groups
 June 30, 2009

	Governmental Fund Types		Proprietary Fund Types		Fiduciary Fund Types		Account Groups		Totals	
	General	Special	Debt	Enterprise	Agency	Trust	General	Special	Debt	Measurement Unit
	Revenue	Revenue	Service	Revenue	Revenue	Assets	Assets	Liabilities	Assets	Assets
\$ 75,288	\$ 65,728	\$ 36,215	\$ 47,611	\$ 9,041	\$ -	\$ -	\$ -	\$ 219,905	\$ 288,392	
1,355	-	-	-	-	-	-	-	1,501	1,728	
-	-	-	56,526	-	-	-	-	56,526	49,812	
-	431	36	588	-	-	-	-	1,026	1,026	
-	128,261	-	-	-	-	-	-	128,261	128,261	
29,023	-	-	-	-	-	-	-	29,023	29,023	
-	-	-	524,716	-	-	-	-	524,716	511,652	
-	-	-	2,341,916	-	-	624,429	-	2,928,343	2,928,343	
-	-	-	-	-	-	-	16,224	16,224	16,224	
-	-	-	-	-	-	-	-	78,651	78,651	
\$ 1,036,671	\$ 1,181,141	\$ 36,251	\$ 2,377,269	\$ 9,041	\$ -	\$ 624,429	\$ 1,113,125	\$ 3,841,292	\$ 4,038,643	

Assets and Other Debits
 Cash and cash equivalents
 Receivables (Net of allowances
 for doubtful accounts)

Taxes
 Accounts
 Accrued Interest
 Notes
 Funds and net capital/stock
 Debt from other funds
 Restricted assets - cash
 and cash equivalents
 Fund assets (Net of accumulated
 depreciation)
 Amount available in Debt
 Service Funds

Amount to be provided for
 retirement of general
 long-term debt

Total Assets

Trent of Gloucester, Louisiana
 Combined Balance Sheet - All Fund Types and Account Groups
 Year 05, 1996

Liabilities, Equity and Other Credits	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types		Account Groups			Totals		
	General	Special Revenue	Debt Service	Enterprise	Fund Types	Fund Types	Account	General		Total	Total	Miscellaneous Other	
								Fund	Account				
Liability													
Accounts payable	\$ 27,228	\$ 1,424	\$ -	\$ 15,427	\$ -	\$ 9,241	\$ -	\$ -	\$ -	\$ 35,924	\$ 24,280	\$ 3,440	
Other accrued expenses	-	-	-	116,196	-	-	-	-	-	121,196	129,780	-	
Liabilities payable from	-	-	-	28,246	-	-	-	-	-	28,246	52,291	-	
retained assets	-	-	-	-	-	-	-	-	-	-	126,511	-	
due to other funds	-	184	-	-	-	-	-	-	-	184	-	-	
advances payable	-	-	-	1,284,886	-	-	-	66,000	-	1,350,926	1,481,215	-	
bonds payable	-	-	-	28,152	-	-	-	88,172	-	116,324	41,552	-	
notes payable	-	-	-	-	-	-	-	-	-	-	-	-	
Total Liabilities	27,228	1,608	-	1,485,278	9,241	9,241	-	116,172	-	1,629,160	1,800,018	-	
Fund Equity and Other Credits													
Controlled capital	-	-	-	1,545,112	-	-	-	-	-	1,545,112	1,545,112	-	
Reserves in general fund assets	-	-	-	-	-	-	-	624,628	-	624,628	317,462	-	
Residual Encumbrance (Debit)	-	-	-	-	-	-	-	-	-	-	-	-	
Reserve for debt service	-	-	-	(985,904)	-	-	-	-	-	(985,904)	180,553	-	
Unassigned	-	-	-	-	-	-	-	-	-	-	(152,800)	-	
Fund Reserves	-	-	-	-	-	-	-	-	-	-	227,753	-	
Reserved for economic development	-	191,503	-	-	-	-	-	-	-	191,503	191,503	-	
Reserved for debt service	-	-	46,256	156,654	-	-	-	-	-	162,850	39,880	-	
Unassigned/undesignated	85,213	-	-	-	-	-	-	-	-	85,213	85,213	-	
Total Equity and Other Credits	85,213	191,503	46,256	1,228,962	-	-	-	624,628	-	2,217,602	2,188,414	-	
Total Liabilities, Equity and Other Credits	\$ 112,441	\$ 1,801	\$ 46,256	\$ 2,714,240	\$ 9,241	\$ 9,241	\$ -	\$ 624,628	\$ 116,172	\$ 3,846,762	\$ 3,988,432	\$ -	

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

Town of Glenmora, Louisiana
Condensed Statement of Revenues, Expenditures, and Changes
in Fund Balances - All Governmental Fund Types
Year Ended June 30, 1995
With Comparative Totals for the Year Ended June 30, 1994

	Governmental Fund Types			Totals (Miscellaneous Detail)	
	General	Special Revenues	Debt Service	1994	1995
	\$	\$	\$	\$	\$
Revenues					
Taxes	\$ 240,234	\$ -	\$ -	\$ 240,234	\$ 281,128
Licenses and permits	29,737	-	-	29,737	31,472
Intergovernmental	58,932	-	-	58,932	59,805
Intra-governmental - grant	-	156,551	-	156,551	241,214
Fees	58,840	-	-	58,840	64,029
Miscellaneous	12,810	14,322	1,867	28,999	25,798
Total Revenues	<u>410,553</u>	<u>170,873</u>	<u>1,867</u>	<u>584,660</u>	<u>653,436</u>
Expenditures					
Current					
General government	148,250	71,832	-	220,082	183,284
Public safety	126,658	-	-	126,658	121,589
Streets	123,217	-	-	123,217	128,203
Sanitation	39,750	-	-	39,750	38,132
Urban redevelopment and housing	-	126,231	-	126,231	241,034
Debt service					
Principal retirement	5,150	-	1,800	7,150	28,283
Interest	684	-	3,400	4,084	3,200
Bond charges	-	-	58	58	-
Total Expenditures	<u>483,822</u>	<u>198,063</u>	<u>1,458</u>	<u>712,643</u>	<u>786,647</u>
Deficiency of Revenues Under Expenditures	(73,269)	(27,190)	(2,591)	(102,981)	(27,199)
Other Financing Sources					
Operating transfers in	62,800	-	-	62,800	62,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	(10,469)	(27,190)	(2,591)	(39,661)	4,802
Fund Balances, Beginning of Year	98,460	219,000	58,880	376,340	372,748
Fund Balances, End of Year	<u>\$ 87,991</u>	<u>\$ 191,810</u>	<u>\$ 56,289</u>	<u>\$ 336,090</u>	<u>\$ 377,550</u>

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

Town of Duncansville, Lucanville
Combined Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget (PLAG) Funds and Actual -
General Fund, Special Revenue Fund and Debt Service Fund
For the Year Ended June 30, 1985

	General Fund		Special Revenue Fund		Debt Service Fund	
	Budget	Actual (Adjustable)	Budget	Actual (Adjustable)	Budget	Actual (Adjustable)
Revenues						
Taxes	\$ 24,458	\$ 113,219	\$ -	\$ -	\$ -	\$ -
Lotteries and permits	21,500	38,377	-	-	-	-
Intergovernmental	31,500	30,821	156,511	156,511	-	-
Fees	60,000	36,045	-	-	-	-
Miscellaneous	15,000	12,023	17,400	14,171	1,000	1,867
Total Revenues	<u>413,058</u>	<u>411,285</u>	<u>174,911</u>	<u>179,005</u>	<u>1,000</u>	<u>1,867</u>
Expenditures						
Current						
General government	18,411	11,842	79,794	76,462	65,590	-
Public safety	129,987	154,609	-	-	-	-
Streets	17,238	13,517	-	-	-	-
Sanitation	11,716	28,203	-	-	-	-
Urban development and housing	-	-	156,511	156,511	-	-
Debt Service	13,541	14,796	-	-	1,000	1,000
Interest	-	(844)	-	-	1,400	1,400
Total Expenditures	<u>413,323</u>	<u>403,265</u>	<u>174,325</u>	<u>173,983</u>	<u>67,990</u>	<u>3,400</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	737	(7,980)	(414)	(9,978)	(6,990)	(433)
Other Financing Sources						
Operating transfers in	82,000	82,000	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ 82,737</u>	<u>\$ 74,020</u>	<u>\$ (414)</u>	<u>\$ (9,978)</u>	<u>\$ (6,990)</u>	<u>\$ (433)</u>
Fund Balances, Beginning of Year						
Fund Balances, End of Year						
The accompanying notes are an integral part of the financial statements.						

