

OFFICER
FILE COPY**DO NOT SEND OUT**Check enclosure
before using file
tags and PLACE
DATE IN FILE

TOWN OF WATERPROOF, LOUISIANA

General Purpose Financial Statements
With Independent Auditors' Report
As of and for the Year Ended June 30, 1967
With Supplemental Information Schedule

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.

Release Date SEP 24 1967
 100
 101
 102
 103
 104
 105
 106
 107
 108
 109
 110
 111
 112
 113
 114
 115
 116
 117
 118
 119
 120
 121
 122
 123
 124
 125
 126
 127
 128
 129
 130
 131
 132
 133
 134
 135
 136
 137
 138
 139
 140
 141
 142
 143
 144
 145
 146
 147
 148
 149
 150
 151
 152
 153
 154
 155
 156
 157
 158
 159
 160
 161
 162
 163
 164
 165
 166
 167
 168
 169
 170
 171
 172
 173
 174
 175
 176
 177
 178
 179
 180
 181
 182
 183
 184
 185
 186
 187
 188
 189
 190
 191
 192
 193
 194
 195
 196
 197
 198
 199
 200

TOWN OF WATERPROOF, LOUISIANA
 YEAR ENDED JUNE 30, 1995
TABLE OF CONTENTS

	<u>PAGE</u>
SECTION I - GENERAL PURPOSE FINANCIAL STATEMENTS	1
INDEPENDENT AUDITORS' Report	2
Combined balance sheet - all fund types and account groups	3-4
combined statement of revenues, expenditures, and changes in fund balances - all govern- mental fund types	5
combined statement of revenues, expenditures, and changes in fund balances - Budget and actual (GAAP basis) - general, debt service, and capital projects	6
Comparative statement of revenues, expenses and changes in retained earnings - proprietary fund type	7
Comparative statement of cash flows Notes to financial statements	8 9-14
SECTION II - SUPPLEMENTAL INFORMATION SCHEDULES	17
General Funds	18
Comparative balance sheet	19
Statement of revenues, expenditures, and changes in fund balances - budget and actual (GAAP basis)	20
Statement of expenditures compared to budget (GAAP basis)	21
Debt Service Funds	22
Combined Balance Sheet	23
Combined statement of revenues, expenditures, and changes in fund balances	24
Statement of revenues, expenditures, and changes in fund balances-budget and actual (GAAP basis) 1995 Sewer Bond Fund	26
Capital Projects Fund:	26
Balance sheet	27
Statement of revenues, expenditures, and changes in fund balances	28
Statement of revenues, expenditures and changes in fund balances - Budget and actual	29
Enterprise Fund-Billing Fund:	30
Comparative balance sheet	31
Comparative statement of revenues, expenses and changes in retained earnings - proprietary fund type	32
Comparative statement of operating expenses	32-34
Schedule of contributions - paid amounts	35

SECTION III - INTERNAL CONTROL

26

Independent Auditors' Report on Internal Control Structure
Based on an Audit of General Purpose Financial Statements
Performed in Accordance with Government Auditing Standards

17-18

SECTION IV - COMPLIANCE

19

Independent Auditors' Report on Compliance Based on an
Audit of General Purpose Financial Statements Performed
in Accordance with Government Auditing Standards

40

SECTION I - GENERAL PURPOSE FINANCIAL STATEMENTS

SWITZER, HOPKINS & MANGE
Certified Public Accountants

SWITZER, HOPKINS & MANGE, INC.
A CORPORATION, SUCCESSORS OF
SWITZER, HOPKINS & MANGE,
INCORPORATED IN MISSISSIPPI
2008 N. WASHINGTON ST., SUITE 100
MONROE, LOUISIANA 70130

INDEPENDENT AUDITORS' REPORT

Honorable Mary T. Ochs, Mayor
and Members of the Board of Aldermen
Town of Waterproof, Louisiana

We have audited the accompanying general purpose financial statements, as listed in the table of contents, as of June 30, 1997 and for the year then ended. These general purpose financial statements are the responsibility of the Town of Waterproof, Louisiana 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, 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. 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 in the first paragraph present fairly, in all material respects, the financial position of the Town of Waterproof, Louisiana, as of June 30, 1997, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued reports dated September 8, 1997 on our examination of the Town of Waterproof's internal control structure and on its compliance with laws and regulations.

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

Monroe, Louisiana
September 8, 1997

Switzer, Hopkins & Mange

STATE OF CALIFORNIA, COUNTY OF
 COLLEGE PARKS DISTRICT, DISTRICT OF CALIFORNIA
 2007-08

	2007-08		2006-07		2005-06		2004-05	
	Actual	Original	Actual	Original	Actual	Original	Actual	Original
REVENUE AND OTHER RESULTS								
Contribution of Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
State and Local Sales Tax	-	-	-	-	-	-	-	-
State and Local Income Tax	-	-	-	-	-	-	-	-
State and Local Property Tax	-	-	-	-	-	-	-	-
State and Local Other Taxes	-	-	-	-	-	-	-	-
State and Local Grants	-	-	-	-	-	-	-	-
State and Local Other Revenues	-	-	-	-	-	-	-	-
Total Revenue	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Operating Expenses	-	-	-	-	-	-	-	-
Capital Expenses	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	-
Total Expenses	-	-	-	-	-	-	-	-
Net Revenue	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

The following notes are an integral part of this statement.

