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BOULEVARD

STATE OF LOUISIANA  
REVENUE DEPARTMENT  
601 AND 612  
BAGNOLLE

**Town of Zwolle, Louisiana**

**FINANCIAL REPORT**

**YEAR ENDED MAY 31, 1997**

Under provisions of their law, this report is a public document. A copy of the report shall be furnished to the auditor, the members of, and by and through, the various public officials. The reports are available for public inspection at the Courthouse, the Tax Collector's Office and, at any time, at the office of the Town Clerk of Court.

Prepared and filed on MAR 24 1998

**Eugene W. Freeman III**  
Certified Public Accountant

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Certified Public Accountant

Marty, Louisiana 70002  
224-226-0000**INDEPENDENT AUDITOR'S REPORT**

The Honorable F. H. Woods, Mayor  
and Board of Aldermen  
Bossier, Louisiana

I have audited the accompanying general purpose financial statements and the combining, individual fund and account group financial statements of the Town of Bossier, Louisiana, as of May 31, 1997 and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Town of Bossier, Louisiana, management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of office of Management and Budget Circular A-133, "Audits of State and Local Governments". Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

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 Bossier, Louisiana, as of May 31, 1997, the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles. Also, in my opinion the combining, individual fund, and account group financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of each of the individual funds and account groups of the Town of Bossier at May 31, 1997, and the results of operations of each fund and the cash flows of the individual proprietary fund for the year then ended, in conformity with generally accepted accounting principles.

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

In accordance with Government Auditing Standards, I have also issued a report dated January 22, 1998 on my consideration of the Town of Bossier, Louisiana's internal

control structure and a report dated January 22, 1968 on its compliance with laws and regulations.

The financial information for the year ended May 31, 1966, which is included for comparative purposes, were taken from the financial report for that year in which I expressed a unqualified opinion dated November 18, 1966, on the general purpose, combining, individual fund, and account group financial statements of the Town of Iwita, Louisiana.



EDWIN W. FENNELL II, CPA

January 22, 1968

GENERAL PURPOSE FINANCIAL STATEMENTS  
COMBINED STATEMENTS - OVERVIEW  
PERIOD AS OF 2023

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)**

TOWN OF BOSSALE, LOUISIANA  
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
MAY 31, 1987

ASSETS	GENERAL FUND TYPE		PROPRIETARY FUND TYPE	ACCOUNT GROUP	TOTALS	
	GENERAL	ENTERPRISE	GENERAL FUND ASSETS	TOTAL	MAY 31, 1986	PERMANENT ONLY
Cash and cash equivalents	\$211,087	\$208,987		\$11,274	\$111,274	\$531,281
Receivables	18,178	\$2,172		48,290	48,290	36,418
Due from Water and Sewer Fund	153,056			142,866	142,866	81,878
Due from other governments	1,201			4,305	4,305	6,483
Prepaid insurance	8,124	0		8,224	8,224	11,008
Restricted cash and cash equivalents		17,694		17,814	17,814	17,243
Land		1,085	\$11,172	33,732	33,732	13,732
Buildings			88,263	85,298	85,298	62,755
Equipment			78,759	79,759	79,759	68,056
Autos and trucks			142,828	143,828	143,828	144,138
Costing of contractors			3,285	3,285	3,285	3,290
Recreative equipment				34,086	34,086	28,880
Utility plant and equipment		2,271,149		2,271,149	2,271,149	2,294,088
Accumulated depreciation		(732,913)		(732,913)	(732,913)	(653,762)
Total assets	\$695,773	\$1,988,241	\$205,655	\$2,818,669	\$2,818,669	\$2,798,884

The notes to the financial statements are an integral part of this statement.

FORM OF FINANCIAL STATEMENTS  
 CONDENSED BALANCE SHEET - ALL FUND TYPES/LINE ACCOUNT GROUPS  
 MAY 31, 2022

	COMMODITIES (550710)	RESERVE (550720)	ACCOUNT (5507)	TOTAL RESERVE (550710 + 550720)
GENERAL	COMMODITY	RESERVE	GENERAL	TOTAL
<b>LIABILITIES AND FUND EQUITY</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 15,353	\$ 68,198	\$ 83,551	\$ 83,551
Due from vendors	5,004	414	5,418	5,418
Payroll taxes accrued and payable	5,075	0	5,075	5,075
Accrued wages payable	5,146	1,065	6,211	6,211
Accounts receivable				
Due from other fund types		21,423	21,423	21,423
Customer deposits		8,122	8,122	8,122
Due from other fund types - Current accounts		73,828	73,828	73,828
Due from other fund types - Long-term notes		80,000	80,000	80,000
Due from other fund types		167,253	167,253	167,253
<b>Total liabilities</b>	<b>38,578</b>	<b>387,717</b>	<b>426,295</b>	<b>426,295</b>
<b>FUND EQUITY</b>				
Contributions		1,029,897	1,029,897	1,029,897
Reserve for general fund assets		626,148	626,148	626,148
Reserve for other fund assets		88,000	88,000	88,000
Reserve		(71,488)	(71,488)	(71,488)
Commodities				
Due from other fund types				
Unappropriated				
<b>Total reserved netting/offset fund balances</b>	<b>58,090</b>	<b>(18,888)</b>	<b>39,202</b>	<b>39,202</b>
<b>Total fund equity</b>	<b>58,090</b>	<b>1,067,817</b>	<b>1,125,907</b>	<b>1,125,907</b>
<b>Total liabilities and fund equity</b>	<b>96,668</b>	<b>1,456,534</b>	<b>1,553,202</b>	<b>1,553,202</b>

The notes to the financial statements are an integral part of these statements.



TOWN OF ZION, ILLINOIS  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 GOVERNMENTAL FUND TYPE  
 GENERAL FUND  
 YEARS ENDED MAY 31, 1987 AND 1988

	<u>YEAR ENDED, MAY 31,</u>	
	1987	1988
Revenues:		
Taxes	\$288,608	\$289,324
Licenses and permits	55,321	54,850
Intergovernmental	29,872	34,800
Charges for services	42,808	42,352
Fees and forfeits	37,864	36,361
Miscellaneous	<u>18,684</u>	<u>21,818</u>
Total revenues	<u>473,057</u>	<u>480,105</u>
Expenditures:		
Current:		
General government	120,081	125,239
Public safety:		
Police department	148,518	178,620
Fire department	732	4,320
Highways and streets	50,000	78,980
Health and sanitation	43,715	41,085
Recreation	<u>801</u>	<u>222</u>
Total expenditures	<u>502,734</u>	<u>526,466</u>
Excess of revenues over expenditures	<u>69,893</u>	<u>53,639</u>
Fund balances, beginning of year	<u>452,890</u>	<u>287,188</u>
Fund balances, end of year	<u>\$522,783</u>	<u>\$340,827</u>

The notes to the financial statements are an integral part of this statement.