Town of Gramora, Louisiana
 Enterprise Funds
 Comparative Statement of Revenues, Expenses, and Changes
 in Retained Earnings (Deficit) - Proprietary Fund Type
 Years Ended June 30, 1996 and 1995

	Total	
	1996	1995
Operating Revenues		
Charges for services		
Gas charges	\$ 380,501	\$ 211,373
Water charges	150,847	154,771
Sewer charges	62,478	51,466
Other charges	17,075	14,981
Miscellaneous	3,212	3,261
Total Operating Revenues	<u>614,113</u>	<u>435,852</u>
Operating Expenses		
Salaries and benefits	80,176	80,815
Payroll taxes	7,740	6,176
Gas purchases	80,340	39,290
Legal and professional	9,868	8,000
Repairs and maintenance	34,542	17,061
Insurance	24,979	19,663
Truck expenses	4,876	2,158
Depreciation	72,984	72,183
Water/well power	8,170	9,028
Telephone	570	188
Misc. jobs	382	4,730
Supplies	11,768	7,758
Office expense	2,785	3,611
Miscellaneous	18,298	18,712
Total Operating Expenses	<u>581,112</u>	<u>507,152</u>
Operating Income	<u>33,001</u>	<u>128,700</u>
Nonoperating Revenues (Expenses)		
Interest income	12,911	11,541
State grants	25,000	-
Interest expense	(65,912)	(65,918)
Total Nonoperating Revenues (Expenses)	<u>(27,999)</u>	<u>(43,377)</u>
Income Before Operating Transfers	5,002	85,323
Operating Transfers Out	<u>(50,321)</u>	<u>(50,321)</u>
Net Income (Loss)	(45,319)	(35,041)
Retained Earnings (Deficit), Beginning of Year	<u>(241,993)</u>	<u>(242,980)</u>
Retained Earnings (Deficit), End of Year	<u>\$ (287,312)</u>	<u>\$ (278,021)</u>

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

Town of Gramercy, Louisiana
 Emergency Fund
 Comparative Statement of Cash Flows - Proprietary Fund Type
 Years Ended June 30, 1996 and 1995

	Total	
	1996	1995
Cash Flows from Operating Activities		
Operating income	\$ 83,345	\$ 107,004
Adjustments to reconcile net operating income to net cash provided by operating activities:		
Depreciation	71,808	72,181
(Increase) decrease in accounts receivable	(32,119)	8,090
Increase (decrease) in accounts payable	4,928	(2,190)
Decrease in accrued liabilities	(99)	(8,193)
Increase (decrease) in due to other funds	(30,680)	22,414
Increase in customers' deposits	513	332
Net Cash Provided by Operating Activities	<u>170,886</u>	<u>211,438</u>
Cash Flows from Noncapital Financing Activities		
Operating transfer out	<u>(52,000)</u>	<u>(62,000)</u>
Cash Flows from Capital & Related Financing Activities		
Acquisition of fixed assets	(3,721)	(66,068)
State Grant	25,000	-
Principal paid on revenue bonds and note payable	(28,240)	(14,409)
Interest paid on revenue bonds and note payable	(63,517)	(65,588)
Net Cash Used by Capital & Related Financing Activities	<u>(130,480)</u>	<u>(148,065)</u>
Cash Flows from Investing Activities		
Interest on investments	<u>12,811</u>	<u>11,541</u>
Net Increase (Decrease) in cash and cash equivalents	<u>(12,684)</u>	<u>(104,692)</u>
Cash and cash equivalents, beginning of year	<u>892,538</u>	<u>997,230</u>
Cash and cash equivalents, end of year	<u><u>879,854</u></u>	<u><u>892,538</u></u>

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

Town of Glenora, Louisiana
Notes to the Financial Statements
June 30, 1996

Note 1 - Summary of Significant Accounting Policies

The Town of Glenora (the "Town") was incorporated under the provisions of the Louisiana Act. The Town operates under a Mayor-Council of Aldermen form of government.

The financial statements of the Town of Glenora, Louisiana, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the government's accounting policies are described below.

A. Financial Reporting Entity

The financial statements of the Town consist only of the funds and account groups of the Town. The Town has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the Town. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing body.

B. Fund Accounting

The Town uses funds and account groups to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

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

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

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government.

Town of Glenora, Louisiana
Notes to the Financial Statements
June 30, 1986

Note 1 - Summary of Significant Accounting Policies, Continued

C. Basis of Accounting

All governmental funds and the agency fund are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available in net current assets. Property taxes are recorded as revenues when levied. Prudential, fines and bonds, sales taxes, franchise taxes and miscellaneous revenues are recorded when received in cash because they are generally not measurable until actually received. Intergovernmental revenues and interest income are recorded when their receipt occurs even though after the end of the accounting period as is in the both measurable and available. 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 general long-term debt which is recognized when due.

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

The Town reports deferred revenues on its combined balance sheet. Deferred revenues arise when revenues are collected by the Town before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the Town has a legal claim to the resources, the liability for the deferred revenue is removed from the combined balance sheet and revenue is recognized.

D. Budgets and Budgetary Accounting

The Mayor and Board of Aldermen follow these procedures in establishing the budgetary data reflected in the financial statements.

1. The Town Clerk prepares a proposed budget and submits it to the Mayor and Board of Aldermen at least 60 days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, the date of a public hearing is published.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen through an amended budget submitted by the Town Clerk. Monthly the Board of Aldermen compares actual year-to-date revenues and expenditures to the current year budget, and they make necessary amendments to the budget. The Town Clerk is responsible for advising the Board of Aldermen when total revenues and/or expenditures are projected to have a variance in excess of what is allowed by Louisiana Revised Statutes.

Town of Gretna, Louisiana
Notes to the Financial Statements
June 30, 1998

Note 1 - Summary of Significant Accounting Policies, Continued

6. All budgetary appropriations lapse at the end of each fiscal year.

1. Budgets for the General Fund, Special Revenue Fund and Debt Service 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 Mayor and Board of Aldermen. Such amendments were not material in relation to the original appropriations.
2. Special Revenue Fund budgets for federal funds projects having more than one year are established at the time grant applications are submitted.

E. Cash and Cash Equivalents

All highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

F. Due To/From Other Funds

Amounts in each fund listed in due to/from are offset by corresponding entries in other funds. Funds shown in due are considered available for expenditure unless specifically restricted within the statements.

G. Fixed Assets and Long-Term Liabilities

Fixed assets used in governmental fund type operations (general fund assets) are accounted for in the General Fixed Assets Account Group, and they are recorded as expenditures in the governmental funds when purchased. The Town has elected not to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets. Fixed assets are valued at historical cost, unless they were donated in which case they are valued at fair market value at the date of donation. Donated fixed assets represent 3.7% of total general fixed assets.

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

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Fixed assets used in the proprietary fund type operations are included on the balance sheet of the fund at historical cost. Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on the proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Town of Glenora, Louisiana
Notes to the Financial Statements
June 30, 1996

Note 1 - Summary of Significant Accounting Policies, Continued

Utility Production and Distribution Systems	25-30 years
Equipment	5-10 years
Vehicles	3-5 years

II. Compensated Absence

An employee may earn up to 30 days vacation depending on type and length of service. Employees paid on an hourly basis may earn up to five days of sick leave per year. All other employees take sick leave on an as needed basis, however, they do not accrue any sick leave. All vacation and sick leave accrues on a calendar year basis with all unused sick leave being paid to the hourly basis employees in December. The Town's liability for accumulated unpaid vacation and sick leave, all fund types, was considered to be immaterial and, therefore, excluded from the financial statements.

I. Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures' expenses initially made from it that are applicable to another fund are recorded as expenditures/ingress in the reimbursing fund and as reductions of expenditures/egress in the fund that is reimbursed.

All other interfund transactions are reported as transfers. Nonrecursing or non-recurring permanent transfers of equity are reported as residual equity transfers. All other transfers are reported as operating transfers.

I. Total Columns on Combined Statements - Overview

Total columns on the combined statements - overview are captioned "Monetary 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.

K. Comparative Data

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

Town of Glenmora, Louisiana
Notes to the Financial Statements
June 30, 1998

Note 1 - Summary of Significant Accounting Policies, Continued

L. Bad Debt

Uncollectible amounts due for all various taxes, customers' utility receivables and economic development loans receivable are recognized as bad debts through the establishment of an allowance account based on historical information which would indicate the collectibility of a portion of the particular receivables.

M. Retained Earnings Reserved for Debt Service

Retained earnings reserved for debt service represents a legally segregated trust account required by the bond indenture that is equal to the annual principal and interest due for the next year.

