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TOWN OF ABITE CITY

Louisiana

FINANCIAL REPORT

June 30, 1998

STATE provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, or requested, and the auditor's comments and public officials are provided to the public. The auditor is available for public inspection of the State financial records of the Legislative Auditor and, where appropriate, of the office of the parish clerk of court.

Volume Date, 1998.3.1998

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LOUISIANA

June 30, 1998

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MEMORANDUM

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MEMORANDUM TO THE BOARD OF SUPERVISORS
CITY OF CHICAGO, ILL.

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor Reggie Cockley and
Members of the Town Council
Town of Amite City
Amite, Louisiana

I have audited the accompanying general purpose financial statements of the Town of Amite City, Louisiana, as of and for the year ended June 30, 1998. These general purpose financial statements are the responsibility of the Town of Amite City, 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 and Government Auditing 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. 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Town of Amite City, Louisiana, as of June 30, 1998, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 19 to the financial statements, the Town of Amite City is a defendant in several lawsuits seeking damages of various amounts. The ultimate outcome of these lawsuits cannot presently be determined and no provision for any liability that may result has been made in the accompanying financial statements.

My 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 purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Amite City, Louisiana. Such information 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.

Town of Amite City - Page 2

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which I expressed an unqualified opinion on the general purpose financial statements of the Town of Amite City, Louisiana.

In accordance with *Governance Auditing Standards*, I have also issued a report dated October 2, 1998, on my consideration of the Town's internal control over financial reporting and my tests of compliance with certain provisions of laws, regulations, contracts, and grants.



Certified Public Accountant

October 2, 1998

GENERAL PURPOSE FINANCIAL STATEMENTS

Item of Assets Only

COMBINED BALANCE SHEET - ALL FUNDS TYPES AND ACCOUNT CATEGORIES

June 30, 1998

ASSETS AND OTHER DEBITS	Governmental Fund Types		Proprietary Fund Types		Primary Fund Types		Account Groups			Totals		
	General	Special Revenue	Debt	Enterprise	Debt	Agency	General	Special Revenue	Debt	Assets	Liabilities	Net Position
Assets	\$ 41,872	\$ 208,479	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,584	\$ 297,598	\$ 252,016
Cash and cash equivalents	371,313	151,754	-	-	-	-	-	-	-	523,067	199,500	323,567
Receivables	-	-	-	-	-	-	-	-	-	219,263	204,600	14,663
Deposits (Outsourced Comp Plan)	-	-	-	-	209,262	-	-	-	-	209,262	-	209,262
Due from other funds	124,898	20,000	-	-	-	-	-	-	-	144,898	80,000	64,898
Restricted assets - cash	-	-	-	70,481	-	-	-	-	-	70,481	-	70,481
Land, buildings, and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Int'l. - where applicable, or accumulated depreciation	-	-	-	897,818	-	-	1,460,170	-	-	2,357,988	3,798,937	1,440,949
Other Debits	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities	-	-	-	-	-	-	-	-	30,324	30,324	22,182	8,142
Total Assets and Other Debits	\$ 41,872	\$ 208,479	\$ -	\$ -	\$ -	\$ -	\$ 1,460,170	\$ -	\$ 30,324	\$ 2,044,100	\$ 3,798,937	\$ 1,754,837

Amounts to be provided for within scope of general long-term debt:

(Continued)

The accompanying notes are an integral part of this statement.

General Ledger

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT SERIES

June 30, 2008

LIABILITIES AND FUND EQUITY

Liabilities	Accounted For Total		Priority		General		Special		Total	
	General	Special	Fixed Assets	Liabilities	Fixed Assets	Liabilities	Fixed Assets	Liabilities	Fixed Assets	Liabilities
Accounts Payable	\$ 20,114	\$ 1,974	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 47,200
Compensated absences payable	-	-	4,411	-	-	-	-	-	20,104	30,004
Long-term liabilities	-	12,750	-	-	-	-	-	-	-	12,750
Payable from restricted assets -										
Customers' deposits	-	-	70,402	-	-	-	-	-	-	70,402
Due to other funds	20,476	1,568	122,000	-	-	-	-	-	123,968	15,046
Due to joint participants	-	-	-	100,000	-	-	-	-	-	100,000
Unassigned revenues	1,140	-	-	-	-	-	-	-	1,140	-
Other payable	-	-	-	-	-	-	-	-	-	11,201
Total liabilities	21,660	14,318	102,402	100,000	-	-	-	-	194,402	188,251
Fund Equity										
Contributed capital	-	-	1,000,000	-	-	-	-	-	-	1,000,000
Reserves in general fund assets	-	-	-	-	1,861,178	-	-	-	-	1,861,178
Restricted earnings (MOE/C)	-	-	-	-	-	-	-	-	-	1,776,185
Unreserved	-	-	(124,873)	-	-	-	-	-	-	(124,873)
Fund balances -										
Unreserved - Designated	-	47,475	-	-	-	-	-	-	-	47,475
Unreserved - Un-designated	223,100	411,512	-	-	-	-	-	-	-	634,612
Total fund equity	223,100	458,987	876,127	-	1,861,178	-	-	-	1,861,178	3,179,478
Total Liabilities and Fund Equity	\$234,764	\$473,295	\$1,122,129	\$100,000	\$1,861,178	\$0	\$0	\$0	\$1,861,178	\$5,317,629

(Continued)

The accompanying notes are an integral part of this statement.

Town of Austin City

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

Year Ended June 30, 1998

	General	Special Revenues	Totals	
			(Miscellaneous Only)	1997
			1998	1997
Revenues				
Taxes	\$ 173,180	\$ 1,176,889	\$ 1,350,069	\$ 1,291,490
Licenses and permits	228,375	-	228,375	183,254
Intergovernmental	175,287	-	175,287	213,488
Fees	38,293	-	38,293	52,281
Charges for services	371,027	-	371,027	257,330
On behalf payments by state	47,570	-	47,570	48,580
Miscellaneous	43,225	18,500	61,725	38,522
Total revenues	<u>1,077,857</u>	<u>1,195,389</u>	<u>2,273,246</u>	<u>2,062,745</u>
Expenditures				
Current -				
General government	514,873	3,500	518,373	483,448
Public safety - Police	481,326	-	481,326	487,483
Public safety - Fire	15,898	148,124	164,022	154,882
Streets	414,533	-	414,533	453,793
Sanitation	114,031	-	114,031	160,996
Cannery	53,917	-	53,917	28,118
Housing	-	-	-	3,626
Culture and recreation	85,940	-	85,940	58,352
Economic development	-	11,258	11,258	15,493
Intergovernmental	3,312	-	3,312	6,388
Miscellaneous programs	27,346	-	27,346	23,757
Main Street	41,338	-	41,338	-
Chamber of Commerce	35,023	-	35,023	-
Total expenditures	<u>1,751,246</u>	<u>162,752</u>	<u>1,913,998</u>	<u>2,085,381</u>
Excess (deficiency) of revenues over expenditures	(673,389)	(1,023,363)	(1,696,752)	(1,022,636)
Other Financing Sources (Uses)				
Operating transfers in	1,028,000	128,026	1,156,026	1,028,400
Operating transfers out	(1,281,823)	(1,881,836)	(3,163,659)	(1,855,400)
Total other financing sources (used)	<u>(253,823)</u>	<u>(1,753,810)</u>	<u>(2,007,433)</u>	<u>(827,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	91,940	(196,418)	(104,478)	(19,414)
Fund balances, beginning	111,322	352,023	463,345	524,723
Fund balances, ending	<u>\$ 203,262</u>	<u>\$ 155,605</u>	<u>\$ 358,867</u>	<u>\$ 505,309</u>

The accompanying notes are an integral part of this statement.

