

In accordance with Government Auditing Standards, we have also issued a report dated November 20, 1986 on our consideration of the North Webster Parish Industrial District's internal control structure and a report dated November 20, 1986 on its compliance with laws and regulations.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The 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 financial statements of the North Webster Parish Industrial District. 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 presented in all material respects in relation to the general purpose financial statements taken as a whole.

*Samuel, Louis & Martin*

Minden, Louisiana  
November 20, 1986

**NORTH WEBSTER PARISH INDUSTRIAL DISTRICT**  
**Condensed Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget (Cash Basis) and Actual - General Fund**  
**Year Ended June 30, 1998**

	General Fund		Variance - Favorable (Unfavorable)
	Budget	Actual	
<b>Revenues:</b>			
Taxes and interests	\$ 286,948	284,627	(2,321)
Rental income	188,000	181,689	(6,311)
Interest income	74,140	45,403	(28,737)
Oil and gas royalty income	15,000	21,641	6,641
Grant money	15,000	15,000	-
Miscellaneous	500	792	292
<b>Total revenues</b>	<b>479,248</b>	<b>489,952</b>	<b>10,704</b>
<b>Expenditures:</b>			
<b>Current:</b>			
General and administrative	75,880	81,218	(5,338)
Public maintenance	5,880	5,356	524
Capital outlay	477,183	408,611	167,572
<b>Total expenditures</b>	<b>558,943</b>	<b>495,185</b>	<b>63,758</b>
Excess (deficiency) of revenues over expenditures	(89,695)	(105,233)	15,538
<b>Other financing sources:</b>			
Operating transfers out	(7,280)	(1,674)	5,606
Excess (deficiency) of revenues over expenditures and other uses	(96,975)	(106,907)	10,932
Fund balances at beginning of year	1,115,461	1,115,461	-
<b>Fund balances at end of year</b>	<b>\$ 1,018,486</b>	<b>1,008,554</b>	<b>9,932</b>

The accompanying notes are an integral part of this statement.

NORTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Notes to Financial Statements  
June 30, 1996

With the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except that principal and interest on general long-term debt is recognized when due.

Other financing sources represent transfers between funds that are not expected to be repaid (or other types such as capital lease transactions and debt retirements). These other financing sources are recognized at the time the underlying events occur.

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

**E. Budgets and budgetary accounting:** The District follows these procedures in establishing the budgetary data reflected in these financial statements:

- 1) The administrative assistant prepares a proposed budget and submits same to the Board of Commissioners. It is published in the official journal and presented for public inspection prior to June 1.
- 2) After formal review and public inspection, the budget is adopted by the Board of Commissioners prior to June 30 of the year end.
- 3) Formal budgetary integration is employed as a management control device during the year for the general fund. Budgetary amendments require the approval of the Board of Commissioners. The Board of Commissioners is authorized to transfer amounts between line items within any fund. For the year ended June 30, 1996, the budget was amended in accordance with Louisiana Revised Statutes.

NORTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Notes to Financial Statements  
June 30, 1996

- C. Fund accounting - The accounts of the North Webster Parish Industrial District 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 comprises 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 purposes for which they are to be spent and the means by which spending activities are controlled. Funds are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate "fund types".

Governmental Funds:

Governmental funds account for most of the District's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. The governmental fund used by the District for the year ended June 30, 1996, included:

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

Capital Projects Fund

Capital Projects Fund - The Capital Projects Fund accounts for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Proprietary Funds:

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in

NORTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Notes to Financial Statements  
June 30, 1995

**INTRODUCTION**

The North Webster Parish Industrial District was created as a political subdivision of the state, under the provisions of Act No. 422 of the 1978 regular session of the Louisiana Legislature. Its territorial limits and jurisdiction extend throughout Ward Two of Webster Parish in the southwest corner of the State of Louisiana.

The governing authority of the District is a Board of Commissioners consisting of seven members, two of whom are appointed by the City of Springhill, one each is appointed by the municipalities of Calder, Sarpy, Shongaloo and Canton Valley, and one is appointed by the Webster Parish Police Jury. Each commissioner serves for an indefinite term of office at the pleasure of the appointing authority.

