

# TABLE OF CONTENTS

## TOWN OF AMITE CITY

LOUISIANA

June 30, 1996

	Page
<b>INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS</b> .....	1
<b>GENERAL PURPOSE FINANCIAL STATEMENTS</b>	
Combined Balance Sheet - All Fund Types and Account Groups .....	4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types .....	6
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - General and Special Revenue Fund Types .....	7
Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings - Proprietary Fund Type .....	8
Statement of Cash Flows - Proprietary Fund Type .....	9
Notes to Financial Statements .....	10
<b>SUPPLEMENTAL INFORMATION SCHEDULES</b>	
<b>General Fund</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual .....	11
Schedule of Expenditures Compared to Budget (GAAP Basis) .....	15
<b>Special Revenue Funds</b>	
Combining Balance Sheet .....	17
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances .....	18
<b>Sales Tax Fund -</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual .....	19

**TABLE OF CONTENTS - Continued**

<b>Economic Development Fund -</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual .....	40
<b>Capital Improvements Fund -</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual .....	40
<b>HDMR Program Rehabilitation Grant Fund -</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual .....	40
<b>LCDBG Street Renovation Fund -</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual .....	43
<b>OTHER INDEPENDENT AUDITOR'S REPORTS AND SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE</b>	
<b>Independent Auditor's Report on Internal Control Structure Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards .....</b>	<b>46</b>
<b>Independent Auditor's Report on Compliance Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards .....</b>	<b>47</b>
<b>Independent Auditor's Report on Schedule of Federal Financial Assistance .....</b>	<b>50</b>
<b>Schedule of Federal Financial Assistance .....</b>	<b>51</b>
<b>Independent Auditor's Report on the Internal Control Structure Used in Administering Federal Financial Assistance Program .....</b>	<b>52</b>
<b>Independent Auditor's Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs .....</b>	<b>55</b>
<b>Independent Auditor's Report on Compliance with Specific Requirements Applicable to Major Federal Financial Assistance Program Transactions .....</b>	<b>58</b>
<b>Independent Auditor's Report on Compliance with Specific Requirements Applicable to Non-major Federal Financial Assistance Program Transactions .....</b>	<b>59</b>
<b>Schedule of Findings .....</b>	<b>61</b>

**LEE GRAY**  
Certified Public Accountant  
801 UNIVERSITY BLVD.  
SUITE 1000  
MONTE, LOUISIANA 70661

MEMBER  
AMERICAN INSTITUTE OF CERTIFIED  
PUBLIC ACCOUNTANTS

PHONE 848-1222  
FAX 848-1222

**INDEPENDENT AUDITOR'S REPORT**

**Honorable Mayor Reggie Galtely and  
Members of the Board of Aldermen  
Town of Amite City  
Amite, Louisiana**

I have audited the accompanying general purpose financial statements of the Town of Amite City, Louisiana, as of and for the year ended June 30, 1996. These general purpose financial statements are the responsibility of the Town of Amite City, Louisiana, management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, 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 and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my 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 Amite City, 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.

As discussed in Note 19 to the financial statements, the Town of Amite City is a defendant in several lawsuits seeking damages of various amounts. The ultimate outcome of these lawsuits cannot presently be determined and no provision for any liability that may result has been made in the accompanying financial statements.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Amite City, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which I expressed an unqualified opinion on the general purpose financial statements of the Town of Amite City, Louisiana.

In accordance with Government Auditing Standards, I have also issued a report dated November 8, 1996, on my consideration of the Town's internal control and a report dated November 8, 1996, on its compliance with laws and regulations.



Certified Public Accountant

November 8, 1996

**GENERAL PURPOSE FINANCIAL STATEMENTS**

Town of Andrus, Inc.

**COMBINED BALANCE SHEET - ALL FUNDS, FUNDS AND ACCOUNT GROUPS**

Year: 2011-2012

	Governmental Fund Total		Proprietary Fund Total		Primary Fund Total		Agency Funds		Trust Funds		Tools	
	General	Special Accounts	Debt Service	Investment	Capital	Operating	Agency	Trust	Agency	Trust	Merchandise	Costs
<b>ASSETS AND OTHER DEBITS</b>												
<b>ASSETS</b>												
Cash and cash equivalents	\$ 11,116	\$ 117,438	\$ 14,207	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 268,810	\$ 371,844
Receivables	78,718	116,506	21,596	-	-	-	-	-	-	-	223,016	183,872
Depreciable/Devalued Comp Plant Less Accum. Other Equip	128,118	2,128	-	-	561,271	-	-	-	-	-	162,477	370,248
Receivable assets - cash	-	-	-	-	-	-	-	-	-	-	178,314	111,754
Land, buildings, and equipment Less Accum. Depreciation	-	-	55,981	-	-	-	-	-	-	-	58,452	84,293
	-	-	1,034,843	-	-	-	-	1,201,561	-	-	2,587,543	2,489,880
<b>Other Debits</b>												
Amounts to be provided for retirement of general long-term debt	-	-	-	-	-	-	-	-	-	-	24,286	28,311
<b>Total Assets and Other Debits</b>	<b>\$ 218,952</b>	<b>\$ 236,072</b>	<b>\$ 1,104,817</b>	<b>\$ 1,104,817</b>	<b>\$ 561,271</b>	<b>\$ 1,104,817</b>	<b>\$ 1,201,561</b>	<b>\$ 1,201,561</b>	<b>\$ 1,201,561</b>	<b>\$ 1,201,561</b>	<b>\$ 2,611,829</b>	<b>\$ 2,518,191</b>

(Continued)

The accompanying notes are an integral part of this statement.

Town of Astoria City

**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
 Jun. 30, 1996

	Governmental Fund Types		Proprietary Fund Types		Primary Fund Types		Annual Districts			Totals		
	Special	General	Trust	Enterprise	Trust	Agency	General	Flood	Log-Farm	Debt	1995	1996
<b>LIABILITIES AND FUNDED EQUITY</b>												
<b>Liabilities</b>												
Accounts Payable	-	\$ 17,848	\$ -	\$ 8,108	\$ -	\$ -	\$ -	-	\$ -		\$ 71,178	\$ 58,884
Compensated absences payable	-	-	-	3,857	-	-	-	-	94,386		28,953	58,377
Intergovernmental payables	-	11,112	-	-	-	-	-	-	-		11,112	18,318
Repairs/lease restricted assets -												
Equipment	-	-	-	85,482	-	-	-	-	-		85,482	84,295
Debt in other funds	-	15,149	-	186,874	-	-	-	-	-		191,923	183,754
Debt in other funds	-	-	-	-	263,573	-	-	-	-		263,573	278,140
Debt in other participations	-	-	-	-	-	-	-	-	-		51,285	53,194
Unassigned grants	-	-	-	85,801	-	-	-	-	-		85,801	88,581
Notes payable	-	-	-	-	-	-	-	-	-		-	-
<b>Total liabilities</b>	<u>31,288</u>	<u>122,112</u>	<u>122,112</u>	<u>218,288</u>	<u>263,573</u>	<u>263,573</u>	<u>-</u>	<u>-</u>	<u>94,386</u>	<u>-</u>	<u>694,923</u>	<u>873,692</u>
<b>Fund Equity</b>												
Conditional capital	-	-	-	1,814,874	-	-	-	-	-		1,814,874	1,814,874
Reserves in general fund assets	-	-	-	-	-	-	1,201,263	-	-		1,201,263	1,403,372
Restricted earnings (deficit)	-	-	-	(114,887)	-	-	-	-	-		(114,887)	(138,303)
Fund balances -												
Unreserved - Unexpended	-	8,079	-	-	-	-	-	-	-		8,079	43,879
Unreserved - Unexpended	<u>281,683</u>	<u>208,183</u>	<u>208,183</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>514,228</u>	<u>624,881</u>
<b>Total fund equity</b>	<u>281,683</u>	<u>208,183</u>	<u>208,183</u>	<u>871,987</u>	<u>871,987</u>	<u>871,987</u>	<u>1,201,263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,389,223</u>	<u>2,471,113</u>
<b>Total Liabilities and Fund Equity</b>	<u>\$ 31,288</u>	<u>\$ 458,425</u>	<u>\$ 458,425</u>	<u>\$ 1,106,571</u>	<u>\$ 1,106,571</u>	<u>\$ 1,106,571</u>	<u>\$ 1,201,263</u>	<u>\$ -</u>	<u>\$ 94,386</u>	<u>\$ -</u>	<u>\$ 2,184,146</u>	<u>\$ 2,344,805</u>

(Continued)

The accompanying notes are an integral part of this statement.

**Town of Acute City**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - ALL GOVERNMENTAL FUND TYPES**

Year Ended June 30, 2006

	General	Special Revenue	Totals	
			(Millions of Dollars)	
			2006	2005
<b>Revenues</b>				
Taxes	\$ 183,688	\$1,080,390	\$1,268,098	\$1,121,800
Licenses and permits	190,647	-	190,647	177,858
Intergovernmental	97,833	344,138	441,971	523,990
Fees	31,296	-	31,296	38,818
Charges for services	265,589	-	265,589	257,972
Miscellaneous	35,585	8,287	44,282	58,282
<b>Total revenues</b>	<u>795,638</u>	<u>1,432,715</u>	<u>2,388,384</u>	<u>1,751,820</u>
<b>Expenditures</b>				
Current -				
General government	498,217	8,905	498,142	498,622
Public safety - Police	414,817	-	414,817	347,181
Public safety - Fire	11,700	130,858	142,858	131,689
Streets	428,812	344,138	564,868	381,046
Sanitation	308,813	-	308,813	151,173
Country	25,813	-	25,813	24,341
Housing	-	7,238	7,238	87,788
Culture and recreation	78,098	-	78,098	56,430
Economic development	-	118,726	118,726	12,917
Intergovernmental	12,251	-	12,251	81,431
Miscellaneous programs	5,680	-	5,680	38,268
<b>Total expenditures</b>	<u>1,583,681</u>	<u>681,237</u>	<u>2,184,994</u>	<u>1,713,865</u>
Excess (deficiency) of revenues over expenditures	<u>(787,043)</u>	<u>(815,482)</u>	<u>(36,432)</u>	<u>45,148</u>
<b>Other Financing Sources/(Uses)</b>				
Operating transfers in	885,000	155,717	960,312	908,187
Operating transfers out	(478,925)	(446,882)	(1,015,312)	(993,187)
<b>Total other financing sources/(uses)</b>	<u>406,075</u>	<u>(191,165)</u>	<u>(35,000)</u>	<u>(84,999)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	29,048	(71,965)	1,437	45,149
Fund balances, beginning	<u>156,652</u>	<u>386,121</u>	<u>502,776</u>	<u>473,636</u>
Fund balances, ending	<u>\$ 185,699</u>	<u>\$ 334,525</u>	<u>\$ 502,733</u>	<u>\$ 502,736</u>

The accompanying notes are an integral part of this statement.



