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TOWN OF DE. CITY, LOUISIANA

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FINANCIAL STATEMENTS

December 31, 1999

Under provisions of state law, this report is a public document. It should therefore have been submitted to the chief clerk of the legislative body of the state. This report is not to be construed as an endorsement of the Bureau of State Finance of the Legislative Reformation and, where appropriate, at the office of the parish clerk of court.

Release Date 8/20/00

**TOWN OF GILLESPIE, LOUISIANA**

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Todd A. Hopkins, Mayor  
and the Members of the Board of Aldermen of  
The Town of Oil City, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Oil City, Louisiana, as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town of Oil City, Louisiana's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material aspects, the financial position of the Town of Oil City, Louisiana, as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 1999, on our consideration of the Town of Oil City, Louisiana's internal control over financial reporting, and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of Mayor's and Aldermen's compensation is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the Town of Oil City, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material aspects, in relation to the general purpose financial statements taken as a whole.

Certified Public Accountants  
May 3, 2000

**GENERAL PURPOSE FINANCIAL STATEMENTS**

**TOWN OF OIL CITY, LOUISIANA**  
**Combined Balance Sheet - All Fund Types and Account Groups**  
**December 31, 1995**

|   | Departmental Fund Types |                 |              | Accounts Debit      |              | Totals       |              |
|---|-------------------------|-----------------|--------------|---------------------|--------------|--------------|--------------|
|   | General                 | Special Account | Debt Service | General Fund Assets | 1995         | 1994         | Change       |
| <b>Assets</b>   |                         |                 |              |                     |              |              |              |
| Cash  | \$ 16,792               | \$ 90,187       | \$ -         | \$ -                | \$ 106,979   | \$ 171,528   | \$ 64,549    |
| Investments, at cost  | 228,564                 | 311,421         | -            | -                   | 539,985      | 589,758      | 49,773       |
| Accumulation for when applicable, of allocations for amortization | 23,422                  | 15,503          | -            | -                   | 38,925       | 30,823       | 8,102        |
| Due from other funds  | 3,615                   | 1,821           | -            | -                   | 5,436        | 16,288       | 10,852       |
| Retainable deposits   | 418                     | -               | -            | -                   | 418          | 418          | -            |
| Fund assets - B.C.B.  | -                       | -               | -            | 1,211,187           | 1,211,187    | 3,318,879    | 2,107,692    |
| Total assets  | 273,191                 | 418,931         | -            | 1,211,187           | 1,893,109    | 4,116,172    | 2,226,063    |
| <b>Liabilities</b>  |                         |                 |              |                     |              |              |              |
| Accounts payable  | 4,503                   | 5,981           | -            | -                   | 10,484       | 16,714       | 6,230        |
| Due to other funds  | -                       | 2,612           | 1,624        | -                   | 4,236        | 16,288       | 12,052       |
| Total liabilities   | 4,503                   | 8,593           | 1,624        | -                   | 14,720       | 32,992       | 18,282       |
| <b>Fund Equity</b>  |                         |                 |              |                     |              |              |              |
| Investment in general fund assets                                 | -                       | -               | -            | 1,211,187           | 1,211,187    | 1,914,479    | 703,292      |
| Fund Income (deficit)   | -                       | -               | -            | -                   | -            | -            | -            |
| Reserve for 2000 amortiz  | -                       | -               | 1,821        | -                   | 1,821        | 1,623        | (198)        |
| Unreserved - unassigned   | 311,177                 | 421,086         | -            | -                   | 732,263      | 791,146      | 58,883       |
| Total fund equity   | 311,177                 | 421,086         | 1,821        | -                   | 734,084      | 1,707,248    | 973,163      |
| Total liabilities and fund equity                                 | \$ 315,680              | \$ 430,479      | \$ 1,821     | \$ 1,211,187        | \$ 1,959,167 | \$ 4,116,172 | \$ 2,244,426 |