**Financial Statements**  
**Consolidated Financial Statements of the Company and Subsidiaries**  
**Consolidated Balance Sheet as of December 31, 2023 and 2022**

(All amounts in US Dollars)

	2023		2022		(US\$)
	ASSETS	LIABILITIES	ASSETS	LIABILITIES	(US\$)
<b>Assets</b>					
Current Assets					
Cash	100,000	50,000	120,000	60,000	20,000
Accounts receivable	200,000	150,000	180,000	130,000	50,000
Inventory	50,000	30,000	40,000	20,000	20,000
Prepaid expenses	20,000	10,000	15,000	8,000	7,000
Other current assets	10,000	5,000	8,000	4,000	4,000
<b>Non-current Assets</b>					
Property, plant and equipment	500,000	450,000	480,000	430,000	50,000
Intangible assets	100,000	80,000	90,000	70,000	20,000
Investments	50,000	30,000	40,000	20,000	30,000
Other non-current assets	20,000	10,000	15,000	8,000	7,000
<b>Total Assets</b>	<b>970,000</b>	<b>720,000</b>	<b>833,000</b>	<b>622,000</b>	<b>211,000</b>
<b>Liabilities</b>					
Current Liabilities					
Accounts payable	150,000	120,000	140,000	110,000	30,000
Short-term debt	80,000	60,000	70,000	50,000	20,000
Accrued expenses	30,000	20,000	25,000	15,000	10,000
Other current liabilities	20,000	10,000	15,000	8,000	7,000
<b>Non-current Liabilities</b>					
Long-term debt	300,000	250,000	280,000	230,000	50,000
Other non-current liabilities	50,000	40,000	45,000	35,000	10,000
<b>Total Liabilities</b>	<b>550,000</b>	<b>480,000</b>	<b>540,000</b>	<b>438,000</b>	<b>102,000</b>
<b>Equity</b>					
Shareholders' equity	420,000	240,000	293,000	184,000	109,000
Retained earnings	550,000	480,000	540,000	438,000	102,000
<b>Total Equity</b>	<b>970,000</b>	<b>720,000</b>	<b>833,000</b>	<b>622,000</b>	<b>211,000</b>

**TOWN OF WEST ST. GEORGE**  
**CONSOLIDATED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -**  
**REGULAR FUND TYPE**  
**YEARS ENDED MAY 31, 1991 AND 1990**

	YEAR ENDED MAY 31, 1991	1990
<b>Operating revenues:</b>		
Water charges	\$1,832	\$2,499
Sewer Charges	19,700	15,889
Fee, license and restricted fees	20,879	208,984
<b>Total operating revenues</b>	<b>42,411</b>	<b>227,372</b>
<b>Operating expenses:</b>		
Water Department	1,708	1,775
Audit fee	(113)	897
Debt debt expense	28,497	28,872
Depreciation	3,099	5,390
Insurance	1,800	688
Miscellaneous	5,282	4,099
Office supplies	2,888	5,838
Payroll taxes	1,500	1,000
Rent	8,879	8,700
Repairs and maintenance	22,939	24,227
Travel	23,893	19,175
Supplies	1,043	995
Telephone	601	2,497
Travel	999	2,827
Fuel expense	15,584	18,197
Utilities	1,681	189,484
<b>Total water department expenses</b>	<b>48,115</b>	<b>300,484</b>
Sewer Department	3,999	5,222
Materials	1,739	1,121
Audit fee	0	208
Consultant fees	29,855	22,248
Depreciation	3,551	1,427
Insurance	997	888
Miscellaneous	0	178
Office supplies	1,508	1,975
Payroll taxes	2,299	3,688
Restricted expenditures	22,299	11,959
Utilities	2,229	5,194
Travel/Printing	4,711	1,875
Supplies	1,704	895
Travel	867	287
Fuel expenses	3,897	3,888
Utilities	15,158	25,748
<b>Total sewer department expenses</b>	<b>69,499</b>	<b>100,224</b>
<b>Total operating expenses</b>	<b>117,614</b>	<b>400,708</b>
<b>Operating income (loss)</b>	<b>(75,203)</b>	<b>(173,336)</b>
Appropriation revenues transferred	1,045	8,004
Interest income	(24,297)	(27,488)
Interest expense	(24,389)	(29,702)
<b>Net income (loss)</b>	<b>(47,944)</b>	<b>(121,922)</b>
Retained earnings, beginning of year	(3,099)	(214)
<b>Retained earnings (deficit), end of year</b>	<b>(51,038)</b>	<b>(122,136)</b>

The accompanying notes are an integral part of these statements.

**TOWN OF ZEPHIRE, IOWA**  
**COMPARATIVE STATEMENT OF CASH FLOWS – PROPRIETARY FUND TYPE**  
**YEARS ENDED MAY 31, 1997 AND 1998**

	YEAR ENDED MAY 31, 1997	1998
<b>Cash flows from operating activities:</b>		
Cash received from customers	\$29,275	\$29,207
Cash payments to suppliers and employees	(24,700)	(24,270)
Cash received from customers' deposits	5,750	5,800
Cash refunded for customers' deposits	(2,300)	(2,090)
<b>Net cash provided by operating activities</b>	<u>18,025</u>	<u>19,647</u>
<b>Cash flows from capital and related financing activities:</b>		
Principal paid on revenue bonds	(18,127)	(18,903)
Interest paid on revenue bonds	(24,721)	(24,624)
Payments for construction activities	(11,273)	(11,248)
Payments for capital acquisitions	(8,212)	(10,800)
<b>Net cash provided (used) by capital and related financing activities</b>	<u>(62,333)</u>	<u>(75,575)</u>
<b>Cash flows from investing activities:</b>		
Receipts of interest	8,843	8,884
<b>Net cash provided by investing activities</b>	<u>8,843</u>	<u>8,884</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>15,535</u>	<u>(57,044)</u>
<b>Cash and cash equivalents, beginning of year</b>	<u>247,431</u>	<u>(248,888)</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$262,966</u>	<u>(\$30,444)</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>		
Operating income (loss)	<u>\$71,449</u>	<u>\$28,810</u>
<b>Adjustments to reconcile operating income (loss) to net cash provided by operating activities:</b>		
Depreciation	80,028	80,318
Provision for doubtful accounts receivable	(20)	(20)
(Increase) decrease in accounts receivable	(266)	(267)
Decrease in prepaid insurance	1,124	1,129
(Decrease) or (increase) in fixed assets	0	(26)
Increase (decrease) in sales taxes payable	14	11
Increase (decrease) in accounts payable and accrued wages payable	(5,488)	4,072
Increase (decrease) in deposits	800	218
Increase (decrease) in due to other funds	(24,287)	(22,774)
<b>Total adjustments to operating income (loss)</b>	<u>171,234</u>	<u>125,341</u>
<b>Net cash provided by operating activities</b>	<u>\$142,683</u>	<u>\$126,332</u>

The accompanying notes are an integral part of these statements.

**TOWN OF EVELLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 1993**

**(4) Summary of Significant Accounting Policies**

The Town of Evelle was incorporated September 13, 1899, under the provisions of a home rule charter. The Town operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting policies of the Town of Evelle conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:111 and to the guidelines set forth in the Louisiana Governmental Audit Guide, and to the voluntary audit guide, *Audits of State and Local Governmental Units*.

The more significant of the government's accounting policies are described below.

**Principles determining scope of reporting entity**

In evaluating how to define the town of Evelle for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB. The basic, but not only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government in this case exercises oversight responsibilities. Based upon the application of these criteria, the financial statements of the Town of Evelle consist of only the funds and account groups since the town has no oversight responsibility for any other governmental entity.

**Fund Accounting**

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

**Governmental Fund - General Fund**

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

**TOWN OF BOULLE, LOUISIANA**  
**STATE OF FINANCIAL ADMINISTRATION**  
**MAY 31, 1997**

**Proprietary Fund - Enterprise Fund**

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation of providing water and sewer 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.

In addition to the two broad types of governmental funds, the Town also maintains one account group as described below:

**General Fixed Assets Account Group -**

This is not a fund but rather an account group that is used to account for general fixed assets acquired principally for general purposes and excluded fixed assets in the Enterprise Fund.

**Fixed assets and long-term liabilities**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. The Town has elected not to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Reported fixed assets are stated at their estimated fair market value on the date donated. Repairs and maintenance are recorded as expenditures; renewals and betterments are capitalized.

Long-term liabilities reported to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. The Town has no long-term liabilities as of May 31, 1997.

The account group is not a "fund". It is concerned only with the management of financial position. It is not concerned with measurement of results of operations.

The proprietary fund is accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets.

Depreciation of all exhaustible fixed assets by the proprietary fund is charged as an expense against its operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as

**TOWN OF BOULE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 1977**

follows:

Water and sewer system	30-50 years
Water wells and pumps	20 years
Waste filter systems	10-15 years
Water meters and hydrants	10 years
Trucks	5 years
Equipment	5-10 years

**Basis of accounting**

The accounting and financial reporting treatment applied to a fund is determined by the 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.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

All governmental fund types are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become susceptible to accrual (i.e., measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers property taxes as available if they are collected within 90 days after year-end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt is recognized when due. Purchase of various operating supplies are reported as expenditures at the time purchased.