Board of Health City

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - FISCAL YEAR 2010-2011  
 (GENERAL FUND - PUBLIC HEALTH DEPARTMENT)

	General Fund		Debit	Credit	Balance	Annually Budgeted	
	Actual	Variance Favorable (Unfavorable)				Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>							
Taxes	\$ 180,288	\$ 180,288	\$ 980,000	\$ 1,000,298	\$ 180,298	\$ -	\$ -
Licenses and permits	78,528	188,543	-	-	-	-	-
Intermunicipal	91,889	11,823	-	-	-	-	-
Fees	29,888	31,268	-	-	-	-	-
Charges for services	366,889	298,595	-	-	-	-	-
Miscellaneous	11,252	4,532	11,000	4,252	11,000	4,252	11,000
<b>Total revenues</b>	<b>1,168,734</b>	<b>713,849</b>	<b>991,000</b>	<b>1,004,550</b>	<b>991,000</b>	<b>13,550</b>	<b>13,550</b>
<b>Expenditures:</b>							
General government	479,390	661,271	4,048	4,093	4,048	4,093	4,048
Public safety - police	313,000	414,317	18,008	18,008	18,008	18,008	18,008
Public safety - fire	11,700	11,700	-	-	-	-	-
Public works	389,800	430,822	-	-	-	-	-
Streets	14,800	68,871	-	-	-	-	-
Sanitation	28,800	23,811	-	-	-	-	-
Community	28,800	30,786	-	-	-	-	-
Cultural and recreation	14,000	12,311	8,228	10,756	8,228	10,498	8,228
Economic Development	18,000	18,000	-	-	-	-	-
Intermunicipal	18,000	3,486	-	-	-	-	-
Subdivision program	1,000,000	1,283,651	34,026	34,026	34,026	34,026	34,026
<b>Total expenditures</b>	<b>2,087,478</b>	<b>2,412,659</b>	<b>82,302</b>	<b>82,302</b>	<b>82,302</b>	<b>82,302</b>	<b>82,302</b>
<b>Excess (deficiency) of revenues over expenditures</b>							
<b>Other Financing Sources (Used)</b>							
Operating transfer in	780,000	865,000	394,488	393,312	394,488	393,312	394
Operating transfer out	(88,400)	(138,823)	(15,888)	(15,888)	(15,888)	(15,888)	(15,888)
<b>Total other financing sources (used)</b>	<b>691,600</b>	<b>726,177</b>	<b>378,600</b>	<b>377,424</b>	<b>378,600</b>	<b>377,424</b>	<b>378,600</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing used</b>							
	4,150	39,690	90,000	90,040	90,000	90,040	90,000
<b>Fund balance, beginning</b>	<b>158,652</b>	<b>158,652</b>	<b>266,521</b>	<b>266,521</b>	<b>266,521</b>	<b>266,521</b>	<b>266,521</b>
<b>Fund balance, ending</b>	<b>1,196,178</b>	<b>1,196,695</b>	<b>1,617,621</b>	<b>1,617,621</b>	<b>1,617,621</b>	<b>1,617,621</b>	<b>1,617,621</b>

The accompanying notes are an integral part of this statement.

Town of Acute City

**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND TYPE**  
Years Ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
<b>Operating Revenues</b>		
Charges for services -		
Water sales	\$ 119,089	\$ 108,387
Sewer charges	88,647	86,882
Debt/asset charges	9,126	9,243
Connection charges	5,228	2,820
Total operating revenues	<u>312,090</u>	<u>307,332</u>
<b>Operating Expenses</b>		
Salaries	76,382	81,591
Payroll taxes	3,881	6,881
Electricity -		
Water pumps	36,746	31,882
Sewerage plant	44,876	38,730
Exp./supplies -		
Water system	25,054	40,008
Sewerage system	36,877	40,080
Engineer fees	188	-
Truck Expense	15,807	8,494
Office expense	6,848	6,691
Travel	3,828	3,828
Sewerage testing	5,158	4,652
Other	498	304
Bad debt (recovery) expense	(2,188)	(2,488)
Depreciation	67,580	83,281
Total operating expenses	<u>322,144</u>	<u>383,886</u>
Operating income (loss)	(9,581)	3,448
<b>Nonoperating Revenues (Expenses)</b>		
Interest income	3,439	3,300
Interest expense	(1,424)	(4,942)
Other	948	2,642
Income (loss) before operating transfers	(6,714)	6,048
Transfers from:		
Sales tax fund	35,000	-----
Net income	28,286	6,048
Retained earnings (deficit), beginning, stated	1182,380	1151,221
Retained earnings (deficit), ending	<u>\$1,154,882</u>	<u>\$1,218,282</u>

The accompanying notes are an integral part of this statement.

Town of Andis, City

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE**  
 For Year Ended June 30, 1998

Cash flows from operating activities:		
Operating loss		\$ (9,902)
Adjustments to reconcile net operating loss to net cash provided by operating activities:		
Depreciation	\$47,503	
Increase in accounts receivable	(589)	
Increase in amounts due to other funds	(1,123)	
Increase in accounts payable	500	
Increase in compensated absences payable	<u>482</u>	
Total adjustments		<u>47,294</u>
Net cash provided by operating activities		37,392
Cash flows from non-capital financing activities:		
Operating transfers from other funds	<u>35,000</u>	
Net cash provided by non-capital financing activities		35,000
Cash flows from capital and related financing activities:		
Proceeds from insurance	548	
Payments for capital acquisitions	(48,200)	
Principal payments	(18,700)	
Interest paid	<u>(3,426)</u>	
Net cash (used) for capital and related financing activities		(69,278)
Cash flows from investing activities:		
Interest income	<u>3,629</u>	
Net cash provided by investing activities		<u>3,629</u>
Net cash increase for the year		7,143
Cash at beginning of year		<u>7,189</u>
Cash at end of year		<u>14,332</u>

The accompanying notes are an integral part of this statement.

## Town of Amite City

### NOTES TO FINANCIAL STATEMENTS June 30, 1998

#### **INTRODUCTION**

The Town of Amite City, Louisiana was first incorporated on March 7, 1863. The Town adopted the provisions of Act 146 enacted on July 29, 1898, and became governed under the Lawton Act. The Town is governed by an elected Mayor and Board of Aldermen.

The accounting and reporting policies of the Town of Amite City conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:513 and to the guides set forth in the Louisiana Governmental Audit Code, and to the industry audit guide, *Audits of State and Local Governmental Units*.

In April 1984 the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November 1984 the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

#### **(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **A. REPORTING ENTITY**

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining the identification of a primary government unit for financial reporting purposes. The GASB has set forth criteria to be considered in determining which governmental entities are primary governments. An entity is a primary government if it satisfies all of the following criteria:

- The entity has a separate governing body elected by the citizenry in a general, popular election.
- The entity is legally separate from other entities.
- The entity is fiscally independent of other state and local governmental entities.

Based on the above criteria the town has determined that the Town of Amite City, Louisiana, is a primary government and financial reporting entity in accordance with GASB Statement No. 14. The Town has also determined that there are no component units that should be considered part of the Town for financial reporting purposes.

## Town of Andover, MA

### NOTES TO FINANCIAL STATEMENTS

June 30, 1996

#### **B. FUND ACCOUNTING**

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

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group 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 of the municipality are classified into three categories: governmental, proprietary, and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

##### **Governmental Funds**

Governmental funds are used to account for all or most of the municipality's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

1. General Fund -- the general operating fund of the Town and accounts for all financial resources except those required to be accounted for in other funds.
2. Special revenue funds -- account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

##### **Proprietary Funds**

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. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

1. Enterprise funds -- account for operations (a) 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 (b) 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

## Town of Amite City

### NOTES TO FINANCIAL STATEMENTS

June 30, 1996

Town maintains one enterprise fund, the Waterworks and Sewer Fund, which provides water and sewer services.

#### Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of others. Fiduciary funds include:

1. Agency funds -- account for assets that the municipality holds on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

#### C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

##### Governmental Funds

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

##### Revenues

Revenues are recognized, under the modified accrual basis of accounting, when susceptible to accrual (i.e., when they are "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 pay liabilities of the current period.

Property taxes and interest are susceptible to accrual. Sales taxes collected and held by the parish Central Collection Commission at year end on behalf of the government are also recognized as revenues. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

## Town of Arlio City

### NOTES TO FINANCIAL STATEMENTS

June 30, 1986

#### **Expenditures**

Expenditures are recorded when the related fund liability is incurred, except for matured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

#### **Other Financing Sources (Uses)**

Transfers between funds that are not expected to be repaid (and any other financing sources/uses) are accounted for as other financing sources (uses).

#### **Proprietary Fund**

All proprietary funds are accounted for on a firm of economic resources measurement basis and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The proprietary fund uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized at the time liabilities are incurred.

#### **Fiduciary Fund**

The agency fund is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the government holds for others in an agency capacity.

#### **D. BUDGETS**

Formal budgetary accounting is employed as a management control for all governmental funds of the Town. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for the General Fund and Special Revenue Funds, and the same basis of accounting is used to reflect actual revenues and expenditures recognized on a generally accepted accounting principles basis. Budgets are prepared and adopted in accordance with the Louisiana Local Government Budget Act. Budgetary control is exercised at the department level for each fund.

All budget appropriations lapse at the end of each fiscal year.

#### **E. ENCUMBRANCES**

The Town does not use encumbrance accounting.

## Town of Amite City

### NOTES TO FINANCIAL STATEMENTS

June 30, 1976

#### **F. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and three investments with original maturities of 90 days or less. Under state law, the municipality may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the municipality may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost, except for investments in the deferred compensation agency fund, which are reported at market.

#### **G. RECEIVABLES**

Receivables are shown net of an allowance for uncollectibles. Uncollectible amounts due for water and sewer charges are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivables. Uncollectible amounts for property taxes and garbage charges are recorded as a reduction of current revenues.

#### **H. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES**

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

#### **I. RESTRICTED ASSETS**

Restricted assets consist of cash resources of the enterprise fund set aside for repayment of customer deposits.