**TOWN OF DEL. CITY, LOUISIANA**

**Continued Statement of Revenues, Expenditures, and Changes  
in Fund Balances - All Governmental Fund Types  
Year Ended December 31, 1998**

|  | Governmental Fund Types |                             |                   | Totals<br>(All Governmental Funds) |                   |
|--|-------------------------|-----------------------------|-------------------|------------------------------------|-------------------|
|  | General                 | Special<br>Revenue<br>Funds | Joint<br>Services | 1998                               | 1997              |
|  |                         |                             |                   |                                    |                   |
| <b>Revenues:</b>                                     |                         |                             |                   |                                    |                   |
| Taxes  | \$ 34,825               | \$ 113,008                  | \$ -              | \$ 147,833                         | \$ 180,747        |
| Licenses and permits                                 | 34,792                  | -                           | -                 | 34,792                             | 38,896            |
| Intergovernmental                                    | 17,875                  | -                           | -                 | 17,875                             | 11,731            |
| Grant income   | 766                     | 78,923                      | -                 | 79,689                             | 68,841            |
| Fees   | 48,178                  | -                           | -                 | 48,178                             | 58,675            |
| Renting charges                                      | -                       | 40,683                      | -                 | 40,683                             | 41,906            |
| Interest   | 16,878                  | 31,371                      | -                 | 48,249                             | 32,112            |
| Miscellaneous  | 13,312                  | 7,271                       | -                 | 20,583                             | 2,868             |
| <b>Total revenues</b>                                | <b>175,639</b>          | <b>264,663</b>              | <b>-</b>          | <b>440,302</b>                     | <b>403,567</b>    |
| <b>Expenditures:</b>                                 |                         |                             |                   |                                    |                   |
| Current operating:                                   |                         |                             |                   |                                    |                   |
| Administrative                                       | 89,818                  | -                           | -                 | 89,818                             | 89,078            |
| Law enforcement                                      | 128,587                 | -                           | -                 | 128,587                            | 78,648            |
| Sanitation   | 33,747                  | 78,464                      | -                 | 112,211                            | 184,698           |
| Utilities  | -                       | 39,441                      | -                 | 39,441                             | 33,383            |
| Grant expenses                                       | 86                      | 2,315                       | -                 | 2,401                              | 38,453            |
| Capital projects                                     | 880                     | 148,647                     | -                 | 149,527                            | 131,503           |
| <b>Total expenditures</b>                            | <b>253,618</b>          | <b>268,867</b>              | <b>-</b>          | <b>522,485</b>                     | <b>485,565</b>    |
| Excess (deficiency) of revenues<br>over expenditures | (77,979)                | -                           | -                 | (77,979)                           | (81,998)          |
| Fund balance at beginning of year                    | 252,158                 | 628,178                     | 11,623            | 791,959                            | 814,661           |
| <b>Fund balance at end of year</b>                   | <b>\$ 174,179</b>       | <b>\$ 628,178</b>           | <b>\$ 11,623</b>  | <b>\$ 791,959</b>                  | <b>\$ 732,663</b> |

See accompanying notes to financial statements.

TOWNSHIP OF MIL CITY, LOUISIANA

Continental Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual - General and Special Revenue Fund Types  
Year Ended December 31, 2009

