

### GENERAL FUND

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

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE RELATED  
TO MATTERS NOTED IN GENERAL PURPOSE FINANCIAL STATEMENT AUDIT

The Honorable Terri Corby, Mayor  
and Members of the Town  
Board of Aldermen  
Urbia, Louisiana

I have audited the general purpose financial statements of the Town of Urbia, Louisiana, for the year ended June 30, 1996, and have issued my report thereon dated October 24, 1996.

I conducted my audit in accordance with generally accepted auditing standards and Governmental Accounting Standards issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing my audit of the general purpose financial statements of the Town of Urbia, Louisiana, for the year ended June 30, 1996, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of Town of Urbia, 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 executed 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 internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, perception of any evaluation of the structure in 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.

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories:

1. Financial Statements
2. Cash Receipts and Disbursements

For all of the control categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk. Further, because of the small size of the entity I did not rely on any of the controls listed above, but instead relied on substantive tests.

### DEBT SERVICE FUNDS

To account for the accumulation of resources for, and the payment of, general long-term debt and interest.

Town of Utrania, Louisiana  
 Debt Service Fund  
 Balance Sheet  
 Year Ended June 30, 1996

Assets

Cash		\$ 8,000
Total Assets		\$ 8,000

Liabilities and Fund Balance

Liabilities		\$ -0-
Fund Balance Reserved for Debt Service		8,000
Total Liabilities and Fund Balance		\$ 8,000

The accompanying notes are an integral part of this statement.

Town of Uxonia  
General Fund  
Schedule of Revenues and Expenditures  
Budget vs Actual (GAAP Basis)  
Year Ended June 30, 1996

	Budget	Actual	Variance
<b>Revenues:</b>			
<b>Taxes and Licenses</b>			
Franchise Tax	\$ 13,100	\$ 13,100	\$ 0
Sales Tax	0-	8,281	8,281
General Ad Valorem	7,433	8,838	1,405
Licenses & Permits	12,300	10,313	(1,987)
<b>Intergovernmental Revenues -</b>			
Tobacco & Beer Tax	4,570	4,570	0
Fire Subsidy & Grant	3,810	3,843	3,33
Recreation Grant	0-	7,500	7,500
<b>Charges for Services -</b>			
Garbage Collection and Fire Protection	58,400	57,354	(1,046)
<b>Fees -</b>			
Traffic Citations	40,000	40,343	343
Fees/ fines	5,000	5,403	403
<b>Miscellaneous -</b>			
Renting	85	95	10
Recreation Ball Income	380	327	(53)
Miscellaneous	3,420	3,307	(113)
Interest	3,700	3,430	(270)
<b>Total Revenues</b>	<b>\$ 208,814</b>	<b>\$ 218,808</b>	<b>\$ 9,994</b>
<b>Expenditures:</b>			
<b>General Government -</b>			
Salaries and Related Benefits	\$ 95,000	\$ 93,710	\$ 12,290
Mayor and Alderman Salaries	3,000	3,000	0-
Other Related	800	800	0
Advertising	307	24	283
Insurance	3,375	5,300	(1,925)
Miscellaneous	8,200	8,824	(624)
Office Expense	8,000	8,000	0
Professional Fees	3,340	3,485	(145)
Equipment Purchase	18,400	18,200	200
Repairs and Maintenance and Supplies	8,700	8,000	800
Utilities	3,840	3,300	540
<b>Public Safety</b>			
Salaries & Related Benefits	0-	12,810	12,810
Miscellaneous	6,400	3,515	2,885
<b>Recreation</b>			
Utilities	1,140	740	400
Ball Park Expense	0-	8,700	(8,700)
Miscellaneous	3,500	3,820	(320)
<b>Fire</b>			
Utilities	5,400	5,871	(471)
Equipment	800	400	400
Miscellaneous	3,300	800	2,500
<b>Street and Sanitation</b>			
Truck & Tractor Expense	1,300	1,441	(141)
Repairs, Maintenance & Other	1,300	1,888	(588)
<b>Total Expenditures</b>	<b>\$ 198,000</b>	<b>\$ 198,100</b>	<b>\$ 0</b>

The accompanying notes are an integral part of this statement.

Town of Urua  
 General Fund  
 Statement of Revenues and Expenditures  
 and Change in Fund Balance  
 Budget vs Actual GRAP Based  
 Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>			
Taxes and Licenses	\$ 31,971	\$ 33,406	\$ 1,435
Intergovernmental	8,128	37,455	29,327
Charges for Services	18,448	37,138	18,690
Fees	41,836	43,142	1,306
Fines/penalties	1,608	1,488	(120)
Miscellaneous Revenues	1,488	18,188	16,700
Interest	1,708	2,438	730
<b>Total Revenues</b>	<b>\$ 107,886</b>	<b>\$ 125,858</b>	<b>\$ 17,972</b>
<b>EXPENDITURES:</b>			
Current -			
General Government	\$ 71,413	\$ 93,898	\$ 22,485
Public Safety	6,803	14,408	(7,605)
Recreation	1,223	1,868	(645)
Fire Protection	8,818	8,863	45
Street and Sanitation	18,873	2,363	16,510
<b>Total Expenditures</b>	<b>\$ 107,127</b>	<b>\$ 124,938</b>	<b>\$ 8,191</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>\$ -81</b>	<b>\$ 920</b>	<b>\$ 1,001</b>
Before Other Financing Sources			
<b>Other Financing Sources:</b>			
Operating Transfers In	\$ -81	\$ 20,574	\$ 20,574
Operating Transfers Out	---	(12,800)	(12,800)
<b>Excess of Revenues and Other Sources</b>	<b>\$ -81</b>	<b>\$ 7,774</b>	<b>\$ 7,855</b>
<b>Fund Balance, Beginning</b>	<b>---</b>	<b>100,833</b>	<b>100,833</b>
<b>Fund Balance, Ending</b>	<b>\$ -81</b>	<b>\$ 108,607</b>	<b>\$ 108,688</b>

The accompanying notes are an integral part of this statement.

Town of Urcia, Louisiana  
 General Fund  
 Balance Sheet  
 June 30, 1996

ASSETS

Cash	\$ 58,324
Investments	28,878
Receivables	8,382
	-----
<b>TOTAL ASSETS</b>	<b>\$ 95,584</b>
	-----

LIABILITIES AND FUND BALANCE

Liabilities	
Accounts Payable	\$ 4,833
<b>TOTAL Liabilities</b>	<b>\$ 4,833</b>
	-----
Fund Balance	
Reserved - Undesignated	\$ 75,188
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 79,999</b>
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This entry to the financial statements are an integral part of this statement.