Town of Acushnet

COMPARISON STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - FISCAL YEAR 2010 AS ACTUAL
 REVENUES AND EXPENDITURES TO DATE
 Year Ended June 30, 2010

	General Fund		Variance		Special Revenue Funds		Totals
	Budget	Actual	Increase		Budget	Actual	
			(Decrease)	(Decrease)			
Revenues							
Fees	\$ 15,000	\$ 15,000	\$ 0	\$ 0	\$ 11,000	\$ 11,000	\$ 26,000
Licenses and permits	10,000	10,000	-	-	-	-	20,000
Intergovernmental	21,000	20,375	(625)	(625)	-	-	41,375
Fines	30,000	30,000	-	-	-	-	60,000
Charges for service	20,000	21,000	1,000	1,000	-	-	41,000
On behalf payments by rate payers	40,000	41,250	1,250	1,250	-	-	81,250
Other	11,200	41,200	30,000	30,000	-	-	82,200
Total revenues	<u>168,200</u>	<u>170,825</u>	<u>2,625</u>	<u>2,625</u>	<u>11,000</u>	<u>11,000</u>	<u>192,450</u>
Expenditures							
General government	334,000	329,023	(4,977)	(4,977)	7,200	7,200	667,200
Public safety - Police	440,000	441,250	1,250	1,250	-	-	881,250
Public safety - Fire	11,000	11,000	-	-	130,000	140,154	262,154
Street	44,200	44,200	-	-	-	-	88,400
Sanitation	118,000	118,000	-	-	-	-	236,000
Library	21,700	20,825	(875)	(875)	-	-	42,575
Capital outlay	84,200	80,000	(4,200)	(4,200)	-	-	164,200
Cultural and recreation	7,000	8,312	1,312	1,312	-	-	15,312
Economic development	2,500	2,500	-	-	-	-	5,000
Intergovernmental	31,000	31,000	-	-	-	-	62,000
Miscellaneous programs	31,000	41,000	10,000	10,000	-	-	72,000
Main Street	11,000	11,000	-	-	-	-	22,000
Chamber of Commerce	1,000	1,000	-	-	-	-	2,000
Total expenditures	<u>1,081,100</u>	<u>1,129,425</u>	<u>48,325</u>	<u>48,325</u>	<u>11,000</u>	<u>11,000</u>	<u>1,200,750</u>
Excess (deficiency) of revenues over expenditures	<u>60,100</u>	<u>51,400</u>	<u>(8,700)</u>	<u>(8,700)</u>	<u>0</u>	<u>0</u>	<u>101,700</u>
Other Financing Sources (Uses)							
Opening transfer in	80,000	1,000,000	920,000	920,000	10,000	10,000	1,010,000
Opening transfer out	(100,000)	(100,000)	-	-	-	-	(200,000)
Total other financing sources (uses)	<u>(20,000)</u>	<u>900,000</u>	<u>920,000</u>	<u>920,000</u>	<u>10,000</u>	<u>10,000</u>	<u>1,010,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>40,100</u>	<u>90,400</u>	<u>50,300</u>	<u>50,300</u>	<u>10,000</u>	<u>10,000</u>	<u>110,700</u>
Fund Balances, beginning	<u>148,000</u>	<u>141,000</u>	<u>(7,000)</u>	<u>(7,000)</u>	<u>0</u>	<u>0</u>	<u>141,000</u>
Fund Balances, ending	<u>248,100</u>	<u>231,400</u>	<u>(16,700)</u>	<u>(16,700)</u>	<u>10,000</u>	<u>10,000</u>	<u>231,400</u>

The accompanying notes are an integral part of this statement.

Town of San Joaquin

**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND TYPE**
Years Ended June 30, 2008 and 2007

	2008	2007
Operating Revenues		
Charges for services -		
Water sales	\$ 217,798	\$ 215,980
Sewer charges	80,456	87,982
Delinquency charges	30,089	30,174
Connection charges	<u>8,321</u>	<u>6,580</u>
Total operating revenues	<u>336,664</u>	<u>340,716</u>
Operating Expenses		
Salaries	81,930	80,181
Payroll taxes	6,311	6,142
Electricity -		
Water pumps	26,097	25,849
Sewerage plant	37,446	40,541
Repairs/Supplies -		
Water systems	31,732	34,389
Sewerage systems	89,993	97,633
Engineer fees	83,184	-
Truck Expenses	17,298	7,783
Office expenses	3,781	6,393
Fees	3,838	3,838
Sewerage testing	8,088	8,770
Other	826	589
Bad debt expense	343	-
Depreciation	<u>47,466</u>	<u>62,181</u>
Total operating expenses	<u>585,812</u>	<u>629,982</u>
Operating income (loss)	(52,230)	(11,219)
Nonoperating Revenues (Expenses)		
Interest income	6,827	3,127
Interest expense	(865)	(2,346)
Other	<u> </u>	<u>125</u>
Income (loss) before operating transfers	(52,268)	(10,265)
Transfers from:		
Sales tax fund	<u>37,283</u>	<u> </u>
Net income (loss)	(14,985)	(10,660)
Retained earnings (deficit), beginning	(128,150)	(118,852)
Retained earnings (deficit), ending	<u>\$ (143,813)</u>	<u>\$ (128,150)</u>

The accompanying notes are an integral part of this statement.

Town of Amherst, City

**STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE
Year Ended June 30, 1998**

Cash flows from operating activities		
Operating loss		\$82,293
Adjustments to reconcile net operating loss to net cash provided by operating activities:		
Depreciation	\$ 47,460	
Increase in accounts receivable	(15,681)	
Increase in amounts due to other funds	41,286	
Increase in accounts payable	14,922	
Increase in compensated absence payable	1,229	
Total adjustments		89,216
Net cash provided by operating activities		7,923
Cash flows from noncapital financing activities		
Receipt of capital contributions	15,000	
Receipts from other funds	27,865	
Net cash provided by noncapital financing activities		42,865
Cash flows from capital and related financing activities		
Payments for capital acquisitions	(33,700)	
Principal repayments	(21,581)	
Interest paid	(282)	
Net cash (used) for capital and related financing activities		(55,563)
Cash flows from investing activities		
Interest income	6,822	
Net cash provided by investing activities		6,822
Net cash increase for the year		401
Cash at beginning of year		11,152
Cash at end of year		<u>\$11,603</u>

The accompanying notes are an integral part of this statement.

Town of Amite City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

INTRODUCTION

The Town of Amite City, Louisiana was first incorporated on March 7, 1884. The Town adopted the provisions of Act 136 enacted on July 28, 1898, and became governed under the Lawrence Act. The Town is governed by an elected Mayor and Board of Aldermen.

The accounting and reporting policies of the Town of Amite City conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:503 and to the guides set forth in the Louisiana Governmental Audit Guide, and to the industry audit guide, *Audits of State and Local Governmental Units*.

In April 1984 the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November 1984 the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining the identification of a primary government unit for financial reporting purposes. The GASB has set forth criteria to be considered in determining which governmental entities are primary governments. An entity is a primary government if it satisfies all of the following criteria:

- The entity has a separate governing body elected by the citizenry in a general, popular election.
- The entity is legally separate from other entities.
- The entity is financially independent of other state and local governmental entities.

Based on the above criteria the town has determined that the Town of Amite City, Louisiana, is a primary government and financial reporting entity in accordance with GASB Statement No. 14. The Town has also determined that there are no component units that should be considered part of the Town for financial reporting purposes.

Town of Amite City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

B. FUND ACCOUNTING

The municipality uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the municipality are classified into three categories: governmental, proprietary, and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

Governmental Funds

Governmental funds are used to account for all or most of the municipality's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

1. General Fund -- the general operating fund of the Town and accounts for all financial resources except those required to be accounted for in other funds.
2. Special revenue funds -- account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

1. Enterprise funds -- account for operations (a) 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. The Town maintains one enterprise fund, the Waterworks and Sewer Fund, which provides water and sewer services.

