

**CITY OF MONROVILLE, LOUISIANA
ENTERPRISE FUND**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED
EARNINGS - BUDGET (GAAP BASIS) AND ACTUAL
For The Year Ended August 31, 1996**

	1996		Variance - Favorable (Unfavorable)
	Budget	Actual	
OPERATING REVENUES			
Charges for Services:			
Water Fees	\$ 528,800	\$ 518,079	\$ (1,325)
Sewerage Fees	655,800	656,998	1,998
Tapping Fees:			
Water Department	68,800	38,157	(1,743)
Sewer Department	24,800	31,880	(2,200)
Water Service Charges	17,800	17,523	815
Delinquent Fees	47,800	47,573	815
Sewer Inspection Fees	3,800	3,650	(750)
Miscellaneous	28,500	28,864	2,664
Sewer Impact Fees	62,500	57,167	(4,713)
Water Inspection Fees	3,000	3,700	(700)
Water Impact Fees	<u>57,500</u>	<u>51,608</u>	<u>(1,988)</u>
Total Operating Revenues	<u>\$ 1,485,500</u>	<u>\$ 1,439,132</u>	<u>\$ (46,368)</u>

See independent auditor's report on supplementary information.

CITY OF MANDEVILLE, LOUISIANA
COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS - BY SOURCES

	August 31,	
	2005	1995
GENERAL FIXED ASSETS		
Land	\$ 511,165	\$ 279,909
Buildings	1,418,332	1,178,631
Improvements Other Than Buildings	828,350	782,140
Equipment	1,352,811	1,986,583
Total General Fixed Assets	\$ 5,140,548	\$ 4,233,083
INVESTMENT IN GENERAL FIXED ASSETS FROM		
General Fund	\$ 3,887,469	\$ 2,977,000
Enterprise Fund	17,304	13,204
Sales Tax Fund	136,369	126,269
Federal Revenue Sharing	587,051	907,051
Capital Projects	262,428	262,428
Contributions	133,800	133,800
Federal Grant	283,221	283,221
Total Investment in General Fixed Assets	\$ 5,140,548	\$ 4,233,083

The accompanying notes are an integral part of these financial statements.

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operations.

SUPPLEMENTARY SCHEDULES

**CITY OF MONROEVILLE, LOUISIANA
ENTERPRISE FUNDS
COMPARATIVE STATEMENTS OF CASH FLOWS**

	For The Years Ended August 31,	
	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (Loss)	\$ (80,364)	\$ (112,998)
Adjustments to Reversely Net (Loss) to Net Cash Provided by Operating Activities:		
Depreciation	421,423	411,998
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(1,688)	9,840
(Increase) Decrease in Accrued Interest	3,791	(1,500)
Decrease in Other Receivables	(583)	(417)
(Increase) Decrease in Inventory	(22,178)	18,782
Increase (Decrease) in Accounts Payable and Accrued Expenses	(6,985)	4,840
(Decrease) in Payroll Taxes and Retirement Payable	(788)	11,788
Increase (Decrease) in Due to Other Funds	(31,818)	73,284
Increase in Customer Deposits	7,800	8,790
Decrease in Accrued Interest Payable	(712)	(522)
Net Cash Provided by Operating Activities	<u>336,145</u>	<u>488,783</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Decrease (Increase) in Investments	<u>(5,128)</u>	<u>(51,968)</u>
Net Cash Provided by (Used in) Investing Activities	<u>(5,128)</u>	<u>(51,968)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and Construction of Capital Assets	(2,054,856)	(212,721)
Principal Paid on Revenue Bond Mortgages	(19,800)	(28,000)
Loss on Disposal of Assets	-	18,797
Capital Contributed from Other Funds	1,848,689	362,358
Payments on Capital Loans	<u>-</u>	<u>(78,288)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(1,266,067)</u>	<u>(96,754)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	154,910	(74,203)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>701,650</u>	<u>781,388</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 856,560</u>	<u>\$ 707,185</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Interest Paid	<u>\$ 31,288</u>	<u>\$ 15,858</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF BIENVILLE, LOUISIANA
ENTERPRISE FUNDS**

**COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS**

	For The Year Ended August 31,	
	1995	1994
OPERATING REVENUES		
Charges for Services:		
Water	\$ 518,675	\$ 498,508
Sewerage	626,558	611,680
Tapping Fees - Water Department	78,187	76,488
Tapping Fees - Sewer Department	31,800	32,303
Relinquishment Charges	42,988	42,684
Service Charge	17,513	17,883
Street Inspection Fees	2,650	2,685
Sewer Impact Fees	57,307	58,792
Water Impact Fees	83,600	83,588
Water Inspection Fees	2,700	2,678
Miscellaneous	28,868	15,628
Total Operating Revenues	<u>1,408,131</u>	<u>1,371,126</u>
OPERATING EXPENSES		
Water Department	624,483	608,797
Sewer Department	772,683	808,133
Total Operating Expenses	<u>1,397,166</u>	<u>1,416,930</u>
Operating (Loss)	<u>(11,035)</u>	<u>(45,804)</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	31,372	28,874
Interest and Fiscal Charges	(21,888)	(14,903)
Loss on Disposal of Assets	-----	(18,792)
Total Non-Operating Revenues (Expenses)	<u>9,484</u>	<u>(4,821)</u>
(Loss)/Before Operating Transfers	<u>(11,476)</u>	<u>(50,625)</u>
OPERATING TRANSFERS IN (OUT)		
Special Revenue Fund	116,488	(49,500)
Capital Projects	(800,000)	-
State Revenue Fund	-----	(7,311)
Total Operating Transfers In (Out)	<u>(683,512)</u>	<u>(56,811)</u>
NET (LOSS)	<u>(80,504)</u>	<u>(111,446)</u>
ADD DEPRECIATION ON FIXED ASSETS ACCRUING WITH SCHEDULE A BONDS THAT BECAME CONTINGENTLY LIQUID FROM GOVERNMENT	<u>178,131</u>	<u>(77,188)</u>
NET INCREASE IN RETAINED EARNINGS	<u>97,627</u>	<u>(34,742)</u>
RETAINED EARNINGS - BEGINNING	<u>(1,918,282)</u>	<u>(1,853,422)</u>
RETAINED EARNINGS - ENDING	<u>\$ 1,837,623</u>	<u>\$ 1,918,282</u>

The accompanying notes are an integral part of these financial statements.

LIABILITIES AND FUND EQUITY

	August 31,	
	1996	1995
CURRENT LIABILITIES		
(PAYABLE FROM CURRENT ASSETS)		
Accounts Payable and Accrued Expenses	\$ 53,939	\$ 60,905
Payroll Taxes and Retirement Payable	3,042	3,639
Due to Other Funds	55,180	127,199
Customer Deposits	201,461	183,651
Total Current Assets	313,622	375,494
(Payable from Current Assets)		
CURRENT LIABILITIES		
(PAYABLE FROM RESTRICTED ASSETS)		
Revenue Bonds	39,000	39,000
Accrued Interest	2,783	9,873
Total Restricted Assets	41,783	48,873
(Payable from Restricted Assets)		
LONG-TERM LIABILITIES		
Revenue Bonds	227,808	247,000
Total Long-Term Liabilities	227,808	247,000
Total Liabilities	541,430	622,381
FUND EQUITY		
Contributed Capital:		
Government	11,572,531	9,881,554
Intragovernmental	864,693	864,653
Customers	265,948	265,948
Total Contributed Capital	12,703,172	11,012,155
Retained Earnings:		
Reserved for Debt Service	43,544	48,581
Unreserved	1,923,624	1,873,621
Total Retained Earnings	1,967,168	1,922,202
Total Fund Equity	14,670,340	12,934,357
Total Liabilities and Fund Equity	\$ 14,886,202	\$ 13,332,128

**CITY OF MONTEVILLE, LOUISIANA
ENTERPRISE FUND**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED
EARNINGS - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended August 31, 1996**

	1996		Variance - Favorable (Unfavorable)
	Budget	Actual	
SEWER DEPARTMENT EXPENSES			
Salaries	\$ 171,000	\$ 174,400	\$ 3,400
Payroll Taxes	35,000	31,024	4,976
Retirement	35,000	30,895	4,105
Employee Medical Insurance	49,000	39,242	9,758
Workers' Compensation	11,000	9,242	1,758
Insurance - Clinical	19,500	24,777	(5,277)
Insurance - Vehicle	6,000	6,800	(800)
Insurance - Building	3,000	3,800	(800)
Purification Chemical	29,000	29,411	549
Plant Maintenance and Repair	77,000	55,628	21,372
Sewer Collection Supplies	6,000	1,779	4,221
Sewer Testing	16,000	16,717	(717)
Utilities	114,000	106,979	7,021
Contract Labor	35,000	42,614	(7,614)
Pumps Maintenance	49,000	195,271	(146,271)
Radar Maintenance and Repair	1,000	794	206
Uniforms	2,800	1,947	853
Small Tools and Supplies	7,800	3,820	3,980
Vehicle Repair and Maintenance	5,800	4,634	1,166
Fuel, Oil and Lube	6,500	3,600	2,900
Travel Conventions and Conference	1,800	794	1,006
Sand, Asphalt and Gravel	5,800	2,480	3,320
Legal Fees	1,800	-	1,800
Computer Programs and Supplies	2,800	645	2,155
Printing	1,580	1,151	429
Depreciation	129,080	117,624	113,456
Telephone	4,580	3,139	1,441
Office Supplies	1,580	670	910
Postage	6,080	5,473	607
Training	2,080	1,996	84
Membership, Dues and Subscriptions	480	489	(9)
Building Maintenance	1,000	326	674
Equipment Maintenance	8,000	7,612	388
Equipment Rental	1,800	1,200	580
Licenses and Permits	4,800	4,340	460
Engineering Fees	5,000	1,887	3,113
Emergency Repair	29,800	29,438	362
Total Sewer Department Expenses	1,215,800	970,485	245,315
Total Operating Expenses	\$ 1,894,800	\$ 1,595,887	\$ 298,913

See independent auditor's report on supplementary information.