|   | General Fund |            |   | Special Revenue Funds |            |   | Totals (Maximums Only) |              |   |
|---|--------------|------------|---|-----------------------|------------|---|------------------------|--------------|---|
|   | Budget       | Actual     | Variance-<br>Favorable<br>(Unfavorable) | Budget                | Actual     | Variance-<br>Favorable<br>(Unfavorable) | Budget                 | Actual       | Variance-<br>Favorable<br>(Unfavorable) |
| <b>Revenues</b>                           |              |            |   |                       |            |   |                        |              |   |
| Taxes                                     | \$ 312.28    | \$ 314.63  | \$ 2.35                                 | \$ 133.90             | \$ 133.88  | \$ 0.02                                 | \$ 188.38              | \$ 184.68    | \$ 3.70                                 |
| License and permits                       | 84.175       | 84.185     | 0.01                                    | -                     | -          | -                                       | 34.175                 | 34.185       | 0.01                                    |
| Intergovernmental                         | 172.20       | 172.815    | 0.615                                   | -                     | -          | -                                       | 21.728                 | 17.815       | 13.913                                  |
| Grant funds                               | -            | 186        | 186                                     | 78,000                | 78,000     | 0.00                                    | 78,000                 | 78,119       | 119                                     |
| Fees                                      | 41,100       | 41,178     | 78                                      | -                     | -          | -                                       | 4,100                  | 4,178        | 78                                      |
| Service charges                           | -            | -          | -                                       | 48,000                | 48,000     | 0.00                                    | 48,000                 | 48,000       | 0.00                                    |
| Interest                                  | 38,800       | 38,878     | 78                                      | 21,300                | 21,271     | 29                                      | 38,200                 | 38,405       | 205                                     |
| Miscellaneous                             | 11,425       | 11,411     | 14                                      | 3,000                 | 3,271      | 271                                     | 38,025                 | 18,286       | 19,739                                  |
| Total revenues                            | 174,172      | 179,887    | 5,715                                   | 281,200               | 285,053    | 3,853                                   | 473,478                | 478,131      | 4,653                                   |
| <b>Expenditures</b>                       |              |            |   |                       |            |   |                        |              |   |
| <b>Current:</b>                           |              |            |   |                       |            |   |                        |              |   |
| Administration                            | 89,315       | 89,410     | 95                                      | -                     | -          | -                                       | 58,040                 | 58,410       | 370                                     |
| Law enforcement                           | 121,800      | 124,281    | 2,481                                   | -                     | -          | -                                       | 12,828                 | 12,888       | 60                                      |
| Maintenance                               | 12,000       | 12,741     | 741                                     | 78,000                | 78,000     | 0.00                                    | 81,000                 | 81,208       | 208                                     |
| Utilities                                 | -            | -          | -                                       | 38,000                | 38,000     | 0.00                                    | 38,000                 | 38,441       | 441                                     |
| Debt expenses                             | -            | 86         | 86                                      | 3,000                 | 3,000      | 0.00                                    | 3,000                  | 3,131        | 131                                     |
| Capital projects                          | -            | 800        | 800                                     | 148,000               | 148,047    | 47                                      | 148,508                | 148,447      | 61                                      |
| Total expenditures                        | 183,115      | 193,847    | 10,732                                  | 267,000               | 267,456    | 456                                     | 281,376                | 281,424      | 48                                      |
| Excess of revenues over expenditures      | (8,943)      | (13,960)   | (4,017)                                 | 14,200                | 17,600     | 3,400                                   | (8,900)                | (3,293)      | 5,607                                   |
| <b>Fund balances at beginning of year</b> | 358,145      | 352,381    | (5,764)                                 | 58,778                | 451,78     | 393,013                                 | 791,156                | 791,156      | -                                       |
| <b>Fund balances at end of year</b>       | \$ 349,202   | \$ 338,421 | \$ (10,781)                             | \$ 423,678            | \$ 472,086 | \$ 48,408                               | \$ 3,291,493           | \$ 3,291,493 | \$ 0                                    |

See accompanying notes to financial statements.

## TOWN OF OIL CITY, LOUISIANA

Notes to Financial Statements  
December 31, 1999

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### I. Summary of Significant Accounting Policies:

The Town of Oil City, Louisiana (Town) was incorporated in 1943 under the provisions of the Louisiana Act. The Town operates under the Mayor-Board of Aldermen form of government.

The Town of Oil City, Louisiana, complies with Generally Accepted Accounting Principles (GAAP). The Town's reporting entity applies all relevant Government Accounting Standards Board (GASB) pronouncements. GAAP as applicable to governments also conforms to the requirements of Louisiana R.S. 24:517 and the guides set forth in the *Comptroller Municipal Audit and Accounting Guide* and in the industry guide, *Audit of State and Local Government Units*, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies:

- A. **Reporting Entity** - This report includes all funds and account groups which are controlled by or dependent on the Town's Executive and Legislative Branches (the Mayor and Board of Aldermen). Control by or dependence on the Town was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.
- B. **Fund Accounting** - The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts for complete its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following funds and group of accounts are used by the Town:

#### GOVERNMENTAL FUNDS

**General Fund** - The General Fund is the general operating fund of the Town. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

**Debt Service Fund** - The Debt Service Fund is used to account for the accumulation of interest on debt, and the payment of general long-term debt including principal, interest, and school costs.