FINANCIAL STATEMENTS  
OF INDIVIDUAL FUNDS  
AND ACCOUNT GROUPS



Town of Utrina, Louisiana  
Notes to Financial Statements (cont.)

5. ELECTED OFFICIALS SALARIES

Name	Title	Annualized Salary	Annualized Expense	Date of Service
Terra Corley	Mayor	\$ 2,400	\$ 950	1998
Gloria P. Sanders	Alderman	140	-0-	1998
Maria Brown, Jr.	Alderman	140	-0-	1998
Carl Vickers	Alderman	140	-0-	1998
John Earl Ivy	Alderman	140	-0-	1998
Charles Cox	Alderman	140	-0-	1998
Tommy Lofton	Chief of Police	12,000	-0-	1998

6. DEBTS FROM OTHER FUNDS

	Deb FROM OTHER FUNDS	Deb TO OTHER FUNDS
Enterprise Fund	\$ 2,500	\$ -0-
Agency Fund	-0-	2,500
Total	\$ 2,500	\$ 2,500

7. EXCESS EXPENDITURES OVER REVENUES

The general fund exceeded its budget by 15% or \$18,132 during the year.

Town of Uruau, Louisiana  
Notes to Financial Statements (cont.)

4. CHANGES IN LONGTERM DEBT - CONT'D

*Provision of Revenue Bond Indenture:*

Under the terms of the bond indenture on outstanding utility bonds, all income and proceeds of asset sales are pledged and dedicated to the retirement of said bonds and are to be set aside into the following special funds:

a) On or before the 20th of each month, there will be set aside into a fund called the "Revenue Bond and Interest Sinking Fund" an amount constituting one-twelfth of the next maturing installment of principal and interest. Such monies shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments.

b) On or before the 20th of each month, there shall be set aside into a "Bond Reserve Fund" for the water bonds, an amount equal to 5% of the amount to be paid from the sinking fund until \$1,250 has been accumulated. For the water bonds, a sum of 5% of the monthly payments being made into the sinking fund must be deposited monthly into the "Revenue Fund" until it equals the highest combined annual debt service in any future year on all outstanding bonds. Such amounts may be used only for the payment of maturing bonds in the "Bond and Interest Sinking Fund" and in to which there would otherwise be default.

c) Funds will also be set aside into a "Depreciation and Contingency Fund" at the rate of \$68 per month for the water bonds and \$480 per month for the sewer bonds. Money in this fund may be used for the making of extraordinary repairs or replacements to the systems which are necessary to keep the systems in operating condition and is not available for maintenance and operating expenses.

*Provision of General Obligation Bond Indenture:*

These bond constitute a general obligation of the Town and the full faith and credit of the Town is pledged for the repayment of these bonds. The bonds are secured by a special tax to be imposed and collected annually in excess of all other taxes on all the property subject to taxation within the territorial limits of the Town sufficient to pay the principal and interest.

*Annual Requirements to Amortize all Debt:*

The annual requirements to amortize all debt outstanding as of June 30, 1978, including interest payments of \$1,000,000 are as follows:

Year Ending June 30,	General Obligation	Revenue	Total
1977	\$ 4,400	\$ 57,848	\$ 62,248
1978-1981	20,500	265,295	285,795
2002-2007	10,000	266,885	276,885
2008-2012	10,000	282,790	292,790
2013-2017	10,000	284,790	294,790
2018-2020	-0-	285,885	285,885
2021-2027	-0-	285,885	285,885
2028-2029	.....	281,327	281,327
Total	\$ 75,900	\$ 2,403,865	\$ 2,479,765

The water and sewer system is depreciated over a 40 year period using the straight-line method. Other assets are depreciated from 3 to 10 years using the straight-line method. Below is a summary of water and sewer enterprise fund plant, property, and equipment:

	Cost	Accumulated DEPRECIATION	Current DEPRECIATION
Water Plant and Equipment	\$ 856,564	\$ 388,851	\$ 28,961
sewer Plant and Equipment	1,387,818	587,884	38,788
Total	\$ 2,244,382	\$ 976,735	\$ 67,749

#### 4. CHANGES IN LONG-TERM DEBT

The following is a summary of bond transactions of the Town of Uxton for the year ended June 30, 1996:

	General Obligation		Revenue		
	Public Improvement (Interest)	Public Improvement District # 1 (Interest)	Water Utility	Sewer	Total
Bonds payable 6/30/96	\$ 86,000	\$ 28,000	\$ 584,128	\$ 154,000	\$ 982,128
Principal Retirement	(32,000)	(3,200)	(38,400)	(12,000)	(125,600)
Bonds payable 6/30/96	\$ 54,000	\$ 24,800	\$ 545,728	\$ 142,000	\$ 966,528

Bonds payable at June 30, 1996 are payable to the Farmers' Home Administration and are comprised of the following individual issues:

##### General Obligation Bonds Administered by the Debt Service Fund

The 1977 issue of \$42,000 each serial bonds due in annual installments of \$ 1,000, increasing to \$ 3,000 annually at maturity on September 28, 2015; interest at 5% \$ 50,000

##### Revenue Bonds Administered by the Water and Sewer Enterprise Fund

\$20,000 water serial bonds due annually in installments of \$2,000, increasing in increments of \$1,000, to \$12,000 annually at maturity at March 3, 2012; interest at 8% 217,000

\$27,000 sewer serial bonds due annually in installments of \$2,000, increasing in increments of \$1,000 to \$12,000 annually at maturity at September 28, 1994; interest at 5% 350,000

\$204,000 water serial bonds issued November 14, 1988, 40 year maturity, \$48,000 @ 5% with annual installments of \$8,748 and \$418,000 @ 6.75% with annual installments of \$ 27,832 428,710

Total 986,710

Town of Uruia, Louisiana  
Notes to Financial Statements (cont.)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT)

1. Reserves - Contd

Reserved for Depreciation and Contingencies

This amount represents monies reserved to make emergency repairs to the water and sewer systems.

Reserved - Revenue Bonds

This amount represents monies reserved as required by the revenue bond indentures.

Reserved for Debt Service

Certain assets have been reserved in the Debt Service Fund for future payment of long-term liabilities of the governmental funds.

2. Total Columns on Combined Statements - Overview

Total columns on the combined statements - overview 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 consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. AD VALOREM TAXES

All Valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in October and are actually billed to the taxpayers in December. Billed taxes become delinquent on January 1 of the following year. Revenues from all valorem taxes are budgeted in the "billed" year.