STATE OF WISCONSIN, DEPARTMENT OF REVENUE
FINANCIAL STATEMENT OF ALL FUNDS AND ACCOUNT BUDGET
 FOR THE YEAR 1987

LIABILITIES, NET OF
 DEFERRED ASSETS

Liabilities:

Accounts payable
 Due to other Funds
 Unearned deposits
 Interest payable
 Income taxes

Total liabilities

Fund equity
 Donor-based capital
 Investments in grants
 Trust funds
 Retained earnings
 proceeds
 fund balances-
 reserved for capital
 expenditures
 reserves
 non-spendable

Total fund equity

Total liabilities
 and fund equity

NON-REVENUE FUND EQUITY
 (Net of
 Bonds Payable)

Proprietary
 Fund
 Line
 (Miscellaneous)

MAJOR FUND
 (Net of
 Bonds)

TOTAL
 (Net of
 Bonds)

\$ 1,276	-	-	\$ 11,248	-	\$ 12,524	\$ 5,849
-	-	-	-	-	-	2,165
-	-	-	17,246	-	17,246	18,539
-	-	-	11,248	-	11,248	11,248
-	-	-	166,336	-	166,336	166,336
\$ 1,276	-	-	\$ 185,230	-	\$ 185,230	\$ 185,230

-	-	-	1,862,817	-	1,862,817	1,271,217
---	---	---	-----------	---	-----------	-----------

-	-	-	-	178,444	178,444	11,530
---	---	---	---	---------	---------	--------

-	-	-	159,465	-	159,465	159,411
---	---	---	---------	---	---------	---------

-	-	-	-	-	-	16,276
---	---	---	---	---	---	--------

\$6,861	\$6,286	-	-	-	\$6,163	\$5,617
---------	---------	---	---	---	---------	---------

\$6,861	\$6,286	-	\$2,665,811	\$19,678	\$2,692,135	\$2,276,465
---------	---------	---	-------------	----------	-------------	-------------

\$12,297	\$6,286	\$-	\$2,681,422	\$19,678	\$2,727,176	\$1,228,148
----------	---------	-----	-------------	----------	-------------	-------------

The following notes are an integral part of this statement.

TOWN OF WESTBORO, MASSACHUSETTS
COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND BALANCES - CAPITAL PROJECTS - 2000 FUND
FOR THE FISCAL YEAR ENDING JUNE 30, 2001

	Structural Cost Items			Totals	
	Actual	Prior	Capital	2000	2001
Revenues:					
Taxes	\$ 20,000	\$ -	\$ -	\$ 20,000	\$ 10,754
Licenses and permits	15,207	-	-	15,207	15,895
Intergovernmental	10,075	-	-	10,075	149,188
Fees	20,546	-	-	20,546	1,412
Miscellaneous	4,177	-	-	4,177	8,417
2000 year proceeds	-	-	-	-	100,150
Total Revenues	<u>70,005</u>	<u>-</u>	<u>-</u>	<u>70,005</u>	<u>3,014,008</u>
Expenditures:					
Services:					
general government	40,405	-	-	40,405	1,662,410
Public Safety	11,150	-	-	11,150	21,305
Fire	-	-	-	-	3,810
Capital outlay	21,490	-	-	21,490	3,530
Other services	-	-	-	-	-
interest and fiscal charges	-	-	-	-	3,088
Total expenditures	<u>73,045</u>	<u>-</u>	<u>-</u>	<u>73,045</u>	<u>3,380,143</u>
Excess of revenues					
less: expenditures	(30,040)	-	-	(30,040)	(3,369,389)
Other financing sources:					
Operating transfers in total	32,082	-	100,794	(32,082)	10,102
Excess of revenues and other					
sources (used) (added)	(2,458)	-	100,794	(32,082)	40,112
Capital balances, 6/30 ending	<u>30,000</u>	<u>1,000</u>	<u>100,794</u>	<u>70,000</u>	<u>17,000</u>
Capital balances, ending	<u>\$ 30,000</u>	<u>\$ 1,000</u>	<u>\$ 100,794</u>	<u>\$ 70,000</u>	<u>\$ 17,000</u>

The following notes are an integral part of this statement.

STATE OF CALIFORNIA, LIABILITIES

OFFICE OF THE COMPTROLLER OF PUBLIC ACCOUNTS
 1500 CALIFORNIA STREET, SACRAMENTO, CALIFORNIA 95833
 (916) 227-3333 FAX (916) 227-3334
 WWW.CA.GOV/COMPTROLLER

	GENERAL FUND 1000		SFP - SERVICES FROM 1000		SFP - OTHER		TOTAL	
	MAJOR	MINOR	MAJOR	MINOR	MAJOR	MINOR	MAJOR	MINOR
Revenues								
State (1000 10)	14,299	14,299	1,207					
License and permits	5,800	17,237	1,417					
Intergovernmental	11,864	14,875	75					
Fees	11,200	11,200	19,076					
Interest	3,480	4,402	1,622					
Total revenues	48,723	71,933	21,927					
Expenditures								
General								
General expenditures	19,274	49,495	119,493					
Major projects	21,675	19,118	3,048					
Police	1,268	2,048						
Fire	1,422	10,180	107,483					
Capital outlay								
Interest and fiscal charges								
Total expenditures	43,439	80,841	227,024					
Amount of revenues less expenditures	(7,216)	(8,908)	(6,097)					
Operating transfers in (out)	5,282	32,292	5,271					
Amount of revenues and other transfers less operating transfers	(1,934)	(46,609)	(6,826)					
Amount of revenues and other transfers less interest, capital outlay	3,248	(13,311)	(1,555)					
Total balances, end of year	1,324,221	1,324,221	1,324,221					

The following notes are an integral part of this statement.