**Capital Projects Fund** - The Capital Projects Fund accounts for all financial resources used for the acquisition or construction of major capital facilities.



## TOWN OF OIL CITY, LOUISIANA

### Notes to Financial Statements December 31, 2009

#### A. Summary of Significant Accounting Policies (Continued)

##### 1. Fund Accounting (Continued)

Account groups are used to establish accounting control and accountability for the Town's general fund assets and general long-term obligations. The following are the Town's account groups:

**General Fixed Assets Account Group** – This group is used to account for fixed assets used in governmental fund type operations for current purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Depreciated fixed assets are valued at their estimated fair value on the date of valuation. No depreciation is recorded on general fixed assets.

**General Long-term Debt Account Group** – This group is used to account for long-term liabilities to be financed from general funds.

- C. **Methods of Accounting** – The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become due, assessable and available). "Susceptible to accrual" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government recognizes property taxes available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental revenues. Expenditures are recorded when the related fund liability is incurred.

Three revenues susceptible to accrual are: property taxes, franchise taxes, interest revenue and charges for services. Fines, permit and license revenues are not susceptible to accrual because generally they are not receivable until received in cash.

The preparation of financial statements generally requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

- D. **Budgetary and Budgetary Accounting** – The Town follows these procedures in establishing its budgetary data reflected in these financial statements:

## TOWN OF OIL CITY, LOUISIANA

### Notes to Financial Statements December 31, 2009

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#### 1. Summary of Significant Accounting Policies (Continued)

##### D. Budget and Dispositive Accounting (Continued)

1. The Mayor prepares a proposed budget and submits same to the Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
  2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
  3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
  4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
  5. The budget ordinance is structured such that revenues are budgeted by source and appropriations are budgeted by department and by principal object of expenditure. The Board of Aldermen may revise or amend the budget at its discretion during legally convened sessions. Management may amend the budget only below the department level. The general fund and sales tax fund will both be amended at the June 8, 2009 Board of Aldermen meeting.
  6. The Town utilizes formal budgetary integration as a management control device for all funds.
12. Investments - All investments are interest bearing deposits with original maturity dated in excess of three months are stated at cost which approximates market value. The Town's investments comply with Louisiana Statute (LSA R.S. 33:2935).
13. Due Taxes - Uncollectible amounts due for the all various taxes receivables are recognized as bad debts through the establishment of an allowance account as the time information becomes available which would indicate the uncollectibility of the particular receivables. The allowance for uncollectible all various taxes was \$1,791 and \$3,538 at December 31, 2009 and 2008, respectively.

## TOWN OF OIL CITY, LOUISIANA

### Notes to Financial Statements December 31, 1999

#### I. Summary of Significant Accounting Policies (Continued):

G. **Fixed Assets** - Fixed assets in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized along with other general fixed assets. No depreciation has been provided on such assets.

H. **Compensated Absence** - The Town of Oil City has the following policy relating to vacation and sick leave:

**Vacation** - Five days after one continuous year of service; ten days after two continuous years of service and thereafter. Vacation days must be used in the calendar year of entitlement. Unused days do not accrue.

**Sick leave** - Limited to ten days at full pay. Days must be used within the calendar year and do not accrue.

The cost of unused leave privileges, computed in accordance with GASB Certification System C60, is recognized as a current-year expenditure in the governmental funds, when leave is actually taken.

#### I. Fund Equity

**Reserves** - Reserves represent those portions of fund equity not appropriable for expenditures or legally reserved for a specific future use.