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of others. Fiduciary funds include:

1. *Agency funds* – account for assets that the municipality holds on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental Funds

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Revenues are recognized, under the modified accrual basis of accounting, when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Property taxes and interest are susceptible to accrual. Sales taxes collected and held by the parish Central Collection Commission at year end on behalf of the government are also recognized as revenues. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Expenditures

Expenditures are recorded when the related fund liability is incurred, except for unamortized interest on general long-term debt which is recognized when due, and certain compensated

Town of Avon, Ct

NOTES TO FINANCIAL STATEMENTS

June 30, 2008

assets and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses).

Proprietary Fund

All proprietary funds are accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the balance sheet. The proprietary fund uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as the these liabilities are incurred.

Fiduciary Fund

The agency fund is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the government holds for others in an agency capacity.

D. BUDGETS

Fiscal budgetary accounting is employed as a management control for all governmental funds of the Town. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for the General Fund and Special Revenue Funds, and the same basis of accounting is used to reflect actual revenues and expenditures recognized on a generally accepted accounting principles basis. Budgets are prepared and adopted in accordance with the Louisiana Local Government Budget Act. Budgetary control is exercised at the department level for each fund.

All budget appropriations lapse at the end of each fiscal year.

E. ENCUMBRANCES

The Town does not use encumbrance accounting.

F. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original

Town of Amite City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

maturity of 90 days or less. Under state law, the municipality 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 their principal offices in Louisiana.

Under state law, the municipality may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost, except for investments in the deferred compensation agency fund, which are reported at market.

G. RECEIVABLES

Receivables are shown net of an allowance for uncollectibles. Uncollectible amounts due for water and sewer charges are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivables. Uncollectible amounts for property taxes and garbage charges are recorded as a reduction of current revenues.

H. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

I. RESTRICTED ASSETS

Restricted assets consist of cash resources of the enterprise fund set aside for repayment of customer deposits.

J. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

Town of Acute City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

Fixed assets used in the proprietary fund operations are included on the balance sheet of the funds net of the accumulated depreciation. Interest costs incurred during construction, if any, are capitalized. Depreciation of all depreciable fixed assets used by proprietary fund operations is charged as an expense against operations. Depreciation is computed using the straight-line method over the following useful lives:

Water and Sewer Utility -	
Wells	25 years
Storage tanks	40 years
Lines and meters	40 years
Sewerage system	40 years
Equipment	Various

K. COMPENSATED ABSENCES

During the fiscal year, the Town changed its policy regarding annual and sick leave.

The earning of such leave shall be based on the equivalent of years of full-time City service and, for an employee having an administration work week of five days, shall be creditable at the end of each month in accordance with, or proportionate to, the following:

- Less than one year of service, at the rate of 3.33 hours of annual leave and 4 hours of sick leave per month.
- One year but less than ten years of service, at the rate of 6.67 hours of annual leave and 8 hours of sick leave per month.
- Ten years or more of service, at the rate of 10 hours annual leave and 8 hours of sick leave per month.

Accrued unused annual leave earned by an employee shall be carried forward to the succeeding fiscal year but not in excess of 240 hours. Accrued unused sick leave earned by an employee shall be carried forward to the succeeding fiscal year without limitation.

Upon termination, all unused annual leave accrued by an employee shall be paid to the terminating employee not to exceed 240 hours. Employees with less than one year of full-time employment are not considered vested for annual leave purposes and any annual leave accrued upon termination shall be canceled.

Employees who resign or who are dismissed from employment shall not be paid for any accrued sick leave and all such leave shall be canceled.

Term of Accrued Sick Leave

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

Employees who retire at or after age 60 with at least 10 years of creditable full-time employment or at or after age 55 with at least 30 years of creditable full-time employment are entitled (as an employment benefit) to be paid for unused sick leave computed as follows:

For each year of creditable employment, an employee will be paid at date of retirement unused accrued sick leave at an amount equal to 1.67 percent for each year of creditable employment not to exceed 50 percent of the retiring employee's unused sick leave at date of retirement.

The Town maintains its sick leave records in units of hours (or days). The amount to be paid shall be the percent determined in the preceding paragraph multiplied by the unused sick leave hours at the employee's final-average hourly salary. Final-average hourly salary is the employee's average salary over the last 36 consecutive months at date of retirement. Retirement for this purpose shall be the same as defined by the Municipal Employees' Retirement System of Louisiana.

The cost of vacation leave privileges, computed in accordance with GASB Statement No. 16, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group. Leave privileges associated with employees of the proprietary fund are recorded as a fund liability and operating expense. No liability is reported for unpaid accumulated sick leave.

L. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from governmental funds are reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

M. FUND EQUITY

Contributed Capital

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds when such resources are restricted for the acquisition or construction of capital assets.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

Town of Acadia City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

N. INTERFUND TRANSACTIONS

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

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

O. AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes were levied by the Town in October and 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.

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

F. SALES TAXES

The Town assesses a 2% sales and use tax. The Mayor and Board of Aldermen have dedicated the sales and use tax as follows:

1. The Town Council has dedicated 2.5% of sales and use tax collections to an economic development fund to be used at the discretion of the Town Council.
2. The Town Council has dedicated 12.5% of sales and use tax collections to Tangipahoa Parish Fire Protection District No 1.

Q. COMPARATIVE DATA

Comparative total data for the prior year have been presented in the financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Town of Avoca City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

R. TOTAL COLUMNS ON COMBINED STATEMENTS

Total Columns on the combined statements are captioned "Mirrorcolumn 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 cash flows 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.

(1) FUND DEFICITS

The following individual fund had a deficit in retained earnings at June 30, 1998:

<u>Fund</u>	<u>Deficit Amount</u>
Water and Sewer Enterprise Fund	\$124,603
Total	\$124,603

(2) EXPENDITURES, ACTUAL AND BUDGET

The following individual funds have actual expenditures and other uses over budgeted expenditures and other uses for the year ended June 30, 1998:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>	<u>Percent</u>
Sales Tax Special Revenue Fund	\$1,097,919	\$1,234,840	\$ 136,921	12.45%
Economic Development Fund	\$10,560	\$11,218	\$ 658	6.41%

The Louisiana Municipal Budget Law requires a local government to amend its spending budget when the total revenue and other sources fail to meet total budgeted revenues and other sources by 5% or more. Also, amendment is required when total actual expenditures and other uses exceed the total budgeted expenditures and other uses by 5% or more. The Town failed to amend the budgets by an adequate amount for the sales tax fund and economic development fund for the fiscal year ended June 30, 1998.

The over expenditures of both funds were funded by available fund balances.

Town of Avon City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

(4) CASH AND CASH EQUIVALENTS

The following is a summary of cash and cash equivalents (bank balances) at June 30, 1998:

Pay cash	\$ 300
Interest-bearing demand deposits	427,590
Time deposits	<u>48,358</u>
Total	<u>\$476,248</u>

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

At June 30, 1998, the Town has \$467,222 in deposits (collected bank balances). These deposits are secured from risk by \$181,873 of federal deposit insurance and \$988,247 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 38:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 90 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

Town of Amherst City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

(5) RECEIVABLES

Receivables at June 30, 1998, consist of the following:

Class of Receivable	General	Special Revenues	Enterprise	Total
Taxes -				
Franchise	\$ 13,688	\$ -	\$ -	\$ 13,688
Sales	-	100,791	-	100,791
Accounts -				
Prisoner housing fees	(651)	-	-	(651)
Garbage	25,808	-	-	25,808
Water and Sewer	-	-	29,442	29,442
Less: Allowance for Uncollectibles	(1,179)	-	(1,325)	(2,504)
Other	-	-	305	305
Intragovernmental -				
Beer taxes	3,062	-	-	3,062
Tobacco taxes	3,379	-	-	3,379
Video poker	25,843	-	-	25,843
Dept. of Motor Vehicles	2,348	-	-	2,348
School Board	3,199	-	-	3,199
State grant	2,304	-	15,000	17,304
Federal grants	<u>12,208</u>	<u>-</u>	<u>-</u>	<u>12,208</u>
Totals	<u>\$301,611</u>	<u>\$101,791</u>	<u>\$43,222</u>	<u>\$446,624</u>

An allowance account for taxes receivable is not considered necessary.