#### **J. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.



## Town of Andover City

### NOTES TO FINANCIAL STATEMENTS

June 30, 1998

Fixed assets used in the proprietary fund operations are included on the balance sheet of the funds net of the accumulated depreciation. Interest costs incurred during construction, if any, are capitalized. Depreciation of all depreciable fixed assets used by proprietary fund operations is charged in an expense against operations. Depreciation is computed using the straight-line method over the following useful lives:

Water and Sewer Utility -	
Wells	25 years
Storage tanks	40 years
Lines and pipes	40 years
Sewerage systems	40 years
Equipment	Various

#### K. COMPENSATED ABSENCES

The Town has the following policy relating to vacation (annual) and sick leave:

The earning of such leave shall be based on the equivalent of years of full-time City service and, for an employee having an administrative work week of five days, shall be creditable at the end of each calendar month in accordance with, or proportionate to, the following general schedule:

- Less than three years of service, at the rate of one-half day of annual leave and one day of sick leave per month.
- Three years but less than ten years of service, at the rate of three-fourth days annual leave and one day of sick leave per month.
- Ten years or more of service at the rate of one day annual leave and one day of sick leave per month.

Accrued unused vacation (annual) leave earned by an employee shall be carried forward to the succeeding calendar year but not in excess of thirty days. Accrued unused sick leave earned by an employee shall be carried forward to the succeeding calendar year without limitation.

Upon termination, employees are eligible to receive pay for all leave time accrued. Computation of vacation time will be made on a pro rata basis.

The cost of current leave privileges, computed in accordance with GASB Codification Section 650, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group. Leave privileges associated with employees of the proprietary fund are accrued as a fund liability and operating expense. No liability is reported for unpaid accumulated sick leave.

## Town of Andis, CT

### NOTES TO FINANCIAL STATEMENTS

June 30, 1998

#### **L. LONG-TERM OBLIGATIONS**

Long-term obligations expected to be financed from governmental funds are reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

#### **M. FUND EQUITY**

##### **Contributed Capital**

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds when such resources are restricted for the acquisition or construction of capital assets.

##### **Designated Fund Balances**

Designated fund balances represent tentative plans for future use of financial resources.

#### **N. INTERFUND TRANSACTIONS**

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

#### **O. AD VALOREM TAXES**

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

The Town bills and collects its own property taxes using the assessed values determined by the tax assessors of Torrington Parish.

## Town of Amherst

### NOTES TO FINANCIAL STATEMENTS

June 30, 1986

#### **P. SALES TAXES**

The Town imposes a 2% sales and use tax. The Mayor and Board of Aldermen have dedicated the sales and use tax as follows:

1. The Town Council has dedicated 2.5% of sales and use tax collections to an economic development fund to be used at the discretion of the Town Council.
2. The Town Council has dedicated 12.5% of sales and use tax collections to Tangipahoa Parish Fire Protection District No. 1.

#### **Q. COMPARATIVE DATA**

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

#### **R. TOTAL COLLINS ON COMBINED STATEMENTS**

Total Collins 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 cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

#### **(2) FUND DEFICITS**

The following individual funds have deficits in unreserved fund balance or retained earnings at June 30, 1986:

Fund	Deficit Amount
HOUSING Rehabilitation Grant Special Revenue Fund	\$ 75,306
Water and Sewer Enterprise Fund	116,082
Total	<u>\$191,388</u>

## Town of Avoye City

### NOTES TO FINANCIAL STATEMENTS

June 30, 1996

#### (3) EXPENDITURES - ACTUAL AND BUDGET

The following individual funds have actual expenditures and other uses over budgeted expenditures and other uses for the year ended June 30, 1996:

Fund	Budget	Actual	Unfavorable Variance	Percent
General Fund	\$1,594,370	\$1,642,586	\$138,216	9.15%
Sales Tax Special Revenue Fund	\$865,340	\$1,085,228	\$119,888	12.43%

The Louisiana Municipal Budget Law requires a local government to amend its operating budget when the total revenue and other sources fail to meet total budgeted revenues and other sources by 5% or more. Also, amendment is required when total actual expenditures and other uses exceed the total budgeted expenditures and other uses by 5% or more. The Town failed to amend the budgets for the general fund and sales tax fund for the fiscal year ended June 30, 1996.

The over expenditures of both funds were funded by available fund balances.

#### (4) BUDGETS AND RECONCILIATION

The following schedule reconciles the amounts on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget to Actual to the amounts on the Combined Statement of Revenues, Expenditures and Changes in Fund Balances:

Fund balances (budget)	Special Revenues
Timing difference (project-length budgets)	\$246,076
Fund balances (GAAP)	<u>67,539</u>
	<u>\$238,538</u>

The funds which adopt project-length budgets are the HOME Program Rehabilitation grant special revenue fund and the LCHRD Street Renovation Program special revenue fund.

#### (5) CASH AND CASH EQUIVALENTS

The following is a summary of cash and cash equivalents (book balances) at June 30, 1996:

Party cash	\$ 172
Interest-bearing demand deposits	387,075
Time deposits	<u>41,881</u>
Total	<u>\$438,128</u>

Town of Amite City

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1996

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

At June 30, 1996, the Town has \$499,900 in deposits (collected bank balances). These deposits are secured from risk by \$164,489 of federal deposit insurance and \$334,818 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1529 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

(6) RECEIVABLES

Receivables at June 30, 1996, consist of the following:

Class of Receivables	General	Special Revenue	Intercept	Total
<b>Taxes -</b>				
Franchise	\$24,972	\$ -	\$ -	\$ 24,972
Sales	-	89,058	-	89,058
<b>Accounts -</b>				
Garbage	23,784	-	-	23,784
Water and Sewer	-	-	28,801	28,801
Less: Allowance for Uncollectibles	(668)	-	(1,232)	(2,300)
<b>Intergovernmental -</b>				
Beer taxes	4,049	-	-	4,049
Tobacco taxes	5,379	-	-	5,379
Prisoner housing fees	3,851	-	-	3,851
Video poker	6,731	-	-	6,731
State grant	1,340	-	-	1,340
Dept. of Motor Vehicles	1,720	-	-	1,720
LC1940 Grant	-	37,148	-	37,148
Totals	<u>\$70,738</u>	<u>\$138,206</u>	<u>\$28,569</u>	<u>\$238,513</u>

An allowance account for taxes receivable is not considered necessary.

Town of Acorn City

NOTES TO FINANCIAL STATEMENTS

June 30, 1996

(7) AIR VALUATION TAXES

For the year ended June 30, 1996, taxes of 6.69 mills were levied on property with assessed valuations totaling \$40,729,479.

Total taxes levied were \$31,780. Taxes receivable at June 30, 1996, were nil.

(8) RESTRICTED ASSETS - PROPRIETARY FUND TYPE

Restricted assets were applicable to the following at June 30:

	1996	1995
Customers' deposits - cash	\$39,462	\$24,283

(9) FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance July 1, 1995	Additions	Deletions	Balance June 30, 1996
Land	\$ 193,719	\$182,921	\$ -	\$ 376,640
Buildings	324,986	-	-	324,986
Improvements other than buildings	269,861	-	-	269,861
Equipment	<u>312,640</u>	<u>92,028</u>	<u>(159,861)</u>	<u>644,807</u>
Total	<u>\$1,493,206</u>	<u>\$274,949</u>	<u>\$159,861</u>	<u>\$1,608,294</u>

At June 30, 1996, the investment in general fixed assets is from:

Donations	\$ 39,321
General fund revenues	288,848
Sales tax revenues	509,061
Federal shared revenues	88,078
Federal grants	183,085
State grants	<u>82,703</u>
Total	<u>\$1,608,294</u>

## Town of Arlio City

### NOTES TO FINANCIAL STATEMENTS

June 30, 1998

A summary of proprietary property, plant, and equipment follows:

Land - Water	\$ 3,000
Land - Street	25,957
Wells	119,000
Storage tanks	211,899
Water lines and meters	470,476
Sewerage system	788,832
Equipment	73,218
Sub-total	1,695,382
Less: accumulated depreciation	1,061,359
Net	<u>\$ 634,023</u>

#### (11) PENSION PLANS

Some employees of the Town of Arlio City are members of the following statewide retirement systems: Municipal Police Employees Retirement System of Louisiana or Municipal Employees Retirement System of Louisiana. These systems are multiple-employer (cost-sharing), public employee retirement systems (PERS), controlled and administered by separate boards of trustees. Pertinent information relative to each plan follows:

##### A. Municipal Police Employees' Retirement System of Louisiana (System):

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

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 5801 United Plaza Boulevard, Baton Rouge, Louisiana 70808-2150, or by calling (504) 629-7411.

*Funding Policy.* Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Town of Arlio City is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The

## Town of Archie City

### NOTES TO FINANCIAL STATEMENTS

June 30, 1998

contribution requirements of plan members and the Town of Archie City are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:183, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Archie City contributions to the System for the years ending June 30, 1996, 1993, and 1994, were \$12,126, \$8,793, and \$8,824, respectively, equal to the required contributions for each year.

#### B. Municipal Employees' Retirement System of Louisiana (System):

**Plan Description.** The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the Town are members of Plan B. The Town ceased participation in the plan in December of 1987. No contributions have been made to the plan by the Town or its employees since that time, although several employees elected to have their contributions remain in the plan.

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

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7903 Office Park Boulevard, Baton Rouge, Louisiana 70805, or by calling (504)573-4218.

**Funding Policy.** Members are required by state statute to contribute 5.0 percent of their annual covered salary and the Town of Archie City is required at an actuarially determined rate. The current rate is 3.0 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of



## Town of Arlio City

### NOTES TO FINANCIAL STATEMENTS

June 30, 1995

each plan. The contribution requirements of plan members and the Town of Arlio City are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:125, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Arlio City's contributions to the System under Plan B for the years ending June 30, 1994, 1995, and 1996, were \$0, \$0, and \$0, respectively, equal to the required contributions for each year.

#### **(11) DEFERRED COMPENSATION PLAN**

The Town of Arlio offers its employees two deferred compensation plans created in accordance with Internal Revenue Code 457. One plan is with Jackson National Life Insurance Company and is available to all Town employees and permits them to defer a portion of their salaries until future years. The Town matches the employees' contribution up to 5% of the eligible employees' salaries. The other plan is with the Delaware Group and permits participants to defer a portion of their salaries until future years. At present, the Mayor is the only participant in the Delaware Group plan - no portion of this deferred compensation is paid by the Town.

The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Town (without being restricted to the provisions of benefits under the plans), subject only to the claims of the Town's general creditors. Participants' rights under the plans are equal to those of general creditors of the Town in an amount equal to the fair market value of the deferred account for each participant.