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

#### J. Interfund Transactions

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

All other interfund transactions, except quasi-internal transactions and reimbursements, are reported as transfers. Nonrecouping or non-levying permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

## TOWN OF DEL CITY, LOUISIANA

### Notes to Financial Statements December 31, 1999

#### 1. Summary of Significant Accounting Policies (Continued)

- K. **Property Taxes** - The Town levies taxes on real and business personal property located within its boundaries. Property taxes are levied by the Town on property values assessed by the Caddo Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

Town property tax revenues are recognized when levied in the extent that they result in current receivables.

#### Property Tax Calendar

|   |                             |
|---|-----------------------------|
| Assessment date .....                     | January 1, 1999             |
| Levy date .....                           | Not later than June 1, 1999 |
| Tax bills mailed .....                    | November 15, 1999           |
| Total taxes due due .....                 | December 31, 1999           |
| Penalties and interest are added .....    | January 1, 2000             |
| Levy date .....                           | Not set policy              |
| Tax rate - 1998 delinquent property ..... | Not set policy              |

Property taxes levied for the current year are recognized as revenues, even though a portion is collectible in the period subsequent to the levy. Assessed values are established by the Caddo Parish Tax Assessor each year on a uniform basis at the following rates to fair market value:

|           |   |
|-----------|---|
| 10% ..... | Land  |
| 10% ..... | Residential Improvements                      |
| 17% ..... | Industrial Improvements                       |
| 10% ..... | Machinery                                     |
| 10% ..... | Commercial Improvements                       |
| 20% ..... | Public Service Properties -<br>including land |

A re-evaluation of all property is required to be completed no less than every four years. A re-evaluation was completed for the tax roll of January 1, 1996.

- L. **Comparative Data** - Comparative totals for the prior year have been presented in the accompanying general purpose financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, presentation of prior year amounts by fund type has not been presented in each of the statements since their inclusion would make the statements overly complex and difficult to read.
- M. **Total Columns in Combined Statements** - Total columns on the combined statements are captioned "Miscellaneous Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund elimination have not been made in the aggregation of this data.
- N. **Reclassification** - Certain 1998 amounts were reclassified in operations in 1999 presentation. Total fund balance and excess miscellaneous revenues were reclassified due to these reclassifications.

**TOWN OF OIL CITY, LOUISIANA**

Notes to Financial Statements  
December 31, 1999

**1. Cash and Investments**

As of December 31, 1999, the carrying amount of the Town's deposits was \$776,764, and the bank balances were \$776,655. The bank balances were covered by federal depository insurance and/or collateralized by the pledge of securities as required by law. The Town has a three-party anticlogging agreement between the Town, Citizens Bank & Trust - Vivian, and Bank One, Oil City, Louisiana.

The carrying amount of the Town's deposits of each bank are comprised of the following:

|                       | Cash              | Investments         | Total               |
|-----------------------|-------------------|---------------------|---------------------|
| General fund          | \$ 95,702         | \$ 238,934          | \$ 334,636          |
| Special revenue funds | 85,087            | 771,421             | 411,508             |
|                       | <u>\$ 178,859</u> | <u>\$ 1,010,355</u> | <u>\$ 1,189,214</u> |

The Town's deposits are categorized to give an indication of the level of risk assumed by the Town at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Town or its agent in the Town's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Town's name. Category 3 includes uninsured and unregistered deposits for which the securities are held by the counterparty, or by its trust department or agent but not in the Town's name.

| Description                         | Category            |             |             | Bank Balance        | Market Value        |
|-------------------------------------|---------------------|-------------|-------------|---------------------|---------------------|
|                                     | 1                   | 2           | 3           |                     |                     |
| FIDELITY Insurance - First          |                     |             |             |                     |                     |
| Country Bank-DEA                    | \$ 62,069           | \$ -        | \$ -        | \$ 62,069           | \$ 62,069           |
| FIDELITY Insurance - First          |                     |             |             |                     |                     |
| Country Bank -                      |                     |             |             |                     |                     |
| Interest Bearing                    | 180,000             | -           | -           | 180,000             | 180,000             |
| FIDELITY Insurance - First          |                     |             |             |                     |                     |
| Country Bank                        | 233,929             | -           | -           | 233,929             | 233,929             |
| FIDELITY Insurance - Bank           |                     |             |             |                     |                     |
| One                                 | 180,000             | -           | -           | 180,000             | 180,000             |
| FIDELITY Insurance - Bank One       | 2,225               | -           | -           | 2,225               | 431,644             |
| FIDELITY Insurance - CB&T           | 100,000             | -           | -           | 100,000             | 100,000             |
| FIDELITY Agency Note/               |                     |             |             |                     |                     |
| Municipal Bond-FIDELITY             | 125,436             | -           | -           | 125,436             | 149,185             |
| <b>Total Cash &amp; Investments</b> | <b>\$ 1,164,637</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 1,296,637</b> | <b>\$ 1,381,807</b> |