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

For the year ended June 30, 1996, taxes of 15.49 mills were levied on property with assessed valuations totaling \$755,060 and were dedicated as follows:

General Corporation Purposes	8.28 mills
Debt Service	7.21 mills

Total taxes levied were \$11,670 of which \$6,216 was due to the general fund and \$5,454 was due to the debt service fund.

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

### F. Investments and Cash

Investments held over 90 days are stated at cost, which approximates market. All cash and investments are on deposit in a FDIC insured bank. Cash and investments on deposit bank balance at June 30, 1996 amount to \$313,092 and are stated as follows:

U. S. Treasury Note	\$ 100,000
FYIC Insured	..113,092
	\$ 213,092
Uninsured cash and investments at 6-30-96	\$ 100,000
	\$ 313,092

### G. Compensated Absence and Retirement Plans

The Town does not compensate unused vacation and sick leave. Employees of the Town are covered under the Social Security System.

### II. Accounts Receivable and Allowance for Bad Debt

Uncollectible amounts due for customer's utility receivables are recognized as bad debt based on 5% of total receivables. Below is a summary of accounts receivable and allowance for bad debt by fund:

#### General Fund

Accounts Receivable - Franchise Tax	\$ 1,814
Accounts Receivable - Fire and Garbage	1,947
Accounts Receivable - Intergovernmental	
Fire Insurance Subsets	..1,218
TOTAL ACCOUNTS RECEIVABLE - General Fund	\$ 4,979

#### Proprietary Fund

Accounts Receivable - Water	
Allowance for Doubtful Accounts - 50%	\$ 15,273
Accounts Receivable - Sewer	
Allowance for Doubtful Accounts - 50%	..1,273
Total Accounts Receivable - Proprietary Fund	\$ 16,546

### I. Reserves

The Town records reserves to indicate that a portion of its retained earnings/balances are legally restricted for a specific future use. The following is a list of such reserves and a description of each:

DO NOT REMOVE  
FROM THIS FILE

Other necessary  
papers must be  
left and placed  
back in file

RECEIVED  
LEGISLATIVE AUDITOR  
JUN 24 1996

TOWN OF URANEA  
LOUISIANA

GENERAL FUNDING FINANCIAL STATEMENTS  
COMBINED AND INDIVIDUAL FUND AND  
ACCOUNT GROUP STATEMENTS AND SCHEDULES  
AND SUPPLEMENTAL DATA

JUNE 24, 1996

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: **DEC 24 1996**

Town of Hazlet, Louisiana  
Notes to Financial Statements

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Town of Hazlet was incorporated under the Louisiana Act, and operates under the Mayor Board of Aldermen form of government. The Town provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water and sewer services) and general administrative functions, including coordination of related services with parish, state and federal governing bodies.

The accounting policies of the Town of Hazlet conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

**A. Reporting Entity**

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

**B. Fund Accounting**

The accounts of the Town of Hazlet are organized on the basis of funds and on account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government accounts are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the manner by which spending activities are conducted. The various funds are grouped, in the financial statements in this report, into three generic fund types and two broad fund category 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 for those required to be accounted for in another fund.

**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, special assessment funds and trust funds).

**Debt Service Fund**

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

TOWN OF URANIA  
URANIA, LOUISIANA



\* The Town of Urania was incorporated under the Louisiana Act, and operates under the Mayor-Board of Aldermen form of government. The Town provides the following significant services to its citizens as provided by its charter: public safety police and fire, highways and streets, utilities, water and sewer services and general administrative functions, including coordination of related services with parish, state and federal governing bodies.



Town of Utrina, Louisiana  
 Combined Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 All Governmental Types  
 Year Ended June 30, 1996

	General Fund	Rubb Service Funds	Capital Projects	Totals (Incorporates Only)
<b>Revenues:</b>				
Taxes & Licenses	\$ 33,975	\$ 5,488	\$ -0-	\$ 39,463
Intergovernmental	17,343	-0-	387,208	602,131
Charges for Services	17,332	-0-	-0-	17,332
Fines	42,142	-0-	-0-	42,142
Rentals	3,602	-0-	-0-	3,602
Miscellaneous Revenues	10,158	-0-	-0-	10,158
Interest	1,338	342	-0-	1,680
<b>Total Revenues</b>	<b>\$ 127,888</b>	<b>\$ 5,830</b>	<b>\$ 387,208</b>	<b>\$ 518,926</b>
<b>Expenditures:</b>				
<b>Current -</b>				
General Government	\$ 23,884	\$ -0-	\$ -0-	\$ 23,884
Public Safety	28,488	-0-	-0-	28,488
Education	3,362	-0-	-0-	3,362
Fire Protection	8,887	-0-	-0-	8,887
Street and Sanitation	2,883	-0-	-0-	2,883
Principal Retirement & Interest	-0-	4,400	-0-	4,400
Public Works	-0-	-0-	247,164	247,164
Administration	-0-	-0-	48,458	48,458
<b>Total Expenditures</b>	<b>\$ 124,184</b>	<b>\$ 4,400</b>	<b>\$ 247,204</b>	<b>\$ 475,788</b>
<b>Surplus (Deficit) of Revenues Over Expenditures Before Other Financing Sources (Net):</b>				
	\$ 3,704	\$ 1,430	\$ -0-	\$ 5,134
<b>Other Financing Sources (Uses):</b>				
Operating Transfers In	\$ 24,817	\$ 3,412	\$ -0-	\$ 28,229
Operating Transfers Out	(1,255)	-0-	-0-	(1,255)
<b>Surplus (Deficit) of Revenues &amp; Other Sources Over Expenditures &amp; Other</b>	<b>\$ 27,266</b>	<b>\$ 4,812</b>	<b>\$ -0-</b>	<b>\$ 32,078</b>
<b>Fund Balance Beginning of Year</b>	<b>\$ 82,233</b>	<b>\$ 3,888</b>	<b>\$ -0-</b>	<b>\$ 86,121</b>
<b>Fund Balance End of Year</b>	<b>\$ 109,500</b>	<b>\$ 8,700</b>	<b>\$ -0-</b>	<b>\$ 118,200</b>

The accompanying notes are an integral part of this statement.