N. Retained Earnings Reserved for Economic Development

Retained earnings reserved for economic development represents amounts restricted for low to moderate income development in the Town of Glenmora area.

Note 2 - Deficit Retained Earnings

The Water and Sewer Fund (an enterprise fund) has a deficit retained earnings balance of \$403,851. However, contributions by the municipality and federal grants have created a total fund equity balance of \$1,008,690.

Note 3 - Cash and Cash Equivalents

Under state law, the Town may deposit funds within a third agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Town may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At June 30, 1998, the Town has cash and cash equivalents totaling \$554,618 as follows:

Demand deposits	\$ 377,000
Certificates of Deposit	<u>177,618</u>
	<u>\$ 554,618</u>

Town of Glenmora, Louisiana
Notes to the Financial Statements
June 30, 1996

Note 3 - Cash and Cash Equivalents, Continued

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. The securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank. Cash and cash equivalents (bank balances) at June 30, 1996, are accounted as follows:

Bank balances	<u>\$ 364,421</u>
Federal deposit insurance	\$ 300,000
Pledged securities (accrual-adjusted)	<u>364,421</u>
Total	<u>\$ 1,028,842</u>

Even though the pledged securities are considered reacquired under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Town that the fiscal agent has failed to pay deposited funds upon demand.

Note 4 - Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

For the year ended June 30, 1996, taxes of 5.08 mills were levied on property with assessed valuations totaling \$2,889,811 and were dedicated to general corporate purposes.

Ad valorem taxes receivable at June 30, 1996 were \$1,335.

Town of Glenora, Louisiana
Notes to the Financial Statements
June 30, 1986

Note 5 - Accounts Receivable - Utility Systems

Accounts receivable are composed of the following:

	Natural Gas System	Water and Sewer System	Total
Billed services	\$ 29,876	\$ 29,544	\$ 59,420
Unbilled service	<u>4,288</u>	<u>8,811</u>	<u>13,111</u>
	34,164	38,357	72,521
Less allowance for doubtful accounts	<u>(7,541)</u>	<u>(7,437)</u>	<u>(14,978)</u>
	<u>\$ 26,623</u>	<u>\$ 30,920</u>	<u>\$ 57,543</u>

Note 6 - Due to/from Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Gas Fund	\$ 13,890
General Fund	Water and Sewer Fund	15,008
General Fund	Economic Development	<u>168</u>
		<u>\$ 29,066</u>

Note 7 - Notes Receivable

Funds previously received from the Louisiana Department of Urban & Community Affairs under the Community Development Block Grant Program are being used by a Special Revenue Fund (Economic Development). Loans are made to businesses to enhance economic development in the Town. As the loans are repaid, the monies are deposited into the Special Revenue Fund (Economic Development) with future use being restricted to economic development.

Notes Receivable are as follows:

Ochsner Pharmacy	
Original amount \$60,000, 120 payments of \$750 per month including interest at 7.25%	\$ 31,379

Town of Glenora, Louisiana
Notes to the Financial Statements
June 30, 1996

Note 7 - Notes Receivable, Continued

Glenora Tailor Shop	
Original amount \$75,000, 180 payments of \$437 per month including interest at 7%	\$ 62,501
Eagle Charter and Tour Service	
Original amount \$25,000, 80 payments of \$485.00 per month including interest at 7%	24,680
The Lightbox	
Original amount \$26,000, 120 payments of \$245.90 per month including interest at 7%	26,721
	140,001
Less allowance for doubtful accounts	<u>(21,000)</u>
	\$ 119,001

Glenora Pharmacy ceased operations in April, 1995 and declared Chapter 7 bankruptcy in August, 1995. Based on information from the Town's attorney the expected loss should not exceed the \$21,000 allowance for doubtful accounts.

Note 8 - Restricted Assets

Certain proprietary fund resources are classified as restricted assets on the balance sheet because their use is restricted by applicable bond covenants. The "Utilities Revenue Bond and Interest Sinking Fund" accounts and the "Gas Utility Revenue Bond Fund" account are used to accumulate monies to be used for debt service payments within the next twelve months. The "Debt Service Reserve" account and the "Gas Utility Revenue Bond Reserve Fund" account are used to accumulate monies to make up potential future deficiencies in the sinking fund accounts identified above. The "Depreciation and Contingency Fund" accounts are used for the purpose of paying the cost of unusual or extraordinary maintenance, repairs, replacements and extensions for the Water and Sewer System and the Natural Gas System, respectively. In the presentation of restricted assets, the Town's account titles vary slightly from the legal account titles described above.

	<u>1996</u>		<u>1995</u>	
	Natural Gas System	Water and Sewer	Natural Gas System	Water and Sewer
Revenue bond sinking fund account	\$ 47,458	\$ 37,789	\$ 45,929	\$ 36,355
Revenue bond reserve fund account	64,028	67,815	57,852	62,615
Depreciation and contingency fund account	30,618	12,535	45,791	8,873
Customers' deposits	<u>20,000</u>	<u>6,499</u>	<u>20,728</u>	<u>13,818</u>
	\$262,104	\$122,637	\$169,280	\$121,661

Town of Gramercy, Louisiana
Notes to the Financial Statements
June 30, 1996

Note 5 - Fixed Assets

General Fixed Assets

A summary of changes in general fixed assets is as follows:

	Balance July 1, 1995	Addition	Deduction	Balance June 30, 1996
Land	\$ 54,975	\$ 85,000	\$ -	\$ 139,975
Buildings	143,086	1,500	-	144,586
Equipment	85,083	7,188	-	92,271
Automobiles, trucks and tractors	234,426	13,089	-	247,515
	<u>\$ 517,970</u>	<u>\$ 107,177</u>	<u>\$ -</u>	<u>\$ 625,147</u>

Proprietary Fund Type - Enterprise

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

	Balance July 1, 1995	Addition	Deductions	Balance June 30, 1996
Gas Utility				
Distribution system	\$1,877,918	\$ -	\$ -	\$1,877,918
Gas lines	158,438	-	-	158,438
Valves and regulators	4,717	-	-	4,717
Equipment	7,358	1,860	-	9,218
Total Gas Utility	2,212,440	1,860	-	2,214,300
Less: Accumulated depreciation	(280,800)	(21,211)	-	(302,011)
Net Gas Utility	1,931,640	1,649	-	1,933,289
Water Utility				
Distribution system	343,427	-	-	343,427
Water wells	156,878	-	-	156,878
Water tank	124,698	-	-	124,698
Fire hydrants	3,449	-	-	3,449
Meters	1,805	-	-	1,805
Total Water Utility	569,257	-	-	569,257
Less: Accumulated depreciation	(200,000)	-	-	(200,000)
Net Water Utility	369,257	-	-	369,257
Sewer System				
Sanitary	1,728,879	-	-	1,728,879
Calculation pond	4,410	-	-	4,410
Equipment	42,312	1,860	-	44,172
Total Sewer System	1,775,601	1,860	-	1,777,461
Less: Accumulated depreciation	(730,864)	(1,861)	-	(732,725)
Net Sewer System	1,044,737	-	-	1,044,737
Total Proprietary Fund Type	<u>\$2,411,634</u>	<u>\$ 163,179</u>	<u>\$ -</u>	<u>\$2,574,813</u>

Town of Clomona, Louisiana
Notes to the Financial Statements
June 30, 1998

Note 10 - Pension Plans

The Town contributes to the Municipal Employees Retirement System (the system), a cost sharing multiple-employer, public retirement system (PERS), controlled and administered by a separate board of trustees. The system is composed of two plan types (Plan A and Plan B). Town employees are members of Plan B.

The System also provides retirement, death and disability benefits to plan members and beneficiaries. Benefits are established by state statute. The Municipal Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Municipal Employees Retirement System, 7937 Office Park Blvd., Baton Rouge, LA 70809 or by calling (504)953-4810.

Covered employees are required by state statute to contribute 4 percent of their salary to the plan. The Town is required by the same statute to contribute 3.75 percent. In addition, contributions to the System include 1/4 of one percent of the taxes shown to be collected by the sheriff of each respective parish, except Orleans Parish. The Town's contributions to the system for the years ended June 30, 1998, 1995 and 1994 were \$5,580, \$4,548 and \$5,475, respectively, equal to the required contributions for each year.