ENTERPRISE FUND

WATER AND SEWER FUND - To account for the provision of water and sewer services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

**CITY OF MONROEVILLE, LOUISIANA
CAPITAL PROJECTS FUND
DIRECT CONSTRUCTION FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (YEAR BASED) AND ACTUAL
For The Year Ended August 31, 1995
With Comparative Actual Amounts For The Year Ended August 31, 1994**

	1995		Variance - Favorable (Unfavorable)	1994 Actual
	Budget	Actual		
REVENUES				
Federal Grant	\$ 1,578,800	\$ 1,668,750	\$ (911,250)	\$ -
Interest	56,800	64,056	7,256	52,684
Total Revenues	<u>1,635,600</u>	<u>1,732,806</u>	<u>97,206</u>	<u>52,684</u>
EXPENDITURES - CAPITAL PROJECTS				
Construction Contract	2,141,280	2,487,100	1,654,800	2,146,503
Engineering Fees	125,280	129,711	29,729	175,984
Legal Fees	5,000	832	4,168	248
Other Costs	1,888	111	1,777	4,792
Total Expenditures	<u>2,273,448</u>	<u>2,617,754</u>	<u>1,873,465</u>	<u>2,331,687</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(637,848)</u>	<u>(884,948)</u>	<u>(1,672,259)</u>	<u>(1,278,970)</u>
OTHER FINANCING SOURCES				
Operating Transfer:				
Special Sales Tax	508,000	582,000	-	608,000
Sales Tax	1,087,800	1,311,178	33,898	1,070,642
Total Other Financing Sources	<u>1,595,800</u>	<u>1,893,178</u>	<u>33,898</u>	<u>1,678,642</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES	<u>(47,048)</u>	<u>(917,770)</u>	<u>1,346,338</u>	<u>311,649</u>
FUND BALANCE - BEGINNING	<u>1,487,600</u>	<u>1,487,600</u>	<u>0</u>	<u>1,244,784</u>
FUND BALANCE - ENDING	<u>\$ 1,440,552</u>	<u>\$ 1,589,830</u>	<u>\$ 1,049,297</u>	<u>\$ 1,487,600</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF MONROEVILLE, LOUISIANA
CAPITAL PROJECTS FUND
WATER FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (CLAP BASIS) AND ACTUAL
For The Year Ended August 31, 1996
With Comparative Actual Amounts For The Year Ended August 31, 1995**

	1996		Variance - Favorable - (Unfavorable)	1995 Actual
	Budget	Actual		
REVENUES				
Interest	\$ 365,000	\$ 280,700	\$ 84,300	\$ 288,121
Total Revenues	365,000	280,700	84,300	288,121
EXPENDITURES - CAPITAL PROJECTS				
Construction/Contracts	4,471,000	1,870,330	2,600,670	410,796
Engineering/Plans	682,500	114,763	567,737	215,293
Legal Fees	3,000	1,800	1,200	-
Other Costs	1,000	23	977	-
Total Expenditures	5,957,500	1,997,416	3,960,084	636,089
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,592,500)	(1,716,716)	3,875,784	(347,968)
OTHER FINANCING SOURCES				
Operating Transfers -				
Special Sales Tax	500,000	500,000	-	400,000
Enterprise Fund	(500,000)	(500,000)	-	-
Total Other Financing Sources	500,000	500,000	-	400,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES	(5,092,500)	(1,496,716)	3,595,784	1,120
FUND BALANCES - BEGINNING	(6,384,500)	(4,388,573)	20	(6,384,488)
FUND BALANCES - ENDING	\$ (11,477,000)	\$ (5,885,289)	\$ 5,591,784	\$ (5,264,368)

The accompanying notes are an integral part of these financial statements.

**CITY OF MONROEVILLE, LOUISIANA
ENTERPRISE FUND**

COMPARATIVE BALANCE SHEET

ASSETS

	August 31,	
	1986	1985
CURRENT ASSETS		
Cash	\$ 588,281	\$ 641,103
Investments - at Cost	625,638	646,773
Receivables:		
Accounts - Net of Allowance for Estimated Uncollectibles	770,975	771,286
Accrued Interest	3,350	6,344
Other	1,688	1,217
Inventory - at Cost	58,186	36,328
Total Current Assets	1,511,732	1,483,041
RESTRICTED ASSETS		
Cash	72,887	68,556
Total Restricted Assets	72,887	68,556
PROPERTY, PLANT AND EQUIPMENT		
Plant and Equipment	36,387,836	14,263,280
Less: Accumulated Depreciation	3,159,160	2,211,739
Net Property, Plant and Equipment	33,228,676	12,051,541
Total Assets	\$ 14,882,295	\$ 13,772,138

The accompanying notes are an integral part of these financial statements.

GOVERNMENTAL AUDIT SECTION

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

The reportable conditions noted are as follows:

- 1) Investments and investment income was not properly recorded at year end.
- 2) Inventory was not properly priced or reported on the general ledger.
- 3) Overdrawn bank charges were incurred on several demand deposit bank accounts.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in accounts 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.

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

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



A Professional Accounting Corporation

October 31, 1986

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

To the Honorable Edward Price, III, Mayor
and Members of the City Council
City of Mandeville, Louisiana

We have audited the general purpose financial statements of CITY OF MANDEVILLE, LOUISIANA as of and for the year ended August 31, 1996, and have issued our report thereon dated October 31, 1996. We have also audited the compliance of CITY OF MANDEVILLE, LOUISIANA with requirements applicable to major federal financial assistance programs and have issued our report thereon dated October 31, 1996.

We conducted our 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 (OMB) Circular A-128, *Audit of State and Local Governments*. These standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether CITY OF MANDEVILLE, LOUISIANA complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended August 31, 1996, we considered the internal control structure of CITY OF MANDEVILLE, LOUISIANA in order to determine our auditing procedures for the purpose of expressing our opinions on the general purpose financial statements of CITY OF MANDEVILLE, LOUISIANA and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated October 31, 1996.

The management of CITY OF MANDEVILLE, 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

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reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are recorded 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 the 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 any evaluation of the structure to future periods is subject to the risk that conditions 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, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs into the following categories:

<u>GENERAL REQUIREMENTS</u>	<u>SPECIFIC REQUIREMENTS</u>	<u>ACCOUNTING APPLICATION</u>
Political Activity Civil Rights Federal Financial Reports Allowable Cost/Cost Principle Drug-Free Workplace Act Administrative Requirements Davis - Bacon Act	Type of Services Allowed Reporting Matching, Level of Effort, and/or Cost-sharing Requirements Special Tests and Provisions	Cash Receipts Accounts Payable Cash Disbursements Payroll Property and Equipment

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

During the year ended August 31, 1996, CITY OF MANDEVILLE, LOUISIANA, expended 97% of its total federal financial assistance under a major federal financial assistance program.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we have considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the CITY OF MANDEVILLE, LOUISIANA's major federal financial assistance program which is identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our 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 constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

To the Honorable Edward Price, III, Mayor
and Members of the City Council
City of Mandeville, Louisiana

We have audited the general purpose financial statements of CITY OF MANDEVILLE, LOUISIANA, as of and for the year ended August 31, 1996, and have issued our report thereon dated October 23, 1996.

We have also audited CITY OF MANDEVILLE, LOUISIANA's compliance with the requirements governing types of services allowed or unallowed, reporting, matching, level of effort and/or cost-sharing requirements and special tests and provisions that are applicable to the major federal financial assistance programs, which is identified in the accompanying Schedule of Federal Financial Assistance for the year ended August 31, 1996. The management of CITY OF MANDEVILLE, LOUISIANA, is responsible for the CITY OF MANDEVILLE, LOUISIANA's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with these 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 (OMB) Circular A-128, Audit of State and Local Governments. These standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the specific requirements referred to in the national paragraph occurred. An audit includes examining, on a test basis, evidence about CITY OF MANDEVILLE, LOUISIANA's compliance with these requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to in the second paragraph.

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

To the Honorable Edward Price, III, Mayor
and Members of the City Council
City of Mandeville, Louisiana

We have audited the general purpose financial statements of CITY OF MANDEVILLE, LOUISIANA as of and for the year ended August 31, 1996, and have issued our report thereon dated October 21, 1996.

In connection with our audit of the general purpose financial statements of CITY OF MANDEVILLE, LOUISIANA, and with our consideration of the CITY OF MANDEVILLE, LOUISIANA's internal control structure used to administer federal financial assistance programs, as acquired by Office of Management and Budget (OMB) Circular A-128, "Audit of State and Local Governments", we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended August 31, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or restricted; reporting, matching, level of effort and/or cost-sharing and special requirements that are applicable to these transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on CITY OF MANDEVILLE, LOUISIANA's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that CITY OF MANDEVILLE, LOUISIANA had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any material instances of noncompliance with those requirements.

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

Stebbins, Fiskel, Long & Havel

A Professional Accounting Corporation

October 11, 1996

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

To the Honorable Edward Price, II, Mayor
(and Members of the City Council)
City of Mandeville, Louisiana

We have audited the general purpose financial statements of CITY OF MANDEVILLE, LOUISIANA, as of and for the year ended August 31, 1996, and have issued our report thereon dated October 21, 1996.

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

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

The results of our tests disclosed the following instances of noncompliance that are required to be reported herein under Government Auditing Standards:

- Condition:** It was noted during our examination of the City's deposits at local financial institutions, that one institution did not pledge sufficient collateral to fully insure the City's deposits.

Criteria: Under Louisiana Revised Statute 26:1221, local depositing authorities are required to fully insure the deposits of local governments through a combination of FDIC insurance and pledged collateral.

Effect: The effect of this transaction did not result in a misstatement of the financial statements, but did increase the risk of loss of deposits to the City in the event of failure of the local financial institution.

In Performance of our auditing Obligations

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State of Louisiana, with Accounting Firm #00143 and LA.