Investment pools are under the custody of the City Clerk. Investing is performed in accordance with investment policies complying with State Statutes and the City Charter. Pooled funds may be invested in: (1) direct obligations of the United States government or the payment of which the full faith and credit of the United States government is pledged, (2) certificates of deposit or savings and loan associations and federally insured banks whose assets are adequately collateralized, and (3) savings accounts at savings and loan associations and banks, in the extent fully insured.

**TOWN OF OIL CITY, LOUISIANA**

Notes to Financial Statements  
December 31, 1999

**3. Property Taxes**

For the year ended December 31, 1999, taxes of 15.88 mills were levied on property with assessed valuations totaling \$1,638,748 and were dedicated as follows:

|                               |              |
|-------------------------------|--------------|
| Sewerage and streets .....    | \$4.08 mills |
| General fund operations ..... | 0.00 mill    |

Total taxes levied were \$26,884.

**4. Receivables**

As of December 31, 1999, receivables consisted of the following:

|                              | General   | Special<br>Revenue |
|------------------------------|-----------|--------------------|
| Property taxes               | \$ -      | \$ 8,827           |
| Less allowance for bad debts | -         | (1,791)            |
| Housing authority            | 10,695    | -                  |
| Service charges              | -         | 3,290              |
| Interest                     | 4,710     | 6,710              |
|                              | \$ 15,415 | \$ 17,036          |

**5. Interfund Receivables, Payables**

A summary of interfund receivables and payables is as follows:

|                 | Interfund<br>Receivables | Interfund<br>Payables |
|-----------------|--------------------------|-----------------------|
| General fund    | \$ 1,619                 | \$ -                  |
| Special revenue | 1,615                    | 1,619                 |
| Inter-service   | -                        | 1,615                 |
|                 | \$ 3,234                 | \$ 3,234              |

**TOWN OF OUE, LITE, LOUISIANA**

Notes to Financial Statements  
December 31, 1999

**6. Changes in Fixed Assets:**

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

|                         | Balance<br>January 1,<br>1999 | Additions         | Deletions         | Balance<br>December 31,<br>1999 |
|-------------------------|-------------------------------|-------------------|-------------------|---------------------------------|
| Land                    | \$ 40,294                     | \$ 83,839         | \$ 3,857          | \$ 120,286                      |
| Building and structures | 1,203,168                     | -                 | 4,054             | 1,199,114                       |
| Improvements            | 1,671,154                     | 52,168            | -                 | 1,723,322                       |
| Equipment               | 424,887                       | 58,187            | 248,120           | 234,954                         |
| Work-in-progress        | 116,068                       | -                 | -                 | 116,068                         |
| Total                   | <u>\$ 3,115,479</u>           | <u>\$ 194,194</u> | <u>\$ 256,031</u> | <u>\$ 3,703,642</u>             |

**7. Fund Deficit:**

The following individual fund has a deficit in the accrued fund balance as December 31, 1999:

|                   | Deficit Amount |
|-------------------|----------------|
| Debt service fund | \$ ..... 3,629 |

**8. Commitments and Contingencies:**

The Town is exposed to various risks of loss related to theft, fire, damage to and destruction of assets, assets and liabilities, injuries to employees, and natural disasters. The Town carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance. Commitments have not exceeded limit and coverage in any of the past three fiscal years.