The District is provided the powers and duties to incur debt and issue bonds to encourage industrial enterprises through the operation of an industrial park.

**I. Summary of Significant Accounting Policies**

- A. Basic of presentation - The accounting and reporting practices of the North Webster Parish Industrial District conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting procedures also conform to the industry audit guide, *Audit of State and Local Governmental Units*, published by the American Institute of Certified Public Accountants, and to the applicable Louisiana Revised Statutes.
- B. Reporting entity - For financial reporting purposes, in conformance with GASB Statement No. 14, the North Webster Parish Industrial District includes all funds and account groups which are controlled by the District. The District has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent upon the District. Control or dependence is determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

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**NORTH WEBSTER PARISH INDUSTRIAL DISTRICT**

**ANNUAL FINANCIAL REPORT**

**JUNE 30, 1996**

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

Release Date FEB 5 1997

NORTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Annual Financial Report  
Year Ended June 30, 1996

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Commissioners  
North Webster Parish Industrial District

We have audited the accompanying general purpose financial statements of the North Webster Parish Industrial District as of and for the year ended June 30, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of the District'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 Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. 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 respects, the financial position of the North Webster Parish Industrial District as of June 30, 1996, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles. In accordance with Government Auditing Standards, we have also issued a report dated November 20, 1996 on our consideration of the District's internal control structure and a report dated November 20, 1996 on its compliance with laws and regulations.



NORTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Notes to Financial Statements  
June 30, 1996

that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include enterprise funds and internal service funds. The proprietary fund used by the District for the year ended June 30, 1996, included:

**Enterprise Fund** - The Enterprise Fund (Water & Sewer) is 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 goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes.

- D. **Basis of Accounting** - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Property tax revenues are recognized when they become available. Available means that the taxes are recognized as revenues if they are collected within the sixty days after the end of the calendar year. Penalties and interest, oil and gas royalties and miscellaneous revenues are recorded when received in cash because they are generally not measurable until actually received. Deferred revenues are reported on the combined balance sheet.

As it relates to the District, deferred revenues represent future income from a park lease, Standard Manufacturing, which has been secured through a contractual arrangement on which the District expended funds in return for future considerations, including interest income.

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CMAA & CMAA, CMAA,  
CMAA & CMAA

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

To the Board of Commissioners  
North Webster Parish Industrial District

We have audited the general purpose financial statements of the North Webster Parish Industrial District, as of and for the year ended June 30, 1986, and have issued our report thereon dated November 30, 1986.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the North Webster Parish Industrial District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of 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 an evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

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

This report is intended for the information of the District's Board of Commissioners and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

*Jamison, Wiles & Wankel*

Monroe, Louisiana  
November 28, 1996

**JAMESON, WISE & MARTIN**

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MEMBER NUMBER 11,000

WISSE & WISE, C.A.A., 1996  
"EXCELLENCE"  
NATIONAL OFFICE OF  
PUBLIC ACCOUNTING  
1996-1997  
MEMBER OF THE AICPA

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

To the Board of Commissioners  
North Webster Parish Industrial District

We have audited the general purpose financial statements of the North Webster Parish Industrial District as of and for the year ended June 30, 1996, and have issued our report thereon dated November 20, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. 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.

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

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the District's Board of Commissioners and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Minden, Louisiana  
November 28, 1996

*Jameson, Wain & Wain*

GENERAL PURPOSE FINANCIAL STATEMENTS

**NORTH INDIANAN POLICE INDUSTRIAL DISTRICT**  
**Combined Balance Sheet - All Fund Types and Accrual Changes**  
**June 30, 1998**