Note 11 - Changes in Long-Term Debt

The following is a summary of debt transactions of the Town for the year ended June 30, 1998:

	General Obligation Bonds	Capitalized Lease Obligation	Revenue Bonds	Notes Payable
Debt payable, beginning of year	\$ 48,000	\$ 14,783	\$1,997,479	\$ 28,709
New debt issued	-	-	-	-
Debt retired	2,800	3,800	88,547	1,058
Debt payable, end of year	<u>\$ 45,200</u>	<u>\$ 10,983</u>	<u>\$1,908,932</u>	<u>\$ 27,651</u>

Out of the total revenue bonds payable at June 30, 1998, \$81,494 is classified as liabilities payable from restricted assets in the combined balance sheet.

Debt as of June 30, 1998, is composed of the following individual items:

General Obligation Bonds:

\$12,000 (issued January 1, 1973, Public Improvement Bonds due in annual installments of \$2,000 through 1997 and \$4,000 from 1998 through 2003, plus interest at 3%). (This issue secured by levy and collection of ad valorem taxes.)

\$ 65,000

Town of Glenora, Louisiana
Notes to the Financial Statements
June 30, 1998

Note 11 - Changes in Long-Term Debt, Continued

Capitalized Lease Obligations

\$22,400 issued December, 1994 - Due in monthly installments of \$331, including interest at 6% (Secured by John Doe backflow) \$ 2,175

Revenue Bonds

\$480,000, 1975 Water and Sewer Bonds - Due in various installments, including interest at 5% - (This issue is secured by revenues from the system.) \$ 168,700

\$1,130,000 New Gas System Bonds - due in annual installments of \$74,314 through 2005, including interest at 7% - (This issue is secured by revenues from the system.) 789,238

\$1,318,938

Note Payable

\$18,512 dated April 12, 1983, (including delinquent interest and principal payments in 1944 on Water & Sewer Bonds, due in annual installments of \$2,635, including interest at 5% \$ 17,512

The annual requirements to amortize all debt outstanding as of June 30, 1998, including interest payments of \$886,317 are as follows:

Year Ending June 30,	Capitalized General Obligation	Lease Obligations	Revenue Bonds	Notes Payable	Total
1997	\$ 5,100	\$ 4,360	\$ 125,340	\$ 2,630	\$ 137,430
1998	7,200	3,715	129,339	2,680	142,934
1999	7,000	-	125,154	2,630	134,784
2000	6,800	-	124,879	2,680	134,359
2001	6,600	-	124,654	2,630	133,884
2002-2005	30,000	-	623,740	13,152	666,892
2007-2011	25,000	-	621,560	13,152	659,712
2012-2015	4,500	-	183,905	385	192,885
2017-2020	-	-	4,615	-	4,615
	<u>\$ 86,500</u>	<u>\$ 10,084</u>	<u>\$1,907,600</u>	<u>\$ 39,780</u>	<u>\$2,124,064</u>

Town of Glenora, Louisiana
Notes to the Financial Statements
 June 30, 1996

Note 11 - Changes in Long-Term Debt, Continued

There are a number of limitations and restrictions contained in the various bond indentures. The Town is in compliance with all significant limitations and restrictions except as follows:

The Town is required to maintain liability insurance covering the Natural Gas System and Water and Sewer System. Due to the high cost of insurance premiums, the Town does not maintain this coverage for the utility systems.

Note 12 - Segment Information for Enterprise Fund

	Natural Gas System	Water and Sewer	—Total—
Operating Revenues	\$ 261,329	\$ 203,154	\$ 464,483
Depreciation	25,311	47,893	73,204
Operating Income	72,983	33,383	83,346
Nonoperating revenues and expenses			
Interest income	7,428	5,483	12,911
Interest expense	37,147	34,330	65,937
Operating transfers out	14,000	28,000	62,000
Net income (loss)	9,024	(15,664)	(6,640)
Accounts receivable	16,944	17,583	34,527
Allowance for doubtful accounts	7,543	7,457	15,000
Increase (decrease) in cash and cash equivalents	(17,697)	14,890	(22,191)
Total assets	1,689,570	1,693,810	3,383,380
Bonds and other long-term liabilities			
Payable from operating revenues	790,228	568,790	1,359,018
Total equity	549,902	1,835,020	2,384,922

Town of Glenmora, Louisiana
Notes to the Financial Statements
June 30, 1996

Note 13 - Garbage Disposal Contract

On August, 1, 1994, the Town contracted for garbage disposal for a period of three years with monthly payments of \$3,145.

Note 14 - Concentrations of Credit Risk

The accounts receivable from utility customers and the economic development loans receivable are due from businesses and residents of the Town of Glenmora. The collectability of these financial instruments are dependent upon the general economic conditions in the Town of Glenmora geographical area.

Note 15 - Pending Litigation

The Town of Glenmora is a defendant in various lawsuits. The Town's legal counsel is of the opinion the amount, if any, of damages for which the Town of Glenmora is responsible would be less than the policy limits of insurance carried by the Town of Glenmora. A lawsuit filed by the Chief of Police for back pay is pending ruling by the Judge. If the Town is found liable, the amount due would be approximately \$15,000.

Note 16 - Risk Management

The Town of Glenmora is exposed to various risks of loss related to torn, theft of, damage to, and destruction of assets, claims and obligations, injuries to employees, and natural disasters. It is the policy of the Town to purchase commercial insurance for the risks of losses to which it is exposed. The Town does not maintain casualty coverage for the natural gas, and water and sewer systems. The financial impact, if any, resulting from inadequate insurance cannot be reasonably estimated.

Note 17 - Subsequent Events

On July 23, 1996, the Town contracted for garbage disposal for a period of three years with monthly payments of \$3,158.

On August 1, 1996, the Town entered a lease agreement for a 1996 police car for a period of three years with monthly payments of \$604.

**Financial Statements of
Individual Funds and Account Groups**

GENERAL FUND

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

Town of Gramercy, Louisiana
 General Fund
 Comparative Balance Sheets
 June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Assets		
Cash and cash equivalents	\$ 79,285	\$ 31,803
Receivables		1,028
Taxes	1,335	1,028
Due from Water and Sewer Fund	29,642	39,799
Due from Economic Development	-	2,823
Due from Gas Fund	-	18,287
Total Assets	<u>\$ 108,922</u>	<u>\$ 103,738</u>
Liabilities and Fund Equity		
Liabilities		
Accounts payable	\$ 17,838	\$ 6,764
Fund Equity - Fund Balance Unreserved (undesignated)	<u>91,084</u>	<u>96,974</u>
Total Liabilities and Fund Equity	<u>\$ 108,922</u>	<u>\$ 103,738</u>

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

Town of Gramercy, Louisiana

General Fund

**Comparative Statements of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 1995**

With Comparative Actual Amounts for Year Ended June 30, 1994

	1995		Variance Favorable (Unfavorable)	1994	
	Budget	Actual		Budget	Actual
Revenues					
Taxes					
Ad valorem	\$ 12,000	\$ 11,524	\$ (476)	\$ 11,574	
Sales taxes	229,380	215,045	(14,335)	217,140	
Franchise	32,600	34,807	1,967	32,194	
Licenses and permits					
Occupational license	25,000	29,737	4,737	31,403	
Other	500	-	(500)	-	
Intergovernmental					
Tobacco taxes	30,000	8,170	(21,830)	8,785	
New taxes	1,200	1,989	789	2,000	
Other	38,000	38,162	162	-	
Fees and bonds	60,000	58,049	(1,951)	61,029	
Miscellaneous	12,900	12,000	(899)	9,572	
Total Revenues	<u>424,850</u>	<u>411,938</u>	<u>(12,912)</u>	<u>394,352</u>	
Expenditures					
Current					
General government	116,441	148,215	(31,774)	100,900	
Public safety	125,000	136,059	(10,659)	121,589	
Streets	127,250	133,217	(5,967)	130,525	
Sanitation	37,716	39,155	(1,439)	38,112	
Debt service	15,000	15,000	-	18,500	
Total Expenditures	<u>421,407</u>	<u>451,646</u>	<u>(30,239)</u>	<u>359,626</u>	
Efficiency of Revenues Used/Expenditures	737	(11,685)	(11,612)	(1,643)	
Other Financing Sources					
Operating transfers in - Gas and utility fees	62,000	62,000	-	62,000	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ 65,443</u>	<u>(9,888)</u>	<u>\$ 75,331</u>	<u>\$ 18,921</u>	
Fund Balance, Beginning of Year		<u>98,450</u>			
Fund Balance, End of Year		<u>\$ 88,562</u>			

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

Town of Gramercy, Louisiana
 General Fund
 Comparative Statements of Expenditures
 Years Ended June 30, 1998 and 1999