The primary revenue sources which are susceptible to accrual under the modified accrual basis of accounting include governmental revenues received for a specific period or quarter such as beer tax, tobacco tax, fire insurance tax, garbage charges receivable from the Enterprise Fund, sales taxes, franchise taxes, and interest income. These revenues are accrued, when their receipt seems more certain after the end of the accounting period so as to be both measurable and available. Temporary unearned income, such as ad valorem taxes, and gross receipts from films, newspaper licenses and permits are considered measurable when in the hands of collecting governments and are recognized as revenues at that time. Miscellaneous revenues other than interest income are recorded when received in cash because they are generally not measurable until actually received.

The proprietary fund is accounted for using the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when they are incurred.

The Town reports deferred revenues on its combined balance sheet. Deferred revenues

**TOWN OF TOWLE, MICHIGAN  
GUIDE TO FINANCIAL STATEMENTS  
MCL 211.132**

arise when a potential revenue does not meet both the "measurable" and "realizable" criteria for recognition in the current period. Deferred revenues also arise when revenues are received by the Town before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the payments, the liability for deferred revenues is removed from the combined balance sheet and revenue is recognized.

**Budgets and Budgetary Accounting**

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

1. The Town treasurer prepares a proposed budget and submits same to the Mayor and Board of Aldermen no later than fifteen (15) 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. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding estimated amounts require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Aldermen.
8. A budget is adopted for the Proprietary Fund on an annual basis.

**Cash and cash equivalents**

Consistent with GAAP Statement 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting, the Town of Towle defines cash and cash equivalents as follows:

**Cash** - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

**Cash equivalents** - short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments with



STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 1987

original maturity of three months or less qualify under this definition.

Net debts

Accrualistic accounts due for ad valorem taxes and customers' utility receivables are recognized as net debts through the establishment of an allowance account at the time collection income available which would indicate the uncollectibility of the particular receivable.

Comparative data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative (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.

TOTAL COLUMNS OF COMBINED STATEMENTS - OVERVIEW

Total columns on the combined statements - overview are captioned "COMBINED STATEMENTS" 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 to the aggregation of this data.

Compensated Absences

Employees of the Town are entitled to paid vacation depending on job classification, length of service, and other factors. Employees' vacation earned does not accumulate or vest. Therefore, no liability for compensated absences has been recorded in the accompanying financial statements. The Town's policy is to recognize the costs of compensated absences when actually paid to employees.

AD VALOREM TAXES

Ad Valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year and penalties are assessed. All ad valorem tax revenues are recognized in compliance with RORA Interpretation - 3 and GASB Codification Section F10 (Revenue Recognition - Property Taxes) which states that such revenue is recorded when it becomes measurable and available. Available means due, or past due and receivable within the current period and collected no longer than 90 days after the close of the current period.

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

For the year ended May 31, 1987, taxes of 7.50 mills were levied on property with assessed valuations totaling \$0,099,908. Total taxes levied were \$38,478 which were for general corporate purposes. Ad valorem taxes receivable at May 31, 1987 amounted to \$121.

**STATE OF LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 1997**

**(3) Interfund Receivables and Payables**

Individual interfund receivables and payable balances at May 31, 1997, were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$180,000	\$ 0
Proprietary Fund	0	180,000
<b>Total</b>	<b>\$180,000</b>	<b>180,000</b>

**(4) Due From Other Governmental Units**

Amounts due from other governmental units at May 31, 1997, consisted of the following:

<u>Due From Other Governmental Units</u>	<u>General Fund</u>
accr. tobacco, and video poker taxes due from the State of Louisiana	\$8,300

**(5) Restricted Assets - Proprietary Fund Type**

Restricted assets were applicable to the following at May 31:

<u>Restricted Assets</u>	<u>1997</u>	<u>1996</u>
Customers' deposits	\$ 21,000	\$ 20,415
Revenue funds:		
Sinking fund	8,120	4,038
Reserve fund	15,000	12,800
Depreciation & contingency fund	15,000	12,800
Contingencies fund	21,100	21,200
<b>Total restricted assets</b>	<b>\$ 71,014</b>	<b>\$ 71,253</b>

**(6) Changes in Fixed Assets**

A summary of changes in general fixed assets follows:

	<u>BALANCE JUNE 30, 1996</u>	<u>ACQUISITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE MAY 31, 1997</u>
Land	\$ 12,172	0	0	\$ 12,172
Buildings	85,268	0	0	85,268
Equipment	87,000	9,000	0	96,000
Autom and trucks	180,000	0	0	180,000
Costing of ordinances	3,250	0	0	3,250
Recreation equipment	24,880	0	0	24,880
<b>TOTAL</b>	<b>\$493,570</b>	<b>\$ 9,000</b>	<b>\$ 0</b>	<b>\$502,570</b>

**TOWN OF SWOOLE, LOUISIANA**  
**NOTE TO FINANCIAL STATEMENTS**  
**MAY 31, 1997**

A summary of proprietary fund type property, plant and equipment at May 31, 1997 follows:

Building	\$ 8,840
Water system	1,104,000
Sewer system	802,318
Water wells and pumps	151,217
Water filter systems	23,392
Water meters and hydrants	71,804
Trucks	15,840
Equipment	28,248
Construction in progress - sewer plant upgrade	28,788
<b>Total</b>	<b>2,271,147</b>
Less accumulated depreciation	(122,812)
<b>Net</b>	<b>\$1,948,335</b>

**17) PENSION SYSTEM**

All employees of the Town of Swolle, including police employees, are covered under the Social Security System. The employees pay 7.65% of their total salaries into the system, while the Town pays a like amount. The Town contributed \$18,832 to the Social Security System for the year ended May 31, 1997 while the employees contributed a similar amount. The payroll for employees covered by the Social Security System for the year ended May 31, 1997 was \$248,170; the Town's total payroll was \$248,170. Data concerning the actuarial status of this system are unavailable. Future deficits in this system will be financed by the Federal government and the Town has no further liability to the system.

**18) LEASE OBLIGATIONS**

The Town is obligated under a certain lease accounted for as an operating lease. This lease is for the use of land comprising 3.98 acres for the operation and drilling of water wells. The term of the lease is forty years with an annual rental of \$1,500 payable monthly at \$125 per month. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreement is not reflected in the Town's account groups. The following is a schedule by years of future minimum monthly payments under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of May 31, 1997:

Year ending	Amount
<u>May 31</u>	
1998	1,500
1999	1,500
2000	1,500
2001	1,500
2002	1,500
Later years	40,125
<b>Total minimum payments required</b>	<b>\$48,025</b>

**TOWN OF HAVILLE, LOUISIANA**  
**STATE TO FINANCIAL STATEMENTS**  
**MAY 31, 1997**

**(7) Cash and Cash Equivalents**

Louisiana Revised Statutes authorize the Town to invest in United States bonds, treasury notes or certificates, or to 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.

As described in Note 3, cash equivalents include all short term highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the date of purchase, have a maturity date no longer than three months qualify under this definition.

At May 31, 1997, the Town of Haville has cash and cash equivalents totaling \$768,688, as follows:

	General Fund	Enterprise Fund	Total
Demand deposits	\$ 21,580	\$ 30,499	\$ 52,079
Money market accounts	172,556	185,499	358,055
Savings accounts	127	0	127
Other cash	280	280	560
<b>Total cash and cash equivalents</b>	<b>\$174,543</b>	<b>\$421,358</b>	<b>\$768,688</b>

Of the total of \$768,688 deposited in demand and time deposits as of May 31, 1997, \$199,580 was secured through federal depository insurance and \$569,108 was secured by the pledge of securities owned by the depository bank. These securities are held in the name of the pledging bank in a custodial bank that is mutually acceptable to both parties. These secured deposits are considered collateralized under the provisions of GASB Statement 3; however, Louisiana Revised Statutes require the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the Town that the pledging bank has failed to pay deposited funds upon demand.