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL
FINANCIAL ASSISTANCE

To the Honorable Edward Price, III, Mayor
and Members of the City Council
City of Mandeville, Louisiana

We have audited the general purpose financial statements of CITY OF MANDEVILLE, LOUISIANA, as of and for the year ended August 31, 1996, and have issued our report thereon dated October 21, 1996. These general purpose financial statements are the responsibility of the CITY OF MANDEVILLE, LOUISIANA's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-318, "Audit of State and Local Governments". These standards and OMB Circular A-318 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the 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. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the CITY OF MANDEVILLE, 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 of the CITY OF MANDEVILLE, LOUISIANA. The information on that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

LaPorte, Sehn, Romig & Hand

A Professional Accounting Corporation

October 21, 1996

A Professional Accounting Corporation

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CITY OF MONROEVILLE
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
August 31, 1996

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Fiscal Amount</u>	<u>Total Federal Revenue/ Expenses Recurring</u>
U. S. Department of Transportation				
<i>Federal Highway Administration</i>				
<i>Federal-Through State of Louisiana</i>				
<i>Department of Transportation and Development</i>				
Laboratory Drive Improvements	30.205	-	1,578,240	<u>\$ 1,578,240</u>
<u>Other Federal Assistance:</u>				
U.S. Department of Justice				
CRIM FIGHT	15.740	95-CRWS-0177	20,797	\$ 20,797
CRIM MURK:	15.740	96-CRWS-0177	1,792	<u>1,792</u>
Total Department of Justice				<u>\$ 22,589</u>
Federal Emergency Management Assistance				
<i>Pass-Through State of Louisiana</i>				
<i>Office of Emergency Preparedness</i>				
<i>Disaster Assistance</i>				
	20.530	-	14,175	<u>\$ 1,192</u>
U. S. Department of Transportation				
<i>Federal Highway Administration</i>				
<i>Pass-Through State of Louisiana</i>				
<i>Highway Safety Commission</i>				
<i>Overseas Enforcement Field Assistance</i>				
	30.115	96FWS	441	\$ 441
<i>Pass-Through State of Louisiana</i>				
<i>Department of Public Safety</i>				
<i>Holiday Safe and Sound</i>				
	20.600	9605-01	1,780	<u>3,312</u>
Total Department of Transportation				<u>\$ 3,814</u>
TOTAL FEDERAL ASSISTANCE				<u>\$ 1,586,611</u>
Total Federal Assistance - Capital Projects			\$ 1,666,780	
Total Federal Assistance - General Fund			22,589	
Total State Assistance - General Fund			<u>42,891</u>	
Total Grants Received from Government Agencies			<u>\$ 1,732,260</u>	

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH THE GENERAL REQUIREMENTS APPLICABLE TO
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

To the Honorable Edward Price, III, Mayor
and Members of the City Council
City of Mandeville, Louisiana

We have audited the general purpose financial statements of **CITY OF MANDEVILLE, LOUISIANA**, as of and for the year ended August 31, 1996, and have issued our report thereon dated October 21, 1996.

We have applied procedures to test **CITY OF MANDEVILLE, 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 August 31, 1996: Civil Rights, Davis - Bacon Act, Political Activity, Federal Financial Reports, Allowable Costs/Costs Principles, Drug-Free Workplace Act and Administrative requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments". Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on **CITY OF MANDEVILLE, LOUISIANA**'s compliance with the requirements listed in the preceding paragraph. Accordingly, we 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 the items not tested, nothing came to our attention that caused us to believe that **CITY OF MANDEVILLE, LOUISIANA** had not complied, in all material respects, with these requirements.

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

LaPorte, Sehr, Romig & Hand
A Professional Accounting Corporation

October 21, 1996

A Professional Accounting Corporation

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CITY OF MONROE, LOUISIANA
CAPITAL PROJECTS FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For The Year Ended August 31, 1994
With Comparative Totals For The Year Ended August 31, 1993

	1994	1993	Totals	
			1994	1993
REVENUES				
Federal Grant	\$ -	\$ 1,666,750	\$ 1,666,750	\$ -
Interest	200,700	64,096	264,800	299,803
Miscellaneous	-	-	-	893
Total Revenues	200,700	1,730,846	1,871,550	299,296
EXPENDITURES				
Construction Contract	1,850,000	3,480,800	5,330,800	1,777,510
Engineers/Fees	114,000	120,711	234,711	286,146
Other Costs	25	911	936	4,342
Legal Fees	1,600	333	2,433	239
Total Expenditures	1,970,625	3,602,845	5,568,880	2,068,237
(EXCESS/DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,769,925)	(1,872,000)	(2,697,330)	(1,768,941)
OTHER FINANCING SOURCES				
Operating Transfers	-	-	-	-
Special State Tax Fund	200,000	200,000	400,000	1,047,804
Intergovernmental Fund	100,000	-	100,000	-
Sales Tax Fund	-	1,071,700	1,071,700	3,611,692
Total Other Financing Sources	300,000	1,271,700	1,671,700	4,659,496
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES	(1,469,925)	(600,300)	(1,025,630)	209,455
FUND BALANCE - BEGINNING	4,241,077	3,477,169	3,862,126	3,652,671
FUND BALANCE - ENDING	\$ 2,771,152	\$ 2,876,869	\$ 2,836,496	\$ 3,862,126

The accompanying notes are an integral part of these financial statements.

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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

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

Arthur J. Long's Head
A Professional Accounting Corporation

October 21, 1988

**CITY OF MANDEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE 4

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. FIXED ASSETS AND LONG-TERM LIABILITIES (Continued)

Depreciation of all depreciable fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Sewerage Systems	10 - 30 Years
Equipment	3 - 5 Years

4. BASIS OF ACCOUNTING

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that principal and interest on general long-term debt is recognized when due. Purchase of various operating supplies are regarded as expenditures at the time purchased.

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

In accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," it is the City's policy to apply all applicable GASB pronouncements as well as all FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedures issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements. The City has not adopted any FASB Statements or Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedures issued after November 30, 1989.

5. BUDGETS AND BUDGETARY ACCOUNTING

All proposed budgets must be completed and submitted to the City Council no later than fifteen days prior to the beginning of each fiscal year. The operating budget includes proposed expenditures and the means of financing them. The final budget must be adopted before the coming fiscal year begins.

The CITY OF MANDEVILLE, LOUISIANA, adopted a line item budget as a basis consistent with generally accepted accounting principles for the following funds: General Fund, Special Revenue Fund, Capital Projects Fund and Enterprise Fund. A formal budget was not adopted for the Debt Service Fund because effective budgetary control is alternately achieved through general obligation bond provisions.

	Governmental Fund Type				Reserve Fund Type	Actual Data		Total Governmental Fund Type
	County	Special Revenue	Debt Service	Capital Projects		Actual Data		
						Fund Type	Actual Data	
LIABILITIES								
Accounts Payable and accrued Expenses	\$ 68,179	\$ -	\$ -	\$ 12,884	\$ 51,479	\$ -	\$ 64,363	\$ 284,416
Payroll Taxes and Unemployment Payable	31,200	-	-	3,582	3,582	-	3,582	13,415
Due to Other Funds	2,000	-	100,800	-	10,188	-	102,988	384,348
Customer Deposits	-	-	-	-	20,148	-	20,148	80,000
Prepaid Services/Insurance/Assets	-	-	-	-	-	-	-	10,000
Revenue Bonds	-	-	-	-	81,000	-	81,000	1,000
Accrued Interest	-	-	-	-	3,203	-	3,203	1,070
Matured Bonds and Interest Computed	-	-	48	-	-	-	48	1,000
Revenue Bonds Payable	-	-	-	-	21,000	-	21,000	50,000
General Obligation Bonds Payable	-	-	-	-	-	-	-	1,000,000
Total Liabilities	101,379	101,379	100,848	111,114	195,112	101,379	306,491	1,481,844
FUND EQUITY								
Contributions/Grants	-	-	-	-	12,651,151	-	12,651,151	51,000,000
Residual Income of Total Equity	-	-	-	-	1,000,000	-	1,000,000	4,000,000
Reserve for Contingencies	-	-	-	-	41,044	-	41,044	40,000
Reserve for Debt Service	-	-	-	-	1,071,000	-	1,071,000	1,071,000
Fund Reserves	31,600	-	-	-	-	-	31,600	31,600
Reserve for Inventory	1,000	-	-	-	-	-	1,000	1,000
Reserve for Prepaid Expenses	1,000	-	-	-	-	-	1,000	1,000
Reserve for PDR Service	-	1,700,000	-	-	-	-	1,700,000	1,700,000
Reserve for Contingencies	1,500,000	-	-	-	-	-	1,500,000	1,500,000
Designated for Future Expenditures	-	-	-	-	-	-	-	1,000,000
Total Governmental Equity	1,502,600	1,700,000	1,700,000	1,281,114	1,112,695	1,112,695	3,606,504	58,002,000
Total Liabilities and Fund Equity	1,104,079	1,101,379	1,101,348	1,112,228	317,727	1,112,695	3,614,503	1,540,844

The accompanying information is integral part of these financial statements.