TOWN OF WATERBURY, VERMONT

COMPREHENSIVE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 1997

	1997	(Amounts in Dollars Only) 1996
Cash flows from operating activities:		
Cash received from customers	\$ 288,497	\$ 293,474
Cash payments to suppliers for goods and services	(281,834)	(273,887)
Cash payments to employees for services	(84,882)	(88,374)
Net cash provided by operating activities	<u>21,781</u>	<u>31,213</u>
Cash flows from non-capital financing activities:		
Operating transfers (net) from other funds	54,309	(588,328)
Increase (decrease) in customer deposits	(1,395)	(22)
Net cash (used) by non-capital financing activities	<u>(1,395)</u>	<u>(648,350)</u>
Cash flows from capital and related financing activities:		
Proceeds from sale of revenue bonds	=	548,108
Interest paid on notes	(22,830)	-
Net cash provided (used) by capital and related financing activities	<u>(22,830)</u>	<u>548,108</u>
Cash flows from investing activities:		
Investment income	<u>2,820</u>	<u>3,454</u>
Net increase (decrease) in cash and cash equivalents	41,666	21,895
Cash and cash equivalents at July 1, 1996	<u>223,186</u>	<u>201,291</u>
Cash and cash equivalents at June 30, 1997	<u>\$ 264,852</u>	<u>\$ 223,186</u>
Reconciliation of operating flows to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (188,388)	\$ (183,929)
Adjustments to reconcile operating flows to net cash provided (used) by operating activities:		
Depreciation	128,943	140,847
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	7,082	(6,157)
Increase in other assets	889	408
Increase (decrease) in accounts payable	<u>25,222</u>	<u>(28,882)</u>
Net cash provided by operating activities	<u>\$ 21,781</u>	<u>\$ 31,213</u>

The following notes are an integral part of this statement.

TOUN OF WATERPROOF, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1997

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Waterproof, Louisiana was incorporated under the provisions of the Louisiana law. The Town operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting policies of the Town of Waterproof, Louisiana conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidelines set forth in the Louisiana Municipal Audit and Accounting Guide and to the industry guide, Guide of State and Local Governmental Finance.

The following is a summary of certain significant accounting policies.

1. Financial Reporting Entity

This report includes all funds and account groups which are controlled by or dependent on the Town executive and legislative branches (the Mayor and Board of Aldermen), control by or dependence on the Town was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

2. Fund Accounting

The accounts of the Town of Waterproof, Louisiana 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. The various funds are grouped, in the financial statements in this report, into four generic fund types and two broad fund categories as follows:

GOVERNMENTAL FUND TYPES

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.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs.

STATE OF LOUISIANA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1987

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Capital projects fund

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

PROPRIETARY FUND TYPE

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 interest 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 income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

3. PROPERTY, PLANT AND EQUIPMENT AND LONG-TERM LIABILITIES

The accounting and reporting treatment applied to the property, plant and equipment 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 to not 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.

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

All proprietary funds are 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.

BOOK OF RESOLUTIONS, ORDINANCES
NOTES AND FINANCIAL STATEMENTS
JUNE 20, 1997

BOOK 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Depreciation of all depreciable fixed assets used by the proprietary fund is charged as an expense against their operations. Depreciation has been provided over the estimated useful lives using the straight-line method as follows:

Gas lines	40 years
Water lines and plant	25 to 40 years
Sanwer lines	40 years
VEHICLES and equipment	2 to 20 years

All fixed assets are stated at historical cost.

4. 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 measurement 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 per current assets. Taxpayer-assessed income, gross receipts and sales taxes are considered "measurable" when in the hands of collecting governments and are recognized as revenues at the time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenues when they are authorized and their validity seems certain.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when earned and their expenses are recognized when incurred. Bad debts are recognized when they become uncollectable.

