

8224 File

PROPERTY
LEASING AND CONCRETE
SECTION 24, APRIL 1988

**OFFICIAL
FILE COPY**
DO NOT SEND OUT

Do not necessarily
agree with this
copy and PLACE
DATE IN FILE

TOWN OF BROUSSARD, LOUISIANA

Annual Financial Report

June 30, 1987

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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.

Approved Date: 2-18-98

J. L. SONNIER
Certified Public Accountant
Lafayette, Louisiana

	Page
General Fund Assets Account Group:	
Comparative Statement of General Fund Assets	53
Statement of Changes in General Fund Assets	54
General Long-Term Debt Account Group:	
Statement of General Long-Term Debt	54
INTERNAL CONTROL AND COMPLIANCE	
Independent Auditor's Report on INTERNAL CONTROL Structures based on an Audit of Primary Government Financial Statements Performed in Accordance With Government Auditing Standards	58-59
Independent Auditor's Report on COMPLIANCE Based on an Audit of Primary Government Financial Statements Performed in Accordance With Government Auditing Standards	60

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-2
GENERAL PURPOSE FINANCIAL STATEMENTS	
(COMBINED STATEMENTS-OVERVIEW)	
Combined Balance Sheet-All Fund Types and Account Groups	4-7
Combined Statement of Revenues, Expenditures, and Change in Fund Balances-All Governmental Fund Types	8-9
Combined Statement of Revenues, Expenditures, and Change in Fund Balances-Budget (GAAP Basis) and Actual-All Governmental Fund Types	10-11
Comparative Statement of Revenues, Expenses and Changes in Retained Earnings-Proprietary Fund Type	12
Comparative Statement of Cash Flows-Proprietary Fund Type Notes to Financial Statements	13-14 15-24
SUPPLEMENTARY INFORMATION	
FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS	
General Funds	
Comparative Balance Sheet	27
Statement of Revenues, Expenditures and Changes in Fund Balance-Budget (GAAP Basis) and Actual	28
Statement of Revenues Compared to Budget (GAAP Basis)	29
Statement of Expenditures Compared to Budget (GAAP Basis)	30-32
Special Revenue Funds:	
Sales Tax Fund-	
Comparative Balance Sheet	34
Statement of Revenues, Expenditures and Changes in Fund Balance-Budget (GAAP Basis) and Actual	35
Statement of Expenditures Compared to Budget (GAAP Basis)	36
Debt Service Funds:	
Combining Balance Sheet	38
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	39
Capital Projects Funds:	
Bonding Sheet	
Statement of Revenues, Expenditures and Changes in Fund Balances	41
Enterprise Funds:	
Comparative Balance Sheet	44-45
Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings	46-47
Comparative Statement of Operating Expenses by Department	48-49
Comparative Statement of Cash Flows	50-51

J. L. SONNIER
CERTIFIED PUBLIC ACCOUNTANT

P.O. BOX 7117
LAFAYETTE, LA 70504

(504) 233-4181
FAX: (504) 233-2134
REL: (504) 984-9923

INDEPENDENT AUDITOR'S REPORT

The Honorable Charles E. Longinoia
and Members of the Board of Aldermen
Town of Broussard, Louisiana

I have audited the accompanying primary government financial statements of the Town of Broussard, Louisiana, as of and for the year ended June 30, 1997 as listed in the table of contents. These financial statements are the responsibility of the Town of Broussard, Louisiana's 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 and Government Auditing Standards, issued by the Comptroller General of the United States. These 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.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate activities are referred to as component units. In my opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the Town of Broussard, Louisiana, as of June 30, 1997, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

However, the primary government financial statements, because they do not include the financial data of component units of Town of Broussard, Louisiana do not purport to, and do not, present fairly the financial position of the Town of Broussard, Louisiana, as of June 30, 1997 and the results of its operations and 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, I have also issued a report dated October 14, 1997 on my consideration of the Town's internal control structure and a report dated October 14, 1997 on its compliance with laws and regulations.