**(10) LONG-TERM BONDS**

On October 29, 1991, the Town entered into an agreement with Farmers Home Administration (FHA) to allow the Town to undertake a water system improvement project at an estimated cost of \$975,000. Funding for the project was provided by FHA by means of issuance of \$780,000 of revenue bonds (Bonds) and a \$195,000 grant. On April 20, 1992, the Town executed a "Project Advance Agreement" with the Louisiana Public Facilities Authority (LPHA) to provide interim financing for the water system improvement project based on the commitment for permanent financing from FHA. On September 29, 1991 the Bonds were issued and the interim financing with LPHA was repaid. The Bonds bear interest at the rate of five percent (5%) from the date of issuance. Principal and interest on the Bonds are payable over a forty (40) year period with the first payment consisting of interest only (\$39,000) which was due on the first anniversary of the issuance date (September 29, 1992). Commencing one month after the first anniversary date, and monthly thereafter, payments of principal and interest will be \$2,789 monthly.

**TOWN OF WOLFE, LOUISIANA**  
**BOARD OF FINANCIAL ASSISTANCE**  
**MAY 15, 1993**

The following is a schedule by years of future principal payments under the ABOVE Bonds:

Year ending May 31	Principal	Interest	Total
1993	\$ 8,748	\$ 26,871	\$ 35,619
1994	9,193	26,798	35,991
2095	9,648	26,719	36,367
2096	10,103	26,635	36,738
2097	10,558	26,548	37,106
Later years	\$22,318	\$26,325	\$48,643
<b>Total</b>	<b>\$748,713</b>	<b>\$387,871</b>	<b>\$1,136,584</b>

Under the terms of the bond agreement with issue, all income and revenues earned or derived from operations of the Utility Fund are pledged and dedicated to the retirement of the Bonds, and are to be used for the following expressed purposes:

(a) Payment of all reasonable expenses of operation and maintenance of the system.

(b) Each month there will be set aside into a fund called the "Water Revenue Bond and Interest Sinking Fund" (the "Sinking Fund"), a sum equal to one-twelfth (1/12th) the interest falling due on the next interest payment date during the first year the Bonds are outstanding and, thereafter, a sum equal to the total amount of principal and interest falling due on the next principal and interest payment date together with such additional proportionate sum as may be required to pay said principal and interest on the same respectively become due. Monthly deposits of \$3,280 are required through September 30, 1993, and \$3,759 monthly thereafter. The balance required at May 31, 1993 is \$3,759. The present balance is \$4,129.

(c) There will be set aside monthly into a "Water Revenue Bond Reserve Fund" (the "Reserve Fund"), commencing with the month following completion of and acceptance of the improvements and extensions financed with the proceeds of the Bonds, a sum at least equal to five percent (5%) of the amount to be paid into the Sinking Fund provided for in paragraph (b) above, the payments into the Reserve Fund to continue until such time as there has been accumulated in the Reserve Fund a sum equal to the highest combined principal and interest falling due in any year on the Bonds as a Debt Service Reserve. The money in the Reserve Fund to be retained solely for the purpose of paying the principal of and interest on bonds payable from the Sinking Fund as to which there would otherwise be default. Monthly deposits of \$183 are required through September 30, 1993 and \$190 monthly thereafter until the balance reaches \$48,383. The balance required at May 31, 1993 is \$18,518. The present balance is \$18,480.

**TOWN OF BURLIN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 1997**

(10) There will be set aside monthly into a "Water Depreciation and Contingency Fund" (the "Contingency Fund") to cover the depreciation, maintenance, additions, improvements and replacements necessary to operate properly the system, commencing with the month following completion of and acceptance of the improvements and extensions financed with the proceeds of the Bonds, the sum of \$150 per month. The balance required at May 31, 1997 is \$30,000. The present balance is \$15,000.

A portion of retained earnings is reserved to cover these restricted assets for future debt service on the revenue bonds.

(11) Water and Sewer Tax

On April 16, 1997 the voters of the Town of Burlin approved a 1% sales and use tax upon the sale at retail, the use, the lease or rental, the consumption or storage for use or consumption of tangible personal property and on sales of services in the Town. The 1% sales and use tax is dedicated to the General Fund to be used for any lawful corporate purpose as deemed necessary by the Board of Aldermen. Sales taxes receivable as of May 31, 1997 amounted to \$18,007.

(12) Deficit in Retained Earnings

The retained earnings deficit in the Utility Fund at May 31, 1997 is due primarily to an unusually high level of repairs during the 1996 and engineering fees of \$80,840 related to design work on a new wastewater processing plant, which design was subsequently abandoned by the Town. The annual operations of the Utility Fund are expected to eliminate the deficit in retained earnings within the two years.

(13) Contingencies

Requirement of Environmental Quality

On June 28, 1993, the Louisiana Department of Environmental Quality (DEQ) issued a "Compliance Order" which alleges the Town violated La. R.S. 33:2074(A)(1)(a) by allowing the discharge of inadequately treated waste water. The "Compliance Order" specified certain behavior, effluent limitations and monitoring and reporting requirements until December 31, 1993 and effluent limitations and monitoring and reporting requirements to be followed after January 1, 1994. The order also requires certain reports to be submitted to DEQ. Should the Town fail to comply with this "Compliance Order", the Town could be assessed civil penalties in an amount not to exceed \$50,000. The Town is presently attempting to comply with this order and so civil penalties have been assessed. On May 17, 1993 the Town requested an extension of time from DEQ to meet the effluent limitations. On July 25, 1994 the Town received a Water Discharge Permit from DEQ with a requirement that construction of the wastewater upgrade project be completed by December 31, 1997. On December 22, 1997 the Town awarded a construction contract in the amount of \$414,000 for sewer plant improvements which will allow the Town of meet DEQ requirements. Funding for this project is coming from the Louisiana Capital Outlay Budget.

State Bonds

The Town receives Federal and State grants for specific purposes that are subject to review and audit by Federal and State agencies. Such audits could result in a request for reimbursement by the State for expenditures disallowed, if any, under the terms and conditions of the appropriate agency.

**TOWN OF IPOLLE, LOUISIANA**  
**NOTE TO FINANCIAL STATEMENTS**  
**MAY 31, 1997**

**Engineering Fees**

The Town has been billed by Seelin & Associates for engineering fees in the amount of \$23,875 in connection with a completed water improvement project. The Town does not believe that these fees are owed and has not recorded any related liability.

The Town has been billed by Blair Associates, Inc. for engineering fees in the amount of \$88,040 related to the design of a new wastewater treatment plant, which design has subsequently been abandoned by the Town. The amount and payment of these fees have been in dispute, and Blair Associates, Inc. filed suit against the Town on October 18, 1995 to recover the billed fees. The Town has recorded an expense of \$50,040 relating to this contract, however the Town plans to contest this suit.

**(14) Pending Litigation**

In addition to the legal proceedings discussed in Note 13, the Town is a party to other legal proceedings involving suits filed against the Town for various reasons. However Town management does not believe the Town is exposed to any material losses in these proceedings. Accordingly, no provision for losses (other than as discussed in Note 13) is included in the financial statements.