CITY OF INDEVERILLE, LOUISIANA
 COMBINED BALANCE SHEET - ALL FUNDS BY FUND AND ACCOUNT NUMBER
 August 31, 2016
 With Comparative Totals for 2015

	Governmental Funds				Proprietary Funds		Accounting			Total	
	Control	Special Revenue	Debt Service	Capital Projects	Inventory	Other	Fund		Long Term Assets	Liabilities	Net Position
							Balance	Change			
Cash	\$ 12,240	\$ 25,234	\$ 28,279	\$ 1,081,920	\$ 181,281	\$ -	\$ -	\$ -	\$ 1,543,280	\$ 2,488,857	\$ 2,488,857
Investments - all Govt	10,111	64,875	1,400,000	1,188,562	12,024	-	-	-	1,773,572	1,773,572	2,762,429
Accounts Receivable	-	-	-	-	24,075	-	-	-	24,075	24,075	24,075
Prepaid Expenses	-	-	-	-	1,200	-	-	-	1,200	1,200	1,200
Inventory	-	-	12,571	26,486	-	-	-	-	39,057	39,057	39,057
Accrued Interest	-	-	-	18,241	-	-	-	-	18,241	18,241	18,241
Other	1,688	-	-	-	1,898	-	-	-	3,586	3,586	3,586
Due From/To Other Funds	14,488	1,488	30,881	-	-	-	-	-	46,857	46,857	46,857
Due From/To Other Departments	154,886	30	-	-	-	-	-	-	154,916	154,916	154,916
Due From/To Other Governmental Agencies	11,000	-	-	-	14,386	-	-	-	25,386	25,386	25,386
Due From/To Other Proprietary Funds	1,000	-	-	-	72,857	-	-	-	73,857	73,857	73,857
Land	-	-	-	-	-	-	-	-	31,138	31,138	31,138
Buildings	-	-	-	-	-	-	-	-	1,481,222	1,481,222	1,481,222
Equipment	-	-	-	-	-	-	-	-	301,865	301,865	301,865
Other Assets	-	-	-	-	-	-	-	-	2,043,871	2,043,871	2,043,871
Accounts Payable	-	-	-	-	-	-	-	-	11,000,241	11,000,241	11,000,241
Accounts Receivable - Other Govt	-	-	-	-	-	-	-	-	1,780,418	1,780,418	1,780,418
Accounts Receivable - Other Proprietary Funds	-	-	-	-	-	-	-	-	8,076,811	8,076,811	8,076,811
Accounts Payable - Other Govt	-	-	-	-	-	-	-	-	30,000	30,000	30,000
Accounts Payable - Other Proprietary Funds	-	-	-	-	-	-	-	-	1,280,000	1,280,000	1,280,000
Total Assets	\$ 1,181,221	\$ 1,022,088	\$ 1,188,520	\$ 1,188,521	\$ 2,188,222	\$ 1,188,222	\$ 1,188,222	\$ 1,188,222	\$ 1,188,222	\$ 1,188,222	\$ 2,376,444
Total Liabilities											\$ 2,376,444

Accounts are provided for 2016-2017. All other accounts are provided for 2015-2016.

In accordance with Government Auditing Standards, we have also issued a report dated October 31, 1996, on our consideration of the CITY OF MANDERVILLE, LOUISIANA's internal control structure and a report dated October 31, 1996, on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining, individual fund and account group financial statements. The accompanying financial information, listed as schedules in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements of the CITY OF MANDERVILLE, LOUISIANA. The information in those schedules has been subjected to the auditing procedures applied in the audit of the general purpose, combining, individual fund and account group financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account groups, taken as a whole.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which we expressed a qualified opinion on the combined, combining, individual fund, and account group financial statements of the CITY OF MANDERVILLE, LOUISIANA.

Anthony J. Bujala

A Professional Accounting Corporation

October 31, 1996

**LaPorte
Sehr
Romig
&
Hand**

The Honorable Edward Price, III, Mayor
and Members of the City Council
City of Mandeville, Louisiana

Independent Auditor's Report

We have audited the accompanying general purpose financial statements of the CITY OF MANDEVILLE, LOUISIANA, and the combining, individual fund and account group financial statements of the CITY OF MANDEVILLE, LOUISIANA as of and for the year ended August 31, 1976, as listed in the table of contents. These financial statements are the responsibility of the CITY OF MANDEVILLE, LOUISIANA's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

Detail records of inventories of fixed assets were not maintained for the General Fixed Assets Account Group and the Enterprise Fund prior to September 1, 1976. Because such records are not available for all of the City's fixed assets, we were unable to satisfy ourselves as to the propriety of the recorded amounts of the General Fixed Assets Account Group and the Enterprise Fund.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the propriety of the recorded amount of the General Fixed Assets Account Group and the Enterprise Fund as referred to in the preceding paragraph, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the CITY OF MANDEVILLE, LOUISIANA, and the results of its operations and cash flows of its proprietary fund type for the year then ended, in conformity with generally accepted accounting principles. Also, in our opinion, except for the effects of such adjustments mentioned above, the combining, individual fund, and account group financial statements referred to above present fairly, in all material respects, the financial position of the individual funds and account groups of the CITY OF MANDEVILLE, LOUISIANA, and the results of operations of such funds and cash flows of its proprietary fund for the year then ended, in conformity with generally accepted accounting principles.

A Professor and Accounting Graduate

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ENTERPRISE INVENTORY VALUATION

Observation: We noted that no formal method exists of valuing enterprise inventory. Currently, the City updates the value of its inventory items on an annual basis with the price of the most recent purchase. This creates a problem when some items have not been used for several years and experiencing drastic increases or decreases in value.

Recommendation: We recommend that the City take a formal inventory semi-annually. The inventory should note the number of items counted and the cost of those items. Under the FIFO method of valuing inventory, as old items are used their cost should be removed from the inventory total cost. Conversely, as new items are purchased, they should be carried at their acquisition price. On a first basis, someone other than the person who performed the inventory count, should test the inventory in both dollar and amount. This person should review prior years' inventory reports and divisions, to determine which old items, and their respective costs, remain in the current inventory. The final inventory should include each item at their original cost, net the current replacement cost, and should be reviewed by the City's Director of Finance for non-compliance.

BANK OVERDRAFT CHARGES

Observation: We noted on several occasions that the City paid charges on bank accounts that were overdrawn during the year.

Recommendation: We recommend that a monthly schedule should be prepared that forecasts the expected sources and uses of cash. By carefully anticipating the actual cash needed in the City's various accounts, actual cash transfers may be adjusted to cover any potential shortages incurred in a particular bank account.

If you have any questions regarding these matters, please do not hesitate to call either myself or Colene Haight. We would like to thank you and your employees for their cooperation and their assistance.

Sincerely,

LAPOINTE, SEIBY, BOWEN, & HAND
A Professional Accounting Corporation



James J. Hand, III
Certified Public Accountant

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October 21, 1996

The Honorable Edward Price, III, Mayor
Members of the City Council and Finance Director
City of Mandeville
1181 East Canaway Approach
Mandeville, LA 70448

Ladies and Gentlemen:

In planning and performing our audit of the financial statements of City of Mandeville, Louisiana for the year ended August 31, 1996, we considered the internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. However, we noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters creating a reasonable risk that, in our judgment, could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The following are the reportable conditions noted:

INVESTMENTS

Observation: In analyzing the investment activity for the year end August 31, 1996, we noted many discrepancies, particularly with the Smith Barney investments. Inadequate accounting entries made on the general ledger and the amounts recorded on the reconciliations. This condition required additional audit attention and a number of adjusting journal entries to correct.

Recommendation: These investment accounts (Investment Income and Investment Principal Balances) should be updated monthly. A monthly report should be prepared in which the general ledger account balance can be reconciled, and any differences noted can be analyzed and closed promptly. This will decrease the chance of any material errors in bookkeeping and provide for a more efficient audit at year end.

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CITY OF MONROVILLE, LOUISIANA
COMPARATIVE STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE

	For The Years Ended	
	August 31,	
	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (Loss)	\$ (80,966)	\$ (112,098)
Adjustments to Reconcile Net (Loss) to		
Net Cash Provided by Operating Activities:		
Depreciation	421,425	411,958
Change in Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	(7,698)	9,840
Decrease (Increase) in Accrued Interest	3,791	(1,883)
Decrease (in) Other Receivables	(581)	(677)
Increase (Decrease) in Inventory	(22,178)	38,730
Increase (Decrease) in Accounts Payable and Accrued Expenses	(5,844)	4,968
(Decrease) in Payroll Taxes and Retirement Payable	(288)	(1,780)
Increase (Decrease) in Due to Other Funds	81,809	75,156
Increase in Customer Deposits	1,880	4,790
(Decrease) in Accrued Interest Payable	(752)	(873)
Net Cash Provided by Operating Activities	278,140	488,261
CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase) Decrease in Investments	18,118	(251,260)
Net Cash Provided by (Used in) Investing Activities	18,118	(251,260)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(1,074,094)	(312,711)
Principal Paid on Revenue Bond Maturities	(75,000)	(18,800)
Loan on Disposal of Assets	-	18,797
Capital Contributed from Other Funds	1,748,649	262,208
Payment on Capital Loans	(1,000,000)	(20,000)
Net Cash (Used in) Capital and Related Financing Activities	(400,445)	(260,506)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-104,347	(104,299)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	528,665	704,968
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 424,318	\$ 600,669
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest Paid	\$ 12,500	\$ 12,855

The accompanying notes are an integral part of these financial statements.

CITY OF MANDEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The **CITY OF MANDEVILLE, LOUISIANA**, adopted the Home Rule Charter on November 16, 1989 under the provisions of Article VI, Section 5, of the Louisiana Constitution of 1974. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety, highways and streets, sanitation and utilities, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The accounting and reporting policies of the **CITY OF MANDEVILLE, LOUISIANA**, conform to generally accepted accounting principles as applicable to governments except for the valuation of fixed assets as further discussed in this note. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:317 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry best guide, *Audit of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

1. REPORTING ENTITY

As the governing authority of the City, for financial reporting purposes, the **CITY OF MANDEVILLE, LOUISIANA**, is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (the City), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the **CITY OF MANDEVILLE, LOUISIANA**, for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the City to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
2. Organizations for which the City does not appoint a voting majority but are fiscally dependent on the City.

**CITY OF MANHUVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. REPORTING ENTITY (Continued)

1. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the City has determined that there are no component units that are part of the reporting entity.

2. FUND ACCOUNTING

The accounts of the City are organized on the basis of funds and account groups, each of which is a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into five generic fund types and two broad fund categories as follows:

GOVERNMENTAL FUNDS

GENERAL FUND

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

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

DEBT SERVICE FUND

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

CAPITAL PROJECTS FUND

Capital Projects Fund is 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).