GENERAL PURPOSE FINANCIAL STATEMENTS

(Consolidated Statements—Overview)

ii

PROPRIETARY FUND TYPE	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	General Fixed Assets	General Long-Term Debt	1987	1986
Enterprise				
262,818	-	-	2,314,743	2,893,368
-	-	-	222,082	222,082
-	-	-	-	242,808
-	-	-	-	1,819
-	-	-	284,924	247,877
88,207	-	-	88,207	62,170
-	-	-	252	239
22,236	-	-	92,280	72,827
68,820	-	-	68,820	68,726
-	252,828	-	252,828	252,228
-	218,474	-	218,474	244,582
-	8,872	-	8,872	2,282
-	1,669,918	-	1,948,028	814,288
7,268,642	-	-	7,268,642	8,558,664
(2,432,897)	-	-	(2,432,897)	(2,220,228)
-	-	280,908	280,908	282,822
-	-	2,314,081	2,314,081	2,272,279
2,432,818	2,942,282	2,270,000	22,226,644	22,274,694

(continued)

MEMORANDUM FUND TYPE	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	General Fund Assets	General Long- Term Debt	1997	2004
Enterprise				
88,381	--	--	217,883	173,248
13,918	--	--	54,787	48,935
88,820	--	--	88,820	80,718
--	--	--	143,600	843,600
--	--	3,395,000	3,395,000	3,473,000
137,778	--	3,395,000	3,864,530	3,991,708
3,873,733	--	--	3,873,733	3,898,000
--	3,947,383	--	3,947,383	3,313,479
3,931,807	--	--	3,931,807	3,788,088
--	--	--	388,989	303,801
--	--	--	823,180	2,184,869
--	--	--	918,883	3,824,881
--	--	--	3,038,603	4,113,141
5,454,139	3,947,383	--	9,468,134	9,769,888
8,038,818	3,947,383	3,395,000	13,381,664	13,774,396

TOWN OF BERKSHIRE, MASSACHUSETTS

**COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL OPERATIONAL FUND TYPES (CONTINUED)
Year Ended June 30, 1997**

	General Fund	Special Revenue	Bond Interest	Capital Projects	Debits (Increase) July 1, 1996	Credits (Decrease) July 1, 1996
Excess (deficiency) of revenues over expenditures	61,727,219	1,912,442	629,789	13,402,419	13,873,048	649,809
Other financing sources (uses)						
Proceeds from bond issuances	-	-	-	-	-	2,499,809
Operating transfers in	1,169,000	-	204,826	369,710	2,243,480	1,269,800
Operating transfers out	-	(3,461,440)	-	-	(3,461,440)	(1,872,289)
Total other financing sources (uses)	1,169,000	(3,461,440)	204,826	369,710	1,090,750	2,897,320
Excess (deficiency) of revenues and other sources over expenditures and other uses	62,896	1,912,002	834,615	13,772,129	12,873,808	2,727,329
Fund balances, beginning	384,129	1,296,163	124,092	2,184,069	8,012,142	1,411,363
Residual equity transfers	-	-	(22,321)	-	(12,311)	(28,601)
Fund balances, ending	384,129	1,296,002	101,771	2,184,069	7,999,831	1,382,762

See Note 16 Financial Statements.

TOWN OF BROUSSARD, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 ALL GOVERNMENTAL FUND TYPES (CONTINUED)
 Year Ended June 30, 1997

	General Fund			Special Revenue Fund		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Other financing sources (uses):						
Operating transfers in	1,700,000	1,700,937	937	-	-	-
Operating transfers out	-	-	-	(2,290,000)	(2,643,440)	(353,440)
Total other financing sources (uses)	1,700,000	1,700,937	937	(2,290,000)	(2,643,440)	(353,440)
Excess (deficiency) of revenues & other sources over expenditures & other uses	128,988	42,889	(176,329)	(202,900)	(728,008)	(598,908)
Fund balances, beginning	206,129	206,129	-	1,286,163	1,296,163	-
Fund balances, ending	435,087	249,018	(176,329)	983,263	568,155	(598,908)

See Notes to Financial Statements.