(6) AD VALOREM TAXES

For the year ended June 30, 1998, taxes of 6.11 mills were levied on property with assessed valuations totaling \$62,389,471.

Total taxes levied were \$38,621. Taxes receivable at June 30, 1998, were nil.

(7) RESTRICTED ASSETS - PROPRIETARY FUND TYPE

Restricted assets were applicable to the following at June 30:

	1998	1997
Customers' deposits - cash	<u>\$78,462</u>	<u>\$64,813</u>

Town of Acute City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

(F) FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance July 1, 1997	Additions	Deletions	Balance June 30, 1998
Land	\$ 286,140	\$ -	\$ -	\$ 286,140
Buildings	702,566	-	-	702,566
Improvements other than buildings	269,861	31,059	-	300,914
Equipment	517,392	37,956	-	555,350
Total	\$1,735,152	\$68,911	\$ -	\$1,845,170

At June 30, 1998, the investment in general fixed assets is from:

Donations	\$ 324,970
General fund revenues	697,261
Sales tax revenues	559,517
Federal shared revenues	88,976
Federal grants	180,406
State grants	84,240
Total	\$1,845,170

A summary of proprietary property, plant, and equipment follows:

Land - Water	\$ 93,000
Land - Sewer	25,857
Water	179,000
Storage tanks	211,899
Water lines and mains	480,606
Sewerage systems	819,518
Equipment	78,200
Sub-total	1,793,178
Less: accumulated depreciation	(136,168)
Net	\$ 1,657,010

During the fiscal year, the proprietary fund had additions of \$53,710 and no deletions to property, plant, and equipment.

Town of Amite City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

(9) PENSION PLANS

Some employees of the Town of Amite City are members of the following statewide retirement systems: Municipal Police Employees Retirement System of Louisiana or Municipal Employees Retirement System of Louisiana. These systems are multiple-employer (cost-sharing), public employee retirement systems (PERS), controlled and administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Municipal Police Employees' Retirement System of Louisiana (System):

Plan Description. All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3-1/3 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statement and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8481 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2258, or by calling (504) 929-3411.

Funding Policy. Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Town of Amite City is required to contribute at an actuarially determined rate. The current rate is 5.0 percent of annual covered payroll. The contribution requirements of plan members and the Town of Amite City are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:150, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Amite City contributions to the System for the years ending June 30, 1996, 1997, and 1998, were \$11,713, \$93,977, and \$12,128, respectively, equal to the required contributions for each year.

B. Municipal Employees' Retirement System of Louisiana (System):

Plan Description. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the Town are members of Plan B. The Town ceased participation in the plan in December of 1987. No contributions have been made to the plan by the Town or its employees since that time, although several employees elected to have their contributions remain in the plan.

Town of Amite City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Employees who retire at or after age 60 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average monthly salary for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 60, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 percent of final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. This report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (504) 923-4810.

Funding Policy. Members are required by state statute to contribute 3.0 percent of their annual covered salary and the Town of Amite City is required at an actuarially determined rate. The current rate is 5.25 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town of Amite City are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:003, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Amite City's contributions to the System under Plan B for the years ending June 30, 1996, 1997, and 1998, were \$0, \$0, and \$0, respectively, equal to the required contributions for each year.

(16) DEFERRED COMPENSATION PLAN

The Town of Amite offers its employees two deferred compensation plans created in accordance with Internal Revenue Code 457. One plan is with Jackson National Life Insurance Companies and is available to all Town employees and permits them to defer a portion of their salaries until future years. The Town matches the employees' contribution up to 3% of the eligible employees' salaries. The other plan is with the Delaware Group and permits participants to defer a portion of their salaries until future years. At present, the Mayor is the only participant in the Delaware Group plan - no portion of this deferred compensation is paid by the Town.

Town of Annis, CT

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Town (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Town's general creditors. Participants' rights under the plan are equal to those of general creditors of the Town in an amount equal to the fair market value of the deferred account for each participant. The Town believes that it is unlikely that plan assets will be needed to satisfy claims of general creditors that might arise.

As part of its fiduciary role, the Town has an obligation of due care in selecting the third-party administrator. In the opinion of the Town's legal counsel, the Town has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan.

At June 30, 1998, the Town has assets of \$200,724 in the Jackson National plan, and \$135,538 in the Delaware Group plan. The amounts of total assets of other plan were not available.

(11) RETIREMENT SYSTEM

Employees of the Town are members of the social security system. In addition to employee payroll deductions, Town funds are required to match the employee contributions. Aggregate contributions to the social security system for the year ended June 30, 1998, were \$89,004 of which \$44,502 was contributed by the Town.

(12) COMPENSATED ABSENCES

At June 30, 1998, employees of the primary government have accumulated and vested \$34,576 of employee leave benefits, which was computed in accordance with GASB Codification-Section C90. Of this amount, \$93,104 is recorded within general long-term obligations account group. The leave liability for employees of the Enterprise Fund, for \$4,471, is accounted for within the fund.

(13) LEASES

The Town has an operating lease of the following nature:

On April 1, 1998, the police department entered into an operating lease with Southeast Business Systems for a copier. The terms are for 36 monthly payments of \$124.00. The lease does not contain an option to purchase.

Town of Amite City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

The minimum future, annual rental payments required under the noncancelable operating lease are:

Fiscal Year	Total
00-00-00	\$1,800
00-00-00	1,800
00-00-01	<u>372</u>
	<u>\$3,972</u>

(14) CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of changes in general long-term debt (compensated absences) of the Town for the year ended June 30, 1998:

Compensated Absences -	
Accumulated and vested at July 1, 1997	\$27,282
Net changes for the year	<u>2,822</u>
Accumulated and vested at June 30, 1998	<u>\$30,104</u>

(15) DEDICATION OF PROCEEDS AND FLOW OF FUNDS - SALES AND USE TAX

Proceeds of a 2% sales and use tax levied by the Town (1997 collections \$1,122,190; 1998 \$1,176,882) are dedicated as follows:

1. Provide funds for an economic development fund to be used at the discretion of the Mayor and Board of Aldermen. This funding totals 2.5% of sales and use tax collections.
2. The Town Council has dedicated 02.5% of sales and use tax collections to the Tangipahoa Parish Fire Protection District No. 1.

All of the revenues received in any fiscal year and not required to be paid in each fiscal year into any of the above noted dedications shall be regarded as surplus and may be used for any lawful corporate purpose.

The Town's sales and use taxes are collected by the Central Collection Commission (CCC) of Tangipahoa Parish. For these services, the Town of Amite City pays to the CCC the following:

1. A monthly charge of .65 percent per month of amounts collected.
2. Out-of-parish travel expenses spent for collection of the tax.
3. All legal fees incurred should litigation become necessary in the collection of applicable taxes.

Town of Andis City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

(16) INTERFUND RECEIVABLES, PAYABLES

Amounts due to or from other funds at June 30, 1998, consisted of the following:

	Interfund Receivables	Interfund Payables
General Fund	\$122,858	\$ 23,478
Special Revenue Funds -		
Sales Tax Fund	-	2,544
Economic Development Fund	28,000	-
Enterprise Fund -		
Water and Sewer Fund	-	122,508
Total	<u>\$150,858</u>	<u>\$148,530</u>

(17) DESIGNATED FUND BALANCE

The Mayor and the Town Council contribute one-half of their salaries to be used exclusively for economic development.

These funds are accounted for in the Economic Development Special Revenue Fund as designated funds.