At June 30, 1995, the Town has assets of \$138,332 in the Jackson National plan, and \$105,205 in the Delaware Group plan. The amounts of total assets of either plan were not available.

#### **(12) RETIREMENT SYSTEM**

Employees of the Town are members of the social security system. In addition to employee payroll deductions, Town funds are required to match the employee contributions. Aggregate contributions to the social security system for the year ended June 30, 1995, were \$74,638 of which \$59,489 was contributed by the Town.

Town of Andis City

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1996

(13) COMPENSATED ABSENCES

At June 30, 1996, employees of the primary government have accumulated and vested \$18,013 of employer leave benefits, which was computed in accordance with GASB Codification Section C80. Of this amount, \$14,386 is recorded within general long-term obligations account group. The leave liability for employees of the Enterprise Fund, for \$3,627, is accounted for within the fund.

(14) CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of changes in general long-term debt (compensated absences) of the Town for the year ended June 30, 1996:

Compensated Absences -	
Accumulated and vested at July 1, 1995, restated	\$29,023
Net changes for the year	<u>14,620</u>
Accumulated and vested at June 30, 1996	<u>\$43,643</u>

(15) NOTES PAYABLE - PROPRIETARY FUND

At June 30, 1996, the Town was indebted to Citizens National Bank for the following loan. This loan was obtained in connection with a line of credit, up to \$500,000, authorized by the Louisiana Bond Commission. The loans are approved by the bank on a per request basis and carry various interest rates. Repayment of such debt is payable from the excess of annual revenues accruing to the Town for a period of ten years.

The balance of the installment loan at June 30, 1996, is as follows:

Note for sewer treatment plant, dated August 20, 1989, interest rate 7.00%, 366 monthly installments of \$1,794.32 (principal and interest) beginning September 20, 1989, with a final payment of the balance due of \$669.23.	<u>\$40,877</u>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------

(16) DESIGNATION OF PROCEEDS AND FLOW OF FUNDS - SALES AND USE TAX

Proceeds of a 2% sales and use tax levied by the Town (1995 collections \$971,899, 1996 \$1,062,990) are dedicated as follows:

1. Provide funds for an economic development fund to be used at the discretion of the Mayor and Board of Aldermen. This funding totals 2.5% of sales and use tax collections.

## Town of Amite City

### NOTES TO FINANCIAL STATEMENTS

June 30, 1996

- The Town Council has dedicated 12.5% of sales and use tax collections to the Tangipahoa Parish Fire Protection District No. 1.

All of the revenues received in any fiscal year and not required to be paid in such fiscal year into any of the above noted dedications shall be regarded as surplus and may be used for any lawful corporate purpose.

The Town's sales and use taxes are collected by the Central Collection Commission (CCC) of Tangipahoa Parish. For these services, the Town of Amite City pays to the CCC the following:

- A monthly charge of .65 percent per month of amounts collected.
- Out-of-parish travel expenses spent for collection of the tax.
- All legal fees incurred should litigation become necessary in the collection of applicable taxes.

#### (17) INTERFUND RECEIVABLES, PAYABLES

Amounts due to or from other funds at June 30, 1996, consisted of the following:

	Interfund Receivables	Interfund Payables
General Fund	\$129,105	\$ -
Special Revenue Funds -		
Sales Tax Fund	-	3,216
Economic Development Fund	2,226	1,000
HOME Rehab Grant Fund	-	21,901
LACRHO Street Renovation Fund	-	100
Enterprise Fund -		
Water and Sewer Fund	-	106,074
Total	<u>\$131,331</u>	<u>\$131,331</u>

#### (18) DESIGNATED FUND BALANCE

The Mayor and the Board of Aldermen contribute one-half of their salaries to be used exclusively for economic development.

These funds are accounted for in the Economic Development Special Revenue Fund as designated funds.

Town of Amite City

NOTES TO FINANCIAL STATEMENTS

June 30, 1996

(19) LITIGATION AND CLAIMS

The following legal actions are currently pending against the Town of Amite City:

Suit # 9102567, Randy Woods vs Town of Amite City, et al.

Suit # 9102911, Beverly Phillips, et al vs. Town of Amite, et al.

Suit # 9302528, Theodora Richardson vs. Town of Amite. This is a car accident against the town.

Suit # 9400447, Kelly Giangrosso vs. Town of Amite, Parish of Tangipahoa, and State of Louisiana, Department of Transportation. This is a Petition for damages which was filed November 1994 alleging that in November 1993 petitioner was injured when walking on La. Hwy. 16 also known as West Oak Street at the intersection of North First Street. The Town's insurer is defending the Town in this matter.

Suit # 9500426, Alma Vernon vs. Town of Amite and Tangipahoa Parish School Board. This is a Petition for damages filed November 1995 wherein plaintiff claims that she was injured while walking on the sidewalk near the School Board Office at the Courthouse Square in Amite. The Town is being defended by its insurer in this matter.

Suit # 9600015, Patricia Morris vs. Town of Amite. This is a petition for damages filed January 25, 1996. The Town is being defended by its insurer in this matter.

Suit # 9601224, Thomas J. Cull vs. Town of Amite. This is a petition for damages filed April 30, 1996. The Town is being defended by its insurer in this matter.

Other Contingencies:

On May 3, 1995, a former employee of the Town filed a discrimination charge against the Town with the U.S. Equal Employment Opportunity Commission. This matter is under investigation.

Accrual of the loss contingencies listed above has not been recorded in the financial statements as responsibility has not been determined and the possible loss or range of loss for each legal action cannot be reasonably estimated.

Claims and litigation costs of \$23,800 were paid in the current year and recorded as a current-year expenditure in the General Fund.

Town of Avon City

NOTES TO FINANCIAL STATEMENTS

June 30, 1996

**(20) COMPENSATION PAID MAYOR, CHIEF OF POLICE,  
AND BOARD OF ALDERMEN**

Amounts paid to the Mayor, Chief of Police, and members of the Board of Aldermen for compensation are as follows:

R. L. Galtby, M.D., Mayor	\$ 4,850
Parker Gabriel, Jr., Chief of Police	29,120
<b>Board of Aldermen</b>	
Buddy Bell	2,475
Walter Daniels, III	2,590
Glynis V. Gordon	2,425
Samuel C. Hyde	2,350
Lee Schilling, Jr.	2,425
	<u>\$46,535</u>

**(21) LCDMO GRANT**

The Town entered into a contract on October 30, 1994, with the Division of Administration for a 1994 Louisiana Community Development Block Grant (LCDMO) for \$278,824 for improvements to qualified streets. The grant is accounted for in a special revenue fund. During the current fiscal year grant revenues of \$344,138 were recognized.

**(22) HOME PROGRAM GRANT**

On February 1, 1994, the Town entered into an agreement with the Louisiana Housing Finance Agency for the Town to participate in the Small Cities Health and Safety Rehabilitation Grant Program (SPOMH Program). The grant is for \$38,000 to renovate qualified substandard homes. The Town received \$53,794 during the past fiscal year for the SPOMH Program, all of which has been shown as assumed grant revenue due to inspection problems with the renovated homes. This grant is accounted for in a special revenue fund.

Town of Amite City

NOTES TO FINANCIAL STATEMENTS

June 30, 1996

(23) CHANGES IN BEGINNING RETAINED EARNINGS (DEFICIT)

	Water Works Fund
Retained earnings (deficit), beginning of year as previously stated:	\$(139,202)
Decrease resulting from recognition of compensated absences payable at 6-30-85 which were not recognized	<u>    (3,144)</u>
Retained earnings (deficit), beginning of year, as restated	<u><u>\$(142,346)</u></u>

(24) SUBSEQUENT EVENTS

Subsequent to June 30, 1996, the following events occurred:

- a. The Town purchased a used 1992 Volvo garbage truck for \$30,000.
- b. The Town paid B&C Asphalt \$218,375 for the street overlay project.
- c. The Town has entered into an agreement to purchase the land where Coach Carter Park is for \$7,500.
- d. The Tangipahoa Parish Sheriff has pulled out his prisoners that were being housed at the Amite jail. Of the \$17,462 in prisoner housing revenue for the fiscal year ending June 30, 1996, \$15,312 came from the sheriff.
- e. The Town has been accepted into the Main Street program.

**SUPPLEMENTAL INFORMATION SCHEDULES**

### General Fund

---

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

---



Town of Astoria City  
General Fund

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET BASIS AND ACTUAL**  
Year Ended June 30, 1995

With Comparative Actual Amounts for Year Ended June 30, 1994

	1995		Variance Favorable (Unfavorable)	1994 Actual
	Budget	Actual		
<b>Revenues</b>				
<b>Taxes -</b>				
Ad valorem	\$ 79,000	\$ 76,082	\$ 2,918	\$ 79,602
Public utilities franchise	80,000	87,883	7,883	79,370
<b>Licenses and permits -</b>				
Occupational licenses	180,000	185,090	5,090	172,004
Chain store licenses	2,000	2,867	1,103	3,100
Permits	2,500	2,689	189	2,780
<b>Intergovernmental -</b>				
Tobacco taxes	25,000	21,217	(3,783)	21,688
Beer taxes	12,000	12,998	(998)	12,807
Parish grant - police	-	9,727	9,727	16,367
State grant - police	2,000	1,448	440	4,550
State grant - fire	5,000	-	(5,000)	-
Federal grant	-	7,864	7,864	1,312
Video poker	25,000	27,208	2,208	29,910
Department of Motor Vehicles	18,000	17,876	(124)	17,308
Fees	28,000	21,296	6,704	30,816
<b>Charges for services -</b>				
Garbage fees	248,000	249,337	1,337	248,245
Prisoner housing fees	26,000	17,462	(8,538)	19,577
<b>Miscellaneous revenues -</b>				
Cemetery - sale of lots	16,000	21,242	5,242	17,120
Rentals	8,000	12,112	4,112	9,100
Interest	1,000	1,218	218	1,888
Miscellaneous	1,000	1,512	512	618
<b>Total revenues</b>	<b>178,500</b>	<b>186,628</b>	<b>8,128</b>	<b>180,618</b>
<b>Expenditures</b>				
<b>Current -</b>				
General government	499,800	494,220	(5,580)	488,294
Public safety - police	222,800	414,017	(191,217)	217,100
Public safety - fire	11,700	11,700	0	10,908
Streets	389,800	420,822	(31,022)	364,288
Sanitation	188,000	188,019	19	171,770
Community Center	22,800	14,730	(8,070)	15,278
Cemetery	26,800	25,811	889	24,241
Parks and recreation	46,200	25,437	(20,763)	64,092
Intergovernmental (Debt)	31,800	12,226	19,574	64,450
Miscellaneous	11,800	10,688	1,112	23,298
<b>Total expenditures</b>	<b>1,821,200</b>	<b>1,881,691</b>	<b>60,491</b>	<b>1,878,218</b>