TOWN OF BROUSSARD, LOUISIANA

COMPARATIVE STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE
Years Ended June 30, 1997 and 1996

	1997	1996
Cash flows from operating activities:		
Net operating loss	(318,278)	(327,432)
Adjustments to reconcile net operating income to net cash provided by operating activities:		
Depreciation	218,085	212,472
Provisions for uncollectible accounts	82	2,687
Changes in assets and liabilities-		
(Increase) decrease in accounts receivable	12,629	(27,128)
(Increase) decrease in prepaid expenses	2,478	15,187
Increase (decrease) in accounts payable	(14,427)	48,163
Increase (decrease) in other deposits	4,785	4,882
Increase (decrease) in accrued liabilities	(1,488)	2,274
Total adjustments	208,154	238,848
Net cash used by operating activities	(102,342)	(129,582)
Cash flows from noncapital financing activities:		
Residual equity transfer	22,321	26,603
Operating transfers in from other funds	298,758	268,428
Net cash provided by noncapital financing activities	321,079	295,031
Cash flows from capital and related financing activities:		
Acquisition and construction of property, plant and equipment	(180,872)	(189,248)
Net cash used by capital and related financing activities	(180,872)	(189,248)

(Continued)

TOWN OF BROUSSARD, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The Town of Broussard was incorporated under the provisions of the Louisiana Act. The Town operates under the Mayor-Board of Aldermen form of government.

The accounting and reporting policies of the Town of Broussard conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:117 and to the industry audit guide, Audits of State and Local Governmental Units. The Town applies all relevant Governmental Accounting Standards Board (GASB) pronouncements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1988 are applied unless they conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The following is a summary of certain significant accounting policies:

A. OVERSIGHT ENTITY. In evaluating the Town's financial reporting entity, management has considered all potential component units. The decision to include a potential unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board (GASB) Statement No. 14. The basis, 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 financial matters. The other 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 Town is able to exercise oversight responsibilities.

The Town of Broussard Housing Authority's five member Board of Directors is appointed by the Mayor and Board of Aldermen of the Town of Broussard. The Town's oversight responsibilities in the management, operation and financial accountability of the Authority are remote. For this reason, the Authority is NOT considered to be a component unit of the town and, accordingly, is not included in the Town's audited financial statements.

The Town of Broussard has no authority over, nor is it involved in the record keeping of the Broussard Fire Department, therefore, the Department is NOT considered to be a component unit of the Town and, accordingly, is NOT included in the Town's audited financial statements.

The Broussard Economic Development Corporation was chartered in 1981. The Town of Broussard appoints a majority of the Corporation's Board and has the ability to impose its will on the Corporation. The Corporation is considered a component unit of the Town. Separate financial statements of the Corporation are available through request at the Broussard town hall.

the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

C. Fixed Assets and Long-Term Liabilities The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund is determined by the measurement focus.

All governmental funds 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. As stipulated in the terms of an agreement by the Bossierard Fire Department, all property acquired by the Department is acquired for and in the name of the municipality, the town of Bossierard, Louisiana. Therefore, these assets are included in the town of Bossierard, Louisiana, General Fixed Assets Account Group. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated. Estimated amounts are immaterial in relation to total fixed assets.

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

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

Depreciation of all exhaustible fixed assets used 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 follows:

Buildings	20-30 years
Utility system & improvements	10-20 years
Equipment	3-10 years

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 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. Some taxes are considered "measurable" when in the hands of intermediary collecting governments and

G. Interest-Bearing Deposits Interest-bearing deposits are stated at cost, which approximates market.

H. Statement of Cash Flows For purposes of the statement of cash flows, the Enterprise Fund considers all highly liquid investments with a maturity of three (3) months or less when purchased to be cash equivalents.