Town of Union, Louisiana  
 Governmental Funds Types  
 Combined Statement of Revenues and Expenditures  
 and Changes in Fund Balance  
 Budget vs Actual (GRAP Basis)  
 Year Ended June 30, 1995

	General Fund			Capital Projects		
	Budget	Actual	Variance	Budget	Actual	Variance
<b>REVENUES</b>						
State & Federal	\$ 31,800	\$ 30,810	\$ 990	\$ -	\$ -	\$ -
Intermunicipal	8,100	15,810	7,710	000,000	000,000	100,000
Unapptd Del Receipt	10,000	17,310	7,310	00	00	00
Fines	41,000	40,140	(860)	00	00	00
Permit	3,000	3,450	450	00	00	00
Miscellaneous	1,000	18,100	17,100	00	00	00
Interest	1,200	1,000	(200)	00	00	00
<b>TOTAL REVENUES</b>	<b>\$ 101,300</b>	<b>\$ 120,630</b>	<b>\$ 19,330</b>	<b>\$ 000,000</b>	<b>\$ 000,000</b>	<b>\$ 100,000</b>
<b>EXPENDITURES</b>						
General Government	\$ 71,000	\$ 69,800	\$ 1,200	\$ -	\$ -	\$ -
Public Safety	9,000	10,400	1,400	00	00	00
Recreation	7,100	8,800	1,700	00	00	00
Fire Protection	9,000	8,800	(200)	00	00	00
Street and Sanitation	00,000	0,000	0,000	000,000	000,000	00,000
Public Works	00	00	00	0,000	0,000	0,000
Capital Expenditure	00	00	00	15,000	15,000	0,000
Interest	00	00	00	00	00	00
<b>TOTAL EXPENDITURES</b>	<b>\$ 107,100</b>	<b>\$ 120,100</b>	<b>\$ 13,000</b>	<b>\$ 000,000</b>	<b>\$ 000,000</b>	<b>\$ 100,000</b>
Repayment of Maturity of Long Term Debt - Other						
Financing Source Other	00	1,800	1,800	00	00	00
<b>Other Financing Sources</b>						
Operating Transfers In	\$ 00	\$ 00,000	\$ 00,000	\$ 00	\$ 00	\$ 00
Operating Transfers Out	00	(0,000)	(0,000)	00	00	00
Revenue of Maturity and Other Sources from Debt	\$ 00	\$ 00,000	\$ 00,000	\$ 00	\$ 00	\$ 00
Fund Balance - Beginning	00	00,000	00,000	00	00	00
Fund Balance End of Year	\$ 00,000	\$ 00,530	\$ 00,530	\$ 00,000	\$ 00,000	\$ 00,000

This report is the financial statement and an integral part of this statement.

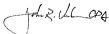
GENERAL PURPOSE FINANCIAL STATEMENTS  
(CONDENSED STATEMENTS - OVERVIEW)

Reportable condition involves matters causing in my opinion serious or significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the entity's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements.

A material weakness is a reportable condition in which the design or operation 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 might 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. However, my study and evaluation and my audits disclosed no reportable weaknesses as it related to the administration of the Town's finances.

This report is intended for the information of the Town of Uxata management. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



John W. Archer

Irvin, Louisiana  
October 24, 1990

**Town of Ureana, Louisiana**  
**Combined Balance Sheet**  
**All Fund Types and Account Group**  
**June 30, 1996**

	Governmental Fund Types			Proprietary Fund Type	Enterprise Fund Type	Account Group		Total (Governmental Origin)
	General Fund	State Allocation	Capital Projects	Enterprise Fund	Agency Fund	General Fund	Trust Funds	
<b>ASSETS</b>								
Cash	\$ 26,179	\$ 2,000	\$ -	\$ 18,000	\$ 2,100	\$ -	\$ -	\$ 48,279
Investments	28,070	-	-	210,000	-	-	-	248,070
Receivables (Net)	2,794	-	-	12,000	-	-	-	14,794
Due From Other Funds	-	-	-	2,100	-	-	-	2,100
Restricted Assets								
Cash	-	-	-	18,100	-	-	-	18,100
Investments at Cost	-	-	-	89,420	-	-	-	89,420
Plant & Equipment	-	-	-	2,122,182	-	-	-	2,122,182
Accumulated Depreciation	-	-	-	(127,521)	-	-	-	(127,521)
Amount Available to Ret. Service Funds	-	-	-	-	-	2,700	-	2,700
Amount to be Provided for Ret. of Normal Comp-Term Debt	-	-	-	-	-	41,900	-	41,900
<b>TOTAL ASSETS</b>	<b>\$ 57,043</b>	<b>\$ 2,000</b>	<b>\$ -</b>	<b>\$ 2,122,182</b>	<b>\$ 2,200</b>	<b>\$ 44,600</b>	<b>\$ -</b>	<b>\$ 2,171,025</b>
<b>LIABILITIES</b>								
Accounts Payable	\$ 2,875	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ -	\$ 4,875
Due To Other Funds	-	-	-	-	2,000	-	-	2,000
Payable From								
Restricted Assets:								
Interest Liabilities	-	-	-	12,274	-	-	-	12,274
Current Bonds Payable	-	-	-	16,710	-	-	-	16,710
Customer Deposits	-	-	-	17,410	-	-	-	17,410
Current Obligations	-	-	-	-	-	10,000	-	10,000
Bond Payable	-	-	-	-	-	-	-	-
Revenue	-	-	-	600,000	-	-	-	600,000
<b>TOTAL LIABILITIES</b>	<b>\$ 2,875</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,838,414</b>	<b>\$ 2,000</b>	<b>\$ 10,000</b>	<b>\$ -</b>	<b>\$ 1,852,289</b>
<b>Fund Balances</b>	<b>\$ 54,168</b>	<b>\$ 2,000</b>	<b>\$ -</b>	<b>\$ 283,768</b>	<b>\$ 2,200</b>	<b>\$ 34,600</b>	<b>\$ -</b>	<b>\$ 286,736</b>
COMBINED CAPITAL RESTRICTED ASSETS:								
Reserve for								
Bond Maturity	-	-	-	2,100	-	-	-	2,100
Bond Maturity	-	-	-	31,700	-	-	-	31,700
Unassigned (Available)	-	-	-	246,000	-	-	-	246,000
Fund Balance								
Reserve for								
Bond Service	-	2,000	-	-	-	-	-	2,000
<b>RESERVE FUND BALANCES</b>	<b>21,000</b>	<b>2,000</b>	<b>0</b>	<b>267,700</b>	<b>2,200</b>	<b>34,600</b>	<b>0</b>	<b>277,500</b>
<b>TOTAL UNASSIGNED BONDABLE BALANCE</b>	<b>\$ 33,168</b>	<b>\$ 0</b>	<b>\$ -</b>	<b>\$ 281,068</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 314,236</b>
<b>TOTAL FUND EQUITY</b>	<b>\$ 74,336</b>	<b>\$ 2,000</b>	<b>\$ -</b>	<b>\$ 1,127,811</b>	<b>\$ 4,200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,134,347</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 75,211</b>	<b>\$ 2,000</b>	<b>\$ -</b>	<b>\$ 1,818,814</b>	<b>\$ 2,200</b>	<b>\$ 34,600</b>	<b>\$ -</b>	<b>\$ 1,872,825</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