(18) CHANGES IN CONTRIBUTED CAPITAL

The following is a summary of changes in contributed capital of the Town for the year ended June 30, 1998:

Balance at June 30, 1997	\$1,034,074
Additions:	
State Grant - Office of Rural Development For Highway 16 "North" Sewer Extension	<u>13,000</u>
Balance at June 30, 1998	<u>\$1,048,074</u>

Town of Amite City

NOTES TO FINANCIAL STATEMENTS

June 30, 2008

(15) LITIGATION AND CLAIMS

The following legal actions are currently pending against the Town of Amite City:

Suit # 9500426, Alma Vernon vs. Town of Amite and Tangipaha Parish School Board. This is a Petition for damages filed November 1985 wherein plaintiff claims that she was injured while walking on the sidewalk near the School Board Office at the Courthouse Square in Amite. The Town is being defended by its insurer in this matter.

Suit # 9600124, Thomas J. Cui vs. Town of Amite. This is a petition for damages filed April 30, 1996. The Town is being defended by its insurer in this matter.

Suit # 9700898, Wardell Dymon, Jr. Individually and on behalf of his minor child, vs. Town of Amite, Amite Police Department, Chief of Police, and Officer Michael Foster. This is a petition for damages. The Town is being defended by its insurer in this matter.

Suit # 9701468, Josephine Biamonte vs. Town of Amite. This is a petition for damages. The Town is being defended by its insurer in this matter.

Suit # 9701462, Mildred Landrue vs. Town of Amite. This is a petition for damages. The Town is being defended by its insurer in this matter.

Suit # 9900942, Amite Central Railroad Properties, L.L.C. vs. Town of Amite cumulated with Town of Amite vs. Amite Central Properties, L.L.C. petition for expropriation. The suit by Amite Central is for declaratory judgment and for damages and was also filed as a reconventional demand in our suit for expropriation. The Town is being defended by its insurers.

Suit # 9101021, Dr. Nathan Ferraro, et al vs. Tangipaha Parish Council, et al which is a Petition for an injunction involving the parish landfill. The Town is being defended by the City Attorney, Charles M. Reid.

Suit # 9700817, Keshley T. Crumedy vs. the Town of Amite et al. This is a petition for damages against the Town of Amite, the State of Louisiana and the Parish of Tangipaha for an accident which occurred on I-55 at it's intersection with La. Hwy. 16. The Town is being defended by its insurer.

Suit # 9702232, Jerry Harrell vs. the Town of Amite. This is a petition for damages arising out of a person exiting a vehicle and allegedly falling in a hole on Myrtle Street in Amite. The Town is being defended by its insurer.

Town of Amite, City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

Suit # 9801741, H. E. Pezder et al vs. Town of Amite, Allstate Insurance, and Ross Blandfils. This is a suit for damages arising out of an automobile accident. The Town is being defended by its insurer.

Suit # 9800371, Easlie J. Boushain vs. Town of Amite. This is a petition for damages involving a slip and fall near the Pizza Hut. The Town is being defended by its insurer.

Suit # 9802217, Robert Weldon Russell et al vs. Town of Amite and P.C. Gabriel, Chief of Police. This is a petition for injunction and damages. The Town is being defended by special counsel, T.J. Seale, III.

Accrual of the loss contingencies listed above has not been recorded in the financial statements as responsibility has not been determined and the possible loss or range of loss for each legal action cannot be reasonably estimated.

Claims and litigation costs of \$7,138 were paid in the current year and recorded as a current-year expenditure in the General Fund.

(70) COMPENSATION PAID MAYOR, CHIEF OF POLICE, AND TOWN COUNCIL

Amounts paid to the Mayor, Chief of Police, and members of the Town Council for compensation are as follows:

R.H. Gotsdy, M.D., Mayor	\$ 5,400
Parker Gabriel, Jr., Chief of Police	90,588
Town Council	
Bobby Bell	2,700
Samuel C. Hyde	2,700
Lee Schilling, Jr.	2,700
Jeanbon Foster	2,700
Thaddeus Richardson	<u>2,625</u>
	\$99,413

(71) ON BEHALF PAYMENTS BY STATE OF LOUISIANA

For the year ended June 30, 1998, the State of Louisiana made on behalf payments in the form of supplemental pay to the Town of Amite's policemen and firemen. In accordance with QASB 34, the Town has recorded \$47,570 of on behalf payments as revenue and as expense in the General Fund.

Town of Andis, City

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

(12) SUBSEQUENT EVENTS

Subsequent to June 30, 1998, the following events occurred:

- a) The Environmental Protection Agency (EPA) assessed the Town a fine of \$16,500 because the Town's sewer treatment facility was in noncompliance with the NPDES permit.
- b) The Town entered into a cemetery maintenance contract with Alvin Thompson for \$34,000 per year.
- c) The Town accepted R. J. Bosty Construction Company's bid of \$51,853 for the expansion of the water and sewer lines south of Highway 16.
- d) In July 1998 the Town extended its city limits.

SUPPLEMENTAL INFORMATION SCHEDULES

General Fund

The general fund is used to account for resources traditionally associated with government which are not acquired legally or by sound financial management to be accounted for in another fund.

Town of Andis City
General Fund
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1997
With Comparative Actual Amounts for Year Ended June 30, 1997

	1997		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues				
Taxes -				
Ad valorem	\$ 81,000	\$ 83,219	\$ 2,214	\$ 82,364
Public utilities franchise	54,000	89,879	(4,025)	87,318
Licenses and permits -				
Occupational licenses	175,000	212,979	38,979	175,800
Chain store licenses	3,000	3,070	70	2,744
Permits	6,000	11,008	5,008	7,706
Intergovernmental -				
Tobacco taxes	23,000	21,514	(1,486)	21,217
Beer taxes	23,000	11,544	(11,456)	12,000
Parish grant - police	9,811	8,988	(923)	11,454
State grant - police	1,000	1,408	408	1,817
State grant - main street	39,000	18,500	-	-
Federal grant	24,170	13,284	(10,886)	43,619
Value added	15,000	23,833	8,833	28,438
Department of Motor Vehicles	18,000	20,882	2,882	17,888
Fees	39,000	39,203	203	32,351
Charges for services -				
Garbage fees	261,000	292,748	(31,748)	251,130
Proctor towing fees	7,000	18,279	11,279	6,902
On behalf payments by state	40,000	47,070	7,070	40,597
Miscellaneous revenues -				
Concessory - sale of lots	15,000	37,577	4,577	12,491
Interest	10,000	8,263	(1,737)	10,956
Interest	1,000	3,823	2,823	687
Miscellaneous	5,300	1,287	(4,013)	8,908
Total revenues	<u>1,062,110</u>	<u>1,311,820</u>	<u>249,710</u>	<u>1,052,063</u>
Expenditures				
Current -				
General government	524,000	379,873	4,127	478,133
Public safety - police	483,000	681,326	(16,291)	687,683
Public safety - fire	13,500	13,888	(2,938)	13,581
Streets	443,500	414,203	37,667	425,412
Sanitation	118,570	114,831	4,739	106,996
Community Center	18,000	16,856	2,144	18,987
Cemetery	52,750	33,917	(1,857)	28,118
Parks and recreation	87,200	69,125	(1,815)	80,289
Intergovernmental (IMV)	13,000	9,312	3,688	6,538
Miscellaneous	23,000	37,344	(3,844)	23,797
Main Street	33,810	41,380	(7,570)	-
Chamber of Commerce	11,000	11,625	125	-
Total expenditures	<u>1,884,380</u>	<u>1,798,350</u>	<u>86,030</u>	<u>1,676,383</u>

(Continued)