I. Bad Debts Uncollectible amounts due for customers' utility receivables are recognized as bad debts through the establishment of an allowance account. The allowance for uncollectible utility receivables at June 30, 1997, was \$12,940.

J. Vacation and Sick Leave Unused vacation is paid for at the end of each calendar year. Sick leave accumulates up to 60 days per employee in excess of thirty days are not paid to the employee. Unused vacation and sick leave (up to 30 days) are paid when an employee is terminated. Accrued vacation and sick leave at June 30, 1997, totaled \$40,137.

K. Capitalization of Interest Expense It is the policy of the Town of Bossard to capitalize material amounts of interest resulting from borrowing in the course of the construction of fixed assets. For the year ended June 30, 1997, no capitalized interest expense was recorded.

L. 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.

M. Total Columns in Combined Statements--Changes Total columns on the Combined Statements--Changes are labeled "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 cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a nonconsolidation. Interfund eliminations have not been made in the aggregation of this data.

N. Dollar Signs All numeric data in the financial statements and accompanying notes are presented in U.S. dollars. Dollar signs have been omitted.

I. Deposits with Financial Institutions

Under state law, the Town may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any OTHER STATE in the union, or the laws of the United States. The Town may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. As June 30, 1997, the Town had cash deposits (book balances) totaling \$2,079,260.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting book balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must, at all times equal the amount on deposits with the fiscal agent bank in a

A summary of proprietary-fund-type property, plant and equipment at June 30, 1997, follows:

Land	71,740
Buildings	82,951
Waterworks system and improvements	4,882,784
sewer system and improvements	2,667,967
construction work in progress	64,442
Equipment	<u>198,256</u>
Total	7,768,130
Less: Accumulated Depreciation	<u>(1,432,897)</u>
Net existing fund property, plant & equipment	<u>6,335,233</u>

B. Changes in Long-Term Debt

The following is a summary of general obligation bond transactions of the Town for the year ended June 30, 1997:

Bonds payable, July 1, 1996	2,435,000
Bonds retired	<u>(180,000)</u>
Bonds issued	<u>1,181,000</u>
Bonds payable June 30, 1997	<u>3,436,000</u>

bond obligations payable at June 30, 1997, consist of the following issues:

General Obligation Bonds

\$275,000 1978 Public Waterworks (Town) Bonds dated 10/1/78, due in annual installments of \$25,000 to \$25,000 through October 1, 1996; interest at 5.5 to 6.5 percent, payable from sales tax revenues.

\$2,480,000 May 1, 1974 Public Improvement Sales Tax Bonds, Series 97-1974 due in annual installments of \$88,000 to \$190,000 through May 1, 2015; interest at 5.00 to 6.00 percent payable from sales tax revenues.

2,755,000
2,755,000

The annual requirements to amortize all debt outstanding as of June 30, 1997, including interest payments of \$1,723,828 are as follows:

Year Ended June 30,

1998	204,535
1999	199,735
2000	199,935
2001	204,735
2002	203,735
2003 - 2007	1,034,940
2008 - 2015	1,112,940
2003 - 2015	<u>215,000</u>
	<u>\$1,818,828</u>

All moneys remaining in the Sales Tax Fund on the 31st day of each month in excess of all reasonable and necessary expenses of collection and administration of the Tax and after making the required payments into the Banking Fund and the Reserve Fund for the current month and for prior months during which the required payments may not have been made, shall be considered as surplus. Such surplus may be used by the Mayor for any of the purposes for which the Tax is authorized or for the purpose of retiring bonds in advance of their maturities.

8. Retirement and Deferred Compensation Commitments

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Town contributes 4% to 8% of wages to each participating employee account based on years of service. For the year ended June 30, 1987 the Town's total contributions were \$18,808.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in a trust, custodial account or annuity contract described in IRC 457(g) for the exclusive benefit of the participants and their beneficiaries.

The fair market value of the deferred compensation plan assets at June 30, 1987 was \$28,448.