(Continued)

Town of Amite City  
General Fund

**SCHEDULE OF REVENUE, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
Year Ended June 30, 1986  
With Comparative Actual Amounts for Year Ended June 30, 1985

	1986		Variance Favorable (Unfavorable)	1985 Actual
	Budget	Actual		
Excess (deficiency) of revenues over expenditures	\$609,620	\$122,029	\$ 487,591	\$129,280
Other Financing Sources (Used)				
Operating transfers in:				
State Tax Fund	780,800	881,800	101,000	780,571
Operating transfers out:				
Economic Development Fund	(118,000)	(17,425)	1,475	(18,790)
Capital Improvement Fund	(65,300)	(65,300)	-	-
Total other financing sources (used)	(693,500)	(801,925)	(108,425)	(799,780)
Excess of revenues and other financing sources over expenditures and other financing uses	4,120	20,104	16,984	30,494
Fund balance, beginning	(158,822)	(158,822)	-	(118,121)
Fund balance, ending	\$ 156,798	\$ 182,688	\$ 25,890	\$ 119,603

(Continued)

Town of Acute City  
General Fund

**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)**  
**Year Ended June 30, 1999**  
**With Comparative Actual Amounts for Year Ended June 30, 1998**

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<b>General Government</b>				
Salaries - Mayor and				
Advisors	\$ 10,000	\$ 17,400	7,400	\$ 17,400
Salaries - Clerical	45,000	48,000	-	41,800
Retirement contributions	15,000	9,000	6,000	10,600
Employer benefits	150,000	119,700	30,300	105,800
Fryhold costs	20,000	40,600	4,000	41,600
Antenay	6,000	1,900	4,100	8,600
Accounting services	6,500	3,700	2,800	7,100
Acid	18,500	18,500	-	18,000
Engineer fees	3,500	3,211	(279)	3,000
Insurances (all funds)	125,000	179,200	(54,200)	154,000
Insurance (all funds)	1,500	15,400	(13,900)	8,500
Office expense	3,500	3,154	(346)	3,000
Official journal	4,000	5,000	(100)	3,400
City Hall utilities	3,500	3,100	(400)	3,800
City Hall telephones	6,000	6,000	1,400	6,000
City Hall maintenance	2,000	2,600	(600)	2,800
Dues	2,000	2,300	(300)	1,800
Assessor and tax roll	300	-	300	-
Public relations	2,000	2,800	(800)	1,800
Charterline expense	200	200	(200)	400
Medical expense	6,000	3,800	2,200	8,000
Miscellaneous	3,000	3,200	(200)	-
Equipment acquisitions	-	800	(800)	-
Contract services	-	-	-	-
Total General Government	<u>490,000</u>	<u>601,210</u>	<u>(111,210)</u>	<u>450,200</u>
<b>Public Safety - Police</b>				
Salaries	\$296,000	\$260,400	\$35,600	\$294,800
Retirement contributions	11,000	12,100	(1,100)	9,700
Auto fuel	10,000	13,400	(3,400)	11,600
Auto repairs	5,000	18,100	(13,100)	9,200
Uniforms	5,000	1,100	(2,100)	5,200
Repairs and maintenance	7,000	10,800	(3,800)	15,000
Personnel expense	10,000	8,400	1,600	10,200
Office expense	12,000	16,700	(4,700)	14,200
Schools - recreation	3,800	1,200	(2,600)	3,200
Utilities	11,800	14,000	(2,200)	12,000
Equipment acquisitions	-	35,000	(35,000)	1,000
Total Public Safety - Police	<u>330,800</u>	<u>414,010</u>	<u>(83,210)</u>	<u>350,100</u>

(Continued)

**Town of Avon City  
General Fund**

**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)  
Year Ended June 30, 1998  
With Comparative Actual Amounts for the Year Ended June 30, 1997**

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
<b>Public Safety - Fire</b>				
Salaries	\$ 11,750	\$ 11,700	\$ 50	\$ 10,800
Total Public Safety - Fire	\$ 11,750	\$ 11,700	\$ 50	\$ 10,800
<b>Street</b>				
Salaries	\$84,000	\$71,000	\$ 13,000	\$48,500
Snow and traffic lights	60,000	64,712	15,312	63,404
Equipment fuel	11,000	11,000	000	11,809
Equipment repairs	60,000	59,074	926	21,131
Load/tilt	60,000	11,176	48,824	21,086
Materials and supplies	60,000	60,363	(363)	61,978
Utilities	4,000	3,644	356	4,811
Equipment acquisitions	20,000	14,000	6,000	-
Total Street	\$259,000	\$295,812	\$36,812	\$281,286
<b>Sanitation</b>				
Salaries	\$ 15,000	\$ 15,306	\$ (306)	\$ 14,677
Equipment repairs and supplies	60,000	59,000	900	43,473
Fuel	3,000	3,147	147	4,650
Load/tilt	60,000	47,677	12,323	48,363
Equipment acquisitions	21,000	-	21,000	-
Total Sanitation	\$159,000	\$125,130	\$ 33,870	\$111,113
<b>Community Center</b>				
Utilities	\$ 7,000	\$ 9,875	\$ (2,875)	\$ 6,310
Repairs and supplies	5,000	4,128	872	9,815
Equipment acquisitions	-	500	450	-
Total Community Center	\$ 12,000	\$ 14,503	\$ (2,503)	\$ 16,125
<b>Cemetery</b>				
Contract services	\$ 15,000	\$ 15,750	\$ (750)	\$ 15,750
Materials and supplies	60,000	9,908	50,092	9,477
Miscellaneous	-	34	34	-
Utilities	500	110	390	110
Total Cemetery	\$ 75,500	\$ 35,802	\$ 39,698	\$ 35,337

(Continued)

**Town of Acute City**  
**General Fund**

**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP-BASED)**

Year Ended June 30, 1996

With Comparative Actual Amounts for the Year Ended June 30, 1995

	1996		Variance Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
<b>Parks and Recreation</b>				
Salaries	\$ 20,000	\$ 21,844	\$ 1,844	\$ 20,431
Equipment fuel	1,000	888	112	1,893
Repairs and supplies	8,000	20,418	(12,418)	25,866
Utilities	8,000	6,760	1,240	7,803
Equipment acquisitions	1,000	-	1,000	7,899
Police contract services	500	300	200	-
<b>Total Parks and Recreation</b>	<u>\$ 45,500</u>	<u>\$ 53,410</u>	<u>\$ 7,910</u>	<u>\$ 63,892</u>
<b>Intergovernmental (IMV)</b>				
Maintenance and utilities	\$ 18,000	\$ 17,234	\$ 766	\$ 31,451
<b>Total Intergovernmental (IMV)</b>	<u>\$ 18,000</u>	<u>\$ 17,234</u>	<u>\$ 766</u>	<u>\$ 31,451</u>
<b>Miscellaneous Programs</b>				
Parade service contract	\$ 700	\$ 700	\$ 000	\$ 370
Coffee	7,000	4,317	2,683	6,850
Sealer services	5,000	4,508	492	4,388
Printing and mailing	400	317	83	-
Town programs	5,000	-	5,000	7,918
Other miscellaneous programs	-	-	-	352
<b>Total Miscellaneous Programs</b>	<u>\$ 18,100</u>	<u>\$ 9,832</u>	<u>\$ 8,268</u>	<u>\$ 20,388</u>

(Continued)

## SPECIAL REVENUE FUNDS

---

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

---

**Sales Tax Fund** - This fund is used to account for the receipt and use of proceeds of the Town's 3% sales and use tax.

The Mayor and Board of Aldermen have dedicated the sales and use tax as follows:

1. The Town Council has dedicated 2.5% of sales and use tax collections to an economic development fund to be used at the discretion of the Town Council.
2. The Town Council has dedicated 0.5% of sales and use tax collections to Tangipahoa Parish Fire Protection District No. 1.

**Economic Development Fund** - This fund is used to account for the receipt and expenditure of funds dedicated to economic development.

**Capital Improvements Fund** - This fund is used to account for the receipt and expenditure of funds dedicated to capital improvements.

**HOME Program Rehabilitation Grant Fund** - This fund is used to account for a Small Cities Health and Safety Rehabilitation Grant (HOME Program) administered by the Louisiana Housing Finance Agency that is funding a rehabilitation project for substandard housing in the government's jurisdiction.

**ICDBG Street Renovation Fund** - This fund is used to account for the community development block grant that is funding the renovation project for substandard streets in the government's jurisdiction.

Town of Andover Old  
Special Revenue Funds

**COMBINED BALANCE SHEET**

June 30, 1993

With Comparative Totals for June 30, 1992

	1993	1992	1993	1992	
<b>ASSETS</b>					
Cash	\$ 61,283		\$ 100		\$ 7,997
Receivables	89,208				15,954
Prepaid expenses					
Due from other funds -			57,148		7,797
- inter-fund					
- General Fund					10,000
- Sales Tax Fund					2,801
- Total Assets	<u>\$151,491</u>		<u>\$157,348</u>		<u>\$40,552</u>
<b>LIABILITIES AND</b>					
<b>DEFERRED BALANCES</b>					
Liabilities			\$ 185,148		\$ 19,548
- Accounts payable	\$ 486				15,954
- Unearned grant services					
- Due to other					
- governmental funds	11,332				14,132
- Due to General Fund					70,000
- Due to Economic	1,086				11,466
- Development Fund	<u>1,228</u>		<u>57,148</u>		<u>2,083</u>
- Total Liabilities	<u>\$186,822</u>		<u>\$185,148</u>		<u>\$40,552</u>
<b>Fund Balance (DEFICIT)</b>					
Unreserved					
- assigned	38,079				14,079
- unassigned	<u>23,412</u>				<u>26,473</u>
Total Fund Balance (Deficit)	<u>\$61,491</u>		<u>\$17,200</u>		<u>\$20,122</u>
Total Liabilities and			\$185,148		\$40,552
Fund Balance	<u>\$89,290</u>		<u>\$172,492</u>		<u>\$60,674</u>