5. Budgets and Budgetary Accounting

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

1. The Town prepares a proposed budget and submits same to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

TOWN OF METairie, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 1987

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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 in finalizing and implementing the budget, the budget is adopted through the 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 amounts estimated, require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the general, debt service and capital projects funds are 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. Such amendments were not material in relation to the original appropriations.
8. Inventory
Inventories of materials and supplies are valued at lower of cost or market.
9. Amounts due from other funds
Amounts reflected as due from other funds represent short-term operating loans and are considered "available spendable resources".
10. Allowance for uncollectible accounts
Allowance for uncollectible accounts receivable at June 30, 1987 is \$8,333.
11. Restricted assets
Certain assets of the Town of Metairie, Louisiana have been restricted for customers' deposits and bond payments and these assets total \$78,848.
12. Total revenues on combined statements - overview
Total revenues on the combined statements - overview are designated "Nonrecurrent Only" to indicate that they are presented only to facilitate financial analysis. Data is

**TOWN OF WATERPROOF, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1997**

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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 consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE B - CHANGES IN LONG-TERM DEBT

The following is a summary of bond transactions for the Town of Waterproof Louisiana for the fiscal year ended June 30, 1997:

Proprietary Fund

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

Bonds payable at June 30, 1997	\$66,100
Less: Current portion	2,700
Long-term portion	<u>\$ 63,400</u>

Bonds payable at June 30, 1997 are comprised of the following issues:

Water Revenue Bonds:

\$66,100 in revenue bonds due in annual installments of \$31,180 through July of 2010; interest at 4.5%.

The annual requirements to amortize the bonds as of June 30, 1997 are as follows:

Year Ended	Principal	Interest	Total
June 30			
1998	\$ 1,700	\$ 28,478	\$ 30,178
1999	3,963	28,218	32,181
2000	4,313	24,549	31,862
2001	4,813	24,859	32,180
2002	6,800	24,378	32,180
Thereafter	<u>134,803</u>	<u>527,286</u>	<u>6,022,347</u>
Total	<u>\$ 166,100</u>	<u>\$ 661,781</u>	<u>\$ 6,217,051</u>

NOTE C - PROPRIETARY FUND BOND ISSUANCE RESTRICTIONS

The Town's proprietary fund bonds are governed by bond indenture, the terms of which are summarized as follows:

1. The Town shall deposit into a sinking fund \$8,132 monthly to \$1,546.40 monthly for the payment of principal and interest due on bonds.

TOWN OF WATERLOO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1997

NOTE C - PROPRIETARY FUND BOND IMPROVEMENT RESTRICTIONS CONTINUED

2. Commencing with the month following completion of improvements financed with the proceeds of the bonds, a reserve fund shall be maintained. For the period August 30, 1994 through July 30, 1997, \$207 must be deposited monthly into this fund. For the period August 30, 1997 through July 30, 2000, \$120 must be deposited into this fund until \$33,180 has been accumulated.
3. Commencing with the month following completion of improvements financed with the proceeds of the bonds, a contingency fund shall be maintained. For the period August 30, 1995 through July 30, 2000, \$117 must be deposited monthly.

The Town is in compliance with these restrictions.

NOTE D - CHANGES IN GENERAL FUND ASSETS AMOUNT GROUP

A summary of changes in general fund assets follows:

	Balance July 1, 1996	Additions	Balance June 30, 1997
Equipment	\$ 133,525	\$ 2,758	\$ 136,283
Buildings	18,000	22,142	40,142
Total	<u>\$ 151,525</u>	<u>\$ 24,899</u>	<u>\$ 176,424</u>

NOTE E - PROPRIETARY FUND PROPERTY, PLANT AND EQUIPMENT

A summary of proprietary fund's plant and equipment as June 30, 1997 follows:

MATER	\$ 1,004,854
Drawn	452,476
Gas	803,876
Outrage	137,755
Hardware/Tools	2,792
Plant and equipment	<u>2,379,752</u>
Less accumulated depreciation	<u>12,522,721</u>
Net	<u>\$ 2,539,827</u>

NOTE F - SALARIES 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 September or October and are billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

TOWN OF WATERLOO, LOUISIANA
STATE OF FINANCIAL STATEMENTS
JUNE 30, 1997

NOTE 2 - AD VALOREM TAXES - CONTINUED

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

For the year ended June 30, 1997 taxes of 7.22 mills were levied on property with assessed valuations totaling \$1,274,023 and were dedicated to general corporate purposes.

Total taxes levied were \$9,458.

NOTE 3 - RETIREMENT OBLIGATIONS

All employees are members of the social security system. The expense of the social security is reflected in payroll taxes in the various statements of income.

NOTE 4 - CASH AND CASH EQUIVALENTS

Under state law, the city may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At June 30, 1997, the town had cash and cash equivalents according to the bank's balances totaling \$180,288 as follows:

Demand deposits	\$ 100,000
Time deposits	80,288
Total	<u>\$ 180,288</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent banks. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent banks in a holding or custodial bank that is normally accessible to bank parties. At June 30, 1997, the town has \$180,288 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance.

NOTE 5 - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

The Town grants one week after the year of service and two weeks after the year of service. Each employee is entitled to two sick days per year. Vacation or sick pay does not accumulate. The cost of accrued holidays at June 30, 1997 is \$1,888. The Town's policy concerning compensation for unpaid vacation pay or sick pay is that upon termination of an employee, vacation days and sick days not previously used by the employee are not reimbursed.