**(15) Unbilled Revenue**

Unearned revenue at May 31, 1997 consisted of the following:

Unearned revenue from grant from Louisiana Department of Rural Development	\$ 4,780
Fees and bonds	<u>180</u>
	\$ 4,960
	revenue

FINANCIAL STATEMENTS  
OF FUNDIAL FUNDS  
AND ACCOUNT STRUCTURE

\* \* \* \* \*

GENERAL FUND

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



TOWN OF ZWOLLE, LOUISIANA  
GENERAL FUND  
BALANCE SHEET  
MAY 31, 1997 AND 1998

ASSETS	1997	1998
Cash and cash equivalents	\$371,807	\$360,883
Receivables	18,778	14,807
Due from Water and Sewer Fund	100,000	95,370
Due from State of Louisiana	8,261	5,483
Prepaid insurance	<u>8,226</u>	<u>8,898</u>
Total assets	<u>\$505,772</u>	<u>\$485,241</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$12,022	\$15,313
Payroll taxes withheld and payable	8,824	1,570
Accrued wages payable	8,378	4,828
Unearned revenue	<u>5,163</u>	<u>11,828</u>
Total liabilities	<u>28,217</u>	<u>33,539</u>
Fund Balance		
Fund balance - undesignated	<u>507,555</u>	<u>451,702</u>
Total fund balance	<u>507,555</u>	<u>451,702</u>
Total liabilities and fund balance	<u>\$505,772</u>	<u>\$485,241</u>

The accompanying notes are an integral part of these statements.

TOWN OF DORCH, E. ILLINOIS  
 GENERAL FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES --  
 BUDGET (DRAFT BASIS) AND ACTUAL,  
 YEAR ENDED MAY 31, 2023  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED MAY 31, 2022

	BUDGET	2022 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2023 ACTUAL
<b>Revenues:</b>				
<b>Taxes</b>				
Ad valorem taxes	\$37,000	\$40,400	\$3,400	\$37,854
Fire/area taxes	37,000	45,447	8,447	40,500
Sales taxes	200,000	200,000	0,000	200,000
<b>Total taxes</b>	<u>314,000</u>	<u>285,847</u>	<u>28,847</u>	<u>278,354</u>
<b>Licenses and permits</b>				
Operational licenses	60,000	55,000	(5,000)	61,700
River licenses	1,000	895	(105)	1,840
<b>Total licenses and permits</b>	<u>61,000</u>	<u>55,895</u>	<u>(5,105)</u>	<u>63,540</u>
<b>Intergovernmental</b>				
Beer tax	6,500	6,500	1,700	6,580
Tobacco tax	6,000	10,842	842	8,483
Video poker	1,800	2,556	756	3,270
Federal and state grants	1,000	4,834	3,834	10,584
Payment in lieu of tax -- Police				
Parks Working Authority	5,000	4,788	(212)	3,580
<b>Total intergovernmental revenue</b>	<u>14,300</u>	<u>29,512</u>	<u>6,512</u>	<u>34,517</u>
<b>Charges for services</b>				
Garbage and trash charges	42,500	42,883	183	42,500
<b>Total charges for services</b>	<u>42,500</u>	<u>42,883</u>	<u>183</u>	<u>42,500</u>
<b>Fees and Fofeils</b>				
Fees	55,080	37,854	(17,226)	55,551
<b>Total fees and forfeits</b>	<u>55,080</u>	<u>37,854</u>	<u>(17,226)</u>	<u>55,551</u>
<b>Miscellaneous revenues</b>				
Interest income	5,000	15,100	10,100	11,050
Other	5,000	5,508	508	9,750
<b>Total miscellaneous revenues</b>	<u>10,000</u>	<u>20,608</u>	<u>10,608</u>	<u>20,800</u>
<b>Total revenues</b>	<u>414,000</u>	<u>415,852</u>	<u>1,852</u>	<u>407,181</u>

The accompanying notes are an integral part of these statements.

TOWN OF ENOULE, LOUISIANA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -  
BUDGET (BASIC BASIS) AND ACTUAL  
YEAR ENDED MAY 31, 1997  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED MAY 31, 1996

Expenditures	1997		VARIANCE FAVORABLE (UNFAVORABLE)	1996
	BUDGET	ACTUAL		ACTUAL
<b>Current</b>				
<b>General government</b>				
Salaries - Administrative	\$0	\$0	\$0	\$0,000
Salaries - Mayor & Aldermen	27,000	24,442	(2,558)	27,000
Salaries - office	25,000	18,452	(6,548)	25,000
Legal & accounting	2,500	2,871	371	1,872
Payroll taxes	4,000	3,288	(712)	3,214
Unemployment benefits	3,000	(800)	(3,800)	3,000
Office supplies & printing	4,200	4,628	428	3,900
Insurance	14,800	12,807	(1,993)	12,521
Conf. meals	500	0	(500)	0
Deport maintenance	400	283	(117)	289
Rent	2,400	2,490	90	2,490
Books and subscriptions	800	338	(462)	800
Advertising	3,800	2,888	(912)	3,286
Supplies	1,200	5,857	4,657	3,807
Utilities and telephone	5,800	7,868	2,068	7,348
Collection fee	2,500	4,004	1,504	3,998
Repairs & maintenance	1,200	2,828	1,628	812
Fuel & oil	8,000	8,028	28	8,021
Miscellaneous	3,000	2,711	(289)	4,922
Public expense	0	3,127	3,127	1,250
Capital outlay	11,000	8,122	(2,878)	12,004
<b>Total general government</b>	<b>115,200</b>	<b>128,981</b>	<b>(13,219)</b>	<b>125,028</b>
<b>Public safety</b>				
<b>Police department</b>				
Salaries	180,000	98,844	(81,156)	98,500
Training	1,200	870	(330)	787
Jail expense	2,000	489	(1,511)	2,000
Police car expense	19,500	14,889	(4,611)	12,200
Insurance	15,000	15,257	257	13,888
Miscellaneous	4,800	4,268	(532)	4,821
Supplies	8,000	2,288	(5,712)	2,284
Payroll taxes	13,000	7,565	(5,435)	7,988
Telephone	1,200	1,442	242	1,200
Uniform maintenance	1,400	128	(1,272)	800
Capital outlay	10,000	0	(10,000)	24,700
<b>Total police city-related</b>	<b>266,100</b>	<b>148,212</b>	<b>(117,888)</b>	<b>178,800</b>

The accompanying notes are an integral part of these statements.

TOWN OF WESTPORT, VERMONT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES --  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED MAY 31, 1997  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED MAY 31, 1996

		1997		1996
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	ACTUAL
Expenditures (continued)				
Fee department	0	872	(872)	84,828
Highways and streets				
Salaries	21,080	20,974	(1,074)	21,118
Payroll taxes	8,880	2,477	1,187	2,180
Repairs & maintenance	52,000	1,574	50,426	2,947
Supplies & materials	12,000	13,633	(1,633)	11,158
Miscellaneous	800	2,278	(1,478)	528
Street signs	1,200	111	1,089	1,178
Street lighting	20,000	19,888	112	20,088
Street truck & tractor expense	5,000	1,000	2,541	5,287
Insurance	4,000	4,888	(888)	5,137
Capital outlay	1,800	0	1,800	188
Total highways and streets	121,860	80,589	41,271	74,882
Health and sanitation				
Salaries	25,000	21,275	(3,725)	21,418
Payroll taxes	4,500	2,480	2,180	2,424
Garbage truck expense	4,400	1,881	2,519	2,081
Miscellaneous	0	1,218	(1,218)	0
Insurance	2,800	6,840	(4,040)	5,185
Supplies	800	422	(378)	628
Capital outlay	0	0	0	0
Total health and sanitation	37,500	33,716	(3,784)	31,699
Recreation				
Repairs & maintenance	700	180	520	0
Miscellaneous	180	583	(403)	28
Utilities	200	35	165	187
Total recreation	1,080	798	282	325
Total expenditures	436,461	352,794	83,667	434,898
Excess (shortage) of revenues over (under) expenditures	1,120	82,889	82,769	55,495
Fund balance, beginning of year	453,580	453,580	0	397,188
Fund balance, end of year	245,410	536,469	91,059	452,683

The accompanying notes are an integral part of these statements.  
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#### ENTERPRISE FUND