State of Alaska City  
Special Revenue Funds

COMPARING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES

Year Ended June 30, 1999  
2009 Comparative Period for Year Ended June 30, 1999

	State Fund	Revenue Decreases	Capital Increases	Income From State Subsidies	Trans- fers	Total
<b>REVENUES</b>						
Total	\$1,863,198	\$ -	\$ -	\$ -	\$1,863,198	\$ 1,863,198
Intergovernmental	-	-	-	344,138	344,138	344,138
Interest	1,172	2,423	1,229	-	4,824	4,824
Total revenues	<u>1,863,198</u>	<u>2,423</u>	<u>1,229</u>	<u>344,138</u>	<u>1,611,588</u>	<u>1,811,488</u>
<b>EXPENSES</b>						
General government:	6,008	-	-	-	6,008	6,008
Police safety - fire	121,998	-	-	-	121,998	121,998
Police safety - streets	-	-	-	344,138	344,138	344,138
Utility	-	-	-	-	-	-
Economic development	-	103,128	-	-	103,128	103,128
Total expenditures	<u>128,006</u>	<u>103,128</u>	<u>-</u>	<u>344,138</u>	<u>575,272</u>	<u>678,542</u>
Excess (deficiency) of revenues over expenditures	158,192	1,295	2,179	17,138	183,404	174,408
<b>Other Financing Sources</b>						
Grant	-	-	-	-	-	-
Operating transfer in	-	41,812	6,200	-	48,012	48,012
Operating transfer out	<u>(66,882)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(66,882)</u>	<u>(66,882)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing out	158,608	41,812	6,200	-	206,620	206,620
Fund balance, beginning	<u>187,832</u>	<u>104,230</u>	<u>111,791</u>	<u>-</u>	<u>393,793</u>	<u>393,793</u>
Fund balance, ending	<u>1,188,224</u>	<u>1,451,232</u>	<u>1,013,653</u>	<u>1</u>	<u>2,653,110</u>	<u>2,653,111</u>



Town of Amite City  
Special Revenue Fund  
Sales Tax Fund

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET BASIS AND ACTUAL  
Year Ended June 30, 1999**

With Comparative Actual Amounts for Year Ended June 30, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<b>Revenues</b>				
Taxes -				
Sales taxes	\$ 948,800	\$1,062,380	\$113,580	\$971,689
Interest	<u>4,800</u>	<u>3,135</u>	<u>(1,665)</u>	<u>5,681</u>
Total revenues	<u>953,600</u>	<u>1,065,515</u>	<u>111,915</u>	<u>977,370</u>
<b>Expenditures</b>				
General government -				
Collection fees	6,240	6,965	(725)	6,728
Public safety -				
Fire Protection District No. 1	<u>(120,000)</u>	<u>(121,006)</u>	<u>(1,006)</u>	<u>(120,782)</u>
Total expenditures	<u>(126,240)</u>	<u>(127,971)</u>	<u>(1,731)</u>	<u>(121,510)</u>
Excess of revenues over expenditures	<u>827,360</u>	<u>937,544</u>	<u>110,184</u>	<u>855,860</u>
<b>Other Financing (Uses)</b>				
Operating transfers in:				
General Fund	(360,000)	(365,000)	(5,000)	360,571
Economic Development Fund	(24,000)	(25,387)	(1,387)	29,829
Capital Improvements Fund	-	-	-	75,000
Water Works Fund	<u>(35,000)</u>	<u>(35,000)</u>	<u>-</u>	<u>-</u>
Total other financing uses	<u>(419,000)</u>	<u>(425,387)</u>	<u>(6,387)</u>	<u>(464,599)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	<u>408,360</u>	<u>512,157</u>	<u>103,801</u>	<u>391,261</u>
Fund balance, beginning	<u>187,905</u>	<u>187,918</u>	<u>13</u>	<u>120,825</u>
Fund balance, ending	<u>\$ 596,265</u>	<u>\$ 700,075</u>	<u>\$103,801</u>	<u>\$ 512,086</u>

Town of Amite City  
Special Revenue Fund  
Economic Development Fund

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
Year Ended June 30, 1996  
With Comparative Actual Amounts For Year Ended June 30, 1995

	1996			1995 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
<b>Revenues</b>				
Income	\$ 2,000	\$ 2,452	\$ 452	\$ 3,180
Total revenues	<u>2,000</u>	<u>2,452</u>	<u>452</u>	<u>3,180</u>
<b>Expenditures</b>				
Chamber of Commerce	4,830	4,808	30	4,880
TDP fees	3,400	3,608	408	3,525
Cash Park Project	-	-	-	3,887
Main Street Program	18,800	5	5,995	-
Amite Oyster Grounds	-	102,502	(102,502)	-
Total expenditures	<u>18,230</u>	<u>118,223</u>	<u>(92,495)</u>	<u>12,002</u>
Excess (deficiency) of revenues over expenditures	<u>(16,230)</u>	<u>(115,771)</u>	<u>(92,943)</u>	<u>(18,822)</u>
<b>Other Financing Sources</b>				
Operating transfers in:				
Sales Tax Fund	24,000	26,387	2,387	25,825
General Fund	18,500	17,423	(1,077)	35,751
Total transfers	<u>42,500</u>	<u>43,810</u>	<u>1,210</u>	<u>61,576</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>26,270</u>	<u>(71,961)</u>	<u>(69,333)</u>	<u>42,754</u>
Fund balance, beginning	124,210	124,210	-	58,468
Fund balance, ending	<u>\$150,480</u>	<u>\$ 52,249</u>	<u>(98,231)</u>	<u>\$101,222</u>

Town of Amite City  
Special Revenue Fund  
Capital Improvements Fund

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
Year Ended June 30, 2008**

With Comparative Actual Amounts for Year Ended June 30, 1995

	2008		Variance Favorable (Unfavorable)	1995 Actual
	Budget	Actual		
Revenues				
Taxes	\$ 4,000	\$ 2,379	\$(1,621)	\$ 600
Expenditures	-	-	-	-
Excess of revenues over expenditures	4,000	2,379	(1,621)	600
Other Financing Sources				
Operating transfers in:				
General Fund	61,500	61,500	-	-
Sales Tax Fund	-	-	-	15,000
Total transfers	61,500	61,500	-	15,000
Excess of revenues and other financing sources over expenditures	65,500	64,879	(1,621)	15,600
Fund balance, beginning	111,380	111,380	-	36,174
Fund balance, ending	<u>\$177,280</u>	<u>\$176,859</u>	<u>\$(1,421)</u>	<u>\$111,784</u>

Town of Andis City  
 Social Service Fund  
 HOME Program Rehabilitation Grant

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016**

	Project Authorization	Fiscal Year	Current Year	Total to Date
<b>Revenues</b>				
Intergovernmental -				
HOME Program Grant	\$78,800	\$ -	\$ -	\$ -
<b>Expenditures</b>				
<b>Housing -</b>				
Project construction	75,000	69,207	7,521	69,728
Administration	<u>3,000</u>	<u>5,581</u>	<u>12</u>	<u>5,593</u>
Total expenditures	<u>78,000</u>	<u>74,788</u>	<u>7,533</u>	<u>75,321</u>
Excess (deficiency) of revenues over expenditures	\$ -	<u>\$3,012</u>	(7,533)	<u>\$17,310</u>
Fund balance (deficit), beginning			<u>\$67,280</u>	
Fund balance (deficit), ending			<u>\$59,747</u>	

Town of Andis City  
 Special Revenue Fund  
 141860 Street Repavement

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
 (From Inception and for the Year Ended June 30, 2020)**

	Project Authorization	Fiscal Years	Current Year	Total to Date
<b>Revenues</b>				
Intergovernmental -				
Community Development				
Block Grant	\$178,824	\$29,790	\$208,138	\$208,138
<b>Expenditures</b>				
Public Works -				
Streets	\$47,824	\$7,000	\$38,798	\$48,798
Administration	<u>31,000</u>	<u>22,790</u>	<u>15,340</u>	<u>38,000</u>
Total expenditures	<u>\$78,824</u>	<u>\$29,790</u>	<u>\$54,138</u>	<u>\$77,828</u>
Excess of revenues over expenditures	<u>\$          </u>	<u>\$          </u>	-	<u>\$          </u>
Fund balance, beginning			-	
Fund balance, ending			<u>\$          </u>	

**OTHER INDEPENDENT AUDITOR'S REPORTS**  
**and**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

**L E E G R A Y**  
Certified Public Accountant  
400 COURTESY DRIVE  
P. O. BOX 304  
AMITE, LOUISIANA 70401

MEMBER  
AMERICAN INSTITUTE OF CPAs  
INSTITUTE OF CERTIFIED CPAs

MEMBER AMERICAN INSTITUTE OF CPAs  
INSTITUTE OF CERTIFIED CPAs

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

The Honorable Mayor Reggie Goldby and  
Members of the Board of Aldermen  
Town of Amite City  
Amite, Louisiana

I have audited the general purpose financial statements of the Town of Amite City, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated November 8, 1996.

I have 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 Office of Management and Budget Circular A-138, "Audit of State and Local Governments." Those standards and OMB Circular A-138 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements.

The management of the Town of Amite City, Louisiana, is responsible for establishing and maintaining internal controls. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control strategic policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal controls, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the controls to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

Town of Amite City - Page 3  
Internal Control Report

I noted certain matters involving the internal control structure and its operation that I consider to be a reportable condition 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 entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Reportable condition noted -- The Town has a deficiency in control structure design due to an absence of appropriate segregation of duties consistent with appropriate control objectives.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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 noted the following matter involving the internal control structure and its operation that I consider to be a material weakness as defined above. This condition was considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the general purpose financial statements of the Town of Amite City, Louisiana for the year ended June 30, 1996.

The limited size of the Town precludes an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial.

I also noted certain matters involving the internal control structure and its operation that I have reported to the management of the Town of Amite City in a separate letter dated November 8, 1996.

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

  
Certified Public Accountant

November 8, 1996



**LEE BRAY**  
Certified Public Accountant  
404 COURTESY DRIVE  
P. O. BOX 288  
ARLITE, LOUISIANA 70407

MEMORANDUM

MEMORANDUM FOR THE BOARD OF ALDERMEN

AMOUNTS RECEIVED BY THE  
TOWN OF ARLITE CITY

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

The Honorable Mayor Reggie Godby and  
Members of the Board of Aldermen  
Town of Arlite City  
Arlite, Louisiana

I have audited the general purpose financial statements of the Town of Arlite City, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated November 8, 1996.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-133, "Audit of State and Local Governments." These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements.

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

The results of my tests disclosed the following instances of noncompliance that are required to be reported herein under Government Auditing Standards for which the ultimate resolution cannot presently be determined. Accordingly, no provision for any liability that may result has been recognized in the Town of Arlite City's June 30, 1996, financial statements.