The Town participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Various claims and lawsuits are pending against the Town. In the opinion of management, the potential loss on all claims and lawsuits will not be significant to the Town's financial statements.

**9. Related Party Transactions:**

Officials, administrators, and employees did not disclose any material related party transactions for the fiscal year ended December 31, 1999.

**10. Unfunded Payments:**

Two Town police employees received \$6,420 in police supplemental pay from the State of Louisiana. The Town is responsible for withholding taxes from their employees and paying the Town's matching portion of social security taxes for the amount of supplemental pay received. The Town must recognize this supplemental pay received by the employees as revenue and expenditures of the Town. The revenue is reported in the General fund under Intergovernmental revenue and the expenditure is reported in the Police Department.

## SUPPLEMENTARY INFORMATION



## TOWN OF OIL CITY, LOUISIANA

### Schedule of Mayor's and Aldermen's Compensation For the Year Ended December 31, 1999

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During 1999, the following amounts were paid to the Mayor and Town Aldermen:

|                                  |    |       |
|----------------------------------|----|-------|
| Todd A. Hagblom - Mayor's Salary | \$ | 3,400 |
| Aldermen - per diem              |    |       |
| Buddy Hagblay                    |    | 625   |
| Dennis Jackson                   |    | 600   |
| James Sims                       |    | 625   |
| John T. Weaver                   |    | 625   |
| Mark Woodruff                    |    | 600   |
| Total                            | \$ | 3,475 |

The current elected officials are as follows:

Office expiration date - December 31, 2000

|           |  |
|-----------|--|
| Mayor:    | Todd A. Hagblom  |
| Aldermen: | Buddy Hagblay<br>Dennis Jackson<br>James Sims<br>John T. Weaver<br>Mark Woodruff |

**ADDITIONAL REPORT REQUIRED BY  
GOVERNMENT ACCOUNTING STANDARDS**



SMITH PUGH RABINOWITZ  
LLP

SMITH PUGH RABINOWITZ L.L.P., CERTIFIED PUBLIC ACCOUNTANTS

419 Poydras Street, Suite 2000 • New Orleans, Louisiana • (504) 581-3333 • telex/facsimile 338 332 5781 • fax 504 581-4700  
200 Canal Street, Suite 1500 • New Orleans, Louisiana 70112 • telephone 504 762 4800 • fax 504 762 4849

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS**

The Honorable Todd A. Hopkins, Mayor  
and the members of the Board of Aldermen of  
The Town of Old City, Louisiana

We have audited the general purpose financial statements of the Town of Old City, Louisiana, as of and for the year ended December 31, 1999, and have issued our report thereon dated May 2, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Town of Old City, Louisiana's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs as item 99-1.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Town of Old City, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Town of Old City, Louisiana's ability to record, process, summarize and report financial data consistent with the requirements of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of findings as items 99-2 and 99-3.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that we also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended solely for the information and use of management, others within the organization, the Board of Directors and federal awarding agencies and pass-through entities and it is intended to be, and should not be used by anyone other than those specified parties.



Certified Public Accountant  
May 1, 2020

## AUDIT FINDINGS

**TOWN OF ORLÉANS, LOUISIANA**

**SCHEDULE OF AUDIT FINDINGS**

December 14, 1999

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**FINDINGS RELATED TO COMPLIANCE**

**Finding 99.1:**

- |                       |   |
|-----------------------|---|
| <i>Condition</i>      | Louisiana R.S. 38:2112 requires written specifications and quantities for used or new vehicles for conversion into fire reinforcement vehicles to be obtained and made part of the purchase file.   |
| <i>Condition</i>      | The Town did not abide by the Public Bid Law when they purchased the 1994 Ford Crown Victoria May 12, 1999, for \$27,000 from DHA Motors, Inc.  |
| <i>Recommendation</i> | The Town should strictly comply with the Public Bid Law. In addition, the Town should provide those officials or employees involved in purchasing a copy of the most recent edition so they can become familiar with the appropriate procedures to follow with regards to the Public Bid Law. |