Town of Uman, Louisiana  
 Combined Statement of Cash Flows  
 All Proprietary Fund Types  
 Year Ended June 30, 1996

<b>Cash from Operations:</b>	
Income (Loss) Before Operating Transfers	\$ (80,004)
Operating Transfers	126,683
Net Income (Loss)	\$ 46,679
<b>Adjustments to Net Income (Loss):</b>	
Depreciation	90,924
Amortization for Bad Debt	110
Increase/Decrease in Accounts Receivable	12,720
Increase/Decrease in Accounts Payable	473
Increase/Decrease in Accrued Interest	(485)
Cash provided by operation	\$ 252,821
Cash from LCDCS Grants	787,584
Cash from Customer Deposits	59
Cash from Restricted Funds	80,574
Total Cash Provided	\$ 1,121,038
Cash Not Applied To:	
INVESTMENTS	\$ 51,807
Revenue Bonds	24,718
Fixed Assets	187,226
TOTAL CASH APPLIED	\$ 363,751
NET INCREASE (DECREASE) IN CASH	\$ 757,287
Cash Beginning of Year	11,388
Cash End of Year	\$ 668,675

The accompanying notes are an integral part of this statement.

Town of Uxalis, Louisiana  
 Condensed Statement of Revenues, Expenses  
 and Change in Retained Earnings  
 All Proprietary Fund Types  
 Year Ended June 30, 1988

	Balances
Operating Revenues:	
Water Department	\$ 30,889
sewer Department	43,790
Total Operating Revenues	\$ 74,679
Operating Expenses:	
Water Department	
Salaries and Related Costs	\$ 17,843
Material and Supplies	3,318
Depreciation	25,293
Repairs and Maintenance	21,889
Utilities	21,873
Insurance	3,868
Furnish and Washing	63
Miscellaneous	3,796
Professional Services	1,389
Plant Pilfers	22,688
Engineering	3,478
Total Water Department	\$ 122,888
sewer Department	
Salaries and Related Costs	\$ 24,513
Material and Supplies	3,899
Depreciation	24,783
Repairs and Maintenance	8,873
Utilities	25,968
Sewer Analysis	2,383
Insurance	2,888
Miscellaneous	3,488
Professional Fees	3,321
Total Sewer Department	\$ 108,716
Total Operating Expenses	\$ 231,604
Operating Income (Loss)	\$ (156,925)
Non-Operating Revenues (Expenses):	
Interest Income - Water Department	\$ 3,843
Interest Income - Sewer Department	833
Interest Expense - Water Department	(20,858)
Interest Expense - Sewer Department	(7,048)
Operating Grant	22,908
Total Non-Operating Revenues (Expenses)	\$ (1,322)
Income (Loss) Before Operating Transfers	\$ (158,247)
Transfers to Other Funds	\$ 29,348
Transfers from Other Funds	2,357
Net Income (Loss)	\$ (126,542)
Retained Earnings (Deficit), Beginning	\$ 548,588
Retained Earnings (Deficit), Ending	\$ 422,046

The accompanying notes are an integral part of this statement.

Town of Urtina, Louisiana  
Notes to Financial Statements (cont.)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONT.)

B. Fund Accounting - (Cont.)

GOVERNMENTAL FUND TYPES - (Cont.)

Fiduciary Fund Types

Fiduciary Fund types are used to account for assets held by the Town of Urtina as an agent for other funds. Agency Funds are established in nature (assets equal liabilities) and do not involve measurement of results of operations.

NONCURRENT FUND TYPES

Enterprise Fund

Enterprise funds are used to account for operations that (a) 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.

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 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 statements of assets and liabilities.

This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) to net current assets. Accordingly they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are recorded as expenditures in the governmental fund types when purchased, and are normally accounted for in general fixed assets account group. The Town has not maintained a record of its general fixed assets; therefore, a statement of general fixed assets, required by generally accepted accounting principles, is not prepared in this report.

Long-term liabilities reported to be financed from governmental funds are accounted for in the general long-term debt account group.

The account groups are not funds. They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.



Town of Harris, Louisiana  
Notes to Financial Statements (cont.)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

C. Fixed Assets and Long-Term Liabilities (Cont.)

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement basis, and all assets and all liabilities (whether current or noncurrent) associated with their activity should be included on their balance sheets.

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

Records concerning general fixed assets were not maintained by the Town, therefore a statement of general fixed assets is not presented.

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 statement. Basis of accounting refers to the timing of the measurement made, regardless of the measurement basis applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available to pay current debts. Unapportioned income, grant receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are revenue at that time. Anticipated refunds of such taxes are as liabilities and reductions of revenues when they are measurable and their liability 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 they are earned, and their expenses are recognized when they are incurred.

E. Budgets and Budgetary Accounting

The Town adopts its budget annually on the modified accrual GAAP basis of accounting. Budgetary comparisons are included in the accompanying financial statements. All budgetary appropriations lapse at the end of each fiscal year. Budgetary control is exercised at the fund level rather than individual budgetary line items or functional area. A budget was prepared for the Capital Projects Fund which accounts for the LCRR Program. The Budget is prepared on a "project wide" basis which may consist of several years. The budget comparison includes the remaining budgeted amounts in the project.

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

The Honorable Tracy Corby, Mayor  
and Members of the Town  
Board of Aldermen  
Urbia, Louisiana

I have audited the general purpose financial statements of the Town of Urbia, Louisiana, for the year ended June 30, 1996, and have issued my report thereon dated October 28, 1996.

I conducted my audit in accordance with generally accepted auditing standards and the 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.

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

The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards, except for the items discussed in "management letter comments" page 49 and outline below:

- 1) Lack of Fixed Asset Records
- 2) Budgeting within 5% of Expenditures
- 3) Lack of Bond Revenue Maintenance

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



John R. Vercher

Jena, Louisiana  
October 28, 1996

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**INDEPENDENT AUDITOR'S REPORT ON  
GENERAL PURPOSE FINANCIAL STATEMENTS**

The Honorable Terry Garby, Mayor  
and Members of the Town  
Board of Aldermen  
Urbia, Louisiana

I have audited the general purpose financial statements of the Town of Urbia, Louisiana, 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 Town's management. My responsibility is to express an opinion on these general purpose 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 general purpose financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

The account group general fixed assets has not been presented in the general purpose financial statements as required by generally accepted accounting principles.