Town of Andover City
General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET, GAAP BASIS AND ACTUAL
Year Ended June 30, 1998
With Comparative Actual Accounts for Year Ended June 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Excess (deficiency) of revenues over expenditures	\$337,513	\$,036,710	\$129,197	\$314,343
Other Financing Sources (Uses)				
Operating transfers in:				
State Tax Fund	\$15,000	1,326,680	104,000	\$15,000
Operating transfers out:				
Housing Grant	-	-	-	(4,531)
Economic Development Fund	(18,800)	(18,800)	75	(18,725)
Capital Improvement Fund	(110,800)	(118,800)	-	(80,800)
Total other financing sources (uses)	—73,600	—111,120	104,075	—71,056
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(40,087)	\$0,460	212,192	(41,779)
Fund balance, beginning	141,523	141,523	—	183,625
Fund balance, ending	\$,101,436	\$,141,983	\$141,192	\$,141,846

(Continued)

**Town of Andis City
General Fund**

**SCHEDULE OF EXPENSES - COMPARED TO BUDGET - GAAP BASIS
Year Ended June 30, 1998
With Comparative Actual Amounts for Year Ended June 30, 1997**

	1998			1997 Actual
	Budget	Actual	Variance Favorable (Unfavorable)	
General Government				
Salaries - Mayor and Council	\$ 18,000	\$ 18,821	\$ 821	\$ 18,923
Salaries - Clerical	70,000	78,569	(8,569)	65,968
Employment contributions	10,000	11,685	(2,685)	10,379
Employee benefits	174,000	171,391	2,609	179,898
Payroll taxes	32,000	30,601	1,399	45,330
Attorney	8,000	7,278	722	8,890
Accounting services	4,500	7,831	(3,331)	3,380
Audit	30,000	30,900	-	30,900
Register fees	8,000	5,821	2,179	4,821
Insurance (all funds)	100,000	114,114	(14,114)	112,151
Office supplies	14,000	18,850	(4,850)	15,180
Official journal	3,000	4,654	(1,654)	3,317
City Hall utilities	6,000	7,162	(1,162)	6,795
City Hall telephone	7,000	5,991	1,009	3,268
City Hall maintenance	9,000	6,125	2,875	1,574
Data	2,750	3,802	(1,052)	1,822
Assessor and tax roll	2,400	2,480	(80)	1,888
Public relations	300	-	300	-
Convention expense	3,000	4,287	(1,287)	3,486
Medical expense	100	174	(74)	171
Miscellaneous	10,000	3,783	6,217	3,071
Equipment acquisitions	3,000	2,788	2,212	7,742
Contract services	300	600	(300)	311
Total General Government	\$254,000	\$275,821	\$ 21,821	\$233,125
Public Safety - Police				
Salaries	\$282,000	\$306,874	\$ 24,874	\$296,141
On behalf payments by state	40,000	42,970	(2,970)	37,344
Retirement contributions	10,000	11,712	1,712	18,827
Auto fuel	15,000	14,827	1,173	14,328
Auto repairs	35,000	40,041	(5,041)	18,680
Uniforms	8,000	7,434	566	3,773
Supplies and maintenance	8,000	8,687	(1,687)	3,768
Printer expense	15,000	18,827	4,827	14,520
Office expense	13,000	16,500	(3,500)	18,121
Books - conventions	1,000	894	106	1,480
Utilities	14,000	14,507	(507)	14,420
Equipment fuel	1,000	1,813	(1,813)	-
Equipment acquisitions	20,000	11,786	8,214	23,882
Total Public Safety - Police	\$392,000	\$411,326	\$19,326	\$387,692

(Continued)

**Town of Austin, Ohio
General Fund**

**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
Year Ended June 30, 1998
With Comparative Actual Account for the Year Ended June 30, 1997**

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Public Safety - Fire				
Salaries	\$ 12,280	\$ 12,258	\$ 22	\$ 12,183
On behalf payments by crew	-	3,000	(3,000)	3,206
Materials	615	-	615	-
Total Public Safety - Fire	\$13,500	\$15,258	\$ 1,758	\$15,389
Street				
Salaries	\$175,000	\$158,780	\$ 16,220	\$171,687
Street and traffic signs	68,000	62,408	5,592	68,245
Equipment fuel	12,000	7,088	4,912	8,864
Equipment repairs	45,000	55,490	(10,490)	51,585
Landfill	30,000	29,800	2,200	28,688
Materials and supplies	100,000	92,868	7,132	94,994
Utilities	2,500	2,714	(214)	2,380
Debrisage	4,000	4,412	(412)	-
Equipment acquisitions	3,000	-	3,000	28,128
Total Street	\$482,500	\$413,652	\$ 68,848	\$423,612
Sanitation				
Salaries	\$ 18,178	\$ 17,895	\$ 283	\$ 15,929
Equipment repairs and supplies	40,000	40,497	(497)	52,890
Fuel	2,500	4,214	(1,714)	2,604
Landfill	55,000	49,099	5,901	49,776
Refused prior year garbage fees	-	-	-	10,258
Equipment acquisitions	-	28	(28)	38,028
Total Sanitation	\$115,678	\$111,623	\$ 4,055	\$116,485
Community Center				
Utilities	\$ 9,000	\$ 8,174	\$ 826	\$ 9,208
Repairs and supplies	9,000	8,682	318	9,587
Equipment acquisitions	1,000	-	1,000	282
Total Community Center	\$19,000	\$16,856	\$ 2,144	\$19,077
Cemetery				
Salaries	\$ 2,200	\$ 2,684	\$ (484)	\$ 2,854
Contract services	33,200	33,200	-	33,200
Materials and supplies	9,000	18,384	(7,384)	18,276
Utilities	200	120	80	120
Total Cemetery	\$44,600	\$54,388	\$ 9,788	\$54,450

(Continued)

**Town of Andis City
General Fund**

SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

Year Ended June 30, 2008

With Comparative Actual Amounts for the Year Ended June 30, 2007

	2008		Variance Favorable (Unfavorable)	2007 Actual
	Budget	Actual		
Parks and Recreation				
Salaries	\$19,000	\$17,632	\$ 1,368	\$19,000
Equipment fuel	1,000	800	200	1,215
Supplies and supplies	12,000	12,700	(700)	11,940
Utilities	4,000	4,338	(338)	3,111
Equipment acquisitions	5,500	4,955	545	1,105
Police contract services	300	340	(40)	380
Total Parks and Recreation	\$41,800	\$39,765	\$2,035	\$47,791
Intergovernmental (IMF)				
Maintenance and utilities	\$12,000	\$ 9,312	\$ 2,688	\$ 9,312
Total Intergovernmental (IMF)	\$12,000	\$ 9,312	\$ 2,688	\$ 9,312
Miscellaneous Programs				
Public service officer	\$ 800	\$ 684	\$ 116	\$ 684
Concessions	5,000	5,559	(1,559)	2,515
Senior citizens	5,000	6,342	(1,342)	7,288
Planning and zoning	400	176	224	120
Animal shelter	9,000	9,300	-	9,300
Nongreen - Trees and Landscaping	5,000	4,712	288	-
Other miscellaneous programs	-	238	(238)	2,820
Total Miscellaneous Programs	\$25,200	\$27,011	\$1,811	\$22,727
Main Street				
Main Street storage safety	\$15,150	\$19,300	\$(2,441)	\$ -
Main Street expenses	9,050	6,900	2,150	-
Facade grant expense	5,000	7,617	261	-
Capital acquisitions	-	7,120	(7,120)	-
Total Main Street	\$39,200	\$41,937	\$2,510	\$ -
Chamber of Commerce				
Chamber building repairs	\$10,000	\$10,000	\$ -	\$ -
Total Chamber of Commerce	\$10,000	\$10,000	\$ -	\$ -

(Continued)

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Sales Tax Fund - This fund is used to account for the receipt and use of proceeds of the Town's 2% sales and use tax.

The Town Council has dedicated a portion of collections of the sales and use tax as follows:

1. 2.5% of sales and use tax collections to the Economic Development Fund.
2. 12.5% of sales and use tax collections to Tangipahoa Parish Fire Protection District No. 1.