**CITY OF MONROVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE F

MANUSCRIPTS ENDOWED CARE TRUST FUND

The City entered into an agreement with the Citizens Bank and Trust Company on June 24, 1966 creating "Lake Lawn Park, Inc., Endowed Care Trust, Town of Monroville". This trust fund was created to provide for the maintenance and care of the manuscripts. On July 19, 1993, the account was transferred to the Whitney National Bank Trust Division upon the closing of the Trust Department at Citizens Bank. The trust can make disbursements to the city "upon presentation to the company of an itemized and itemized statement of maintenance expenses and costs approved and signed by the mayor". This account is not reflected on the financial statements because the Trust Fund is not considered a part of the reporting entity. The balance of this account as of August 31, 1996 is:

Money Market Deposit Account	<u>\$ 1,000.00</u>
------------------------------	--------------------

NOTE G

OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosure, as part of the combined financial statements, of certain information concerning individual funds including:

Individual fund interfund receivable and payable balances. Such balances at August 31, 1996 were:

Fund	Interfund Receivables	Interfund Payables
General Fund	\$ 166,000	\$ 1,900
Debt Service Fund	-	104,852
Special Sales Tax	82	-
Enterprise Fund	-----	51,288
	<u>\$ 166,082</u>	<u>\$ 106,940</u>

NOTE H

LITIGATION

Current litigation involves a claim against the City and several present and former elected and appointed officials seeking damages claimed to have arisen from an alleged wrongful zoning of property. The claim seeks damages at an alleged value of Thirty Million (\$30,000,000) Dollars, but the plaintiff's expert recently estimated damages to be in the range of \$800,000. The City persists in its vigorous defense of this lawsuit and maintains that the defenses available should shield the City from liability or, at a minimum, preclude the amount of damages sought by the plaintiff. The City's insurer has agreed to defend the City in this case, but has done so with a reservation of rights.

**CITY OF MONROEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. FIXED ASSETS AND LONG-TERM LIABILITIES (Continued)

<u>Year Ending</u>	<u>Fixed Asset Additions</u>	
	<u>General Fixed Assets</u>	<u>Enterprise Fund</u>
August 31, 1988	\$ 171,090	\$ 12,777
August 31, 1989	50,320	2,888
August 31, 1990	123,170	307,808
August 31, 1991	289,784	468,969
August 31, 1992	223,976	1,269,888
August 31, 1993	248,400	826,147
August 31, 1994	284,606	387,257
August 31, 1995	180,996	81,184
August 31, 1996	174,278	1,797,863
August 31, 1997	268,829	4,740,309
August 31, 1998	48,884	799,210
August 31, 1999	863,533	371,377
August 31, 2000	338,787	364,381
August 31, 2001	994,614	663,649
August 31, 2002	232,944	368,915
August 31, 2003	619,608	812,089
August 31, 2004	905,483	92,540
Total	\$ 4,206,181	\$ 12,348,986

Donated fixed assets are valued at their estimated fair value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two 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.

The proprietary fund is accounted for on a cost of services or "capital maintenance" measurement basis. This means that all assets and all liabilities associated with their activity are included on the balance sheet. The reported fund equity is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases and decreases in net total assets.

C O N T E N T S (Continued)

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FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS	
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<i>Schedule of Federal Financial Assistance</i>	73

CITY OF MANDEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. BUDGETS AND BUDGETARY ACCOUNTING (Continued)

According to line item budgeting, actual expenditures for each line item may not exceed its corresponding budgeted amount. The budget may be amended under the same procedures as were followed under its adoption. The budgets presented have been amended.

Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if one (1) year passes without any disbursement from or encumbrance of the appropriation.

6. CASH AND INVESTMENTS

Cash includes amounts in demand deposits as well as time certificates of deposit.

Statutes authorize the City to invest in the following types of securities:

- (1) Direct U.S. Treasury obligations, the principal and interest of which are fully guaranteed by the U.S. Government.
- (2) Fully collateralized certificates of deposit issued by qualified commercial banks and savings and loan institutions located within the State of Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.
- (3) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies, or by U.S. government instrumentalities which are federally sponsored, and provided such obligations are backed by the full faith and credit of the U.S.
- (4) Direct repurchase agreements of any federal back entry only securities enumerated in paragraphs (1) and (3) above. "Direct security repurchase agreement" means an agreement under which the political subdivision buys, holds for a specified time, and then sells back from securities and obligations enumerated in paragraphs (1) and (3) above.
- (5) Mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. government or its agencies.

Investments are stated at cost, or amortized cost, which approximates market.

Cash and Cash Equivalents consists of cash, as defined above, including restricted cash.

**CITY OF MANDEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. INVENTORIES

Governmental fund type inventories are basically accounted for using the "purchase" method.

It was not practicable to determine the amount of governmental fund type inventories at August 31, 1996, and therefore, such inventories are not reported in the accompanying governmental fund type financial statements as required by generally accepted accounting principles. In the opinion of management, such inventories would be immaterial to the financial statements.

There exist inventories of currency plots of \$12,151 and manatees crypts of \$9,597 at August 31, 1996. These inventories are valued at cost.

Materials and supplies inventory of the proprietary funds are stated at the lower of cost or market, or at cost, determined by the first-in, first-out method.

8. COMPARATIVE DATA

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative data has not been presented in each of the statements because their inclusion would make the statements unduly complex and difficult to read.

9. 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. Inter-fund eliminations have not been made in the aggregation of this data.

10. PROPERTY TAXES

Property taxes are due on January 1 and delinquent if not paid by March 31. Property taxes are recorded as revenues upon receipt of payments. Property on which the taxes have not been paid is adjudicated to the City after being offered for sale to the public. Receivables - Tax liens is reflected in the financial statements. Total property tax revenue for the year ended August 31, 1996 was \$778,242 and is recorded in the funds as follows:

General Fund	\$ 677,288
Debt Service Fund	_____ 100,952
	\$ 778,242

In our opinion, CITY OF MONROEVILLE, LOUISIANA complied, in all material respects, with the specific requirements referred to in the second paragraph that are applicable to the major federal financial assistance program for the year ended August 31, 1996.

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

Chilton, Pitt, Craig & Neal
A Professional Accounting Corporation

October 23, 1996

**CITY OF MANDEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE E

ANNUAL REQUIREMENTS TO AMORTIZE LONG-TERM DEBT

The following is a schedule of principal and interest debt service requirements to maturity:

Year Ending August 31,	Certificate of Indebtedness	General Obligation	Water Revenue Bonds	Total
1997	\$ 374,716	\$ 402,688	\$ 32,150	\$ 1,214,754
1998	376,823	503,313	32,350	1,344,188
1999	378,208	598,459	32,300	1,318,966
2000	378,866	693,815	32,200	1,515,881
2001	378,804	693,861	32,858	1,518,613
2002-2014	1,138,325	7,853,235	158,208	9,251,808
	<u>\$ 3,825,752</u>	<u>\$ 12,941,524</u>	<u>\$ 313,022</u>	<u>\$ 15,886,704</u>

\$1,783,619 is available in the Debt Service Fund to service the General Obligation Bonds.

There are a number of limitations and restrictions contained in the water revenue bond indentures. The nature of these deposit requirements are as follows:

	August 31, 1996		
	Required Balance	Actual Balance	Variance- Favorable (Unfavorable)
Sinking Fund	\$ 34,188	\$ 34,188	\$ -
Reserve Fund	34,669	34,669	-
Depreciation and Contingency Fund	33,940	33,940	-
Totals	<u>\$ 72,807</u>	<u>\$ 72,807</u>	<u>\$ -</u>

The City performed a defeasance of its Series 1987 Sales Tax Bonds in accordance with Chapter 34 of Title 38 of the Louisiana Revised Statutes of 1950, as amended. An advance refunding was performed whereby new debt (Series 1998 Sales Tax Bonds) was issued to provide money to pay interest on old, outstanding debt as it becomes due and to pay principal on the old debt as it matures. The proceeds from the sale of the advance refunding bonds was placed in an irrevocable trust with Whitney National Bank (Escrow Agent) to be used solely for satisfying scheduled payments of both interest and principal of the defeasible debt. The total amount of defeasible debt outstanding at August 31, 1996 is \$1,610,800.

CITY OF MONROVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

NOTE D

CONTINUED SCHEDULE OF BONDS PAYABLE - AUGUST 31, 1996 (Continued)

Revenue Bonds	Payment Date	Interest		Years	Annual Serial Payments	
		Year or Certificate Number	% Rate		Amount	Balance
Bonds Issued 12/28/88 for \$470,000 (Water and Sewer) Payable from Water and Sewer Revenues	12/28	1990-2005	5.00%	1996 1997 1998 1999 2000 Thereafter		\$ 20,000 21,000 22,000 23,000 24,000 133,000
Total Revenue Bonds						<u>\$ 247,000</u>
<u>Certificate of Indebtedness</u>						
Certificates dated 2/1/94 for \$3,000,000, Payable from Special Sales Taxes	2/1 and 8/1			1997 1998 1999 2000 2001 2002 2003 2004	4.82 4.82 4.82 4.82 4.82 4.82 4.82 4.82	1997 1998 1999 2000 2001 2002 2003 2004
						\$ 268,000 275,000 280,000 285,000 290,000 295,000 300,000 305,000
						\$ 780,000 775,000 780,000 785,000 790,000 795,000 800,000 805,000
Total Certificates of Indebtedness						<u>\$ 2,530,000</u>

**CITY OF MONROEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE B:

COMBINED SCHEDULE OF BONDS PAYABLE - AUGUST 31, 1998 (Continued)

Police Complex Bonds	Payment Dates	Interest			Annual Serial Payments	
		Year or Certificate Number	% Rate	Years	Amount	Balance
Bonds Issued 12/7/92 for \$200,000, Payable from Ad Valorem Taxes	6/1 and 12/1	1993	7.0	1997	\$ 28,000	\$ 28,000
		2/10 250	7.0	1998	38,000	30,000
						58,000
<u>Water Improvement Bonds</u>						
Bonds Issued 2/1/94 for \$1,500,000, Payable from Sales Taxes	2/1 and 8/1	1993	9.0	1997	\$ 40,000	\$ 48,000
		1998	9.0	1998	45,000	45,000
		1999	9.0	1999	50,000	38,000
		2000	4.8	2000	50,000	58,000
		2001	4.1	2001	55,000	55,000
		2002	4.2	2002	60,000	60,000
		2003	4.3	2003	65,000	65,000
		2004	4.4	2004	65,000	65,000
		2005	4.5	2005	70,000	70,000
		2006	4.7	2006	75,000	75,000
		2007	4.9	2007	80,000	80,000
		2008	5.05	2008	90,000	90,000
		2009	5.1	2009	95,000	85,000
		2010	5.15	2010	100,000	100,000
		2011	5.2	2011	110,000	100,000
		2012	5.25	2012	115,000	115,000
2013	5.25	2013	125,000	125,000		
2014	5.25	2014	135,000	125,000		
					1,415,000	
Total General Obligation Bonds						\$ 1,473,000

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CITY OF MANDEVILLE, LOUISIANA

August 31, 1996

Book of Financial Statements

August 31, 1996

As the result of a 1996 law, the City of Mandeville, Louisiana, is required to submit to the Louisiana State Auditor, a copy of the financial statements of the City of Mandeville, Louisiana, for the year ending August 31, 1996. The financial statements are prepared in accordance with the provisions of the 1996 Law. The financial statements are for the year ending August 31, 1996, and are prepared in accordance with the provisions of the 1996 Law. The financial statements are for the year ending August 31, 1996, and are prepared in accordance with the provisions of the 1996 Law.