	<u>1998</u>	<u>1999</u>
General Government		
Salary - Mayor and Aldermen	\$ 20,600	\$ 18,900
Salary - Clerk and assistant	14,187	16,000
Payroll taxes	5,549	3,329
Retirement	5,980	925
Mayor's expenses	3,600	3,600
Books and subscriptions	624	850
Insurance and bonds	8,024	12,158
Supplies	8,508	3,476
Legal and professional	14,574	11,600
Telephone and utilities	11,097	7,813
Printing and advertising	1,280	2,288
Repairs and maintenance	1,306	2,024
Contractor's expense	500	2,207
Tax roll	1,214	1,171
Capital expenditures	20,489	1,663
Prize and recreation	17,540	7,348
Miscellaneous	<u>16,800</u>	<u>6,828</u>
Total General Government	<u>148,233</u>	<u>180,900</u>
Public Safety		
Police		
Salaries	59,000	51,700
Payroll taxes	2,056	1,964
Kaplan Parish Sheriff	935	31,170
Gas, oil and repairs	14,848	15,412
Legal and professional	3,200	2,700
Telephone	1,977	1,353
Impounding office	3,400	3,148
Insurance and bonds	24,515	9,171
Capital expenditures	3,274	-
Academy training	1,234	2,700
Miscellaneous	<u>8,811</u>	<u>6,328</u>
Total Police	<u>123,812</u>	<u>160,176</u>
Fire Protection		
Salaries	7,300	7,300
Payroll taxes and retirement	850	851
Volunteer firemen	2,488	2,043
Telephone and utilities	2,280	1,088
Truck expense	1,214	940
Supplies	3,023	4,246
Repairs and maintenance	8	287
Insurance and bonds	5,170	4,420
First response	-	583
511 System	9,800	-
Miscellaneous	<u>1,202</u>	<u>238</u>
Total Fire Protection	<u>31,027</u>	<u>21,437</u>
Total Public Safety	<u>154,839</u>	<u>181,613</u>

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

Town of Grammon, Louisiana
 General Fund
 Comparative Statements of Expenditures (Continued)
 Years Ended June 30, 1996 and 1995

	1996	1995
Street		
Salaries	\$ 42,223	\$ 36,493
Payroll taxes	3,250	1,788
Retirement	61	1,160
Maintenance and repairs	6,713	3,730
Asphalt, gravel and patch materials	15,429	18,299
Street lights	18,786	18,195
Small tools	1,790	1,289
Tireck expense	13,743	10,648
Telephone and utilities	3,283	1,643
Capital expenditures	31	1,500
Insurance and bonds	18,622	11,157
Utilities	2,589	1,841
Equipment rental	84	123
Miscellaneous	80,073	7,858
Total Street	315,507	320,327
Sanitation		
Garbage pick-up	88,752	88,112
Debt Service		
Principal	5,183	16,883
Interest	584	1,622
Total Debt Service	5,829	18,505
Total Expenditures	\$ 467,136	\$ 367,429

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

SPECIAL REVENUE FUNDS

Economic Development - To account for monies funded to enhance local economic development.

Louisiana Community Block Grant (LCDBG) - To account for activities related to urban redevelopment and housing; including administration, rehabilitation, clearance and relocation.

Town of Gramercy, Louisiana
Special Revenue Funds
Combining Balance Sheet
June 30, 1999 and 1998

	Economic Development	<u>1999</u>	<u>1998</u>
Assets			
Cash and cash equivalents	\$ 63,708	\$ -	\$ 63,708
Notes receivable	179,000	-	179,000
Funds not yet repositioned	-	-	158,531
Accrued interest	<u>432</u>	<u>-</u>	<u>432</u>
Total Assets	<u>\$ 183,140</u>	<u>\$ -</u>	<u>\$ 402,169</u>
Liabilities and Fund Equity			
Liabilities			
Accounts payable	\$ 1,474	\$ -	\$ 9,000
Penalties payable	-	-	156,310
Due to other funds	<u>360</u>	<u>-</u>	<u>2,650</u>
Total Liabilities	1,834	-	167,960
Fund Equity - Fund Balance Reserved for economic development	<u>181,306</u>	<u>-</u>	<u>234,209</u>
Total Liabilities and Fund Equity	<u>\$ 183,141</u>	<u>\$ -</u>	<u>\$ 402,169</u>

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

Town of Gramercy, Louisiana
 Special Revenue Fund - Economic Development
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balance
 For the Years Ended June 30, 1996 and 1995

	Economic Development	1995	1996
Revenues			
Intergovernmental - grant	\$ -	\$ 158,531	\$ 158,531
Miscellaneous	14,328	-	14,328
Total Revenues	<u>14,328</u>	<u>158,531</u>	<u>172,859</u>
Expenditures			
General government:			
Salaries	7,266	-	7,266
Payroll taxes	919	-	919
Legal and professional	3,214	-	3,214
Survey	409	-	409
Repairs and maintenance	-	-	9,000
Capital expenditures	45,000	-	45,000
Interest	1,275	-	1,275
Miscellaneous	12,614	-	12,614
Bond debt	-	-	21,000
Urban Redevelopment and Housing:			
Relocation	-	21,275	21,275
Administration	-	12,752	12,752
Rehabilitation	-	122,264	122,264
Total Expenditures	<u>71,812</u>	<u>158,531</u>	<u>238,382</u>
Deficiency of Revenues			
Under Expenditures	(57,487)	-	(57,487)
Fund Balance, Beginning of Year	<u>287,346</u>	<u>-</u>	<u>287,346</u>
Fund Balance, End of Year	<u>\$ 229,859</u>	<u>\$ -</u>	<u>\$ 229,859</u>

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

Town of Gramercy, Louisiana
Special Revenue Fund - Economic Development
Combined Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1995
With Comparative Actual Amounts for the Year Ended June 30, 1994

	1995		Variance Favorable (Unfavorable)	1994
	Budget	Actual		Actual
Revenues				
Miscellaneous				
Interest income	\$ 12,480	\$ 14,329	\$ 1,849	\$ 14,329
Expenditures				
General government	19,264	71,822	(52,558)	62,384
Deficiency of Revenues Under Expenditures	<u>\$ (6,784)</u>	<u>(57,493)</u>	<u>\$ (50,709)</u>	<u>(48,055)</u>
Fund Balance,				
Beginning of Year		289,018		287,268
Fund Balance, End of Year		<u>\$ 181,525</u>		<u>\$ 239,213</u>

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

DEBT SERVICE FUNDS

To accumulate monies for payment of the Public Improvement General Obligation Bonds which are due in annual installments of \$2,000 through 1997 and \$4,000 from 1998 through 2013, plus interest at 5%.

Town of Glenora, Louisiana
 Debt Service Fund
 Combining Statements of Revenues, Expenditures and
 Changes in Fund Balances
 Year Ended June 30, 1998
 With Comparative Totals for Year Ended June 30, 1997

	1998		Variance Favorable (Unfavorable)	1997
	Budget	Actual		Actual
Revenues				
Miscellaneous				
Interest income	\$ 948	\$ 921	\$ 1,687	\$ 1,684
Expenditures				
Principal retirement	1,000	1,000	2,000	2,000
Interest	1,700	1,700	3,400	3,500
Bank charges	-	55	30	-
Total Expenditures	<u>2,700</u>	<u>2,755</u>	<u>5,430</u>	<u>5,500</u>
Deficiency of Revenues Under Expenditures	(1,754)	(1,835)	(3,800)	(3,896)
Fund Balances, Beginning of Year	<u>20,113</u>	<u>18,653</u>	<u>39,800</u>	<u>40,770</u>
Fund Balances, End of Year	<u>\$ 18,441</u>	<u>\$ 17,818</u>	<u>\$ 36,000</u>	<u>\$ 36,874</u>

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

Town of Glenora, Louisiana
Debt Service Fund - Town of Glenora
Comparative Statements of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 1995
With Comparative Actual Amounts for Year Ended June 30, 1994

	1994		Variance Favorable (Unfavorable)	1995
	Budget	Actual		Actual
Revenues:				
Miscellaneous				
Interest income	\$ 1,000	\$ 896	\$ 104	\$ 896
Expenditures				
Principal retirement	1,000	1,000	-	1,000
Interest	1,700	1,790	-	1,790
Total Expenditures	<u>2,700</u>	<u>2,790</u>	<u>-</u>	<u>2,790</u>
Deficiency of Revenues Over Expenditures	<u>\$ 11,700</u>	(1,894)	<u>\$ 13,594</u>	(1,894)
Fund Balance,				
Beginning of Year		30,115		32,015
Fund Balance, End of Year		<u>\$ 18,461</u>		<u>\$ 20,121</u>

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

Town of Glenora, Louisiana
Debt Service Fund - Sewerage District No 1
Comparative Statements of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 1995

With Comparative Actual Amounts for Year Ended June 30, 1994

	Town of Glenora	Sewerage District No. 1	Totals	
			1994	1995
Revenues				
Miscellaneous				
Interest Income	\$ 1,000	\$ 921	\$ 179	\$ 794
Expenditures				
Principal retirement	1,000	1,000	-	1,000
Interest	1,700	1,700	-	1,750
Bank charges	-	50	(50)	-
Total Expenditures	<u>2,700</u>	<u>2,750</u>	<u>(50)</u>	<u>2,750</u>
Deficiency of Revenues Under Expenditures	<u>\$ (1,700)</u>	<u>(1,829)</u>	<u>\$ (112)</u>	<u>(1,956)</u>
Fund Balance,				
Beginning of Year		19,660		21,611
Fund Balance, End of Year		<u>\$ 17,930</u>		<u>\$ 19,655</u>

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

INTERFUND FUNDS

Natural Gas Fund - To account for the provision of natural gas services to the residents of the Town. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, billing and collection.