In my opinion, except for the omission of general fixed assets as mentioned in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the Town of Urbia, Louisiana, as of June 30, 1996 and the results of its operations and the cash flows of its proprietary fund for the year then ended, in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The reviewing individual fund, individual account group financial statements and schedules, supplemental schedules and graphs are prepared for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Urbia, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in my opinion, the information is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

October 24, 1996  
Urbia, Louisiana

  
John R. Vercher

Town of Ureia, Louisiana  
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Town of Uricia, Louisiana  
 Combined Balance Sheet  
 Proprietary Fund Type  
 June 30, 1996

dollar figures

ASSETS	
Current Assets	
Cash	\$ 47,947
Investments	201,582
RECEIVABLES (Net)	11,898
Due from Agency Fund	1,000
Total Current Assets	\$ 261,427
Restricted Assets	
ROAD BUILDING FUND	\$ 88,814
ROAD RESERVE	874
Depreciation and Contingency (Customers' Deposits)	51,700
Total Restricted Assets	\$ 141,388
Plant & Equipment	\$ 2,122,380
Less Accumulated Depreciation	(947,500)
Net Plant & Equipment	\$ 1,174,880
TOTAL ASSETS	\$ 2,507,695
LIABILITIES & FUND EQUITY	
Liabilities	
CURRENT LIABILITIES (Payable from Current Assets):	
Accounts Payable	\$ 1,000
CURRENT LIABILITIES (Payable from Restricted Assets):	
Accrued Interest Payable	\$ 38,274
Current Bonds Payable	14,715
Customers' Deposits	17,415
Total Current Liabilities (Payable from Restricted Assets)	\$ 70,404
LONG-TERM LIABILITIES:	
Revenue Bonds Payable	\$ 887,000
TOTAL LIABILITIES	\$ 957,404
FUND EQUITY:	
Contributed Capital	\$ 141,388
Retained Earnings	
Reserved for Bond Retirement	\$ 8,200
Reserved for Road Contingency	51,700
Unreserved (Net)	(82,882)
Total Retained Earnings	\$ 77,018
Total Fund Equity	\$ 218,406
TOTAL LIABILITIES AND FUND EQUITY	\$ 1,175,810

The accompanying notes are an integral part of this statement.

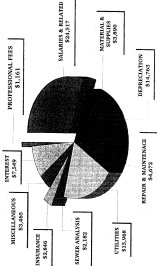
Town of Unaha, Louisiana  
 Combined Statement of Revenues, Expenses  
 and Changes in Retained Earnings  
 Proprietary Fund Type  
 Year Ended June 30, 1990

	<u>Enterprises</u>
<b>Operating Revenues:</b>	
Water Department	\$ 81,800
sewer Department	41,300
	-----
<b>Total Operating Revenues</b>	<b>\$ 123,100</b>
<b>Operating Expenses:</b>	
Water Department	
Salaries and related costs	\$ 17,940
Material and Supplies	9,128
Depreciation	18,861
Repairs and Maintenance	50,489
Utilities	12,475
Insurance	2,898
Permits and Testing	43
Miscellaneous	1,768
Professional Services	1,589
Plant Pilfers	81,006
Engineering	3,874
	-----
<b>Total Water Department</b>	<b>\$ 281,898</b>
sewer Department	
Salaries and Related Costs	\$ 28,817
Material and Supplies	5,890
Depreciation	28,563
Repairs and Maintenance	8,878
Utilities	85,868
sewer Analysis	2,380
Insurance	2,866
Miscellaneous	2,480
Professional Fees	1,381
	-----
<b>Total Sewer Department</b>	<b>\$ 188,453</b>
	-----
<b>Total Operating Expenses</b>	<b>\$ 470,351</b>
<b>Operating Income (Loss)</b>	<b>348,749</b>
	-----
<b>Non-operating Revenues (Expenses):</b>	
Interest Income - Water Department	\$ 3,940
Interest Income - Sewer Department	433
Interest Expense - Water Department	(60,888)
Interest Expense - Sewer Department	(7,849)
Operating Grants	18,508
	-----
<b>Total Non-Operating Revenues (Expenses)</b>	<b>\$ (45,866)</b>
<b>Income (Loss) Before Operating Transfers</b>	<b>302,883</b>
<b>Transfers to Other Funds</b>	<b>\$ 128,948</b>
<b>Transfers from Other Funds</b>	<b>3,870</b>
	-----
<b>Net Income (Loss)</b>	<b>\$ (18,577)</b>
<b>Retained Earnings (Deficit), Beginning</b>	<b>\$ 167,550</b>
<b>Retained Earnings (Deficit), Ending</b>	<b>\$ 148,973</b>
	-----

The accompanying notes are an integral part of this statement.

# TOWN OF URANIA

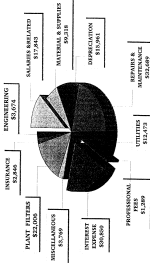
## SEWER FUND EXPENSES 6-30-96





# TOWN OF URANIA

## WATER FUND EXPENSES 6-30-96



Town of Umaná, Louisiana  
 Capital Projects Funds  
 Combining Balance Sheet  
 June 30, 1999

	L/0000 101-4020	L/0000 101-4020	Total
<b>ASSETS</b>			
Cash	\$ -0-	\$ -0-	\$ -0-
<b>TOTAL ASSETS</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>
<b>LIABILITIES AND FUND BALANCE</b>			
Combinatoric Payable	\$ -0-	\$ -0-	\$ -0-
Fund Balance	-0-	-0-	-0-
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>

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

# TOWN OF URANIA

## GENERAL FUND REVENUES 6-30-96

OPERATING TRANSFERS  
\$22,874

INTEREST  
\$1,628

TAXES &  
LICENSE  
\$32,975

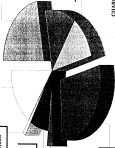
MISCELLANEOUS  
\$10,198

PENALTIES  
\$3,403

FINES  
\$42,342

INTERGOVERNMENTAL  
\$17,913

CHARGES FOR SERVICES  
\$17,352



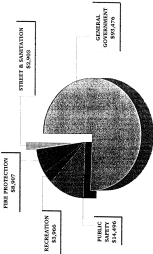
## ENTERPRISE FUNDS

### Water and Sewer Fund

To account for the provision of water and sewer services to residents of the Town and some residents of the parish. All activities necessary to provide such services are accounted for in these funds, including, but not limited to, administration, operation, maintenance, financing, related debt service, billing, and collection.

# TOWN OF URANIA

## GENERAL FUND EXPENDITURES 6-30-96



## SUPPLEMENTAL GRANT INFORMATION

Management Letter Comments  
June 18, 1998

During the course of this audit, the Town's auditor observed conditions and circumstances that may be improved. Below are situations noted for improvement, the auditor's recommendation for improvement and the Town's response.