All employees of the Town of Brunswick are also members of the Social Security System. The Town and its employees contribute a percentage of each employee's salary to the System (7.65% contributed by the Town; 7.65% by the employee). The Town's contribution during the year ended June 30, 1987, was \$92,848.

9. Segment Information for the Enterprise Fund

The Town of Brunswick maintains one enterprise fund with three departments which provide water, sewerage and garbage services. Segment information for the year ended June 30, 1987, was as follows:

	Water Department	Sewerage Department	Garbage Department	Total Enterprise Fund
Operating Revenues	378,483	74,875	187,420	640,778
Operating Expenses:				
Depreciation	(148,516)	(74,188)	-	(222,704)
Other	(281,812)	(180,702)	(218,088)	(680,602)
Operating Profit (Loss)	<u>148,155</u>	<u>(180,015)</u>	<u>1,332</u>	<u>(130,528)</u>

As June 30, 1987 the Town was furnishing utility services to 1,192 water (metered) customers, 1,382 sewerage customers and 3,487 garbage customers.

**FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS
AND ACCOUNT GROUPS**

TOWN OF BOSSIERE, LOUISIANA

GENERAL FUND
COMPARATIVE BALANCE SHEET
June 30, 1997 and 1996

	1997	1996
ASSETS		
CASH AND Interest bearing deposits	123,889	145,817
Receivables	123,283	123,283
Due from other governments	-	1,813
Receivables:		
Dividends	363	638
Prepaid insurance	81,094	80,703
Total Assets	328,569	429,253
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts payable	148,471	88,887
Accrued liabilities	48,789	35,529
TOTAL LIABILITIES	197,260	124,416
Fund balance-unreserved, undesignated	148,788	304,837
Total liabilities and fund balance	346,048	429,253

TOWN OF BROUSSARD, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES COMPARED TO BUDGET (GAAP BASIS)
Year Ended June 30, 1997

With Comparative Actual Amounts for Year Ended June 30, 1996

	1997			1996
	Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Taxes - Franchise	340,000	370,038	29,998	363,000
Licenses and permits				
Occupational licenses	280,000	327,960	47,960	338,352
Insurance occupational licenses	80,000	83,327	3,327	87,884
Permits	40,000	43,634	3,634	36,764
	300,000	354,921	54,921	362,400
Intergovernmental:				
LEAA grant	25,000	25,000	-	-
LCRMS street grant	-	-	-	4,000
State of Louisiana:				
Highway maintenance	13,000	11,708	(1,292)	9,988
Tire tax	80,000	81,813	1,813	37,887
Tobacco tax	15,000	16,328	1,328	36,320
Other	1,500	1,500	-	4,918
Beer tax	4,000	4,100	100	7,889
	100,000	113,449	13,449	86,902
Fees and penalties:				
Fees collected	90,000	91,008	1,008	73,496
Miscellaneous:				
Interest and dividend income	10,000	11,963	(1,107)	35,810
Other sources	80,000	83,327	3,327	31,281
	50,000	51,920	900	41,884
Total revenues	720,000	784,328	64,328	650,802

TOWN OF BROUSSARD, LOUISIANA

GENERAL FUND
 STATEMENT OF EXPENDITURES COMPARED TO BUDGET
 (GRAP HARK) (CONTINUED)
 Year ended June 30, 1997
 With Comparative Actual Amounts for Year Ended June 30, 1996