Town of Amite City  
Compliance Findings

**Finding No. 1**

**Budget Requirements**

The Town of Amite City, Louisiana did not comply with certain budget requirements set forth in Louisiana law relating to amending the budgets. Budget procedures applicable to amending the budgets are specified in Louisiana Revised Statutes 39:1301 - 1314.

State law requires the Town to amend budgets when actual expenditures plus projected expenditures within a fund for the remainder of the year exceed budgeted expenditures by five percent or more. The Town did not amend the budgets of the following funds for which actual expenditures exceeded budgeted expenditures by five percent or more:

	Unfavorable Variance	Percent
General Fund	\$138,218	6.19%
Sales Tax Fund	\$119,988	12.40%

These budget deficiencies place the Town in noncompliance with the Louisiana Budget Law and also reduces the effectiveness of the Town's budgetary controls.

**Recommendation**

Budget comparisons should be closely monitored and amendments made when necessary.

**Response by Mayor**

The Town will compare the budget to actual expenditures on a regular basis and amend the budget when necessary.

Town of Arvick City  
Compliance Findings

Finding No. 2

**Lawson Act**

Section 404.1 "Compensation of Municipal Officers" of the Lawson Act requires the board of aldermen to fix the compensation of the mayor, aldermen, clerk, chief of police and all other municipal officers by ordinance.

It was noted during my audit that the Town had failed to fix by ordinance the compensation of the chief of police, clerk, city attorney, and street commissioner.

**Recommendation**

Adopt an ordinance to set the compensation of the chief of police, clerk, city attorney, and street commissioner. Also, for future years follow the guidelines set forth in the Lawson Act.

**Response by Mayor**

The Town will take the necessary action.

I considered these instances of noncompliance in forming my opinion on whether the general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect my report dated November 8, 1998, on those general purpose financial statements.

I raised certain immaterial instances of noncompliance that I have reported to the management of the Town of Arvick City in a separate letter dated November 8, 1998.

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

  
Eric R. King  
Certified Public Accountant

November 8, 1998

**LEE BRAY**  
CERTIFIED PUBLIC ACCOUNTANT  
801 COVERED BRIDGE  
P. O. BOX 6888  
MONTE, LOUISIANA 70501

MEMBER  
MISSISSIPPI INSTITUTE OF CERTIFIED  
PUBLIC ACCOUNTANTS

PHONE (504) 744-6000  
FAX (504) 744-6100

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

The Honorable Mayor Reggie Galtely and  
Members of the Board of Aldermen  
Town of Arnie City  
Arnie, Louisiana

I have audited the general purpose financial statements of the Town of Arnie City, Louisiana as of and for the year ended June 30, 1996, and have issued my report thereon dated November 8, 1996. These general purpose financial statements are the responsibility of the Town of Arnie City, Louisiana, management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, 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, and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial 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 general purpose financial statements of the Town of Arnie City, Louisiana taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

  
Certified Public Accountant

November 8, 1996

**Town of Amite City**

**Schedule of Federal Financial Assistance  
For the Year Ended June 30, 1996**

Federal Grants/ Pass-Through Grants/ Program Title	Federal CFDA Number	Pass-Through Grant's Number	Receipts or Revenue Reimbursed	Disbursements/ Expansitures
<b>U.S. Department of Housing and Urban Development</b>				
Disfributed by: Louisiana Housing Finance Agency				
Small Cities Health and Safety Rehabilitation Grant Program	14-239	\$164034-8CTD	\$ -	\$ 1,538
<b>U.S. Department of Justice</b>				
Disfributed by: State of Louisiana Division of Administration				
FV 1994 LCDRSG *	14-219	503-4834	944,158	944,178
<b>U.S. Department of Justice</b>				
Disfributed by: Office of Community Oriented Policing Services				
COOPS Post Grant	16-718	86A	7,864	13,249
<b>Total</b>			<u>\$256,102</u>	<u>\$1,495,419</u>

\* Major Program

**L. E. BRAY**  
Certified Public Accountant  
100 BOURBON STREET  
P. O. BOX 900  
MONTE, LOUISIANA 70082

MEMBER  
FEDERAL SOCIETY OF CERTIFIED  
ACCOUNTANTS OF LOUISIANA STATE

MEMBER SOCIETY OF CHARTERED  
ACCOUNTANTS

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

The Honorable Mayor Reggie Goddley and  
Members of the Board of Aldermen  
Town of Armie City  
Armie, Louisiana

I have audited the general purpose financial statements of the Town of Armie City, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated November 8, 1996. I have also audited the compliance of the Town of Armie City, Louisiana, with requirements applicable to major federal financial assistance programs and have issued my report thereon dated November 8, 1996.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) 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 the general purpose financial statements are free of material misstatement and about whether the Town of Armie City, Louisiana, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing my audit for the year ended June 30, 1996, I considered the internal control structure of the Town of Armie City, Louisiana, in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements of the Town of Armie City, Louisiana, and on the compliance of the Town of Armie City, 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 the internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures relevant to my audit of the general purpose financial statements in a separate report dated November 8, 1996.

The management of the Town of Armie City, 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

Town of Armie City - Page 3  
Report on 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, omissions, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

General Requirements	Specific Requirements
Political activity	Types of services
Davis Bacon Act	Eligibility
Civil rights	Reporting
Cash management	Special tests and provision
Federal financial reports	
Allowable Costs	Claims for advances and reimbursements
Drug Free Workplace Act	
Administrative requirements	

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

During the year ended June 30, 1996, the Town of Armie City, Louisiana, expended 97.74% of its total federal financial assistance under one major federal financial assistance program, the LCDBG Street Renovation Grant.

I performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements that are applicable to the LCDBG Street Renovation Grant. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my

Town of Arnie City - Page 3  
Report on Internal Control Structure

judgment, could adversely affect the Town's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

In my consideration of the internal control structure, I noted the following material weaknesses:

- The limited size of the Town precludes an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial.
- The Town's management's lack of understanding the applicable laws and regulations pertaining to the HOME Program Rehabilitation Grant.

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

My consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I noted the following matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the compliance of the Town of Arnie City, Louisiana, with requirements applicable to its major federal financial assistance programs for the year ended June 30, 1996, and this report does not affect my report thereon dated November 8, 1996.

I also noted other matters involving the internal control structure and its operation that I have reported to the management of the Town of Arnie City, Louisiana in a separate letter dated November 8, 1996.

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



Certified Public Accountant

November 8, 1996



**L E E GRAY**  
Certified Public Accountant  
No. 1000000000  
P. O. Box 888  
Amite, Louisiana 70401

MEMORANDUM

FORM NO. 1000 (REVISED)  
FEBRUARY 1983

ANNUAL REPORT OF 1988  
CITY OF LOUISIANA CITY

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

The Honorable Mayor Reggie Goldsby and  
Members of the Board of Aldermen  
Town of Amite City  
Amite, Louisiana

I have audited the general purpose financial statements of the Town of Amite City, Louisiana, as of and for the year ended June 30, 1988, and have issued my report thereon dated November 8, 1988.

I have applied procedures to test the Town of Amite City, 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, 1988: political activity, Davis-Bacon Act, civil rights, cash management, federal financial reports, allowable costs, Drug-Free Workplace and 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 Town of Amite City, 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 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 my attention that caused me to believe that the Town of Amite City, Louisiana, had not complied, in all material respects, with these requirements. However, the results of my procedures disclosed an immaterial instance of noncompliance with those requirements which is described below.

The Town of Amite City, Louisiana has not formally adopted a policy of nondiscrimination.

Town of Amite City - Page 2  
Report on Compliance

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



Certified Public Accountant

November 8, 1996

**LEE GRAY**  
Certified Public Accountant  
and Consultant  
P. O. BOX 444  
Aurora, Louisiana 70401

MEMORANDUM

PROJECT TITLE (IF APPLICABLE)  
DATE: 11/14/1998

ASSISTANT SECRETARY OF STATE  
BUREAU OF GOVERNMENT AFFAIRS

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

The Honorable Mayor Roggio Goldby and  
Members of the Board of Aldermen  
Town of Armie City  
Armie, Louisiana

I have audited the general purpose financial statements of Town of Armie City, Louisiana, as of and for the year ended June 30, 1998, and have issued my report thereon dated November 8, 1998.

I have also audited the Town of Armie City's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; special tests and provisions (if any); claims for advances and reimbursements; that are applicable to its major federal financial assistance program, the LCEMG Street Reservation Grant. The management of the Town of Armie City, Louisiana, is responsible for the Town of Armie City, Louisiana's compliance with these requirements. My responsibility is to express an opinion on compliance with these requirements based on my audit.

I conducted my audit of compliance with these 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-133, *Audits of State and Local Governments*. Those standards and OMB Circular A-133 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 Town of Armie City, Louisiana's compliance with these requirements. I believe that my audit provides a reasonable basis for my opinion.

The results of my audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to above.

In my opinion, the Town of Armie City, Louisiana, complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; special tests and provisions (if any); and claims for advances and reimbursements that are applicable to its major federal financial assistance program, LCEMG Street Reservation Grant, for the year ended June 30, 1998.

Town of Amite City - Page 2  
Report on Compliance

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



Certified Public Accountant

November 8, 1996

**L E E B R A Y**  
Certified Public Accountant  
501 Louisiana Street  
P. O. Box 688  
Arlite, Louisiana 70502

MEMBER  
AMERICAN INSTITUTE OF CPAs  
CERTIFIED BY LOUISIANA STATE

PHONE (504) 749-0027  
FAX (504) 749-0470

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

The Honorable Mayor Reggie Goldsby and  
Members of the Board of Aldermen  
Town of Arlite City  
Arlite, Louisiana

I have audited the general purpose financial statements of the Town of Arlite City, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated November 8, 1996.

In connection with my audit of the general purpose financial statements of the Town of Arlite City, Louisiana, and with my consideration of the Town of Arlite City, Louisiana's, control structure used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) Circular A-128, "Audit of State and Local Governments," I selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996. As required by OMB Circular A-128, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed, eligibility, and reporting; special tests and provisions (if any); and that are applicable to these transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Town of Arlite City, Louisiana's, compliance with these requirements. Accordingly, I do not express such an opinion.