2. FIXED ASSET RECORDS (MATERIAL COMPLIANCE FINDING)

**Situation:** The Town did not maintain records of general fixed assets and movable property during the year as required by RSA-85 245:15 or 2832:102.

**Recommendation:** The Town should inventory all general fixed assets and movable property and assign a cost or estimated cost to each item inventoried. The records should be updated for additions and retirements annually.

**Town Response:** The Town has put together an inventory of fixed assets and movable property as of November 7, 1998.

3. BUDGETING (NON-MATERIAL COMPLIANCE FINDING)

**Situation:** The Town failed to amend its budget for its general fund for the year ended June 30, 1998 when expenditures exceeded that of the budget by 3% as required by RSA-85 241:301-3-4.

**Recommendation:** When budgeted revenues or expenditures vary more than 3% from actual, an amended budget should be prepared.

**Town Response:** The Town will begin amending its budget when budgeted revenues or expenditures vary more than 3% from actual.

4. BOND RESERVES (MATERIAL COMPLIANCE FINDING)

**Situation:** The Town did not maintain its Bond Reserve in the Enterprise Fund as required by Part 14 Revenue Bond Covenants.

**Recommendation:** The Town should maintain a Sinking Fund Reserve, a Bond Reserve Fund and a Depreciation Reserve for both Water and Sewer Revenue Bonds in accordance with Revenue Bond Covenants.

**Town Response:** The Town will establish these reserves in December of 1998 when Enterprise Fund reformation of deposits matures.

### CAPITAL PROJECTS FUNDS

To account for the purchase or construction of major capital facilities which are not financed by proprietary funds, special assessment funds or trust funds.

ICDC #101-028 in the amount of \$ 206,070 for Water System Improvements

ICDC #101-029 in the amount of \$ 705,999 for Sewer System Improvements



## GRAPHS

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INDEPENDENT AUDITORS REPORT ON THE INTERNAL  
CONTROL STRUCTURE USED IN ADMINISTERING  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Terri Garby, Mayor  
and Members of the Town Board of Aldermen  
Urbia, Louisiana

I have audited the general purpose financial statements of the Town of Urbia, Louisiana, for the year ended June 30, 1996, and have issued my report thereon dated October 24, 1996. I have also audited the compliance of Town of Urbia, Louisiana, with requirements applicable to major federal financial assistance programs and have issued my report thereon dated October 24, 1996.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States and Office of Management and Budget Circular A-133, Audits of State and Local Governments. These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements and about whether Town of Urbia, Louisiana, complied with laws and regulations, noncompliance with which would be material to a major financial assistance program.

In planning and performing my audit for the year ended June 30, 1996, I considered the internal control structure of Town of Urbia, Louisiana, in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements of Town of Urbia, Louisiana, and on the compliance of Town of Urbia, Louisiana, with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures relevant to my audit of the general purpose financial statements in a separate report dated October 24, 1996.

The management of the Town of Urbia, Louisiana, is responsible for establishing and maintaining an internal control system used in administering federal financial assistance programs. In fulfilling that responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of internal control treatment are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, 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, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of my evaluation of the structure in 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.

JOHN R. VERCHER PC  
Certified Public Accountant  
Firm and  
TO BE PRINTED  
IN RED INK

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH THE GENERAL REQUIREMENTS APPLICABLE TO  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Terri Corby, Mayor  
and Members of the Town Board of Aldermen  
Urbain, Louisiana

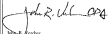
I have audited the general purpose financial statements of the Town of Urbain, Louisiana, for the year ended June 30, 1996, and have issued my report thereon dated October 24, 1996.

I have applied procedures to test Town of Urbain, Louisiana, compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the year ended June 30, 1996, judicial activity, Davis-Bacon Act, civil rights, cash management, federal financial reports, allowable cost/expense principles, Drug-free Workplace Act, or administrative requirements.

My procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audit of State and Local Governments". My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Town of Urbain, Louisiana, compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that the Town of Urbain, Louisiana, had not complied, in all material respects, with these requirements.

This report is intended for the information of management and the Legislative Auditor's Office. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



John R. Vercher

Urbain, Louisiana  
October 24, 1996

JOHN E. VERCHER, PC  
Certified Public Accountant  
P.O. Box 1028  
Jena, Louisiana 71342  
Tel: (225) 948-8248  
Fax: (225) 948-8274

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH SPECIAL REQUIREMENTS APPLICABLE TO MAJOR  
FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS**

The Honorable Tomi Garley, Mayor  
and Members of the Town Board of Aldermen  
Urbia, Louisiana

I have audited the general purpose financial statements of Town of Urbia, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated October 24, 1996.

I have also audited Town of Urbia, Louisiana's compliance with the requirements governing types of services allowed or unallowed, matching, reporting and special tests that are applicable to each of its major Federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended June 30, 1996. The management of Town of Urbia, Louisiana, is responsible for the Town of Urbia, Louisiana's compliance with those requirements. My responsibility is to express an opinion on compliance with those requirements based on my audit.

I conducted my audit of compliance with those requirements in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States and Office of Management and Budget circular A-123, Audit of State and Local Governments. Those standards and OMB Circular A-123 require that I plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about Town of Urbia, Louisiana's compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, Town of Urbia, Louisiana, complied in all material respects, with the requirements governing types of services allowed or unallowed, matching, reporting and special tests that are applicable to each of its major Federal financial assistance programs for the year ended June 30, 1996.

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



John E. Vercher

Jena, Louisiana  
October 24, 1996

Town of Uxton, Louisiana  
 Debt Service Fund  
 Statement of Revenues, Expenditures  
 and Changes in Fund Balances  
 Year Ended June 30, 1998

Revenues:

Income on Valued Taxes	\$ 5,400
Interest	.....361
<b>Total Revenues</b>	<b>\$ 5,761</b>

Expenditures:

Principal Retirement	\$ 3,000
Interest	... 3,000
<b>Total Expenditures</b>	<b>\$ 6,000</b>

Excess (Deficiency) of Revenues Over  
 Expenditures Before Other Financing  
 Sources (Basis)

\$ ... 3,261

Other Financing Sources (Uses)

Taxpayers

\$ ... 3,431

**Total Other Financing Sources (Uses)**

**\$ ... 3,431**

Excess (Deficiency) of Revenues and Other  
 Sources Over Expenditures

\$ ... 4,123

Fund Balances - Beginning

... 1,000

Fund Balances - Ending

**\$ 5,123**

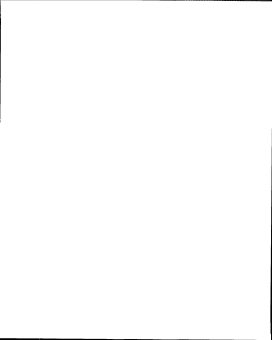
The accompanying notes are an integral part of this statement.