	1997			1996
	Budget	Actual	Variance- Favorable (Unfavor- able)	Actual
Police department (continued):				
Insurance	78,000	48,332	29,678	37,584
Group insurance	26,000	26,379	(3,379)	23,897
Auto expense	42,000	48,332	(6,332)	33,349
Uniforms and supplies	28,000	28,047	(47)	28,248
Miscellaneous	18,000	9,497	8,503	8,343
Repair and maintenance	9,000	9,134	(134)	2,517
Utilities and communication	17,000	17,277	(277)	8,799
Total police department	418,000	382,838	23,688	280,871
Fire department:				
Truck expense	10,000	9,047	953	33,380
Insurance	12,500	12,268	248	31,326
Utilities and telephone	4,500	4,788	(288)	7,284
Repairs and maintenance	7,500	10,317	(2,817)	9,511
Supplies	17,100	9,384	7,716	28,866
Miscellaneous	3,500	777	2,723	1,272
Total fire department	57,000	51,648	5,352	84,448
Total public safety	474,000	441,988	32,010	365,319
Highways and streets:				
Salaries	180,000	121,329	58,671	184,887
Payroll taxes	30,000	27,812	2,188	18,553
Business expenses	6,000	4,953	1,047	3,249

(continued)

SPECIAL REVENUE FUND

SALES TAX FUND

To account for the receipt and use of proceeds of the Town's two (2%) percent sales and use tax. Approximately one-half (1/2) of these taxes are dedicated to the payment of 1994 Public Improvement bonds dated May 1, 1990. Amounts remaining of this one-half (1/2) after payment of these bonds and related interest and fiscal charges are restricted to constructing and improving waterworks, fire protection, sewerage works, streets, bridges and drainage. The remaining one-half (1/2) of the sales tax is available for any legal purpose.

TOWN OF BROOKHARD, LOUISIANA

SPECIAL REVENUE FUND
SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE-BUDGET (GRAP BASIS) AND ACTUAL
YEAR ENDED JUNE 30, 1997

With Comparative Actual Amounts for Year Ended June 30, 1996

	1997			1996
	Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Revenues:				
Taxes-sales taxes	1,910,000	1,908,181	(18,819)	1,938,928
Miscellaneous	21,000	18,000	(300)	27,723
Total revenues	1,931,000	1,926,181	(48,819)	1,966,651
Expenditures-Current:				
General government	13,500	18,732	3,232	18,717
Total expenditures	13,500	18,732	3,232	18,717
Excess of revenues over expenditures	1,917,500	1,907,449	(48,051)	1,947,934
Other financing sources (uses):				
Operating transfers out	(2,390,000)	(2,843,449)	(453,449)	1,328,800
Excess (deficiency) of revenues over expenditures and other uses	(322,500)	(719,000)	(396,500)	324,430
Fund balance-beginning	1,396,163	1,396,163	-	1,011,783
Fund balance-ending	963,663	967,163	(396,500)	1,336,213

DEBT SERVICE FUNDS

Sales Tax Bonds (10/21/78)

To accumulate monies for payment of the 1978 \$275,000 Sales Tax Public Waterworks bonds, which are due in annual installments, plus interest, through maturity in 1984. Debt service is financed from the proceeds of the Town's one (1%) percent sales and use tax.

Sales Tax Bonds (8/02/88)

To accumulate monies for payment of the 1988 \$3,480,000 Sales Tax Public Improvement bonds which are due in annual installments, plus interest, through maturity in 2018. Debt service is financed from the proceeds of the Town's November 16, 1988 one (1) percent sales and use tax.

FORM OF HOUSING, LOUISIANA

DEBT SERVICE FUND
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 Year Ended June 30, 1997
 with Comparative Totals for Year Ended June 30, 1996

	Sales Tax Fund 1976	Sales Tax Fund 1986	Total	
			1997	1996
Revenues:				
Miscellaneous -				
Interest on savings	1,084	4,388	5,428	2,396
Total revenues	1,084	4,388	5,428	2,396
Expenditures:				
Debt Service -				
Principal retirement	25,000	55,000	80,000	28,000
Interest	782	248,938	249,720	2,227
Paying agent fees	508	1,378	1,886	782
Total debt service	26,290	304,316	320,606	30,979
Total expenditures	26,290	304,316	320,606	30,979
Excess (deficiency) of revenues over expenditures	(25,206)	(300,928)	(225,178)	(28,583)
Other financing sources:				
Operating transfers in	-	284,938	284,938	312,126
Excess (deficiency) of revenues and other sources over expenditures	(25,206)	2,000	(21,206)	283,543
Fund balances, beginning of year	47,129	277,821	324,950	63,438
Less: Residual equity transfer	(22,321)	-	(22,321)	(26,668)
Fund balances, end of year	-	280,500	280,500	324,780