Economic Development Fund - This fund is used to account for the receipt and expenditure of funds dedicated to economic development.

Capital Improvements Funds - This fund is used to account for the receipt and expenditure of funds dedicated to capital improvements.

Town of Austin City
Special Revenue Funds

GOVERNMENTAL FUNDS STATEMENT

June 30, 1992

With Comparative Totals for June 30, 1992

	July 1992	Revenues Development	Capital Improvements	Totals	1991
ASSETS					
Cash	\$108,407	\$117,449	\$122,994	\$348,850	\$273,219
State use receivable	64,761	-	-	64,761	64,762
Due from other funds -					
- State Trust Fund	-	2,344	-	2,344	-
- General Fund	-	25,415	-	25,415	3,402
Total Assets	\$173,168	\$145,208	\$122,994	\$441,367	\$341,383
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ 2,004	\$ -	\$ 2,004	\$ 2,602
Due to other governmental units	11,794	-	-	11,794	12,013
Due to General Fund	-	-	-	-	1,000
Due to Interstate Development Fund	2,542	-	-	2,542	2,402
Total Liabilities	\$14,336	\$2,004	\$ -	\$16,340	\$18,017
Fund Balances					
Unassigned	-	47,475	-	47,475	26,653
- developed	176,288	10,000	112,994	399,282	320,000
- undesignated	-	-	-	-	-
Total Fund Balances	\$176,288	\$57,475	\$112,994	\$346,757	\$346,653
Total Liabilities and Fund Balances	\$190,624	\$147,208	\$122,994	\$460,826	\$406,033

Town of Avon, City
Special Revenue Funds

COMPREHENSIVE SCHEDULE OF REVENUE, EXPENSES, AND CHANGES IN FUND BALANCES

Year Ended June 30, 1993

With Comparative Totals for Year Ended June 30, 1992

	1993	1992	Total
REVENUES			
Taxes	\$ 1,176,000	\$ 1,176,000	\$1,122,000
Intergovernmental	-	-	77,000
Severalty	11,600	4,200	3,400
Donations	-	900	-
Year revenues	<u>1,187,600</u>	<u>1,181,100</u>	<u>1,202,400</u>
EXPENSES			
General government	7,600	-	7,600
Public safety - fire	146,154	-	146,154
Public safety - police	-	-	207,345
Miscellaneous	-	-	7,400
Revenue development	-	-	12,125
Total expenditures	<u>153,754</u>	<u>11,200</u>	<u>160,000</u>
Excess (deficiency) of revenues over expenditures	1,033,846	9,100	784,804
Other Financial Sources			
Operating transfers in	-	180,000	180,000
Operating transfers out	<u>(8,000,000)</u>	<u>-</u>	<u>(1,000,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	18,846	180,000	18,112
Fund balances, beginning	<u>20,122</u>	<u>(6,000)</u>	<u>(3,878)</u>
Fund balances, ending	<u>\$ 1,194,560</u>	<u>\$11,504</u>	<u>\$ 1,202,400</u>

Town of Austin City
Special Revenue Fund
Sales Tax Fund

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET COMP BASED AND ACTUAL
Year Ended June 30, 1997
With Comparative Actual Amounts for Year Ended June 30, 1997**

	1996		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues				
Taxes - Sales taxes	\$1,130,000	\$ 1,136,685	\$ 6,685	\$1,137,180
Interest	4,000	31,680	27,680	3,382
Total revenues	<u>1,134,000</u>	<u>1,168,365</u>	<u>34,365</u>	<u>1,140,562</u>
Expenditures				
General government -				
Collection fees	7,215	7,680	(465)	7,284
Public safety -				
Fire Protection District No. 1	138,000	146,154	(8,154)	139,381
Total expenditures	<u>145,215</u>	<u>153,834</u>	<u>(8,619)</u>	<u>146,665</u>
Excess of revenues over expenditures	<u>988,785</u>	<u>1,014,531</u>	<u>25,746</u>	<u>993,897</u>
Other Financing (Uses)				
Operating transfers to:				
General Fund	(925,000)	(1,016,000)	(91,000)	(979,000)
Economic Development Fund	(27,000)	(19,250)	(7,750)	(27,672)
Water/Wastewater Fund	-	(17,800)	(17,800)	-
Total other financing uses	<u>(952,000)</u>	<u>(1,053,050)</u>	<u>(105,550)</u>	<u>(1,034,342)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	<u>36,785</u>	<u>(38,519)</u>	<u>(75,234)</u>	<u>(40,445)</u>
Fund balance, beginning	<u>243,215</u>	<u>243,215</u>	<u>-</u>	<u>248,215</u>
Fund balance, ending	<u>\$ 280,000</u>	<u>\$ 204,696</u>	<u>\$ 75,304</u>	<u>\$ 207,770</u>

**Town of Acute-City
Special Revenue Fund
Economic Development Fund**

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1998**

With Comparative Actual Amounts for Year Ended June 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues				
Interest	\$ 1,800	\$ 4,308	\$ 2,508	\$ 2,065
Donations	-	500	500	-
Total revenues	<u>1,800</u>	<u>4,808</u>	<u>3,008</u>	<u>2,065</u>
Expenditures				
Chamber of Commerce	7,200	5,800	1,400	4,800
EDP fees	3,960	2,694	666	2,693
Main Street Program	-	-	-	7,607
Industrial Park	-	2,744	(2,744)	2,331
Total expenditures	<u>(11,160)</u>	<u>(11,238)</u>	<u>678</u>	<u>(17,431)</u>
Excess (deficiency) of revenues over expenditures	<u>(9,360)</u>	<u>(6,430)</u>	<u>2,830</u>	<u>(15,366)</u>
Other Financing Sources				
Operating transfers to:				
Sales Tax Fund	17,695	19,231	1,536	17,032
General Fund	18,900	18,825	75	18,525
Total other financing sources	<u>36,595</u>	<u>38,056</u>	<u>1,581</u>	<u>35,557</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>27,235</u>	<u>31,626</u>	<u>4,396</u>	<u>20,191</u>
Fund balance, beginning	<u>108,808</u>	<u>108,808</u>	<u>-</u>	<u>82,760</u>
Fund balance, ending	<u>\$136,043</u>	<u>\$140,434</u>	<u>\$3,391</u>	<u>\$102,951</u>

**Town of Acute City
Special Revenue Fund
Capital Improvements Fund**

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1998
With Comparative Actual Amounts for Year Ended June 30, 1997**

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues				
Interest	\$ 100	\$ 2,887	\$ 2,887	\$ 1,800
Expenditures				
Public safety - assets	-	-	-	245,345
Capital outlay	<u>(110,000)</u>	<u>---</u>	<u>(110,000)</u>	<u>---</u>
Excess (deficiency) of revenues over expenditures	<u>(109,900)</u>	<u>2,887</u>	<u>(112,887)</u>	<u>(246,545)</u>
Other Financing Sources				
Operating transfers in:				
General Fund	<u>(110,000)</u>	<u>(110,000)</u>	<u>-</u>	<u>80,000</u>
Total other financing sources	<u>(110,000)</u>	<u>(110,000)</u>	<u>---</u>	<u>80,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures	100	112,887	112,887	(166,545)
Fund balance, beginning	<u>3,600</u>	<u>3,600</u>	<u>-</u>	<u>(175,800)</u>
Fund balance, ending	<u>\$ 3,700</u>	<u>\$122,524</u>	<u>\$112,822</u>	<u>\$ 3,600</u>

**OTHER INDEPENDENT AUDITOR'S REPORT
AND FINDINGS**

LEE GRAY
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NOV-88

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STATE SEAL FILED BY
THE STATE ARCHIVE

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor Reggie Goldby and
Members of the Town Council
Town of Arlite City
Arlite, Louisiana

I have audited the general purpose financial statements of the Town of Arlite City, Louisiana, as of and for the year ended June 30, 1988, and have issued my report thereon dated October 2, 1988. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Town of Arlite City, Louisiana's general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 98-2, 98-3, and 98-4.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Town of Arlite City, Louisiana's internal control over financial reporting 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 over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could

adversely affect the Town of Arnaud City, Louisiana's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of findings at items 98-1, 98-2, and 98-4.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I consider item 98-2 to be a material weakness.