TOWN OF WATERPROOF, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 1997

NOTE J - DETAILED INFORMATION FOR ENTERPRISE FUNDS

	<u>Gas</u>	<u>Water</u>	<u>Sewer</u>	<u>Garbage</u>	<u>Sanitation</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	
Operating revenues	\$ 144,452	\$ 364,884	\$ 78,729	\$ 12,778	\$ 608	\$ 591,351
Depreciation	27,073	88,902	14,870	3,913	20	134,778
Operating income (loss)	117,379	275,982	63,859	8,865	(12)	456,033
Net assets	186,177	282,200	117,854	24,363	(1,000)	510,004
Plant, property & equipment, net additions	-	-	-	-	-	4,599,751
Net working capital	12,777	22,700	(141)	(288)	270	17,418
Total assets	1,120,481	1,302,880	298,714	19,075	28,774	2,868,724
Long-term liabilities payable from operating revenues	-	100,000	-	-	-	100,000
Total equity	\$ 1,120,481	\$ 1,202,880	\$ 298,714	\$ 19,075	\$ 28,774	\$ 2,868,724

NOTE K - LITIGATION

The Town of Waterproof is party to legal proceedings which occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the funds of the Town.

SECTION II - SUPPLEMENTAL INFORMATION SCHEDULES

GENERAL FUND

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

BOSS OF WATERPROOF, LOUISIANA
GENERAL FUND

COMPARATIVE BALANCE SHEET
YEAR ENDED JUNE 30, 1997

<u>ASSETS</u>	<u>1997</u>	(Parentheses Only) <u>1996</u>
Cash	\$ 22,917	\$ 41,174
Accounts receivable	<u>3,488</u>	<u>882</u>
Total ASSETS	<u>\$ 26,405</u>	<u>\$ 42,056</u>
 <u>LIABILITIES AND FUND BALANCE</u> 		
Liabilities:		
Accounts payable	3,516	483
Due to utility fund	<u>-</u>	<u>2,080</u>
Total Liabilities	<u>\$ 3,516</u>	<u>\$ 2,563</u>
Fund balance—reserved	<u>\$ 22,889</u>	<u>\$ 39,493</u>
Total Liabilities and Fund Balance	<u>\$ 26,405</u>	<u>\$ 42,056</u>

The following notes are an integral part of this statement.

TOWN OF WATERPROOF, LOUISIANA
GENERAL FUND

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

With Comparative Actual Amounts for Year Ended June 30, 1996

	1997		Variance- Favorable (Disadvantage)	(Amount in)
	Budget	Actual		1996 Actual
Revenues:				
Taxes	\$ 19,700	\$ 20,881	\$ 1,181	\$ 20,750
Licenses and permits				
Occupational license	14,000	17,107	3,107	16,895
Intra-governmental				
Grant-PLANS	-	-	-	15,000
Tobacco tax	5,800	5,678	12	5,800
Fire insurance tax	3,800	3,808	8	3,805
Beer tax	1,400	1,446	46	1,704
Fines	12,800	12,596	204	4,602
Miscellaneous	3,800	5,071	1,271	8,622
Total revenues	<u>60,100</u>	<u>71,718</u>	<u>11,618</u>	<u>70,000</u>
EXPENDITURES:				
General government	39,200	40,493	(1,293)	40,206
Public safety-				
Police	20,075	20,210	135	21,286
Fire	2,900	-	2,900	3,880
Capital outlay	3,000	25,880	(22,880)	3,800
Debt expenditures	<u>47,175</u>	<u>66,703</u>	<u>(19,528)</u>	<u>47,261</u>
Excess of revenues over (under) expenditures	(7,125)	14,994	(22,119)	22,737
Other financing sources (in cash):				
Operating transfers	<u>7,500</u>	<u>12,207</u>	<u>4,707</u>	<u>(548)</u>
Excess of revenues and other sources over (under) expenditures	375	(4,493)	(4,868)	17,189
Fund balance, beginning	<u>22,227</u>	<u>26,227</u>	<u>4,000</u>	<u>22,227</u>
Fund balance, ending	<u>\$ 22,722</u>	<u>\$ 21,734</u>	<u>\$ (988)</u>	<u>\$ 26,227</u>

The following notes are an integral part of this statement.

TOWN OF WATERLOO, LOUISIANA
GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
YEAR ENDED JUNE 30, 1994
With Comparative Actual Amounts for Year Ended June 30, 1993

	1994		Variance- Favorable (Unfavorable)	COMPARATIVE
	Budget	Actual		1993 Actual
General government:				
Salaries	\$ 9,200	\$ 9,400	\$ (2,200)	\$ 9,000
Aidman fees	7,500	8,700	120	7,828
Professional services	3,500	4,108	(1,608)	3,400
Insurance	3,800	3,321	479	3,418
Utilities and telephones	14,000	16,367	(2,367)	18,140
Postage and business	400	895	(495)	500
Office supplies	400	477	77	628
Books and subscriptions	400	510	110	740
Repairs	500	310	190	430
Supplies	800	440	360	600
Payroll taxes	1,200	1,203	(3)	1,000
Tax roll preparation	300	-	300	300
Miscellaneous	1,200	3,315	(2,115)	1,000
Street repairs	-	3,630	3,630	-
Drug testing	300	100	200	300
Total general government	<u>55,200</u>	<u>68,003</u>	<u>(12,803)</u>	<u>62,200</u>
Public safety - police:				
Salaries	18,000	18,100	(100)	8,100
Payroll taxes	1,000	960	40	400
Gas, oil and repairs	4,000	1,100	2,900	2,000
Insurance	-	872	(872)	-
Miscellaneous	1,875	1,800	75	2,500
Bad debts	-	-	-	1,000
Total public safety	<u>24,875</u>	<u>22,832</u>	<u>2,043</u>	<u>14,100</u>
Fire department:				
Utilities	300	-	300	270
Repairs	750	-	750	900
Supplies	150	-	150	200
Insurance	400	-	400	430
Fuel, oil and grease	300	-	300	200
Professional services	350	-	350	250
Miscellaneous	700	-	700	300
Total fire department	<u>2,850</u>	<u>-</u>	<u>2,850</u>	<u>1,750</u>
Capital outlay	<u>3,000</u>	<u>25,000</u>	<u>(22,000)</u>	<u>3,000</u>
total expenditures	<u>\$ 87,075</u>	<u>\$ 94,835</u>	<u>(7,760)</u>	<u>\$ 87,250</u>