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

TOWN OF ZAVILLE, LOUISIANA  
ENTERPRISE FUND - WATER AND SEWER FUND  
COMPARATIVE BAL SHEET  
MAY 31, 1997 AND 1996

ASSETS	1997	1996
<b>Current assets:</b>		
Cash and cash equivalents	\$336,467	\$270,086
Accounts receivable, net of allowance for doubtful accounts of \$2,937 in 1997 and \$3,028 in 1996	22,172	21,481
Prepaid insurance	0	1,184
<b>Total current assets</b>	<u>358,639</u>	<u>292,751</u>
<b>Restricted assets:</b>		
Cash and cash equivalents		
Customers' deposits	21,020	20,425
Revenues bonds:		
Sinking fund	4,129	4,028
Reserve fund	16,680	12,880
Depreciation & contingency fund	16,680	12,880
Construction fund	21,190	21,190
<b>Total restricted assets</b>	<u>79,699</u>	<u>71,343</u>
<b>Land</b>	1,080	1,080
Plant and equipment, at cost, net of accumulated depreciation of \$762,915 in 1997 and \$681,888 in 1996	1,648,228	1,685,006
<b>Total assets</b>	<u>\$1,998,046</u>	<u>\$1,999,044</u>

The accompanying notes are an integral part of these statements.

TOWN OF ZION, CT, POLICE  
 DIRECTOR'S FUND - SALARY AND BONUS FUND  
 COMPARATIVE BALANCE SHEET  
 SEP 30, 1997 AND 1998

(LIABILITIES AND FUND EQUITY)	1997	1998
<b>Liabilities:</b>		
Current liabilities (payable from current assets):		
Accounts payable	455,189	482,888
Sales taxes payable	915	899
Payroll taxes payable	0	0
Accrued wages payable	1,800	585
Due to General Fund	<u>180,880</u>	<u>85,879</u>
<b>Total current liabilities (payable from current assets)</b>	<u>718,784</u>	<u>106,251</u>
Current liabilities (payable from restricted assets):		
Customers' meal deposits	21,000	20,425
Water revenue bonds	8,758	7,000
Interest payable	<u>408</u>	<u>808</u>
<b>Total current liabilities (payable from restricted assets)</b>	<u>29,166</u>	<u>28,233</u>
Long-term liabilities		
Water revenue bonds	<u>351,008</u>	<u>348,800</u>
<b>Total liabilities</b>	<u>1,098,058</u>	<u>1,083,317</u>
<b>Fund equity:</b>		
Contributed capital -		
Municipality	123,894	123,894
Federal Revenue Sharing	83,340	83,340
WSD Block Grant	79,278	79,278
FMA Grant	185,880	185,880
LDACA-CDE Grant	<u>586,791</u>	<u>586,791</u>
<b>Total contributed capital</b>	<u>1,025,183</u>	<u>1,025,183</u>
Retained earnings (deficit)		
Reserve for revenue bonds -		
Sinking fund	4,189	4,189
Parson's fund	10,890	10,890
Depreciation & contingency fund	10,890	10,890
Construction fund	21,100	21,100
Unreserved (deficit)	<u>(73,493)</u>	<u>(74,854)</u>
<b>Total retained earnings (deficit)</b>	<u>(73,493)</u>	<u>(74,854)</u>
<b>Total fund equity</b>	<u>1,025,184</u>	<u>1,025,321</u>
<b>Total liabilities and fund equity</b>	<u>\$1,098,044</u>	<u>\$1,098,042</u>

The accompanying notes are an integral part of these statements.

**FUND OF FINANCE COURSES**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS -**  
**WATER AND SEWER FUND - BUDGET (GAAP BASIS) AND ACTUAL**  
**YEARS (AUGUST) MAY 31, 2007 AND 2008**

	2007	2008	VARIANCE (FAVORABLE (UNFAVORABLE))	2008 ACTUAL
<b>Operating revenues:</b>				
Water charges	\$144,000	\$155,004	(\$11,048)	\$144,000
Sewer charges	17,000	27,327	(10,327)	17,000
Tax, commercial connections	17,000	18,000	1,000	17,000
Total operating revenues	\$178,000	\$200,331	(22,331)	\$178,000
<b>Operating expenses:</b>				
<b>Water Department:</b>				
Audit fee	1,750	1,750	0	1,750
Bad debt expense	0	(177)	187	0
Depreciation	38,800	38,487	(313)	38,872
Insurance	8,700	7,800	900	8,882
Miscellaneous	667	1,600	(933)	666
Office supplies	4,000	1,252	2,748	4,000
Payroll taxes	7,500	1,000	6,500	1,750
Rent	1,500	1,000	500	1,750
Travel and entertainment	10,000	10,000	0	10,000
Utilities	20,000	20,000	0	18,175
Supplies	100	1,000	(900)	100
Telephone	1,000	500	500	2,000
Total	83,000	86,000	(3,000)	83,000
Travel expenses	10,000	10,000	0	10,000
Utilities	10,000	10,000	0	10,000
Total water department expenses	\$93,000	\$96,000	(3,000)	\$96,000
<b>Sewer Department:</b>				
Audit fee	8,000	1,000	7,000	8,000
Audit fee	1,750	1,750	0	1,750
Construction fees	0	0	0	0
Depreciation	10,000	12,400	(2,400)	10,000
Insurance	1,000	1,000	0	1,000
Miscellaneous	667	667	0	666
Office supplies	90	0	90	175
Payroll taxes	1,000	1,000	0	1,075
Repairs and maintenance	17,000	1,000	16,000	1,000
Utilities	17,000	18,000	(1,000)	17,000
Travel and entertainment	1,000	1,000	0	1,000
Supplies	1,000	4,000	(3,000)	1,075
Total	50,000	7,000	43,000	50,000
Travel expenses	0	1,000	(1,000)	1,000
Utilities	10,000	1,000	9,000	10,000
Utilities	10,000	10,000	0	10,000
Total sewer department expenses	\$60,000	\$14,000	\$46,000	\$60,000
Total operating expenses	\$153,000	\$110,000	\$43,000	\$156,000
Operating income (loss)	\$25,000	\$90,331	(65,331)	\$22,000
<b>Nonoperating revenues (expenses):</b>				
Interest income	8,000	8,000	0	8,000
Interest expense	(24,000)	(24,000)	0	(24,000)
	(24,000)	(24,000)	0	(24,000)
Net income (loss)	\$1,000	\$66,331	(65,331)	\$1,000
Retained earnings, beginning of year	(1,000)	(1,000)	0	(1,000)
Retained earnings (deficit), end of year	\$0	\$65,331	(65,331)	\$0

The accompanying notes are an integral part of these statements.



**GENERAL FIXED ASSETS ACCOUNT GROUP**

**TO RECORD for fixed assets not used in proprietary fund operations.**

**TOWN OF ZEPHULE, LOUISIANA**  
**COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS**  
**MAY 31, 1997 AND 1996**

	1997	1996
<b>General fixed assets, at cost:</b>		
Land	\$42,472	\$42,472
Buildings	85,250	85,250
Equipment	78,798	89,888
Automobiles, trucks and machinery	145,558	145,558
Costing of construction	3,250	3,250
Recreation equipment	<u>34,880</u>	<u>34,880</u>
<b>Total general fixed assets</b>	<b><u>\$320,208</u></b>	<b><u>\$320,208</u></b>
<b>Investment in general fixed assets:</b>		
General fund revenues	\$204,141	\$185,088
Federal revenue sharing funds	129,215	129,215
Grants	18,774	18,774
Contributions	<u>18,729</u>	<u>18,729</u>
<b>Total investment in general fixed assets</b>	<b><u>\$350,859</u></b>	<b><u>\$351,796</u></b>

The accompanying notes are an integral part of these statements.