	Governmental Fund Type		Capital Projects	Proprietary Fund Type		Amounts Owed		Totals		
	General	Special		Enterprise	Special	Debt	Accruals		Total	
							General	Debt	1998	1997
<b>ASSETS</b>										
Cash	88,248	-	-	-	-	-	-	88,248	124,879	
Investment in land deposits	766,535	21,000	-	-	-	-	-	1,007,802	1,016,875	
Receivables	-	-	-	-	-	-	-	-	1,883	
Utilities contracts	-	-	-	-	-	-	-	-	1,883	
Insurance	14,219	-	-	-	-	-	-	14,219	16,507	
Land permits	43,075	-	-	-	-	-	-	43,075	86,119	
Other	1,883	-	3,119	-	-	-	-	5,009	519	
Due from capital projects fund	28,827	-	-	-	-	-	-	28,827	-	
Prepaid insurance	1,591	-	-	-	-	-	-	1,591	5,499	
Other holding	-	-	-	-	-	82,280	-	82,280	82,280	
Buildings	-	-	-	-	-	2,480,288	-	2,480,288	1,998,186	
Plant improvements	-	-	-	-	-	1,895,158	-	1,895,158	1,895,141	
Equipment	-	-	-	-	-	28,675	-	28,675	28,473	
Furniture and fixtures	-	-	-	-	-	19,788	-	19,788	19,476	
Land	-	-	-	-	-	271,464	-	271,464	247,461	
Outright in fund property, plant and equipment	-	-	-	1,076,784	-	-	-	1,076,784	1,074,123	
Contributions in progress	-	-	-	262,913	-	-	-	262,913	-	
Accumulated Depreciation	-	-	-	(500,000)	-	-	-	(500,000)	(584,722)	
Deposits - utility and other	-	-	-	-	-	-	-	-	473	
<b>Total assets</b>	<b>\$ 1,148,869</b>	<b>\$71,000</b>	<b>\$71,000</b>	<b>\$1,682,286</b>	<b>\$1,481,464</b>	<b>\$4,881,464</b>	<b>\$1,481,464</b>	<b>\$6,881,281</b>	<b>\$1,077,883</b>	

The accompanying notes are an integral part of this statement.

**SOUTH KENTON PARKS DISTRICT**  
**Combined Balance Sheet - all Fund Types and Account Groups**  
 Year: 06, 2004

	Governmental Fund Type		Proprietary Fund Type	Internal Service	Account Group	
	Capital Projects	Other			Capital Projects	Other
<b>LIABILITIES AND FUND EQUITY</b>						
<i>Liabilities:</i>						
Accounts payable	23,000	-	1,100	-	61,000	85,100
Payroll taxes payable	411	-	149	-	296	760
Deferred pension fund	-	203,000	-	-	141,000	-
Year-end accruals	-	-	800	-	800	800
Unaudited accrued interest	1,741	-	-	-	1,741	3,482
Unaudited lease income	-	-	-	-	-	18,000
<b>Total liabilities</b>	<b>24,152</b>	<b>203,000</b>	<b>4,249</b>	<b>-</b>	<b>104,837</b>	<b>107,372</b>
<i>Fund equity:</i>						
Overhead capital investment in general fund assets	6,000	-	1,000,000	170,000	1,200,000	982,100
Fund assets	-	-	-	3,747,211	1,747,111	5,274,322
Residual earnings (minus liability - reserved)	-	-	63,480	-	46,888	88,268
<b>Fund Balance</b>	<b>6,000</b>	<b>-</b>	<b>1,063,480</b>	<b>1,817,211</b>	<b>1,293,989</b>	<b>4,184,671</b>
<i>Unreserved:</i>						
Unassigned	1,000,112	27,870	-	-	1,027,982	1,148,074
Total fund equity	<b>1,006,112</b>	<b>27,870</b>	<b>1,063,480</b>	<b>1,817,211</b>	<b>1,293,989</b>	<b>4,184,671</b>
<b>Total liabilities and fund equity</b>	<b>30,164</b>	<b>230,870</b>	<b>4,258</b>	<b>-</b>	<b>106,126</b>	<b>111,552</b>

The accompanying notes are an integral part of this statement.