The following notes are an integral part of this statement.

DEBT SERVICE FUNDS

1981 Debt Sinking Fund - to accumulate monies for payment of the \$50,000
1.0 percent General Obligation Debt 1980's.

**TOWN OF WATERBURY, VERMONT
POST OFFICE FUND**

**COMBINED BALANCE SHEET
JUNE 30, 1997**

With Comparative Totals for June 30, 1996

	1997 June 30	Totals (Memorandum Only)	
	<u>1997</u>	<u>1997</u>	<u>1996</u>
<u>ASSETS</u>			
Cash	\$ <u>4,384</u>	\$ <u>4,384</u>	\$ <u>4,384</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities	—	—	—
Fund Balances:			
Unreserved—undesignated	4,384	4,384	4,384
Total fund balances	<u>4,384</u>	<u>4,384</u>	<u>4,384</u>
Total liabilities and fund balances	\$ <u>4,384</u>	\$ <u>4,384</u>	\$ <u>4,384</u>

The following notes are an integral part of this statement.

TOWN OF WATERBURY, VERMONT
DEBT SERVICE FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE
 YEAR ENDED JUNE 30, 1997
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1996

	1997 Dover Books	Totals	
		(Memorandum Only) 1997	1996
Revenues:			
Interest income	\$ -	\$ -	\$ -
Expenditures:			
Interest & fiscal charges	-	-	1,000
total expenditures	-	-	1,000
Excess revenues (used) expenditures	-	-	11,000
Fund balances, beginning	-	4,204	3,000
Fund balances, ending	\$ -	\$ 4,204	\$ 4,204

The following notes are an integral part of this statement.

TOWN OF METTERPOOL, LOUISIANA
DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES—BUDGET AND ACTUAL (SEEK BUDGET)
YEAR ENDED JUNE 30, 1999
With Comparative Totals for June 30, 1998

	1998 Actual 1999 Budget		
	Budget	Actual	Variance Favorable Unfavorable
Revenues	\$ —	\$ —	\$ —
Expenditures			
Interest and fiscal charges	—	—	—
Excess of revenues (under) expenditures	—	—	—
Fund balance, beginning	<u>4,284</u>	<u>4,284</u>	—
Fund balance, ending	<u>\$ 4,284</u>	<u>\$ 4,284</u>	<u>\$ —</u>

The following notes are an integral part of this statement.

CAPITAL PROJECTS FUND

12. Public Development Grant #3 - to account for funds from \$574,000 grant for construction of water treatment plant.

TOWN OF WATERBURY, LOUISIANA
CAPITAL PROJECTS FUND

BALANCE SHEET
JUNE 30, 1991

	<u>Grant 1988 Water System Improvement Fund</u>
ASSETS	
Cash - Restricted	\$ _____
Total assets	_____
LIABILITIES AND FUND EQUITY	
Reserves	_____
Fund equity: Reserved for capital improvements	\$ _____

TOWN OF WATERLOOF, LOUISIANA
CAPITAL PROJECTS FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
YEAR ENDING JUNE 30, 1997

		Grant 40%
		Water System Improvement Fund
		<u>Fund</u>
Revenues:		
Grant income	\$	0
Road sale proceeds		-
Total revenues		<u>-</u>
Expenditures:		
Construction cost		-
Engineering		-
Legal		-
Total expenditures		<u>-</u>
Excess of revenues over expenditures		0
Other financing sources in (out):		
Transfers to Utility Fund		<u>26,750</u>
Total other financing sources		<u>26,750</u>
Excess of revenues and other sources over expenditures		26,750
Fund balance, beginning		<u>-</u>
Fund balance, ending	\$	<u>26,750</u>

The following notes are an integral part of this statement.

STATE OF MISSISSIPPI, LOUISIANA
CAPITAL PROJECTS FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDING JUNE 30, 1967

	Budget	Actual	Variance Favorable (Disadvantage)
Revenues:			
Grant income	\$ -	\$ -	\$ -
State sale proceeds	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Construction cost	"	"	"
Engineering	"	"	"
Administration	<u>"</u>	<u>"</u>	<u>"</u>
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues over expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other financing sources Transfers	(26,396)	(26,396)	-
Excess of revenues and other sources over expenditures	<u>(26,396)</u>	<u>(26,396)</u>	<u>0</u>
Fund balance, beginning	26,396	26,396	-
Fund balance, ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The following notes are an integral part of this statement.