Reference Item 4,251

CITY OF MONROEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

NOTE D

COMBINED SCHEDULE OF BONDS PAYABLE - AUGUST 31, 1986

Sales Tax Bonds	Interest			Years	Annual Serial Payments	
	Payment Dates	Year of Certificate Number	% Rate		Amount	Balance
Series 1990, Issued						
121,000 for \$6,265,000 (Refunding Series 1987 Sales Tax Bonds) Payable from Special 1% Sales Tax	1/1 and 7/1	1997	6.50	1997	\$ 260,000	\$ 260,000
		1998	6.60	1998	275,000	275,000
		1999	6.70	1999	290,000	290,000
		2000	6.80	2000	315,000	315,000
		2001	6.85	2001	335,000	335,000
		2002	6.90	2002	360,000	360,000
		2003	6.95	2003	385,000	385,000
		2004	7.00	2004	400,000	410,000
		2005	7.05	2005	440,000	440,000
		2006	7.10	2006	470,000	470,000
		2007	7.20	2007	495,000	505,000
		2008	7.25	2008	540,000	540,000
		2009	7.25	2009	575,000	575,000
						\$ 3,165,000
Series 1991, Issued						
121,000 for \$1,865,000 (Road Improvements) Payable from Special 1% Sales Tax	1/1 and 7/1	1997	9.00	1997	\$ 75,000	\$ 75,000
		1998	6.10	1998	85,000	85,000
		1999	6.20	1999	90,000	90,000
		2000	6.30	2000	95,000	95,000
		2001	6.40	2001	105,000	105,000
		2002	6.50	2002	110,000	110,000
		2003	6.60	2003	120,000	120,000
		2004	6.60	2004	130,000	130,000
		2005	6.60	2005	135,000	135,000
		2006	6.60	2006	150,000	150,000
		2007	6.60	2007	155,000	155,000
		2008	6.60	2008	170,000	170,000
		2009	6.60	2009	185,000	185,000
						\$ 1,805,000

CITY OF MANDEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

NOTE B

CHANGES IN FIXED ASSETS (Continued)

A summary of proprietary fixed type property, plant and equipment at August 31, 1996 follows:

Water and Sewer System and Equipment	\$ 13,987,198
Construction in Progress	____ 2,490,028
	16,477,226
Less: Accumulated Depreciation	____ 3,125,153
Net	\$ 13,352,073

Depreciation expense for the year ended was \$411,425. Of this amount \$178,333 was depreciation on assets purchased with bond money.

NOTE C

CHANGES IN LONG-TERM DEBT

The following is a summary of bond transactions of the City for the year ended August 31, 1996:

	Certificate of Indebtedness	General Obligation	Revenue	Total
Bonds and Certificates Payable at September 1, 1995	\$ 2,760,000	\$ 8,534,000	\$ 166,000	\$ 11,460,000
Bonds Retired	____ (230,000)	____ (181,000)	____ (75,000)	____ (486,000)
Bonds and Certificates Payable at August 31, 1996	\$ 2,530,000	\$ 8,353,000	\$ 247,000	\$ 11,130,000

**CITY OF HANDEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. SALES TAXES

Sales tax collections for the year ended August 31, 1996 was \$5,486,638 and was collected from the following sources:

1% Special Sales and Use Tax	\$ 1,864,140
1% Sales and Use Tax	1,864,140
State P&M Sales Tax	836,353
1% Sales and Use Tax	<u>932,005</u>
	\$ 5,496,638

As of July 1, 1991, the City is no longer the collecting agent for sales taxes. Sales taxes are now being collected by the St. Tammany Sheriff's Office for the entire parish.

12. ACCUMULATED UNPAID VACATION LEAVE AND SICK PAY

An employee may accrue annual leave up to a maximum of 30 days. At termination, employees are paid for any accumulated annual leave. No payment is made to terminated employees for accrued sick leave. The amount of accumulated annual leave payable in the financial statements at August 31, 1996 is \$189,694.

13. ACCOUNTS RECEIVABLE

Uncollectible amounts due for customers' utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectability of the particular receivable. The allowance is \$39,283 at August 31, 1996.

NOTE B

CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance September 1, 1991	Additions	Deletions	Balance August 31, 1996
Land	\$ 279,809	\$ 279,305	\$ -	\$ 551,055
Buildings	1,178,631	259,561	-	1,438,217
Improvements Other Than Buildings	792,140	28,210	-	820,350
Equipment	<u>1,566,303</u>	<u>368,308</u>	<u>-</u>	<u>2,532,811</u>
Total	\$ 4,121,883	\$ 935,484	\$ -	\$ 5,142,568

**CITY OF MONROVILLE, LOUISIANA
CAPITAL PROJECTS FUND
COMBINED BALANCE SHEET**

August 31, 1998

With Comparative Totals For August 31, 1997

	Notes	1998	Totals	
			1997	1998
ASSETS				
Cash	\$ 344,000	\$ 314,000	\$ 1,098,105	\$ 1,690,000
Investments	2,170,580	551,679	1,088,061	4,113,664
Trust Receivables	-	351,641	85,164	-
Accrued Interest Receivable	28,791	8,208	36,800	73,113
Total Assets	\$ 3,349,500	\$ 1,305,601	\$ 4,504,777	\$ 5,886,777
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable and Accrued Expenses	\$ 111,498	\$ 103,191	\$ 312,084	\$ 46,198
Total Liabilities	111,498	103,191	312,084	46,198
FUND BALANCES				
Designated for Future Expenditures	3,091,000	1,096,107	4,342,190	3,802,100
Total Fund Balances	3,091,000	1,096,107	4,342,190	3,802,100
Total Liabilities and Fund Balances	\$ 3,349,500	\$ 1,305,601	\$ 4,504,777	\$ 5,886,777

The accompanying notes are an integral part of these financial statements.

**CITY OF MANHEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. FUND ACCOUNTING (Continued)

PROPRIETARY FUND

ENTERPRISE FUND

The Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that 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.

1. 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 funds and the Expendable Trust Fund are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) to fund balance (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 are accounted for in a General Fixed Assets Account Group rather than in governmental funds. Fixed assets consisting of certain improvements other than building, including roads, bridges, curbs and gutters, streets and sidewalks, and lighting systems, have not been capitalized. Such assets normally are intangible and of value only to the City. Therefore, the purpose of responsibility for capital expenditures is satisfied without recording these assets. The City did not maintain a detailed property ledger for either the Enterprise Fund or the General Fixed Assets Group of Accounts prior to September 1, 1979.

No depreciation has been provided on general fixed assets, nor has interest been capitalized during the current year.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

The City did not maintain inventories of fixed assets prior to September 1, 1979. Detailed records and the valuation of fixed asset additions for the following years were maintained:

**CITY OF MONROEVILLE, LOUISIANA
WATER SERVICE FUND**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

August 31, 1996

With Comparative Totals For the Year Ended August 31, 1995

	Sales Tax Based FPO and FPO Issues			August 31,	
	Bond Sinking Fund	Bond Reserve Fund	Bond Service Fund	1995	1996
REVENUES					
Taxes					
All Vehicles	\$ -	\$ -	\$ 649,862	\$ 649,862	\$ 676,272
Interest Income	16,590	21,472	23,686	84,748	68,273
Miscellaneous	-----	-----	22,377	22,377	12,833
Total Revenues	____ 16,590	____ 21,472	____ 695,925	____ 756,987	____ 757,378
EXPENDITURES					
Unpaid Referrals	213,600	-	62,000	30,000	224,600
Water Service - Interest and Fiscal Changes	473,640	-	75,928	208,248	188,261
Miscellaneous	3,811	35	12,662	18,248	11,912
Total Expenditures	____ 791,051	____ 35	____ 150,590	____ 556,516	____ 424,773
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	____ 125,861	____ 21,437	____ 54,695	____ 210,471	____ 332,605
OTHER FUND INCOME DEBITED (USED)					
Operating Statistics					
Special Sales and Water Tax Fund	804,334	(20,000)	-	783,334	783,334
Collection Fund	-----	-----	-----	-----	3,021
Total Other Financing Resource(s) Used	____ 804,334	____ (20,000)	____ -	____ 783,334	____ 786,355
EXCESS OF REVENUES AND OTHER DEBITED (OTHER EXPENDITURES AND OTHER USED)	____ 17,522	____ 21,437	____ 19,695	____ 64,145	____ 46,250
FUND BALANCES - BEGINNING	____ 1,211,627	____ 831,684	____ 558,802	____ 1,211,627	____ 1,620,800
FUND BALANCES - ENDING	____ 1,336,972	____ 873,561	____ 578,502	____ 1,275,772	____ 1,667,050

The accompanying notes are an integral part of these financial statements.