**NORTH WEBSTER PARISH INDUSTRIAL DISTRICT**  
**Condensed Statement of Revenues, Expenses and Changes in**  
**Retained Earnings - Enterprise Fund**  
**Year Ended June 30, 1996**

	Water & Sewer	Other Utilities
<b>Operating revenues:</b>		
Water and sewer income	\$ 24,718	31,129
<b>Operating expenses:</b>		
Depreciation	58,781	25,098
Salaries	7,300	7,298
Utilities	11,714	9,178
Materials and supplies	242	2,952
Testing & Fees - Sewer treatment	800	-
Payroll taxes	247	267
Repairs	6,983	3,294
Sales tax	836	912
Total operating expenses	93,783	79,419
Income before operating transfers	(69,065)	(48,290)
Operating transfers in	3,074	3,086
Net loss	(65,991)	(45,204)
Depreciation on fixed assets acquired by contributions	58,781	25,098
Increase (decrease) in Retained Earnings	(7,210)	(201)
Retained earnings at beginning of year	48,619	48,882
Retained earnings at end of year	\$ 41,409	48,681

The accompanying notes are an integral part of this statement.

NORTH WILHELM PARISH INDUSTRIAL DISTRICT  
Notes to Financial Statements  
June 30, 1996

9. Contingent Liability

A lien for \$7,086.96 has been filed against the District arising out of the failure of a contractor to pay its subcontractor. In the opinion of counsel and management, the outcome of this claim will not have a material effect on the District's financial position.

10. Subsequent Events

On November 13, 1996, the North Wilhelms Parish Industrial District received approval to issue, sell, and deliver not exceeding \$350,000 of Certificates of Indebtedness, Series 1996. The proceeds from the bond issue will be used for an expansion to Spec building #3.

11. Changes in Accounting Principle

For the year ended June 30, 1996, the District closed depreciation expense directly to the contributed capital account. This depreciation was calculated on assets which were constructed with revenues externally restricted for capital acquisitions. This change in accounting principle is appropriate as described in the GASB Code Sec. 668.116. During prior periods, this depreciation expense had been recognized as an operating expense in the District's Enterprise Fund. As a result, this expense was closed to the retained earnings of the Enterprise Fund which caused a deficit in the Retained Earnings.

The effect of the change in accounting principle on prior periods' financial statements was as follows:

	<u>1995</u>
Net loss as previously recognized	\$219,820
Adjustment - 1995 depreciation	<u>26,998</u>
Net loss as adjusted	<u>\$ 192,822</u>

**NORTH WEBSTER PARISH INDUSTRIAL DISTRICT**  
**Statement of Cash Flows -**  
**Enterprise Fund**  
**Year Ended June 30, 1995**

	Water & Sewer	(Monocast Only) 1993
<b>Cash flows from operating activities:</b>		
Cash received from customers	\$ 24,423	31,683
Cash payments to suppliers for goods and services	(28,897)	(36,938)
Cash payments to employees for services	(3,308)	(3,288)
Net cash used by operating activities	<u>(6,782)</u>	<u>(8,543)</u>
<b>Cash flows from investing activities:</b>		
Cash payments for capital improvements	-	-
<b>Cash flows from noncapital financing activities:</b>		
Operating transfers in from other funds	<u>3,674</u>	<u>2,416</u>
<b>Net increase in cash and cash equivalents</b>	-	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	<u>\$ -</u>	<u>-</u>
<b>Reconciliation of operating loss to net cash used by operating activities:</b>		
Operating loss	\$ (32,998)	(33,273)
<b>Adjustments to reconcile operating loss to net cash used by operating activities:</b>		
Depreciation	38,341	28,998
Decrease (increase) in accounts receivable	(288)	544
(Decrease) increase in accounts payable	1,815	178
(Decrease) increase in payroll taxes payable	151	-
	<u>39,919</u>	<u>30,720</u>
<b>Net cash used by operating activities</b>	<u>\$ (3,079)</u>	<u>(2,553)</u>

The accompanying notes are an integral part of this statement.