The results of my tests indicate that, with respect to the items tested, the Town of Arlite, Louisiana, complied with these requirements, except as described in the attached schedule. However, the extent of noncompliance noted in our testing indicates that, with respect to nonmajor program transactions not tested by us, there is more than a relatively low risk that the Town of Arlite City, Louisiana, may not have complied with the requirements referred to in the preceding paragraph. These matters were considered by me in evaluating whether the general purpose financial statements are presented fairly in conformity with generally accepted accounting principles.

Town of Amite City - Page 2  
Report on Compliance

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

  
Certified Public Accountant

November 8, 1996

## TOWN OF AMITE CITY

### REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

#### SCHEDULE OF FINDINGS

As of and for the Year Ended June 30, 1996

#### NONMAJOR PROGRAM -

#### HOME PROGRAM REHABILITATION GRANT PROGRAM

##### - Findings -

The Town of Amite City, Louisiana entered into an agreement with the Louisiana Housing Finance Agency to participate in the "HOME Program," a part of the Small Cities Health and Safety Rehabilitation Grant Program. The agreement required the Town to use HOME Funds in accordance with the requirements of the HOME Regulations and other applicable laws.

The Town failed to follow specific program requirements as follows:

1. The documentation needed to satisfy the eligibility of the participating homeowners was inadequate.
2. The contractor recommended by the Town and used by all participants apparently did not perform the renovations in a workman-like manner.
3. Although the Town employed a consultant to prepare a listing of work to be done along with a cost estimate -- the work to be done did not satisfy the requirement to bring the home up to required standards.
4. The contractor's work was apparently not properly monitored.
5. The contractor, a newly formed corporation, furnished the certificate of Workers Compensation Insurance. The contractor allowed the insurance to lapse prior to completion of the contracts.
6. The contractor was paid on certain contracts prior to an acceptable final inspection.
7. The Town has incurred administration costs in excess of three times the amount provided by the grant.
8. The Town has been required to employ another contractor to complete or repair work performed by the original contractor.

#### **RECOMMENDATION**

The Town should obtain a thorough understanding of grant requirements prior to creating any future grant agreements. This may require employment of competent consultants.

#### **RESPONSE BY MAYOR**

The Town will follow the auditor's recommendation.



QTY. 181  
P. 007

**DO NOT SEND OUT**

Check necessary  
copies from this  
copy and PLACE  
BACK IN FILE

APPROVED AND FORWARDED BY THE  
DIRECTOR OF PROBATION DEPT.

**LEE GRAY**  
COMMUNITY PUBLIC ACCOUNTANT  
501 MONROE AVENUE  
P. O. BOX 222  
AMITE, LOUISIANA 70401

**OFFICIAL  
FILE COPY**

**DO NOT SEND OUT**

Check necessary  
copies from this  
copy and PLACE  
BACK IN FILE

MAILED 1986 FEBRUARY  
FOR THE PROBATION DEPT.

November 8, 1986

**MANAGEMENT LETTER**

Honorable Reggie Gelshty, Mayor  
and Board of Aldermen  
Town of Amite City  
212 East Oak Street  
Amite, LA 70422

RECEIVED  
LEGAL/CORRECTION  
9/16/87 11:19 AM

Dear Mayor and Board of Aldermen:

In connection with my audit of the financial statements of the Town of Amite City for the year ended June 30, 1986, I noted several matters which need to be brought to your attention. These matters and my recommendations concerning them are listed below:

**POLICE DEPARTMENT**

1) The matter of installment payments of fines and outstanding warrants continue to be a problem area for the Police Department. (This is repeated from the prior year.)

**Recommendation**

Even though a computer was bought as recommended last year, **EMERGE** software designed to handle collection, including installments, of fines and outstanding warrants has not been acquired.

**Response by Mayor**

The Town will request the auditor's help in selecting proper software for the police department.

**WATER AND SEWER DEPARTMENT**

2) All water meter deposits need to be entered into the computer. A procedure could then be developed to transfer all deposits on hand including new deposits and returned or applied deposits. (This is repeated from the prior year.)

**Recommendation**

The Town's management needs to require that Item 2 above be implemented.

**Response by Mayor**

Water department personnel will be instructed to accomplish this as a top priority.

---

- 3) The water clerk deleted utility customer's account and history from the computer when their deposit was returned or applied.

**Recommendation**

Utility customers should not be deleted from the billing system until the fiscal year has been audited and then only with the appropriate authorization.

**Response by Mayor**

The Town will follow the auditor's recommendation.

---

- 4) The Water and Sewer Fund continues to have a deficit at June 30, 1996, of \$116,687. Although the Town maintains a combined Water and Sewer Fund, a review of the operations indicates that the expenses of the sewerage system far exceed the sewer revenues. The Town currently has a monthly flat rate charge for sewer at \$4.20 for residential and \$5.60 for commercial. At present a snowball stand pay \$5.60 per month; the sewer \$5.60 rate is paid by a local hospital, the court house, all schools, restaurants, and other heavy use sewer customers. (This is reported from the prior year.)

**For Example:**

Electricity for sewerage plant	\$ 44,876
Repairs/supplies for sewerage system	36,877
Sewerage testing	5,568
Depreciation, sewer lines & plant	21,222
Interest expense on sewerage note	1,426
% of unallocated expenses	<u>20,733</u>
Total Sewer Expenses	182,672
Total Sewer Income	<u>86,647</u>
Net Loss for Sewer System	<u>\$96,025</u>

**Recommendation**

The Sewer System needs revenues sufficient to cover all operating expenses. This can be accomplished without increasing residential rates if the Town will adopt equitable rates for heavy use sewer customers.

**Response by Mayor**

This matter will be addressed by the Town Council.

\*\*\*

- 5) The Town's reconnection policy is that the customer has to pay his bill in full plus a \$25.00 reconnect fee. Also, if the customer's water deposit is not current then he must update his deposit before being turned back on. During my audit the following matters were noted:
- A water customer that had been cut off was turned back on without the reconnect fee being paid.
  - A water customer was found to not have a water deposit. This customer had been cut off and then returned to service after the reconnect fee was paid. However, the deposit was not updated.

**Recommendation**

The Town's management needs to require that the reconnection policy be followed at all times.

**Response by Mayor**

The administration will take extra efforts to make sure the established policy is followed.

\*\*\*

**BULK FUEL PURCHASES**

- 6) The Town takes monthly telephone quotes for bulk fuel purchases.

**Recommendation**

The Town's management should go out for bids annually. The fuel bids could be requested for the neck price plus a markup.

Response by Mayor

This will be taken under advisement.

...

ACCUMULATED VACATION/ANNUAL LEAVE

- 7) The records for the accrued vacation are not being kept in accordance with Ordinance 453, September 1999. The ordinance states that at the end of a calendar year an employee can not carry over more than 30 days. Currently, the Town is carrying over all the days accumulated.

Recommendation

The Town's management needs to correct the accrued vacation records and adhere to Ordinance 453, September 1999.

Response by Mayor

This matter will be addressed by the Mayor and Board of Aldermen.

...

DEFERRED COMPENSATION 457 PLAN

- 8) Jackson National Life, custodian of the Town's 457 plan, was asked to confirm the plan's 457 status. Jackson National Life would give no assurance that the plan had been set up in accordance with Internal Revenue Code 457.

Recommendation

The Town's management needs to get with Jackson National Life and determine if the Town's plan has been set up in accordance with Internal Revenue Code 457.

Response by Mayor

The administration will seek to resolve this matter with Jackson National Life.

...

MINUTES

- 9) Minutes are to provide management, in part, with guidance in how to proceed with matters and help the auditor in performing the audit. Minutes in the minute book appear to be incomplete. In some instances, it was not discernable what action the Board of Aldermen had taken.

Recommendation

The Town's management needs to make sure that all pertinent information be included in the minute book. Management should review the minutes and inquire if something appears to be incomplete.

Response by Mayor

The Town Clerk will be instructed to follow the auditor's recommendation.

\*\*\*

TAXES AND LICENSES

- 80) Business Privilege Licenses are not to be issued to businesses that are delinquent on their sales tax. The Town issued a license to a business on April 25, 1996, even though the business was 12 months delinquent on its sales tax.

Recommendation

Each month the Town receives a delinquent sales tax list from the Central Collection Commission (CCC), the sales tax collection agent for the Town. The Town should review this list before issuing any business privilege license.

I further recommend that the Town develop a cross match of taxpayers who are delinquent in paying their property tax, sales tax, business license, and water, sewer, and garbage charges. The Town should then take appropriate action.

Response by Mayor

The Mayor and Board of Aldermen will seek to establish policies and procedures that will minimize this problem in the future.

\*\*\*

- 11) The Central Collection Commission (CCC), the sales tax collection agent for the Town, furnishes a delinquent taxpayers list to the Town each month. A review of this list shows that several businesses are seriously delinquent. (This is repeated from the prior year.)

Recommendation

The Town's management should work with the CCC in order to reduce the number of businesses who are delinquent with their sales tax payments.

I suggest you obtain a legal opinion to determine if the Town has the authority to revoke and/or not renew a business privilege license of a business that fails to pay its sales tax. Sales taxes

collected by businesses from their customers represent trust funds; failure to remit those taxes may be a criminal offense.

Response by Mayor

The Mayor and Board of Aldermen will seek to establish policies and procedures that will minimize this problem in the future.

...

LCTMG - STREETS

- 12) The contract the Town had with Barriere Construction Company, Inc. required the Town to withhold a 10% retainage out of the first payment. No retainage was withheld from the first payment. This retainage was made up for in the second payment.

Recommendation

The Town's management should inform the grant administrator that they should adhere to the contract with the construction company.

Response by Mayor

The grant administrator will be informed to assist the administration in adhering to grant requirements.

...

- 13) The Davis Bacon Act requires that an employer pay employees wages of at least those listed on the Louisiana Department of Labor's wage determination list. The contractor listed job classifications as "laborer" and "heavy equipment operator" on the weekly payroll reports. The Louisiana Department of Labor has four types of laborers and four types of heavy equipment operators on the wage determination list. The grant administrator should have notified the contractor to categorize its employees based on the Louisiana Department of Labor's list.

Recommendation

The Town's management should require the grant administrator to monitor the contractor's weekly payroll reports for compliance with the Davis Bacon Act.

Response by Mayor

The grant administrator will be informed to assist the administration in adhering to grant requirements.

FIRE DISTRICT NO. 1

10) The Town does not have an intergovernmental agreement with Fire District No. 1.

Recommendation

The Town needs to enter into an intergovernmental agreement with Fire District No. 1 for fire protection.

Response by Mayor

The Mayor will see that this is taken care of.

I would like to thank you and your staff for the helpful cooperation I received during my audit.

Sincerely,



Certified Public Accountant