STATE OF LOUISIANA, LOUISIANA

CAPITAL PROJECTS FUND
BALANCE SHEET
June 30, 1997 and 1996

	1997	1996
ASSETS		
Cash	968,780	1,428,889
Total assets	968,780	1,428,889
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Retainage payable	143,820	-
Due to other law fund	-	243,880
Fund balances:		
Designated for capital improvements	821,160	1,184,889
Total liabilities and fund balances	968,780	1,428,889

ENTERPRISE FUNDS

UTILITY FUND

To account for the provision of water, sewerage and garbage collection services. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing, debt service, billing and collection.

LIABILITIES AND FUND EQUITY	1997	1996
Liabilities:		
Current liabilities (payable from current assets):		
Accounts payable	48,341	61,768
Salaries and payroll taxes payable	1,008	1,173
Compensated absences payable	12,392	12,987
Accrued payroll	856	222
Total current liabilities (payable from current assets)	62,597	76,150
Current liabilities (payable from restricted assets):		
Customers' deposits	55,620	50,718
Total liabilities	118,217	126,868
Fund equity:		
contributed capital:		
Public improvement bonds	128,887	128,887
Federal grants, net of accumulated amortization (1997: \$216,028; 1996: \$127,822)	879,120	882,822
State grants, net of accumulated amortization (1997: \$31,733; 1996: \$29,132)	89,621	86,221
Municipality	2,488,334	2,449,150
Total contributed capital	3,585,962	3,546,080
Retained earnings-unamortized	1,921,027	1,798,068
Total fund equity	5,506,989	5,344,088
Total liabilities and fund equity	6,689,206	6,690,956

TOWN OF BRIDGEARD, LOUISIANA

ENTERPRISE FUND
UTILITY FUNDCOMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS (CONTINUED)
Years Ended June 30, 1997 and 1996

	1997	1996
Add: Depreciation on fixed assets acquired by funds wholly restricted for capital acquisitions and construction that reduces contributed capital:		
Federal grant reserves	12,500	12,500
State grant reserves	1,000	1,000
Increase (Decrease) in retained earnings	98,321	48,482
Retained earnings, beginning	1,799,089	1,754,028
Residual equity transfer	33,321	(24,447)
Retained earnings, ending	1,933,089	1,799,089

TOWN OF BOSSHARD, LOUISIANA

ENTERPRISE FUND
UTILITY FUNDCOMPARATIVE STATEMENT OF OPERATING EXPENSES BY DEPARTMENT (CONTINUED)
Years ended June 30, 1997 and 1996

	1997	1996
sewerage department (continued):		
Utilities	41,807	34,848
materials and supplies	3,773	878
Depreciation	74,156	75,323
insurance	4,948	4,528
office expense	897	2,343
Truck expense	2,972	2,588
Miscellaneous	2,904	1,777
Total sewerage department	124,857	122,315
Garbage Department:		
Bad debts	28	845
Supplies	-	-
Garbage collection expense	184,807	180,374
office expense	1,246	1,208
Miscellaneous	-	21
Total garbage department	186,081	182,448
Total operating expenses	310,938	304,763