**NORTH WEBSTER PARISH INDUSTRIAL DISTRICT**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balances**  
**All Governmental Fund Types**  
**Year Ended June 30, 1998**

	General Fund	Capital Projects Fund	Totals (Millions/Dollars)	
			1998	1997
<b>Revenues:</b>				
Taxes - ad valorem	\$ 224,298	-	224,298	209,340
Rental income	178,064	-	178,064	158,764
Interest income	44,528	3,189	47,717	43,644
Oil and gas royalty income	22,740	-	22,740	13,479
Grant money	15,088	284,073	299,161	-
Miscellaneous	740	-	740	1,817
<b>Total revenues</b>	<b>485,458</b>	<b>287,262</b>	<b>772,720</b>	<b>426,944</b>
<b>Expenditures:</b>				
Current:				
General and administrative	82,187	-	82,187	72,985
Park maintenance	5,381	-	5,381	5,315
Capital outlay	687,862	223,269	911,131	68,679
<b>Total expenditures</b>	<b>775,430</b>	<b>223,269</b>	<b>998,699</b>	<b>146,979</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(289,972)</b>	<b>(35,007)</b>	<b>(324,979)</b>	<b>280,024</b>
<b>Other financing sources (used):</b>				
Sale of capital assets	-	-	-	56,317
Operating transfers out	(1,624)	-	(1,624)	(2,458)
<b>Total other financing sources (used)</b>	<b>(1,624)</b>	<b>-</b>	<b>(1,624)</b>	<b>53,859</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other uses</b>	<b>(291,596)</b>	<b>(35,007)</b>	<b>(326,603)</b>	<b>333,883</b>
<b>Fund balances at beginning of year</b>	<b>1,148,928</b>	<b>-</b>	<b>1,148,928</b>	<b>825,219</b>
<b>Fund balances at end of year</b>	<b>\$ 857,332</b>	<b>(35,007)</b>	<b>\$ 822,325</b>	<b>\$ 1,159,102</b>

The accompanying notes are an integral part of this statement.

**NORTH WEBSTER PARISH INDUSTRIAL DISTRICT**  
Notes to Financial Statements  
June 30, 1996

- G. Short-term interfund receivables and payables - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from funds or due to funds on the balance sheet. Short-term interfund loans are classified as interfund receivables and payables.
- H. Bad debt - All receivables are considered fully collectible and, therefore, no allowance for uncollectible amounts is provided. If amounts become uncollectible, they are charged to operations when that determination is made.
- I. Fixed assets - Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized in the general fixed asset group. Public domains or infrastructures are capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

Fixed assets used in the proprietary fund operations are included on the balance sheet of the fund. Depreciation of all depreciable fixed assets used by proprietary fund operations is charged as an expense against operations. Depreciation is computed using the straight-line method.

- J. Prepaid items - The District sometimes prepays some expenditures in order to secure some goods or services in a reliable manner. Insurance coverage was the only prepaid expenditure at June 30, 1996.
- K. Compensated absences - The District does not have a formal vacation and sick leave policy.
- L. Fund equity

Contributed capital - Contributed capital is recorded in the Enterprise Fund for capital grants restricted for the acquisition or construction of capital assets. Contributed capital is amortized based on the depreciation recognized on that portion of the assets acquired.

**NORTH WEBSTER PARISH INDUSTRIAL DISTRICT**  
Notes to Financial Statements  
June 30, 1996

as constructed from such reverses. This appreciation is closed to the contributed capital account and is reflected as an adjustment in net income.

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

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

- M. Total columns on combined statements - Total columns on combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidated. Interfund eliminations have not been made in the aggregation of this data.

2. Ad Valorem taxes

Ad Valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied and collected by the tax collector of the Parish of Webster. Taxes are levied in September or October, and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year.

A resolution by the District's Board of Commissioners to authorize a special tax levy on all property subject to taxation in the Industrial District to 5.70 mills was adopted October 13, 1994. Said millage is rolled forward due to adjusted millage after reappraisal/assessment.

For the year ended June 30, 1996, taxes of \$221,829 were levied on property with assessed valuations totaling \$38,775,844.

NORTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Notes to Financial Statements  
June 30, 1996

3. **Cash and cash equivalents** - At June 30, 1996, the District had cash and cash equivalents totaling \$1,081,233, as follows:

Petty cash	\$ 25
Deposited deposits	59,396
Certificates of deposit	1,021,812
<b>Total</b>	<b><u>\$1,081,233</u></b>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times at least equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents at June 30, 1996, are secured as follows:

Bank balances	\$1,081,236
Federal deposit insurance	\$ 200,000
Pledged securities (unencumbered)	1,113,768
<b>Total</b>	<b><u>\$1,313,568</u></b>

Even though the pledged securities are considered unencumbered under the provisions of OASH Statement # 3, Louisiana Revised Statute 38:1228 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

NORTH WEBSTER PARISH INDUSTRIAL DISTRICT  
 Notes to Financial Statements  
 June 30, 1996

4. Fixed assets

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>July 1, 1995</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 1996</u>
Land	\$ 247,461	24,800	-	271,461
Office building	83,205	-	-	83,205
Buildings	1,998,328	443,929	-	2,442,257
Park improvements	1,087,141	13	-	1,087,154
Park equipment	28,672	-	-	28,672
Furniture and fixtures	<u>12,428</u>	<u>4,014</u>	<u>1,708</u>	<u>14,734</u>
<b>Total</b>	<u>\$1,477,135</u>	<u>471,556</u>	<u>1,708</u>	<u>2,946,983</u>



**NORTH WEBSTER PARISH INDUSTRIAL DISTRICT**  
**Notes to Financial Statements**  
**June 30, 1996**

A summary of Enterprise Fund type property, plant and equipment follows:

The Water and Sewer Fund uses the straight-line method of computing depreciation. All assets are depreciated from the month placed in service in the year of acquisition to the month discontinued from service in the year of disposition.

Description	Placed in Service		Cost	Current	Accumulated
	Year	Life		Year	Depreciation
Water & sewer lines	6-1-85	48 yrs.	\$ 285,610	7,108	83,428
Water plant	6-1-83	48 yrs.	122,720	3,890	48,468
Wastewater treatment plant	6-1-85	48 yrs.	248,660	6,207	81,880
Water tank	6-1-83	48 yrs.	288,811	5,748	88,185
Water vault	6-1-89	48 yrs.	77,167	1,908	35,580
Capital improvement, waterworks	4-1-90	18 yrs.	44,258	4,423	14,881
Storm improvement	12-15-90	18 yrs.	4,254	495	1,689
Sewer improvement	4-1-95	48 yrs.	<u>108,980</u>	<u>283</u>	<u>342</u>
<b>Totals</b>			<b>\$1,774,790</b>	<b>28,762</b>	<b>223,462</b>
			<b>Cost</b>		<b>Accumulated Depreciation</b>
Changes during the year					
Retirements, beginning of year			\$1,024,420		394,732
Additions			108,980		-
Depreciation			-----	-----	28,762
Balance, end of year			<b>\$1,774,790</b>		<b>223,462</b>

Construction in progress - At May 30, 1996, North Webster Parish Industrial District entered into a contract with Pro-Build Construction to build Spec building #5. The original contract is for \$636,526. As of June 30, 1996, \$42,184 of construction costs were incurred and included in construction in progress.

In addition, the District entered into a contract with Harold Weaver Construction to make additional improvements to Spec building #1. The original contract cost is for \$34,738. As of June 30, 1996, \$27,300 of construction costs were incurred and included in construction in progress.

NORTH WEBSTER PARISH INDUSTRIAL DISTRICT  
Notes to Financial Statements  
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**Direct Financing Lease** - The District entered into a direct financing lease agreement with Standard Manufacturing on May 5, 1993. The District will purchase up to \$95,000 of capital equipment to be used by Standard Manufacturing. Standard will lease the equipment over a five-year period commencing July 1, 1993, at the end of which, Standard will have the option to purchase the equipment for \$1.00. The following lists the components of the net investment in direct financing leases as of June 30, 1996:

	<u>1996</u>
Total minimum lease payments to be received	\$44,039
Less: unearned income	(2,762)
Net investment in direct financing lease	<u>\$41,277</u>