Water and Sewer Fund - To account for the provision of water and sewer services to the residents of the Town. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, billing and collection.

Town of Grammon, Louisiana
 Enterprise Funds
 Combining Balance Sheets
 June 30, 1998

With Comparative Totals for Year Ended June 30, 1997

	Natural Gas System	Water and Sewer	Totals	
			1998	1997
Assets				
Current Assets				
Cash and cash equivalents	\$ 21,766	\$ 21,845	\$ 43,611	\$ 80,617
Receivables (net of allowance for doubtful accounts)				
Accounts Accrued interest	26,404	58,130	55,531	44,412
	120	438	388	888
Total Current Assets	<u>58,317</u>	<u>52,413</u>	<u>100,728</u>	<u>126,617</u>
Restricted Assets				
Cash and cash equivalents				
Contingency, Reserve & Sinking Funds	182,062	116,177	298,242	177,369
Customers' deposits	32,038	5,494	35,492	34,618
Total Restricted Assets	<u>214,100</u>	<u>121,671</u>	<u>333,734</u>	<u>211,987</u>
Plant and Equipment				
Water and sewer fixed assets at cost, net of accumulated depreciation	-	1,508,726	1,508,726	1,834,437
Natural gas system fixed assets, at cost, net of accumulated depreciation	837,388	-	837,388	850,635
Total Plant and Equipment	<u>837,388</u>	<u>1,508,726</u>	<u>2,346,114</u>	<u>2,685,072</u>
Total Assets	<u>\$1,089,590</u>	<u>\$1,683,810</u>	<u>\$3,779,586</u>	<u>\$4,503,655</u>

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

Town of Glenora, Louisiana
Enterprise Funds
Combining Balance Sheet (Continued)
June 30, 1995

With Comparative Totals for Year Ended June 30, 1994

	Natural Gas System	Water and Sewer	Totals	
			1994	1995
Liabilities and Fund Equity				
Current Liabilities				
Accounts payable	\$ 8,180	\$ 6,282	\$ 14,462	\$ 6,614
Due to other funds	13,810	11,038	24,848	49,218
Notes payable		1,000	1,000	1,000
Total Current Liabilities	<u>22,000</u>	<u>18,320</u>	<u>40,320</u>	<u>56,832</u>
Liabilities Payable from Restricted Assets				
Contractors' deposits payable	39,419	14,250	53,669	59,044
Revenue bonds payable	34,191	21,400	55,591	54,581
Accrued interest	<u>26,853</u>	<u>19,265</u>	<u>46,118</u>	<u>42,143</u>
Total Liabilities Payable from Restricted Assets	<u>100,463</u>	<u>54,915</u>	<u>155,378</u>	<u>155,768</u>
Long-Term Liabilities				
Revenue bonds payable	134,266	347,700	1,283,908	1,343,650
Notes payable		28,182	36,193	21,885
Total Long-Term Liabilities	<u>134,266</u>	<u>375,882</u>	<u>1,320,101</u>	<u>1,365,535</u>
Total Liabilities	<u>256,689</u>	<u>649,120</u>	<u>1,966,729</u>	<u>1,988,130</u>
Fund Equity				
Contributions				
Municipality	4,328	117,000	116,321	116,321
Federal grants	<u>101,048</u>	<u>1,327,741</u>	<u>1,428,589</u>	<u>1,428,589</u>
Total Contributions	<u>105,376</u>	<u>1,444,741</u>	<u>1,544,910</u>	<u>1,544,910</u>
Retained Earnings (Deficit)				
Reserved for debt service	74,514	52,180	126,694	180,350
Unreserved	<u>69,937</u>	<u>(405,221)</u>	<u>(335,284)</u>	<u>(103,483)</u>
Total Retained Earnings (Deficit)	<u>144,451</u>	<u>(353,041)</u>	<u>(208,590)</u>	<u>(23,133)</u>
Total Fund Equity	<u>249,827</u>	<u>1,091,699</u>	<u>1,336,320</u>	<u>1,321,777</u>
Total Liabilities and Fund Equity	<u>\$1,085,516</u>	<u>\$1,680,819</u>	<u>\$1,773,389</u>	<u>\$1,810,907</u>

Town of Glenora, Louisiana
Enterprise Funds
Combining Statements of Revenues, Expenses, and
Changes in Retained Earnings (Deficit)
Year Ended June 30, 1993
With Comparative Totals for Year Ended June 30, 1992

	Natural Gas Activity	Water and Sewer	Totals	
			1992	1993
Operating Revenues				
Charges for services				
Gas charges	\$ 280,151	\$ -	\$ 280,151	\$ 211,471
Water charges	-	130,847	130,847	124,772
Sewer charges	-	62,678	62,678	61,405
Other charges	8,199	8,016	17,179	14,883
Miscellaneous	1,022	1,623	2,645	2,363
Total Operating Revenues	290,372	203,164	493,536	414,902
Operating Expenses				
Salaries and benefits	49,478	51,608	101,086	86,025
Payroll taxes	3,788	3,953	7,741	6,478
Gas purchases	60,565	-	60,565	59,288
Legal and professional	4,535	5,583	10,118	8,009
Repairs and maintenance	1,565	52,977	54,542	17,061
Insurance	12,686	14,289	26,975	19,663
Travel expense	2,458	2,458	4,916	2,896
Depreciation	25,311	47,299	72,610	72,183
Water main power	-	8,378	8,378	8,028
Telephone	388	388	776	686
Bad debts	302	-	302	4,780
Supplies	4,940	6,820	11,760	7,788
Office expense	1,143	1,612	2,755	2,612
Miscellaneous	828	17,782	18,610	18,712
Total Operating Expenses	188,580	192,771	381,351	302,382
Operating Income	101,792	10,393	112,185	112,520
Nonoperating Revenues (Expenses)				
Interest income	3,428	5,883	12,913	11,541
Interest expense	(37,987)	(28,209)	(66,196)	(69,388)
State Grant	-	25,000	25,000	-
Total Nonoperating Revenues (Expenses)	(34,559)	1,674	(32,885)	(57,847)
Income Before Operating Transfer	67,233	12,067	79,300	54,673
Operating Transfers Out	(74,800)	(78,800)	(153,600)	(62,000)
Net Income (Loss)	9,433	(66,733)	(57,167)	(7,327)
Retained Earnings (Deficit), Beginning of Year	121,612	(97,325)	24,287	(10,389)
Retained Earnings (Deficit), End of Year	\$ 131,045	\$ (164,058)	\$ (32,880)	\$ (17,716)