**CITY OF MONROEVILLE, LOUISIANA
SPECIAL REVENUE FUNDS
SALES TAX FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE (BUDGET BASIS) APRIOR ACTUAL
For The Year Ended August 31, 1999
With Comparative Actual Amounts For The Year Ended August 31, 1998**

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
REVENUES				
Taxes:				
Sales and Use	\$ 3,325,000	\$ 3,509,577	\$ 18,577	\$ 3,097,851
Interest Income	7,000	8,937	1,937	5,242
Total Revenues	<u>3,332,000</u>	<u>3,518,514</u>	<u>17,734</u>	<u>3,103,093</u>
EXPENDITURES				
General Government				
Miscellaneous	-	92	(92)	51
Collection Fee	<u>61,500</u>	<u>65,898</u>	<u>4,398</u>	<u>58,238</u>
Total Expenditures	<u>61,500</u>	<u>65,990</u>	<u>4,490</u>	<u>58,289</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>3,270,500</u>	<u>3,452,524</u>	<u>18,240</u>	<u>3,044,804</u>
OTHER USES				
Operating Transfers:				
General Fund	(2,140,000)	(2,140,000)	-	1,992,889
Capital Projects - Bonds	<u>(1,092,500)</u>	<u>(1,321,590)</u>	<u>(229,090)</u>	<u>(1,051,644)</u>
Total Other Uses	<u>(3,232,500)</u>	<u>(3,461,590)</u>	<u>(229,090)</u>	<u>(2,044,533)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES	<u>-</u>	<u>(1,009)</u>	<u>(1,009)</u>	<u>99,271</u>
FUND BALANCE - BEGINNING	<u>102,000</u>	<u>101,178</u>	<u>178</u>	<u>10,832</u>
FUND BALANCE - ENDING	<u>\$ 102,000</u>	<u>\$ 100,169</u>	<u>\$ (1,831)</u>	<u>\$ 10,832</u>

The accompanying notes are an integral part of these financial statements.

CITY OF MONROEVILLE, LOUISIANA
GENERAL FUND
STATEMENT OF EXPENDITURES (COMPARED TO BUDGET) (GAAP BASIS) (Continued)
For The Year Ended August 31, 1995
With Comparative Actual Amounts For The Year Ended August 31, 1994

	1995		Variance - Favorable (Unfavorable)	1994 Actual
	Budget	Actual		
GENERAL GOVERNMENT (Continued)				
Car Allowance	300	421	79	428
Drainage District	50,000	-	50,000	-
Recreation	15,000	11,750	280	18,800
Capital Outlay	917,800	956,815	390,385	418,515
Engineer Fees - Special Projects	50,000	45,843	1,157	7,666
Garbage Collection Fees	408,000	401,263	5,437	361,811
Social Service Programs	500	-	500	-
Fuel, Oil and Lube	1,000	1,088	1,812	1,868
Contract Labor	15,000	11,616	1,384	13,679
Repairs, Maintenance Parts	4,000	3,595	405	1,949
Contract Fees	6,000	6,003	467	6,880
Fees, Interest and Service Charges	-	(40)	40	(20)
Recording Fees	1,000	676	324	660
Civil Service - City Hall	1,000	596	404	581
Training	3,000	4,000	10	4,996
Historic Expense	-	(800)	300	18,308
Uniforms	2,000	1,941	59	1,810
Equipment Rental	4,500	4,610	408	4,870
Parks and Pathways	15,000	7,838	7,062	8,351
Total General Government	\$ 2,273,500	\$ 2,321,140	\$ 491,521	\$ 1,811,420

The accompanying notes are an integral part of these financial statements.

CITY OF MONROVILLE, LOUISIANA
GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) (Continued)
 For The Year Ended August 31, 1999
 With Comparative Actual Amounts For The Year Ended August 31, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
PUBLIC SAFETY - POLICE				
Salaries	\$ 914,500	\$ 915,529	\$ (1,029)	\$ 868,120
Conferences and Conventions	4,000	3,821	179	3,000
Insurance - Police Professional	15,000	20,221	3,729	20,500
Insurance - Employees Medical	171,000	172,977	23	153,180
Insurance - Building	2,500	2,800	300	2,600
Maintenance and Repairs of Vehicles	24,500	25,884	1,384	21,277
Fees and Subscriptions	2,000	1,754	246	1,882
Workers's Compensation	41,000	48,455	7,455	40,950
Payroll Taxes	77,000	75,181	1,819	69,978
Retirement	121,000	116,830	4,170	107,590
Telephone	19,000	14,000	4,300	17,686
Maintenance of Building and Water	14,000	17,429	1,377	5,863
Utilities	15,000	12,000	400	12,444
Gasoline	5,000	5,241	241	4,444
Schools and Training Course	48,000	18,178	327	14,000
Office Supplies	11,000	10,112	188	6,749
Capital Outlays	200,500	128,219	86,281	140,500
Utilities	12,000	11,000	900	9,500
Postman Supplies	500	11	487	127
Vehicles and Equipment Leases	17,000	7,000	9,500	17,000
Food Service	3,000	2,634	376	3,824
Compost	4,000	5,397	697	2,700
Printing	3,000	5,481	19	2,977
Police Supplies	12,500	12,182	318	11,788
Postage	3,000	2,840	160	3,000
Fuel, Oil and Lube	33,000	32,526	474	29,159
Cross Protection	12,500	11,071	363	9,400
Cross Investigation	3,000	3,284	215	1,000
Equipment Maintenance and Repair	2,000	2,000	400	1,758
Building Maintenance and Repair	10,000	10,467	33	4,440
Equipment Rental	4,000	4,128	342	4,128
Total Public Safety - Police	\$ 1,808,000	\$ 1,792,131	\$ 15,869	\$ 1,692,680

The accompanying notes are an integral part of these financial statements.

CITY OF MONROE, L. A. LOUISIANA
GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) (Continued)
For The Year Ended August 31, 1996
With Comparative Actual Amounts For The Year Ended August 31, 1995

	1996		Variance - Favorable / (Unfavorable)	1995 Actual
	Budget	Actual		
PUBLIC WORKS -				
STREETS AND SANITATION				
Salaries	\$ 146,500	\$ 310,980	\$ 164,480	\$ 288,000
Retirement/Compensation	41,500	23,074	18,426	32,042
Contract CM	13,000	12,438	562	30,548
Insurance - Employee Medical	58,000	60,717	2,717	60,679
Retirement	50,000	27,192	22,808	20,685
Maintenance of Equipment and Vehicles	12,000	11,640	360	8,831
Incidental	-	-	-	943
Payroll Taxes	28,500	26,086	2,414	21,797
Road, Asphalt and Gravel	35,000	33,738	1,262	70,656
Supplies	8,000	8,073	73	6,266
Contract Labor	36,500	37,196	696	21,040
Utilities	2,000	1,882	118	1,982
Curb and Drainage Maintenance	10,000	8,367	1,633	6,079
Utilities	60,000	55,529	4,471	55,317
Maintenance of Pools	2,000	799	1,201	665
Capital Outlay	441,500	192,163	249,337	44,822
Signs and Lights	18,000	15,168	2,832	7,697
Vehicle and Equipment Insurance	8,000	4,750	3,250	8,500
Miscellaneous Fuel Contract	2,000	1,820	180	1,703
Insurance - General	9,000	9,651	651	7,000
Repairs, Parts, Maintenance	15,000	14,149	851	11,503
Office Supplies	2,000	3,480	1,480	1,503
Insurance - Property	1,000	9,900	-	1,000
Telephone	2,000	2,350	350	1,004
Equipment Rental	1,500	-	1,500	300
Lease Expense	-	-	-	23,319
Building Maintenance	6,000	5,831	169	6,465
Total Public Works				
Streets and Sanitation	\$ 1,134,000	\$ 1,416,636	\$ 282,636	\$ 618,915

The accompanying notes are an integral part of these financial statements.

**CITY OF MANDEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE H

LITIGATION (Continued)

The City is a defendant in several lawsuits which are currently pending. The majority of the cases are covered by insurance and, in the opinion of legal counsel for the City, the ultimate resolutions of these cases will not result in a significant liability to the City.

NOTE I

RESERVE FOR CAPITAL EXPENDITURE

The reserve for capital expenditures is \$1,589. The reserve for capital expenditures is restricted for certain police acquisitions.

NOTE J

SELF-INSURANCE PROGRAM

As of March 1, 1991, the City became self-insured for up to \$25,000 per occurrence with respect to its medical insurance. The plan is serviced by an independent service company. The City is also partially self-insured for up to \$29,800 per occurrence/\$100,000 aggregate for the year with respect to its property and casualty insurance.

NOTE K

PENSION PLANS

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS)

Plan Description and Provisions:

All of the City's full-time employees, other than police employees, participate in the MERS, a multiple-employer, cost sharing pension plan. The payroll for employees covered by the MERS for the year ended August 31, 1996 was \$1,048,540. The City's total payroll, excluding police department, was \$1,166,508.

Employees can retire providing they meet one of the following criteria:

1. Age 55 with thirty (30) years of creditable service.
2. Age 60 with a minimum of ten (10) years of creditable service.
3. Under age 60 with ten (10) years of creditable service eligible for disability benefits.
4. Survivor's benefits require twenty (20) years creditable service at death of member.

CITY OF MANASSASVILLE, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL (Continued)
For The Year Ended August 31, 1999
With Comparative Actual Amounts For The Year Ended August 31, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
EXPENDITURES				
Current				
General Government	2,973,600	2,994,149	(20,549)	1,811,629
Public Safety - Police	1,839,000	1,702,173	136,827	1,291,640
Public Works - Streets and Sanitation	1,094,000	915,616	178,384	649,885
Library	40,000	11,753	28,247	9,893
Total Expenditures	<u>5,946,600</u>	<u>5,623,791</u>	<u>322,809</u>	<u>3,763,047</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(2,580,500)</u>	<u>(2,602,130)</u>	<u>21,630</u>	<u>(1,645,262)</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers:				
State Tax Fund	2,181,000	2,181,000	-	1,961,000
Special Sales Tax Fund	380,000	380,000	-	380,000
Erie Service	(780,000)	(776,240)	3,760	(778,940)
Total Other Financing Sources	<u>1,781,000</u>	<u>1,784,760</u>	<u>3,760</u>	<u>1,562,060</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>(800,000)</u>	<u>(817,370)</u>	<u>182,630</u>	<u>(83,202)</u>
FUND BALANCE - BEGINNING	1,314,627	1,314,627	-	983,871
ADDITION (DEDUCTION) IN RESERVE FOR INVENTORY	-	(2,610)	(2,610)	(1,739)
FUND BALANCE - ENDING	<u>\$ 514,627</u>	<u>\$ 504,647</u>	<u>\$ 10,000</u>	<u>\$ 130,102</u>

The accompanying notes are an integral part of these financial statements.