**FINDINGS RELATED TO INTERNAL CONTROLS**

**Finding 99.2:**

- |                       |  |
|-----------------------|--|
| <i>Condition</i>      | The Town declared a 1994 Chevy as surplus inventory and sold the vehicle to the Town of Metairie. However, this transaction was not documented in the minutes. In addition, the Town accepted bids on a sewer improvement project and the successful bidder was not documented in the council minutes. |
| <i>Recommendation</i> | The Town should document these types of transactions in detail in the council minutes. This would provide written evidence of when the contract was awarded to.  |

**Finding 99.3:**

- |                       |  |
|-----------------------|--|
| <i>Condition</i>      | During our testing of disbursements for goods and services, we noted several check copies and invoices not accompanied by a purchase order.                              |
| <i>Recommendation</i> | The Town should enforce the requirement for purchase orders for purchasing transactions. This would help prevent unauthorized purchases and complete the purchase files. |

# TOWN OF OIL CITY

INCORPORATED  
OIL CITY, LOUISIANA 1987



## CORRECTIVE ACTION PLAN

May 2, 2000

RECEIVED

SEALY BOARD BY  
COMPTROLLER

SEALY BOARD BY  
COMPTROLLER

SEALY BOARD  
COMPTROLLER

SEALY BOARD  
COMPTROLLER

SEALY BOARD  
COMPTROLLER

Dr. David G. Kyle, CPA  
Legislative Auditor, State of Louisiana  
P. O. Box 94197  
Baton Rouge, LA 70894-0197

Dear Mr. Kyle:

The Town of Oil City, Louisiana, respectfully submits the following corrective action plan for the year ended December 31, 1999, for the Schedule of Audit Findings. The findings are numbered consistently with the numbers assigned in the schedule.

### FINDINGS RELATED TO COMPLIANCE

#### Finding 99-1:

**Recommendation:** The Town should strictly comply with the Public Bid Law. In addition, the Town should provide those officials and employees involved in purchasing a copy of the most recent statute so they can become familiar with the appropriate procedures to follow with regards to the Public Bid Law.

**Action Taken:** The clerk will provide a copy of the most recent laws affecting Louisiana Government to those involved in purchasing goods and services for the Town.

### FINDINGS RELATED TO INTERNAL CONTROL

#### Finding 99-2:

**Recommendation:** The Town should document transactions such as the sale of surplus equipment to another government agency and when contracts are awarded for goods and services in the official Council minutes.

**Action Taken:** The clerk will ensure that those types of transactions are properly recorded in the council minutes.

**Findings Related to Internal Control (Continued)**

**Finding 99.2:**

- Recommendation:** The Town should enforce the requirement for purchase orders for non-emergency transactions.
- Action Taken:** The Town will institute with a memo to all employees involved with purchasing goods and services the proper procedure to follow with regards to purchase orders.

Sincerely,



Todd A. Hopkins, Mayor  
Town of Oak City



**Town of Ell City, Louisiana**

**Summary Schedule of Prior Audit Findings**

**December 31, 1999**

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**FINANCIAL AUDIT FINDINGS RELATED TO INTERNAL CONTROL**

**Finding 98-1:**

**Condition:** During the first six months of the year, the Town's internal controls for collecting fines were inadequate. When tickets are issued by the police department, bond money is collected by a police officer when the town issues a receipt to the individual who was given the ticket. The officer gives the money, receipt copy, and ticket copy to the police chief. The police chief then gives the money to the Town Clerk and obtains a receipt. The Town Clerk deposits the funds into the general fund operating account. However, during the audit no evidence was provided that the Town Clerk issued any receipts to the police department acknowledging receipt of approximately \$3,436 in fines.

**Recommendation:** The Town should develop written documentation for policies and procedures for the collection of fines.

**Current Status:** No similar finding for year ending December 31, 1999.

**Finding 98-2:**

**Condition:** The Town does not have a set policy establishing tax lien or tax sale dates for delinquent taxes.

**Recommendation:** The Town should develop policies and procedures for establishing tax lien and tax sale dates. This would strengthen controls over collection of delinquent taxes.

**Current Status:** The Town had a tax sale on September 18, 1999.