The following is a schedule of future minimum lease payments to be received, as of June 30, 1996:

<u>June 30</u>	<u>Dollars (\$)</u>
1997	\$ 23,039
1998	23,040
Total minimum lease payments	<u>\$ 46,079</u>

**NORTH WEBSTER PARISH INDUSTRIAL DISTRICT**  
**Notes to Financial Statements**  
**June 30, 1996**

**6. Interfund receivables, payables, and transfers**

Individual fund interfund receivable and payable balances at June 30, 1996, and operating transfers in and out for the year ended June 30, 1996, were as follows:

	Interfund Receivable	Interfund Payable	Operating Transfers	
			In	Out
General Fund	\$255,812	-	-	3,674
Capital Projects Fund	-	215,812	-	-
Enterprise Fund	-	-	3,674	-
	<u>\$255,812</u>	<u>\$215,812</u>	<u>3,674</u>	<u>3,674</u>

**7. Members of the Board of Commissioners**

The Board of Commissioners of the North Webster Parish Industrial District meet each month. They do not receive any compensation. The following were members of the Board as of June 30, 1996:

Chairman	Barry Slack	Member	Bob Lee
Vice-Chairman	Ken Gray	Member	Tom Dragland
Secretary	Johany Paxon	Member	Frank Soffer
Member	Anthony Masull		

**8. Cooperative Indenture Agreement**

On October 23, 1995, North Webster Parish Industrial District entered into a Cooperative Indenture Agreement with the State of Louisiana's Department of Transportation and Development. The District was granted a cash line-of-credit by the State Bond Commission not to exceed \$150,000. The funding was used for capital improvements of the District's water and sewer system.

NORTH WEBSTER PARISH INDUSTRIAL DISTRICT  
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- 4) The budgets for the general fund and debt service fund are adopted on a cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP).
- 5) Appropriations lapse at the end of each fiscal year.
- 6) The Board of Commissioners may authorize supplemental appropriations during the year.

The revenues and expenditures, for the year ended June 30, 1996, as shown on Exhibit B, are reconciled with the amounts reflected on the budget comparisons on Exhibit C as follows:

	<u>General Fund</u>
Year-ended June 30, 1996:	
Excess (deficiency) of revenues and other financing sources over expenditures and other uses (GAAP Basis)	\$81,816
To adjust for:	
Receivables	11,568
Payables	<u>9,294</u>
Excess (deficiency) of revenues over expenditures and other uses (Cash Basis)	<u>\$84,090</u>

- F. **Cash and cash equivalents** - Cash includes amounts in demand deposits and certificates of deposit. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under the laws of the State of Louisiana or national banks having their principal offices in Louisiana.

OTHER SUPPLEMENTARY INFORMATION

NORTH WEBSTER PARISH INDUSTRIAL DISTRICT  
 Schedule of General Fund Expenditures  
 Year Ended June 30, 1996

With Comparative Amounts for the Year Ended June 30, 1995

	1996	1995
<b>General and administrative:</b>		
Salaries	\$ 15,768	15,060
Taxes	1,234	1,260
Insurance	16,073	18,741
Legal and accounting	5,326	3,936
Professional fees	13,089	13,300
Office	5,721	3,340
Tax Assessor Fees	3,961	3,642
Travel	1,369	1,843
Promotional	5,035	1,678
Telephone	2,472	1,920
Utilities	3,639	3,031
Dues	1,560	180
Printing	809	288
All other	182	722
<b>Total general and administrative</b>	<b>82,187</b>	<b>72,885</b>
<b>Park expenditures:</b>		
Maintenance	5,281	5,333
<b>Capital outlay:</b>		
Spec. #1 Building	32,663	568
Spec. #2 Building	-	1,248
Spec. #4 Building	330,332	-
Spec. #5 Building	80,919	-
Land	24,080	-
South Industrial Park road overlay	15	60,387
Copy machine	-	3,835
<b>Total capital outlay</b>	<b>467,942</b>	<b>66,078</b>
<b>Total general fund expenditures</b>	<b>\$ 355,510</b>	<b>144,388</b>