Town of Urmia, Louisiana

SUPPLEMENTARY SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
ALL MAJOR AND DOMINANT PROGRAMS

Year Ended June 30, 1986

Federal Source/Pass-Through Source/Program Title	CFDA #	Receipts/ Disbursements	Revenues/ Expenditures
U.S. Department of Housing and Urban Development/ Louisiana Division of Administration			
Louisiana Community Development Block Grant # 181-8028	24.218	\$ 348,178/ \$ 348,857	\$ 348,178/ \$ 348,878
Louisiana Community Development Block Grant # 181-8029	24.218	\$ 841,828/ \$ 841,828	\$ 841,828/ \$ 841,828



**SUPPLEMENTARY SCHEDULE  
OF  
FEDERAL FINANCIAL ASSISTANCE**



Total Manufacturing Costs

Budget	Actual	Variance
--------	--------	----------

\$,100,000	\$,085,000	\$,150,000
------------	------------	------------

\$ 100,000	\$ 880,000	\$ 10,000
8,000	—	8,000
1,000,000	1,000,000	0,000
\$,100,000	\$,088,000	\$,100,000

—	—	—
---	---	---

1,000,000	1,000,000	0,000
1,000,000	1,000,000	0,000

This report is the financial statements and an integral part of this statement.

Town of Urua, Louisiana  
 Statement of General Long-Term Debt  
 June 30, 1996

	Public Improvements DEBT
<hr/>	
AMOUNT Available and to be Provided for the Retirement of General Long-Term Debt	
Amount Available in Debt Service Funds for Debt Retirement	\$ 8,000
Amount to be Provided from Ad Valorem Taxes	42,000
Total Available and to be Provided	\$ 50,000
	*****
General Long-Term Debt Payable	
Bonds Payable	\$ 50,000
	*****
TOTAL General Long-Term Debt Payable	\$ 50,000
	*****

The accompanying notes are an integral part of this statement.

### GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for unamortized principal amounts on 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 Fund.

Town of Urtula, Louisiana  
 Payroll Agency Fund  
 Statement of Changes in Assets and Liabilities  
 Year Ended June 30, 1995

	Balance June 30, 1994	Additions	Deductions	Balance June 30, 1995
<b>ASSETS</b>				
Cash	\$ 2,514	\$ 181,808	\$ 18,812	\$ 166,510
<b>LIABILITIES</b>				
Due Other Funds	\$ 2,514	\$ 181,808	\$ 18,812	\$ 166,510

The accompanying notes are an integral part of this statement.

Town of Umanis, Louisiana  
 Payroll Agency Fund  
 Balance Sheet  
 Year Ended June 30, 1995

Assets	
Cash	\$ 2,500
Total Assets	\$ 2,500
Liabilities & Equity	
Due to Enterprise Fund	\$ 2,500
Fund Equity	----- \$ 2,500
TOTAL Liabilities & Equity	\$ 2,500 -----

The accompanying NOTES are an integral part of this statement.

#### PATROLL AGENCY FUND

The Payroll Agency Fund accounts for payroll and payroll related expenses paid from the Trust's various funds. The Agency Fund is purely custodial and does not involve measurement of results of operations.

Town of Uman, Louisiana  
 Combined Statement of Cash Flows  
 All Proprietary Fund Types  
 Year Ended June 30, 1995

	<u>Enterprise</u>
<b>Cash from Operations:</b>	
Income (Loss) Before Operating Transfers	\$ 189,264
Operating Transfers	... (20,500)
<b>Net Income (Loss)</b>	<b>\$ 168,764</b>
Adjustments to Net Income (Loss):	
Depreciation	38,724
Amortization Fee Red Subsidy	120
(Increase) Decrease in Accounts Receivable	(2,750)
Increase (Decrease) in Accounts Payable	475
Increase (Decrease) in Accrued Interest	... (485)
<b>Cash Provided by Operations</b>	<b>\$ 184,648</b>
Cash from Contributed Capital	787,188
Cash from Customer Deposits	897
Cash from Restricted Funds	... 28,518
<b>Total Cash Provided</b>	<b>\$ 991,251</b>
<b>Cash Was Applied To:</b>	
Investments	\$ 11,807
Revenue Bonds	14,718
Fixed Assets	... 787,206
<b>Total Cash Applied</b>	<b>\$ 813,731</b>
<b>Net Increase (Decrease) in Cash</b>	<b>\$ 177,520</b>
Cash Beginning of Year	... 26,280
<b>Cash End of Year</b>	<b>\$ 43,800</b>

The accompanying notes are an integral part of this statement.

For the purpose of this report, I have classified the significant internal accounting and administrative controls used in administering federal financial assistance programs in the following categories:

Accounting Controls

Revenue/Receipts  
Payables/Disbursements  
Budgeting

Administrative Controls

Political Activity  
Davis-Bacon Act  
Civil Rights  
Cash Management  
Federal Financial Reports  
Allowable Cost  
Drug-Free Workplace Act  
Administrative Requirements  
Services Allowed  
MATCHING LOCAL or EFFORT  
Special Reporting  
Special Provisions

For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and I assessed control risk.

During the year ended June 30, 1996, Town of Urovia, Louisiana expended 81 percent of its total federal financial assistance under major federal financial assistance programs.


I performed tests of controls, as required by OMB Circular 4-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, and general requirements that are applicable to each of Town of Urovia, Louisiana's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

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 noncompliance with laws and regulations that would be material to a federal financial assistance program 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 policies and procedures used in administering federal financial assistance 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.

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

Jana, Louisiana  
October 24, 1996



John B. Vardick



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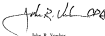
INDEPENDENT AUDITORS REPORT ON SCHEDULE OF  
FEDERAL FINANCIAL ASSISTANCE

The Honorable Terri Corley, Mayor  
and Members of the Town Board of Aldermen  
Urania, Louisiana

I have audited the general purpose financial statements of the Town of Urania, Louisiana, for the year ended June 30, 1996 and have issued my report thereon dated October 24, 1996. These general purpose financial statements are the responsibility of the Town of Urania, Louisiana, management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of OMB Circular A-128, "Audit of State and Local Governments". These standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Town of Urania, Louisiana, taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



John R. Vercher

Jena, Louisiana  
October 24, 1996