TOWN OF JONESVILLE, LOUISIANA  
STATEMENT OF CHANGES IN GENERAL FUND ASSETS  
YEAR ENDED MAY 31, 1967

	LAND	BUILDINGS	EQUIPMENT	AUTOMOBILES, TRUCKS AND MACHINERY	COOKING OF CONDIMENTS	RECREATION EQUIPMENT	TOTAL
General fund assets, June 1, 1966	812,172	885,260	468,888	944,228	32,282	124,660	3,067,580
Additions	0	0	8,185	0	0	0	8,185
Devaluations	0	0	0	1	0	0	1
General fund assets, May 31, 1967	812,172	885,260	477,073	944,228	32,282	124,660	3,119,675

The accompanying notes are an integral part of these statements.

## SCHEDULE 1

TOWN OF ZWISLER, LOUISIANA  
SCHEDULE OF PER DIEM PAY FOR BOARD OF ALDERMEN  
YEAR ENDED MAY 31, 1997

P. M. Woods	\$11,500
Allen Rivers	2,500
Charles Miller	2,500
Martha Henderson	2,500
Clotzel Polk	2,500
Carolyn Outright	2,500

Supplementary schedule. Presented as additional analytical data.

SCHEDULE 2

TOWN OF ZACHRY, LOUISIANA  
 FARMERS HOME ADMINISTRATION  
 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS  
 WATER SYSTEM IMPROVEMENT PROJECT  
 YEAR ENDED MAY 31, 1997, 1998, 1999, 2000 AND 2001

	1997	1998	1999	2000	2001	1997	1998	1999	2000	2001	PROGRAM TOTALS
CASH IN BANK, JUNE 1,	<u>\$21,126</u>	<u>\$21,126</u>	<u>\$21,126</u>	<u>\$21,463</u>	<u>\$3,789</u>	<u>\$21,126</u>	<u>\$21,126</u>	<u>\$21,126</u>	<u>\$21,463</u>	<u>\$3,789</u>	<u>\$2</u>
Cash receipts:											
Funds grant	0	0	0	0	100,000	0	0	0	0	0	100,000
Funds loan proceeds	0	0	0	0	0	0	0	0	0	0	0
Total cash receipts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,000</u>
Cash disbursements:											
Engineering fees	0	0	0	0	20,750	0	0	0	0	0	20,750
Legal fees	0	0	0	0	3	0	0	0	0	0	3
Interest	0	0	0	0	0	0	0	0	0	0	0
Contributions	0	0	0	47,063	100,000	0	0	0	0	0	147,063
Total cash disbursements - construction project	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$3,063</u>	<u>120,753</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>123,816</u>
CASH IN BANK, MAY 31,	<u>\$21,126</u>	<u>\$21,126</u>	<u>\$21,126</u>	<u>\$21,463</u>	<u>\$21,463</u>	<u>\$21,126</u>	<u>\$21,126</u>	<u>\$21,126</u>	<u>\$21,463</u>	<u>\$3,789</u>	<u>\$21,126</u>

Supplementary schedule. Presented as additional analytical data.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS  
AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PREPARED IN ACCORDANCE WITH  
GENERALLY ACCEPTED ACCOUNTING STANDARDS**

Honorable P. H. Woods, Mayor  
and Board of Aldermen  
Ewille, Louisiana

I have audited the general purpose financial statements of the Town of Ewille, Louisiana, and the remaining, individual fund, and account group financial statements of the Town of Ewille, Louisiana, for the year ended May 31, 1997, and have issued my report thereon dated January 22, 1998.

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-135, "Audit of State and Local Governments". These standards and OMB Circular A-135 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 Ewille, Louisiana, is the responsibility of the Town of Ewille, Louisiana, management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatements, 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.

Material instances of noncompliance consist of failures to follow requirements, or violations of prohibitions, contained in statutes, regulations, contracts or grants. That cause me to conclude that the aggregation of the misstatements resulting from these failures or violations is material to the financial statements. The results of my tests of compliance disclosed the following material instances of noncompliance.

The audit for the year ended May 31, 1997 was not completed within six months as required by state law due to extensive effort required by the Town's accounting clerk to correct numerous posting errors, reconcile the bank accounts, and reproduce the general ledger for the last five months of the fiscal year. These problems primarily related to turnover of the bookkeeping position three times during the year and a change in accounting software packages during mid-year. Additional concepts of the bookkeeping function and use of internal controls and/or procedures should minimize the possibility of this situation arising in the future.

I considered this instance of noncompliance in forming my opinion on whether the Town's 1997 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 January 22, 1998 on those financial statements.

I noted certain immaterial instances of noncompliance that I have reported to management of the Town of Houma in a separate letter dated January 22, 1978.

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



EUGENE W. SAPERSTEIN II, CPA

January 22, 1978

Certified Public Accountant

Moss, Louisiana 71457

78-124-1013

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL,  
STRUCTURE RELATED MATTERS COVERED IN FINANCIAL STATEMENT  
AUBLY COMPLETED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable P. M. Woods, Mayor  
and Board of Aldermen  
Bossier, Louisiana

I have audited the general purpose financial statements of the Town of Bossier, Louisiana, and the continuing, individual fund, and account group financial statements of the Town of Bossier, Louisiana, for the year ended May 31, 1997, and have issued my report thereon dated January 22, 1998.

I conducted my audit in accordance with generally accepted auditing standards, Exceptional Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-135, "Audits of State and Local Governments". Those standards and OMB Circular A-135 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

In planning and performing an audit of the general purpose financial statements of the Town of Bossier, Louisiana, for the year ended May 31, 1997, I obtained an understanding of the internal control structure, with respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted certain matters, described below, involving the internal control structure and the operation that I consider to be a material weakness and 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 component unit financial statements. A material weakness is a reportable condition in which the



design or operation of one or more of the specific internal control structure elements does not relate to a relatively low level of risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the financial statements of the Town of Thibodaux, Louisiana, for the year ended May 31, 1987.

#### 1. Existing conditions

During the year ended May 31, 1987 the Town had turnover in the bookkeeping position four times. In addition, in the middle of the year the Town changed accounting software packages. The resulting change in generating monthly financial statements were inevitable given the narrowing turnover circumstances coupled with a change in the accounting software. However, during the latter part of the year procedures previously adopted to insure adequate internal control over general ledger processing and reliable monthly financial statements were discontinued. As a result, the primary bank accounts in each fund were not being reconciled. The lack of timely reconciliations allowed numerous errors, such as unposted deposits and checks, and posting errors, to go undetected for months. These errors resulted in unreliable monthly financial statements. In addition, this situation could allow bank errors or misstatements to go undetected for months.

#### Recommended action

The checklist and review procedures adopted by the Council, and implemented in October 1986, as outlined in my management letter dated November 15, 1986, should be reintroduced as soon as possible so that adequate internal controls will exist over the general ledger posting. These procedures require the use of a comprehensive check and general ledger clearing checklist, with appropriate review by the Accountant assigned to the Treasurer function.

#### Management's response

The above checklist and review procedures will be implemented as soon as possible.

#### 2. Existing conditions

During the year ended May 31, 1987 the Police Department (1) hired a clerk, (2) acquired a software database package to track tickets, prepare checks for Mayor's Court and maintain defendant history, and (3) changed the procedures for handling tickets. All processing of tickets from issuance to ultimate disposition is now handled by the clerk in the police department, including receiving papers and preparing the cash receipt and the related bank deposit slip.

The police software database package is definitely a step in the right direction by the police department in terms of efficiency and the availability of historical information. However, the software does not provide adequate control over processing of tickets. The software appears to be unable to provide a number of vital reports, such as (1) listing of tickets in numeric sequence, (2) report of unpaid tickets, (3) report of unassigned bench warrants, (4) report of tickets sent to Louisiana Department of Public Safety, District Court, and Juvenile Court, (5) report of fines being paid under the installment plan, (6) report of outstanding community service obligations, (7) report of standing tickets, and (8) report of bonds outstanding. The software does not have an input field to capture the cash receipt number when the ticket is paid. In addition, the software has no password controls on opening records, therefore anyone with physical access to the computer could update

records. The clerk indicated that the vendor had provided no training, nor was there any user documentation for the system.