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

Town of Glenora, Louisiana

Excessive Funds

Condensed Statements of Cash Flows

Year Ended June 30, 1998

With Comparative Totals for Year Ended June 30, 1995

	<u>Street Gas System</u>	<u>Water and Sewer</u>	<u>Totals</u>	
			<u>1998</u>	<u>1995</u>
Cash Flows from Operating Activities				
Operating income	\$ 30,380	\$ 31,860	\$ 62,240	\$ 60,080
Adjustments to reconcile net operating income to net cash provided by operating activities:				
Depreciation	47,890	23,311	71,201	72,183
(Increase) decrease in accounts receivable	(2,650)	(9,085)	(12,735)	8,090
Increase (decrease) in accounts payable	500	3,800	4,300	(2,130)
Decrease in accrued liabilities	(95)	-	(95)	(8,180)
Increase (decrease) in due to other funds	(24,200)	3,219	(20,981)	22,403
Increase (decrease) in customers' deposits payable	741	(1,110)	-369	-132
Net Cash Provided by Operating Activities	<u>71,426</u>	<u>50,455</u>	<u>121,881</u>	<u>102,681</u>
Cash Flows from Noncapital Financing Activities				
Operating transfers out	<u>(78,000)</u>	<u>(74,000)</u>	<u>(152,000)</u>	<u>(152,000)</u>
Cash Flows from Capital & Related Financing Activities				
Acquisition of capital assets	(1,862)	(1,862)	(3,724)	(6,830)
State grant	25,000	-	25,000	-
Principal paid on revenue bonds and notes payable	(22,193)	(17,167)	(39,360)	(24,439)
Interest paid on revenue bonds and notes payable	<u>(78,500)</u>	<u>(77,562)</u>	<u>(156,062)</u>	<u>(165,560)</u>
Net Cash Used by Capital & Related Financing Activities	<u>(77,555)</u>	<u>(76,529)</u>	<u>(154,084)</u>	<u>(196,829)</u>
Cash Flows from Investing Activities				
Interest on investments	<u>3,466</u>	<u>2,621</u>	<u>6,087</u>	<u>11,341</u>
Net Increase (decrease) in cash and cash equivalents	<u>(12,673)</u>	<u>(23,494)</u>	<u>(36,167)</u>	<u>(82,878)</u>
Cash and cash equivalents, beginning of year	<u>182,211</u>	<u>199,526</u>	<u>381,737</u>	<u>408,512</u>
Cash and cash equivalents, end of year	<u>\$ 169,538</u>	<u>\$ 176,032</u>	<u>\$ 345,570</u>	<u>\$ 325,634</u>

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

Town of Clarence, Louisiana
Enterprise Funds
Schedule of Cash Receipts and Disbursements -
Revenues Account Required by Revenue Bond Ordinance
Year Ended June 30, 1999

	Revenue Bond		Revenue Bond		Depreciation and		Total
	Building Fund	Water and Sewer	Business Fund	Water and Sewer	Capital Fund	Water and Sewer	
	Normal	Gas and Sewer	Normal	Gas and Sewer	Normal	Gas and Sewer	
Cash and Cash Equivalents							
Beginning of Year	\$ 61,832	\$ 26,124	\$ 23,463	\$ 61,473	\$ 48,291	\$ 8,472	\$ 199,558
Cash Receipts							
Transfers from operating							
annual	74,214	80,155	3,724	2,414	2,997	1,415	61,192
interest earned on investments	1,007	99	2,362	1,652	1,892	262	3,288
Total Cash Receipts	75,221	81,154	6,086	4,066	4,889	1,677	68,758
Cash Disbursements							
Principal payments	37,147	21,000	-	-	-	-	58,147
Interest payments and other	37,502	28,219	-	-	-	-	65,721
Total Cash Disbursements	74,649	49,219	-	-	-	-	123,868
Cash and Cash Equivalents							
End of Year	\$ 63,203	\$ 27,359	\$ 23,463	\$ 61,791	\$ 53,180	\$ 10,145	\$ 191,799

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

AGENCY FUND

Payroll Fund - To account for disbursement of the Town's payroll. The general, economic development and enterprise funds transfer a pro-rata amount of the payroll to this fund.

Town of Olszewski, Louisiana
Agency Fund - Payroll Fund
Comparative Balance Sheet
June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Assets		
Cash	<u>\$ 9,041</u>	<u>\$ 3,445</u>
Liabilities		
Accrued and withheld payroll taxes and retirement	<u>\$ 9,041</u>	<u>\$ 3,445</u>

Statement of Changes in Assets and Liabilities
Year Ended June 30, 1996

	Balance July 1, <u>1995</u>	Additions	Deductions	Balance June 30, <u>1996</u>
Assets				
Cash	<u>\$ 3,445</u>	<u>\$ 179,000</u>	<u>\$ 209,509</u>	<u>\$ 9,041</u>
Liabilities				
Accrued and withheld payroll taxes, retirement and insurance	<u>\$ 3,445</u>	<u>\$ 78,889</u>	<u>\$ 75,003</u>	<u>\$ 9,041</u>

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

GENERAL FIXED ASSETS
ACCOUNT GROUP

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

Town of Glenwood, Louisiana
Comparative Schedule of General Fixed Assets - By Source
June 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
General Fixed Assets		
Land	\$ 135,075	\$ 54,075
Buildings	144,000	143,000
Equipment	81,163	81,055
Automobiles, trucks and tractors	<u>281,692</u>	<u>234,428</u>
Total General Fixed Assets	<u>\$ 641,928</u>	<u>\$ 512,558</u>
Investment in General Fixed Assets From		
Property acquired prior to 7/31/77*	\$ 58,254	\$ 58,254
Property acquired after 7/31/77		
General fund revenues	301,446	179,278
Economic development fund revenue	153,999	78,600
Federal Revenue Sharing revenues	198,005	198,005
Intergovernmental	<u>11,325</u>	<u>11,325</u>
Total Investment in General Fixed Assets	<u>\$ 624,025</u>	<u>\$ 527,458</u>

* Records reflecting source from which assets were acquired were not maintained prior to 7/31/77.

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

**GENERAL LONG-TERM
DEBT ACCOUNT GROUP**

To account for unamortized principal amounts on general long-term debt expected to be financed from governmental type funds. Payments of maturing obligations, including interest, are accounted for in Debt Service Funds.

Town of Glenora, Louisiana
 Combining Statements of General Long-Term Debt
 Year Ended June 30, 1995
 With Comparative Totals for Year Ended June 30, 1993

	Economic Development	Town of Glenora	Savings District No. 1	Totals	
				1995	1993
Amount Available and to be Provided for the Retirement of General Long-Term Debt					
Amount available in debt service funds for debt retirement	\$ -	\$ 18,643	\$ 17,811	\$ 36,454	\$ 39,844
Amount to be provided:					
General fund revenues	-	9,175	-	9,175	14,783
Ad valorem taxes	-	14,577	13,189	28,746	28,156
Economic Development fund revenues	<u>40,000</u>	-	-	<u>40,000</u>	-
Total Available and to be Provided	\$ 40,000	\$ 41,175	\$ 31,000	\$ 115,175	\$ 82,783
General Long-Term Debt Payable					
Bank notes	\$ 40,000	\$ -	\$ -	\$ 40,000	\$ -
Bonds payable	-	10,000	33,000	43,000	64,000
Capitalized lease obligations	-	3,175	-	3,175	18,783
Total Payable	\$ 40,000	\$ 41,175	\$ 33,000	\$ 115,175	\$ 82,783

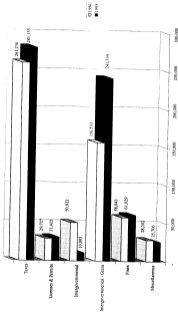
The accompanying notes are an integral
 part of the financial statements.

Supplemental Information

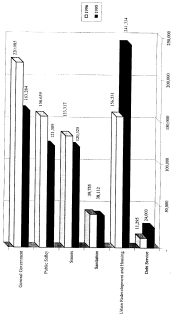
Town of Glenora, Louisiana
Schedule of Compensation - Mayor and Aldermen
June 30, 1996

<u>Name</u>	<u>Title</u>	<u>Compensation</u>	<u>Expense Allowance</u>
Tyrone L. Duple	Mayor	\$ 4,000	\$ 1,600
Charline M. Balch	Alderman	3,000	-
Bonnie E. McCreevy	Alderman	3,000	-
C. J. Myers	Alderman	3,000	-
Gregory B. Olson	Alderman	2,400	-
Bonny Jewell	Alderman	<u>3,000</u>	<u>-</u>
		<u>\$ 30,400</u>	<u>\$ 1,600</u>

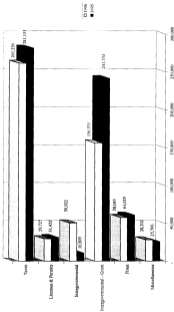
Town of Glenora, Louisiana
 Governmental Fund Types
 Comparative Statement of Revenues
 Years Ended June 30, 1999 and 2000



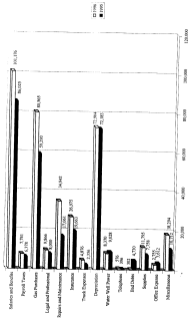
Town of Glenora, Louisiana
 Governmental Fund Types
 Comparative Statements of Expenditures
 Years Ended June 30, 1996 and 1995



Town of Chalmette, Louisiana
 Government Fund Types
 Comparative Statement of Revenues
 Years Ended June 30, 1996 and 1995



Town of Gretna, Louisiana
 Enterprise Fund
 Comparative Statement of Expenses
 Year Ended June 30, 1985 and 1986





Coast I. Knight, Jr., CPA

K. Martin Masden, CPA

September 8, 1996

**INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF
FEDERAL FINANCIAL ASSISTANCE**

The Honorable Tyson Doyin, Jr. Mayor
and Members of the Board of Aldermen
Town of Glencore, Louisiana

We have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the Town of Glencore, Louisiana for the year ended June 30, 1996, and have issued our report thereon dated September 8, 1996. These financial statements are the responsibility of the Town of Glencore's management. Our responsibility is to express an opinion on these general purpose financial statements and the combining, individual fund and account group financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-129, *Audit of State and Local Governments*. These standards and OMB Circular A-129 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements discussed in the preceding paragraph are free of material misstatement. An audit in accordance with these standards includes examining, on a test basis, evidence supporting the amounts and disclosures in these financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements and the combining, individual fund and account group financial statements of the Town of Glencore, Louisiana taken as a whole.