EXPENSES PAID

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

THE WASHINGTON POST
 TELEVISION, INC.
 12/31/1992

FINANCIAL STATEMENTS
 JAN 11, 1993

	1992		1991		1990	
	\$	%	\$	%	\$	%
ASSETS						
Current assets:						
Cash	50,496	100	27,370	100	1,144	100
Derivatives of deposit accounts receivable			6,478			
Concentration of accounts receivable						
Others	19,046		31,869		29,401	
Net loss receivable			1,000		2,000	
Prepaid expenses			3,000		500	
Inventory	5,000		2,000		2,000	
Total current assets	80,542		70,647		36,045	
Noncurrent assets:						
Equity investments	1,428		1,428		1,428	
Prepaid fixed fee cash	20,100		8,000		1,000	
Customer deposits (referrals)	4,000		11,000		11,000	
Stating fees	2,100		1,700		1,700	
Contingency fund	1,000		200		200	
Insurance fund	1,000		1,000		1,000	
1992 restricted assets	20,000		20,000		20,000	
Total noncurrent assets	29,628		43,328		36,328	
Total assets	110,170		113,975		72,373	
LIABILITIES AND STOCKHOLDERS' EQUITY						
Liabilities:						
Current liabilities	11,000		17,401		29,401	
(Offsets from current assets)			1,000		2,000	
Accounts payable			1,000		5,000	
Current liabilities	11,000		19,401		36,401	
Restricted assets					20,000	
Customer deposits					11,000	
Prepaid interest payable					2,000	
Total current liabilities	11,000		19,401		59,401	
Long-term liabilities:						
Accounts payable			20,000		20,000	
Total liabilities	11,000		39,401		79,401	
Stockholders' equity:						
Contributed capital	1,000,000		1,000,000		1,000,000	
Accumulated earnings	2,000,000		2,000,000		2,000,000	
Retained earnings	2,000,000		2,000,000		2,000,000	
Total stock equity	4,000,000		4,000,000		4,000,000	
Total liabilities and stock equity	4,011,000		4,039,401		4,079,401	

Page 2 of 20 pages, at cost, not at
 reconstructed amount of \$100,000
 (1987)(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)

TOWN OF WATERBURY, VERMONT
ENTERPRISE FUND
SINGLE FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN ESTIMATED FUNDING REQUIREMENTS FUND TYPE
FOR THE YEAR ENDED JUNE 30, 1997

	<u>1997</u>	<u>1996</u>
		(Revised)
		(\$1000)
Operating revenues:		
Charges for services-		
Gas sales	\$ 128,428	\$ 148,240
Water sales	108,054	184,851
Sewer sales	18,824	20,888
Garbage sales	18,388	20,133
Hookup and moving charges	514	354
Miscellaneous revenues	12,448	12,778
Total operating revenues	<u>385,656</u>	<u>487,244</u>
Operating expenses:		
Gas department expenses	182,884	171,450
Water department expenses	178,728	182,814
Sewer department expenses	48,933	38,908
Garbage department expenses	47,912	48,434
Hookup and moving expenses	12,414	2,321
Total operating expenses	<u>470,871</u>	<u>444,925</u>
Operating (loss)	(185,215)	(157,681)
Nonoperating revenues (expenses):		
Interest earned	2,038	2,410
Interest expense	<u>(12,882)</u>	<u>(11,752)</u>
Total nonoperating revenues (expenses)	<u>(10,844)</u>	<u>(9,342)</u>
(Loss) before operating transfers	(196,059)	(167,023)
Operating transfers:		
Transfer (to) from capital projects fund	<u>14,169</u>	<u>(12,720)</u>
Net (loss)	(181,890)	(179,743)
Retained earnings, beginning	<u>(821,002)</u>	<u>168,000</u>
Retained earnings, ending	<u>\$ (1,003,892)</u>	<u>\$ 128,257</u>

The following notes are an integral part of this statement.

TOWN OF WATERBURY, VERMONT
 ENTERPRISE FUND-CITYLIGHT FUND

COMPARATIVE STATEMENT OF OPERATING EXPENSES
 FOR THE FISCAL YEAR ENDED JUNE 30, 1991

	1991	(Memorandum Only) 1990
Gas department:		
Gas purchases	\$ 88,129	\$ 97,008
Depreciation	33,093	33,000
Salaries	8,330	4,638
Insurance	8,580	3,388
Office salaries	8,544	8,179
Repairs	231	8,487
Miscellaneous and telephone	1,889	883
Payroll taxes	1,386	1,600
Truck expenses	773	1,331
Office supplies	309	847
Gas leak survey	1,270	1,488
Gas leaks	808	1,886
Supplies	2,351	3,980
Chemicals	90	283
Legal and accounting	1,888	1,950
Debt	-	38
Miscellaneous	1,236	894
Total gas expenses	<u>151,804</u>	<u>171,455</u>
Water department:		
Depreciation	88,833	90,493
Salaries	18,208	23,128
Chemicals	19,088	19,848
Miscellaneous and telephone	4,519	8,904
Repairs	1,893	1,888
Office salaries	8,544	8,834
Insurance	15,156	8,844
Payroll taxes	2,402	3,406
Supplies	4,480	3,488
Office supplies	186	700
Truck expenses	323	719
Permits and inspections	37	388
Gas leaks	1,988	2,233
Bray valves	886	382
Travel	107	131
Consultant fees	-	3,386
Legal and accounting	1,380	3,558
Accounting	80	137
Debt	368	303
Miscellaneous	9,423	8,120
Total water expenses	<u>198,738</u>	<u>212,818</u>

The following notes are an integral part of this statement.