The manual numeric log, maintained by the Town clerk, is no longer being used.

In addition, the Mayor has indicated that he has a problem with the current system used by the Police Department, since he does not have access to the computer database. Therefore he cannot obtain information needed to discuss charges with defendants when they contact him. In addition, the Mayor indicated that the Police Department does not provide him tickets related to Mayor's court until immediately preceding Court. Therefore he has inadequate time to review tickets prior to Court. The Mayor has also indicated that access to the tickets maintained in the Police Department Office is also a problem at times since the Police Chief has refused to furnish him a key to the office.

#### Recommended action

The software vendor should be contacted to determine if changes in the software can be made to correct some of the internal control deficiencies outlined above. In addition, the vendor should also be requested to provide proper training in the use of the software and appropriate user documentation. Until these changes are implemented, the following procedures should be implemented to provide adequate control over tickets from issuance until disposition:

1. Expenses for fines should only be accepted at the Town Center during normal business hours. The ticket number and type of payment should be shown on the cash receipt. The original of the cash receipt should go to the defendant, the second copy should be filed with the blue copy of the ticket in the bookkeeping office numerically by paid tickets file, and the third copy should remain in the cash receipt book. No member of the Police Department, no member of the Council, nor the Mayor should accept payment of any ticket.
2. The Police Department should maintain a cash receipt book to receive cash for cash bonds taken after business hours and dropped in the night deposit.
3. The Police Department clerk should continue to maintain numeric files of the yellow copy of the tickets. In addition, she should maintain control over issued tickets and post all tickets issued, and related activity, to the ticket database.
4. The Town clerk or bookkeeper should maintain files of blue copies of tickets in numeric order, by delivery (paid, unpaid, sent to EPA for collection, sent to District Court, etc.).
5. The Mayor should be trained to use the computer database for query purposes and given access to the database and the related records. In addition, the Police clerk should furnish the Mayor a draft copy of the Court docket, with related supporting documents, a day or two before Court.
6. The Town clerk or bookkeeper should maintain a numeric ticket log which accounts for all tickets from issuance until disposition.
7. All records relating to a given ticket (cash receipt, bench warrant, community service record, etc.) should be maintained with the blue copy of the ticket.
8. A subsidiary record should be maintained for all tickets being paid in installments.

The above recommendations should provide adequate internal controls and segregation of duties. Procedures should be reevaluated if significant changes are made to the software.

Management's response

The above recommendations have been taken under advisement by the Council.

I also noted other matters involving the internal control structure and its operation that I have reported to the management of the State of Swedia. In a separate letter dated January 23, 1988.

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



EUGENE W. FREMONT, CPA

January 23, 1988

Certified Public Accountant

New Orleans 70001  
584-2444

Honorable P. M. Smith, Mayor  
and Board of Aldermen  
Town of Thibodaux, Louisiana

Dear Mayor and Aldermen:

In connection with my audit of the general program, including Individual Fund, and account group financial statements of the Town of Thibodaux, Louisiana for the year ended May 31, 1991, I offer the following observations and recommendations, which are intended to help improve record keeping procedures and are intended to be constructive in nature:

#### **STATUS OF PRIOR YEAR RECOMMENDATIONS**

##### 1. Existing condition

Interest payable over the life of the PSA loan has been reduced by approximately \$28,000 due primarily to the prepayment of one monthly payment during the year ended May 31, 1990.

##### Recommended action

The Town should consider the potential savings to be realized from making additional prepayments on the PSA loan. Since the loan has a 48 year term, this review should be undertaken at least annually. The monthly payments could be prepaid from the excess amounts on deposit in the Bond Sinking and Reserve Funds.

##### PSA LOAN

Additional prepayments equal to two monthly payments were made in the year ended May 31, 1991.

#### **CURRENT YEAR RECOMMENDATIONS**

##### 1. Existing condition

Occupational license applications are not being date stamped when received, as there is no documentation of when these applications are actually received, therefore it is difficult to determine if interest and penalty should be collected on returns filed after the due date. In addition, no interest or penalty was collected on delinquent occupational licenses for 1991. Also, as of November 30, 1991, one taxpayer was delinquent occupational and alcohol taxes for 1990 and 1991, despite the office staff sending a certified request for payment.

#### Recommended action

The Council should adopt specific guidelines to be followed by the office staff in dealing with delinquent occupational licenses, such as:

1. 14 days after due date - Send reminder notice.
2. 45 days after due date - Send certified letters.
3. 55 days after due date - Furnish delinquent list to Council members.
4. 85 days after due date - Turn taxpayer names over to town's attorney for appropriate legal action.
5. Payments from delinquent taxpayers should not be accepted without the payment of appropriate penalty and interest as specified in the occupational license application.
6. Notifications received by mail after the due date should have the envelope attached as proof of date of mailing.

The guidelines should be designed to provide equal and fair treatment of all taxpayers, timely collection of these licenses, and specific guidelines to the office staff in dealing with delinquent taxpayers.

In addition, a copy of the prenumbered cash receipt for payment should be attached to the application, and the application should indicate the occupational license number issued to the taxpayer.

#### Member's response

The Council has taken the above recommendations under advisement.

#### 2. Business condition

At November 30, 1997 approximately 50 taxpayers had not paid their 1998 ad valorem taxes despite publishing the list in the local paper and other collection efforts by the office staff.

#### Staff's reaction

The Council should adopt specific guidelines to be followed by the office staff in dealing with delinquent ad valorem taxes, which should include a due date of the property. The guidelines should be designed to provide equal and fair treatment of all taxpayers, timely collection of these taxes, and specific guidelines to the office staff in dealing with delinquent taxpayers.

#### Member's response

The Council will adopt appropriate guidelines for handling of delinquent ad valorem taxes.

#### 3. Existing conditions

The Council Minutes pages are not numbered nor are they signed by the Mayor and the Council Secretary.

#### Recommended action

The minutes of the Council meetings should be page numbered and signed by the Mayor and the Council Secretary to indicate that they are true and

complete records of the Council go online, as approved by the Council. In addition, the originals of the minutes of a copy checked, should be available to the office staff during normal business hours for their use.

#### Management's response

The above recommendations will be implemented.

#### 4. Existing condition

For a number of years the Town has provided support to the Seaside Seaside Fiesta by participation in Fiesta events, by providing police services during the Fiesta, and by funding one-half of the cost of the liability insurance policy taken out by the Fiesta association. State law provides that municipalities can only provide financial support to non-profit corporations in situations where the project is a cooperative project which benefits the citizens of the municipality. However, the benefits of supporting the Fiesta have not been documented.

#### Recommended action

The Town should enter into a formal, written cooperative agreement with the Fiesta association, which outlines the extent of the Town's commitment of resources to the Fiesta, along with documentation of the benefits to be derived for the citizens of Seaside, who are providing the resources to the Fiesta organization.

#### Management's response

The Council has taken the above recommendation under advisement.

#### 5. Existing condition

Each Council member and the Mayor have authority to authorize purchases up to \$500. However purchase orders are prepared daily by the office staff for purchases under \$500 without any formal authorization. Also, purchase orders are not always prepared in advance of the purchase.

#### Recommended action

Purchase orders should be used to provide authorization for the employee to purchase the item and to document who the item needs to be purchased and what department is to be charged for the purchase. If this authorization can only come from the Mayor or a Council member, then the Mayor (or a Council member) should be required to approve (authorize) all purchase orders in writing, before the item is purchased. Purchase orders should not be issued for recurring bills such as electricity, water and gas utility bills, should not be required for items under some limit such as \$10,000.

#### Management's response

The above changes have been taken under advisement by the Council.

The above observations and recommendations are not all inclusive. I would like to thank you, the Board of Aldermen, and the 7-11 employees for your cooperation during my assignment.

Sincerely,



EUGENE W. FERNALD, CPA

January 21, 1966