The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements and the combining, individual funds and account group 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 the combining, individual funds and account group financial statements, and in our opinion, it fairly states in all material respects in relation to these financial statements taken as a whole.


KNIGHT & MASDEN

Town of Gramercy, Louisiana
 Schedule of Federal Financial Assistance, All Programs
 Year Ended June 30, 1990

Name of Federal Agency or Department	CFDA No.	Name of Program or Grant	Grant Number	Grant Amount	Total Program Revenue Received	Total Program Expenditures
U.S. Department of HUD:						
Direct Program	14.219	CDRO Inland Cities	101-4026	\$ 407,313	\$ 158,501	\$ 158,501



Graef Knight, Jr., CPA

September 6, 1996

E. Marie Masdon, CPA

**Independent Auditors' Report on Internal Control
Structure Based on an Audit of Basic Financial
Statements Performed in Accordance With
Government Auditing Standards**

The Honorable Byron L. Doyle, Mayor
and Members of the Board of Aldermen
Town of Glenmora, Louisiana

We have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the Town of Glenmora, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated September 6, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments". These standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Town of Glenmora, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, opinions 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 recorded in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of the Town of Glenmora, Louisiana, for the year ended June 30, 1996, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

The Honorable Tyrone Doyle, Jr. Mayor
and Members of the Board of Aldermen
Town of Clanton, Louisiana
September 8, 1998

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

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


ROBERT C. MADDEN



Craig E. Knight, Jr., CPA

September 6, 1996

K. Martin Masden, CPA

**Independent Auditors' Report on Internal
Control Structures Used in Administering
Federal Financial Assistance Programs**

The Honorable Tyson Doyle, Mayor
and the Members of the Board of Aldermen
Town of Cloutiers, Louisiana

We have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the Town of Cloutiers, Louisiana for the year ended June 30, 1996, and have issued our report thereon dated September 6, 1996.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, *Audit of State and Local Governments*. These standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements and the combining, individual fund and account group financial statements are free of material misstatement.

In planning and performing our audit for the year ended June 30, 1996, we considered the Town's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the Town's general purpose financial statements and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated September 6, 1996.

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

The Honorable Tynnes Doyle, Jr. Mayor
and Members of the Board of Aldermen
Town of Okechoosa, Louisiana
September 4, 1996

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

Accounting Controls

Cash and Cash Equivalents
Revenues, Receivables and Reserves - Governmental Fund Types
Expansures for Goods and Services and Accounts Payable

Administrative Controls

General Requirements
Political Activity
Davis-Bacon Act
Civil Rights
Cash Management
Relocation assistance and real property management
Federal Financial Reports
Drug-Free Workplace
Allowable Costs/Cost Principles

Specific Requirements

Types of Services
Eligibility
Reporting
Special Requirements

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

During the year ended June 30, 1996, Town of Okechoosa, Louisiana, had no major federal financial assistance programs and expended 34 percent of its total federal financial assistance under the following nine major federal financial assistance programs: HUD Small Cities.

We performed tests of controls, as required by GAO Circular A-122, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we have considered relevant in preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the Town's economic federal financial assistance programs. Our procedures were less in scope than would be necessary to render an opinion on those internal control structure policies and procedures. Accordingly, we do not express such an opinion.

The Honorable Tyrone Doyle, Jr. Mayor
and Members of the Board of Aldermen
Town of Gretnova, Louisiana
September 5, 1995

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

Comments Noted in Prior Year's Report:

Approval for completion of work and payment

The Town has established procedures requiring the signature of the borrower, contractor, program administrator and mayor as evidence of acceptance of work completed and approval for payment. We found instances of checks issued with the program administrator signature missing. This condition can result in payments for services or materials not received.

We recommend that no payments be made until all appropriate inspections and proper documentation evidenced by complete signatures have been properly completed.

Town's Reply - The checks were issued with the verbal OK of the Program administrator. In the future, no checks will be issued until all proper signatures are obtained as evidence of work completed.

The Town changed its procedures and no longer will require the program administrator to sign also.

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 in a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance programs would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted certain matters involving the internal control structure and its operation that we consider to be a material weakness, as defined above. We believe the reportable condition 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.


ERNEST C. MASLIN

Case: E. Knight, Jr., CPA

E. Martin Masden, CPA

September 5, 1995

**Independent Auditors' Report on Compliance With Laws
and Regulations Based on an Audit of the General
Purpose Combining, Individual Fund, and Account
Group Financial Statements Performed in
Accordance With Government Auditing Standards**

The Honorable Tyson Doyle, Mayor
and Members of the Board of Aldermen
Town of Glenmora, Louisiana

We have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the Town of Glenmora, Louisiana, for the year ended June 30, 1995, and have issued our report thereon dated September 6, 1995.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, *Audit of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

However, the following immaterial instances of noncompliance were noted.

The following was reported on in our prior year's report.

Defects

Louisiana Revised Statutes require that budgets should be amended if actual expenditures plus projected expenditures for the remainder of the year within a fund are exceeding authorized budgeted expenditures by five percent or more.

The Honorable Tyrone Doyle, Jr. Mayor
and Members of the Board of Aldermen
Town of Clomney, Louisiana
September 5, 1996

Budget amendments did not bring the Town into compliance with the Louisiana Revised Statute for budgets when anticipated expenditures will exceed budgeted expenditures by five percent or more.

We recommend that budgets be prepared for all funds and expenditures projected to exceed estimated budgeted amounts by five percent be brought to the attention of the Aldermen so that they have the opportunity to determine appropriate action.

Town's Reply - We will alert the Aldermen when expenditures are increasing so that proper budget amendments might be enacted.

This report is intended for the information of the Town of Clomney's management and the Board of Aldermen. This restriction is not intended to limit the distribution of this report, which is a matter of public record.


ROBERT C. MASON



Clare E. Knight, Jr., CPA

K. Martin Inlander, CPA

September 5, 1996

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

The Honorable Tyrone Doyle, Mayor
and Members of the Board of Aldermen
Town of Gramercy, Louisiana

We have audited the general purpose financial statements and the combining, indefinite fund and interest group financial statements of the Town of Gramercy, Louisiana, as of the year ended June 30, 1996, and have issued our report thereon dated September 5, 1996.

We have applied procedures to test the Town of Gramercy, Louisiana, 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: political activity, civil rights, cash management, federal financial reports, allowable costs/unit principles, Drug-free Workplace Act, and administrative requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments". Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Town of Gramercy, Louisiana compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the Town of Gramercy, Louisiana, had not complied, in all material respects, with those requirements.

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



Case S. Knight, Jr., CPA

September 4, 1996

R. Martin Masden, CPA

**Independent Auditors' Report on Compliance With
Specific Requirements Applicable to Single-Arrow Federal
Financial Assistance Programs Transactions**

The Honorable Tyson Doyin, Mayor
and Members of the Board of Aldermen
Town of Glenmora, Louisiana

We have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the Town of Glenmora, Louisiana, as of the year ended June 30, 1996, and have issued our report thereon dated September 4, 1996.

In connection with our audit of the 1996 general purpose financial statements and the combining, individual fund and account group financial statements of the Town of Glenmora, Louisiana and with our consideration of the Town of Glenmora, Louisiana's internal control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, *Standards of Inter and Local Governments*, we selected certain transactions applicable to certain single-arrow federal assistance programs for the year ended June 30, 1996.

As required by OMB Circular A-128, we have performed testing procedures to test compliance with the requirements governing types of services allowed or disallowed, duplicity that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Town's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Town of Glenmora, Louisiana had not complied, in all material respects, with those requirements. The results of our procedures disclosed no material instances of noncompliance with those requirements.

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

R. Martin Masden
CPA