PORT OF WATERLOO, LOUISIANA
ENTERPRISE FUND-UTILITY FUND

COMPARATIVE STATEMENT OF OPERATING EXPENSES
 FOR THE FISCAL YEAR ENDED JUNE 30, 1997

	(Amounts in Dollars)	
	1997	1996
power departments:		
Depreciation	\$ 14,070	\$ 14,070
Utilities and telephone	4,174	4,468
Repairs	8,048	3,888
Office salaries	3,888	4,070
Insurance	2,044	3,328
Salaries	8,758	4,388
Taxes	2,344	3,120
Office supplies	48	587
Payroll taxes	3,088	818
Travel expenses	180	155
Bus fares	287	448
Supplies	780	2,074
Permits	-	137
Miscellaneous	246	68
Total power department	<u>48,517</u>	<u>58,928</u>
garbage departments:		
Depreciation	2,033	2,038
Salaries	22,674	13,780
Insurance	8,244	8,250
Travel expenses	3,279	727
Office salaries	2,888	2,928
Payroll taxes	8,000	8,040
Office supplies	200	287
Bus fares	221	342
Repairs	384	273
Supplies	4,481	4,937
Legal and accounting	2,280	3,388
Utilities	3,084	124
Miscellaneous	184	215
Total garbage department	<u>47,817</u>	<u>42,438</u>
sanitation and sewing departments:		
Salaries	2,044	-
Payroll taxes	118	-
Repairs	8,788	3,288
Depreciation	23	84
Supplies	2,788	674
Miscellaneous	152	-
Total sanitation and sewing department	<u>\$ 13,813</u>	<u>\$ 3,726</u>

The following notes are an integral part of this statement.

TOWN OF WATERBOURNE, LOUISIANA
 SCHEDULE OF CONTRIBUTIONS PAID BY TOWN
 FOR THE YEAR ENDED JUNE 30, 1967

<u>NAME</u>	<u>TITLE</u>	<u>CONTRIBUTION</u>
Albert Brown	Althman	\$ 1,500
Bobby Mickelson	Althman	1,250
Robert Bushing	Althman	1,000
Edna Cooper	Althman	1,500
Beulah Williams	Althman	<u>1,500</u>
Total		<u>\$ 6,750</u>

SECTION III - INTERNAL CONTROL.

SWITZER, HOPKINS & MANGE
Certified Public Accountants

SWITZER & HOPKINS, CPAs
11001 W. BRIDGEWAY, SUITE
1000, MONROE, LA
504-835-1414

MEMBER AICPA, CMAA, IIA

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
STRUCTURE ISSUED ON THE BASIS OF GENERAL PURPOSE FINANCIAL
STATEMENTS PREPARED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mary T. Cunn, Mayor
And Members of the Board of Aldermen
Town of Waterproof, Louisiana

We have audited the general purpose financial statements of the Town of Waterproof, Louisiana for the year ended June 30, 1997, and have issued our report thereon dated September 8, 1997.

We have conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Standards of Single and Dual Systematics." Those standards and OMB Circular A-128 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 Town of Waterproof, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure 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 recorded in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Town of Waterproof, Louisiana for the year ended June 30, 1997, 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 internal risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

The Honorable Mary T. Owen, Mayor
and Members of the Board of Aldermen
Town of Waterproof, Louisiana
Page Two

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

A. Preparation of Entries

Due to the relatively small size of the Town, the majority of accounting functions are performed by one individual. Since a suspension of duties desired for a strong system of internal control cannot be achieved, we suggest that the Town's Mayor and Board of Aldermen continue to perform an active role in the accounting process.

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 could be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended for the use of management and the Legislative Bodies of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Ferryday, Louisiana
September 8, 1997

Switzer, Hopkins & Mays

SECTION IV - COMPLIANCE

SWITZER, HOPKINS & MANGI
Certified Public Accountants

OFFICE: MONROE, LOUISIANA
200 N. MORGAN STREET
MONROE, LOUISIANA 70001

PHONE: (504) 281-4444

**INDEPENDENT AUDITORS' REPORT ON COMBINED BASIS
ON AN ASPECT OF GENERAL PURPOSE FINANCIAL STATEMENTS
PREPARED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mary T. Snow, Mayor
and members of the Board of Aldermen
Wetmoreport, Louisiana

We have audited the general purpose financial statements of the Town of Wetmoreport, Louisiana, for the year ended June 30, 1987, and have issued our report thereon dated September 8, 1987.

We conducted our 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-133, Audit of State and Local Governments. These standards and OMB Circular A-133 require that we 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 Wetmoreport, Louisiana, is the responsibility of the Town of Wetmoreport, Louisiana management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the town'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 solely for the information of management and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Monroe, Louisiana
September 8, 1987

Switzer, Hopkins & Mangi