TEAM OF BROSSARD, LOUISIANA

ENTERPRISE FUND
 UTILITY FUND
 COMPARATIVE STATEMENT OF CASH FLOWS (CONTINUED)
 Years Ended June 30, 1997 and 1996

	1997	1996
Cash flows from investing activities:		
Interest received on interest-bearing deposits	1,039	1,360
Net cash provided by investing activities	1,039	1,360
Net increase (decrease) in cash and cash equivalents	221,983	20,450
Cash and cash equivalents, beginning of period	93,947	83,497
Cash and cash equivalents, end of period	217,930	103,947
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents—beginning of period—		
Cash-unrestricted	83,513	75,658
Cash-restricted	10,434	7,839
Total cash and cash equivalents, beginning	93,947	83,497
Cash and cash equivalents—end of period—		
Cash-unrestricted	193,497	92,658
Cash-restricted	24,433	11,289
Total cash and cash equivalents, ending	217,930	103,947
Net increase (decrease) in cash and cash equivalents	221,983	20,450
Noncash investing, capital and financing activities:		
Property plant and equipment contributed by other funds	1,600,830	-

TONN OF BROUSSARD, LOUISIANA

COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
June 30, 1997 and 1996

	1997	1996
General fixed assets, at cost:		
Land	503,838	51,518
Buildings	518,674	394,527
Improvements other than buildings	8,872	3,151
Equipment	1,398,029	814,288
Total general fixed assets	1,847,383	1,313,479
Investment in general fixed assets:		
Property acquired prior:		
General fund revenue	1,424,278	828,781
Federal revenue sharing funds	34,209	34,209
Sales tax revenue	243,145	243,145
Parish council grant	3,431	3,431
Broussard Fire Department	206,150	206,150
Total investment in general fixed assets	1,947,383	1,313,479

GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for the unamortized principal amount of general long-term debt expected to be financed from governmental type funds. Payment of maturing obligations, including interest, are accounted for in the debt service funds.

INTERNAL CONTROL AND COMPLIANCE

purpose of expressing my opinion on the primary government financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted a certain matter involving the internal control structure and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgement, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the primary government financial statements.

Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees involved in the accounting function, the Town did not have adequate segregation of duties within the accounting system.

Recommendation:

Based upon the size of the Town's operations and the costliness of additional personnel, it may not be feasible to achieve adequate segregation of duties.

Response:

No response is necessary.

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

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. I believe the reportable condition described above is a material weakness. The condition was considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the primary government financial statements of the Town of Newstead, Louisiana for the year ended June 30, 1997.

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

We also noted other matters involving the internal control structure and its operation that we have reported to management in a separate letter dated October 24, 1997.



October 24, 1997

J. L. SONNIER
CERTIFIED PUBLIC ACCOUNTANT

P.O. BOX 1147
LAFAYETTE, LA 70502

PHONE: 225-638-
FAX: 225-225-1244
TELE: (225) 464-0000

MANAGEMENT LETTER

The Honorable Charles Longinois
and Members of the Board of Aldermen
Town of Broussard, Louisiana

During my audit of the financial statements of the Town of Broussard for the year ended June 30, 1997, I noted certain areas in which improvements in the financial practices of the Town may be desirable.

1. Two instances of duplicate payments were noted, as well as many instances of missing or inadequate purchase orders.

The Town should develop accounts payable processing procedures and controls which as a minimum would address the following:

- insure that payments are made from invoices only (as opposed to vendor statements)
- invoices should be approved and data received should be indicated by appropriate personnel prior to payment
- purchase orders should be reconciled to invoices and reviewed for completeness prior to paying invoices

2. The Town did not comply with certain budget requirements set forth in Louisiana Revised Statutes (LSA-R.S. 38: 1301-1304). The statutes require budget amendments when expenditures plus projected expenditures for the remainder of the budget year, within a Fund, exceed budgeted expenditures by five percent or more. The General Fund had budgeted expenditures of \$2,396,000 and actual expenditures of \$2,513,484 for the fiscal year ended June 30, 1997 (8.6% over budget).

In monitoring its budget performance, the Town should be certain to consider all projected expenditures when determining the need for amending its budget.

3. During fiscal year ended June 30, 1997, the Town advertised for bids on automobiles specifying make and model without indicating that equivalent vehicles would be considered. This is a violation of Louisiana bid law.

Although a make and model of vehicle may be indicated in order to clarify the type of vehicle required, the bid advertisement should also indicate that substantially equivalent makes and models will be considered.