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



Certified Public Accountant

October 2, 1998

Town of Arden City
Schedule of Findings
Year Ended June 30, 1998

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	unqualified
Internal control over financial reporting:	
Material weaknesses identified?	<u> X </u> yes <u> </u> no
Reportable conditions identified not considered to be material weaknesses?	<u> X </u> yes <u> </u> none reported
Noncompliance material to financial statements noted?	<u> X </u> yes <u> </u> no

SECTION II - FINANCIAL STATEMENT FINDINGS

This section is used to identify the reportable conditions, material weaknesses, and instances of noncompliance (related to the financial statements) required to be reported under Government Auditing Standards (GAGAS).

Finding No. 98-1

Condition - Lack of segregation of duties.

Criteria - An adequate system of internal control requires an appropriate segregation of duties consistent with control objectives.

Effect - This deficiency could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with management's objectives.

Cause - Limited qualified staff in the accounting department. This is a reportable condition and is considered a material weakness in internal control.

Recommendation - The limited size of the Town precludes an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial. No change is recommended.

Town of Amite City
Schedule of Findings - Continued

Management's Response - Management concurs with the Auditor's recommendation. No action to be taken.

Finding No. 98-2

Condition - Failure to comply with the Local Government Budget Act.

Criteria - State law requires the Town to amend its budget when actual expenditures plus projected expenditures within a fund for the remainder of the year exceed budgeted expenditures by five percent or more. Budget procedures applicable to amending the budgets are specified in Louisiana Revised Statutes 38:1201-1204.

Effect - The Town failed to amend the expenditure budgets of the following funds by adequate amounts:

	Unfavorable Variance	Percent
Sales Tax Fund	\$138,921	12.65%
Economic Development Fund	\$878	6.42%

These budget deficiencies place the Town in non-compliance with the Louisiana Budget Law and also reduces the effectiveness of the Town's budgetary controls.

Cause - The Town of Amite City, Louisiana did not comply with certain budget requirements set forth in Louisiana law relating to amending the budgets.

Recommendation - The Town should monitor its financial statements at least quarterly and amend the budget as needed.

Management's Response - Management concurs with the auditor's recommendation and is currently monitoring the financial statements quarterly and will amend the budget as needed.

Finding No. 98-3

Condition - Failure to comply with Public Bid Law

Criteria - Louisiana Revised Statute 38:2212 requires that contracts for public works by publicly-owned utilities that are in excess of \$10,000 but less than \$100,000 shall be let in accordance with the following provisions unless the public utility elects to perform the work with its own employees:

- 1) Written invitations for quotations shall be sent out to at least five bona fide qualified bidders.

Town of Andis City
Schedule of Findings - Continued

b) Quotations shall be publicly opened and read at a specified date, time, and location. Each bidder shall be notified of the date, time, and location that the quotations will be opened.

Effect - The Town had a public works project to extend the Highway 16 "North" sewer line that cost between \$10,000 and \$100,000. The Town solicited potential bidders requesting quotes. The Town did not send out written invitations nor were the quotes publicly opened and read at a specified date, time, and location.

Cause - Personnel in charge of the administration of this project were not aware of the provisions of the public bid law.

Recommendation - All personnel in charge of public works purchases and material and supply purchases should be required to become knowledgeable of the provisions of the public bid law and to comply with those provisions.

Management's Response - Management will require personnel with purchasing authority to comply with the auditor's recommendation.

Finding No. 98-4

Condition - Failure to deposit funds daily

Criteria - Louisiana Revised Statute, Section 99:0212 requires all funds to be deposited daily, whenever practicable.

Effect - The police department failed to deposit cash received from defendants as bond payments on a timely basis. The police department had a practice of retaining possession of cash collected as bonds from defendants until the trial after which, and upon conviction, the cash would be delivered to City Hall. As a result of keeping cash at the police station for an extended time, sometimes for several weeks, in August 1998 it was determined that cash received from four defendants amounting to \$2,004 was missing.

Cause - Personnel with the police department failed to comply with daily deposit of funds requirements even though they were made aware of the daily deposit rule by the auditor in prior audits. This is an internal control deficiency and a reportable condition.

Recommendation - The responsible person with the Police Department be instructed to deposit daily all monies collected by the Andis Police Department. The Town Clerk should monitor these daily deposits and notify the Chief of Police and Mayor if the required deposits are not made timely.

Management's Response - The Mayor issued a letter dated September 2, 1998, to the Chief of Police requesting that the auditor's recommendation of daily deposits be implemented immediately.

Town of Avieles City, Louisiana

Summary Schedule of Prior Audit Findings

Year Ended June 30, 1998

Ref. Finding No. 1	Fiscal Year Finding Initially Documented in entries of last year	Description of Finding	Corrective Action Taken Yes, No, Partially, No	Planned Corrective Action/Partial Correcting Action Taken None	Additional Explanation
Ref. Finding No. 1	6-30-98	The Town has a deficiency in the internal control due to its absence of appropriate implementation of action consistent with appropriate control objectives.	No	The Town is monitoring budgeted expenditures in actual expenditures.	The limited size of the Town precludes an adequate separation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial.
Ref. Finding No. 1	6-30-96	The Town was not in compliance with the Louisiana Act, because it failed to by ordinance the compensation of the chief of police, clerk, and street commissioner.	Yes	The Town adopted Ordinance No. 2 - 1998 on January 6, 1998 to set the compensation of the chief of police, clerk, and street commissioner.	
Ref. Finding No. 1	6-30-97	The contract acceptance was not filed with the Court of Civil Appeals as required by the Louisiana Act, because it failed to by ordinance the compensation of the chief of police, clerk, and street commissioner.	Yes	The Town received the compliance contract with B & C Appeal with the Tangipahola Parish Clerk of Court on January 21, 1998 - Mag. Book 794 Item # 316400.	

Town of Astoria City, Louisiana

Summary Schedule of Prior Audit Findings - Page 2
 Year Ended June 30, 1998

Ref. Number	Fiscal Year Reading Initial Control	Description of Finding	Corrective Action Taken Yes, No, Partially	Planned Corrective Action/Partial Corrective Action Taken	Additional Explanation
Met.L.R. No. 2	6-30-97	The most on-order contract with B & C Asphalt stated that the contract price would only be changed with a change order. There was no change order for the increase in price.	No	None	An explanation was provided to the Legislative Audit Advisory Council in regards to the increase of the contract price with B & C Asphalt.
Met.L.R. No. 3	6-30-97	Town annual vehicles were sold at an auction without a formal bid/contract designating them surplus.	No	Process sales of surplus items will be formally designated as surplus prior to sale.	

Town of Azalea City, Louisiana

Corrective Action Plan for
Current Year Audit Findings
Year Ended June 30, 1998

Ref. Number	Description of Finding	Corrective Action Plan	Managerial Contact Person(s)	Anticipated Completion Date
98-1	Lack of segregation of duties	At this time, it is not cost effective for the Town to correct this problem.	Mary Lou Lee - City Clerk	-
98-2	Failure to comply with the Local Government Budget Act	The Town is monitoring the financial statements quarterly and awaiting them to arrive.	Mary Lou Lee - City Clerk	-
98-3	Failure to comply with Public Bid Law	The Town has added additional administrative staff which should enable the Town to comply with Public Bid Law.	Mary Lou Lee - City Clerk	-
98-4	Failure to deposit funds daily	The Mayor has requested that the Chief of Police comply with the daily deposit requirements.	Mayor E. E. Guibbly	06-06-98