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CITY OF MONROVILLE, LOUISIANA
GENERAL FUND
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FUND BALANCE SUBJECT TO AFRF BOND AND ACTUAL
For The Year Ended August 31, 1990
With Comparative Actual Amounts For The Year Ended August 31, 1989

	1990		Variance— Favorable (Unfavorable)	1989 Actual
	Budget	Actual		
REVENUES				
Taxes				
Ad Valorem	\$ 400,000	\$ 471,580	\$ 71,580	\$ 540,800
Franchise	381,000	381,304	304	500,488
Total Taxes	<u>781,000</u>	<u>852,884</u>	<u>71,884</u>	<u>1,041,288</u>
Licenses and Permits				
Building Permits	70,000	63,879	(6,121)	60,706
Business Licenses	215,000	273,988	(58,982)	255,579
Firearms and Occupational Licenses	170,000	173,811	3,811	180,600
Occupational Licenses	15,000	18,000	(3,000)	12,000
Fire and Litter Licenses	40,000	43,696	(3,696)	40,000
Dog Licenses	500	33	467	50
Total Licenses and Permits	<u>520,500</u>	<u>613,413</u>	<u>92,713</u>	<u>679,675</u>
Intergovernmental				
Tobacco Taxes	80,000	77,964	(2,036)	80,000
Judicial Courts	240,000	26,983	(213,017)	18,170
State Grants	-	40,897	40,897	41,250
Missile Revenue	-	12,600	12,600	-
Water Police Revenue	90,000	90,500	500	11,641
Total Intergovernmental	<u>310,000</u>	<u>248,864</u>	<u>(61,136)</u>	<u>251,471</u>
Charges for Services				
Garbage Fees	400,000	408,040	8,040	394,367
Tax Waivers	0,000	1,644	(1,644)	0,000
Zoning Revenue	40,000	34,287	(5,713)	51,573
Culture Fees	5,000	5,317	(3,683)	3,941
Total Charges for Services	<u>445,000</u>	<u>447,288</u>	<u>2,288</u>	<u>450,281</u>
Fees and Fines				
Police Fees	150,000	131,320	(18,680)	129,200
License Revenue	30,000	30,000	0,000	40,500
Miscellaneous				
Sale of Country Plots	70,000	33,940	(36,060)	15,580
Miscellaneous	10,000	20,675	10,675	18,000
Excavation	9,000	8,800	(200)	50,000
Sale of Property/Equipment	1,000	-	(1,000)	17,140
Total Miscellaneous	<u>90,000</u>	<u>63,415</u>	<u>(26,585)</u>	<u>100,720</u>
Total Revenues	<u>2,800,000</u>	<u>2,500,280</u>	<u>(299,720)</u>	<u>3,418,200</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF MARIETTA, GEORGIA
DEBT SERVICE FUNDS**

**(COMBINING BALANCE SHEET
August 31, 1996
With Comparative Totals for August 31, 1995)**

ACCOUNTS	Debt Tax Fund			August 31,	
	1995 and 1996 Totals			1996	1995
	Debt Sinking Fund	Debt Revenue Fund	Debt Service Fund		
Cash	\$ 202,218	\$ 6,650	\$ 183,900	\$ 392,870	\$ 324,650
Investments	151,250	605,678	665,774	1,443,694	1,356,150
Receivables:					
Accrued Interest	-	20,000	1,700	21,700	21,480
Tax Liens	-	-	30,965	30,965	29,800
Due from Other Funds:					
Enterprise Fund	-	-	-	-	1,151
Total Assets	\$ 353,468	\$ 632,328	\$ 852,339	\$ 1,868,569	\$ 1,733,631

LIABILITIES AND FUND BALANCES

LIABILITIES

 Deferred Bonds and Interest

 Premium

\$ - \$ - \$ 68 \$ 68 \$ 68

 Due to Other Funds

 General Fund

- - 84,700 84,700 9,500

 Special State Tax

85 - - 85 600

Total Liabilities

85 - 84,868 84,953 10,600

FUND BALANCES

 Reserved for Debt Service

353,414 631,658 767,471 1,783,616 1,723,031

Total Liabilities and Fund Balances

\$ 353,468 \$ 632,328 \$ 852,339 \$ 1,868,569 \$ 1,733,631

The accompanying notes are an integral part of these financial statements.

DEBT SERVICE FUNDS

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and the payment of principal and interest on the 1992 Police Complex Bonds, and 1994 Water Improvements Bonds. Financing is being provided by Ad Valorem taxes.

SALES TAX BOND SINKING FUND - 1990 Advance Refunding Bonds and 1991 Public Improvement Bonds

The Sales Tax Bond Sinking Fund is used to accumulate monies for the payment of principal and interest on the 1990 Advance Refunding Bonds and 1991 Public Improvement Sales Tax Bonds. These are serial bonds due in varying annual installments, plus interest, until maturity in 2009. Proceeds of sales and use tax of \$87,882 monthly for the period of January 1, 1995 through November 30, 1999 and \$86,838 for the succeeding twelve months are required to be deposited monthly into this fund according to the bond agreement. The required monthly payments vary from year to year.

SALES TAX BOND RESERVE FUND - 1990 Advance Refunding Bonds and 1991 Public Improvement Bonds

The Reserve Fund is required to be maintained for the purpose of paying the principal of and the interest on the Bonds payable from the Sinking Fund as to which there would otherwise be default. Upon the delivery of the Bonds, the sum of \$671,640 and \$106,500, respectively, was required to be transferred, from the proceeds of the Bonds, to the Reserve Fund, and such amount is required to be maintained in the Reserve Fund. Any amounts on deposit in the Reserve Fund with respect to the bonds in excess of the Reserve Fund Requirement are to be transferred to the Sales Tax Fund and then spent within a one year period.

**CITY OF MONROVILLE, LOUISIANA
SPECIAL REVENUE FUNDS
SPECIAL SALES TAX FUNDS**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL
For The Year Ended August 31, 1994
With Comparative Actual Amounts For The Year Ended August 31, 1993**

	1994		Variance: Favorable (Disadvantage)	1993 Actual
	Budget	Actual		
REVENUES				
Trans:				
Sales and Use	\$ 2,175,000	\$ 2,191,082	\$ (25,917)	\$ 1,947,170
Income Taxes	80,000	80,000	0,000	55,560
Total Revenues	2,255,000	2,271,082	(15,917)	2,002,730
EXPENDITURES				
General Government				
Miscellaneous	500		500	-
Total Expenditures	500	-	500	-
EXCESS OF REVENUES OVER EXPENDITURES	2,254,500	2,271,082	(16,417)	2,002,730
OTHER SOURCES				
Operating Transfers:				
General Fund	(500,000)	(500,000)	-	(140,000)
Capital Projects - Water	(800,000)	(500,000)	-	(400,000)
Debt Service Fund	(804,000)	(805,000)	801	(804,000)
Enterprise Fund	(100,000)	(100,000)	-	-
Capital Projects - Streets	(200,000)	(150,000)	-	(60,000)
Total Other Uses	(2,404,000)	(2,455,000)	500	(2,404,000)
OTHER SOURCES				
Operating Transfers:				
Enterprise Fund	30,000	30,000	(2,000)	40,000
Capital Projects - Public Works	-	-	-	2,000
Debt Service Fund	40,000	20,000	(20,000)	50,000
Total Other Sources	70,000	70,000	(22,000)	92,000
DEFICIENCY OF REVENUES OVER EXPENDITURES AND OTHER USES	(11,500)	(10,000)	(1,500)	(10,000)
FUND BALANCE - BEGINNING	85,000	85,000	0	70,000
FUND BALANCE - ENDING	\$ 73,500	\$ 75,000	\$ (1,500)	\$ 60,000

See independent auditor's report on supplementary information.

SPECIAL REVENUE FUNDS

SALES TAX FUND - To account for the receipt and use of proceeds of the City's 7% sales and use tax and the state PIEM sales tax. These taxes are dedicated to capital expenditures for constructing, improving, extending and maintaining playgrounds and recreational facilities, public roads, streets, bridges and crossings, sewerage, garbage disposal, waterworks, fire protection, beach improvements, sidewalks and extensions, harbor improvements and other kinds of permanent public improvements in the town.

SPECIAL SALES TAX FUND - To account for 1.5% of the sales and use tax and the state PIEM sales tax. One percent became effective January 1, 1987 and is to be used for the refinancing of the 1988 Advance Refunding Bonds for \$6,365,000 and 1993 Public Improvements Bonds for \$1,885,000. The additional .5% became effective August 1, 1991 and is to be used for street improvements.

All monies remaining in the Special Sales Tax Fund on the 20th day of each month in excess of all reasonable and necessary expenses of collection and administration of the Tax and after making the required payments into the Sinking Fund and the Reserve Fund for the current month and for prior months during which the required payments may not have been made, shall be considered as surplus. Such surplus may be used by the Mayor for any of the purposes for which the imposition of the Tax is authorized or for the purpose of retiring Bonds in advance of their maturity.

CITY OF MANDEVILLE, LOUISIANA
SPECIAL REVENUE FUND
COMBINED BALANCE SHEET
 August 31, 1996
 With Comparative Totals For August 31, 1995

ASSETS	Sales Tax	Special Sales Tax	Totals	
	1996	1995	1996	1995
Cash	\$ 76,259	\$ 293,911	\$ 370,204	\$ 397,204
Investments	34,814	418,838	444,872	389,813
Other Assets	-	1,842	1,842	6,902
Due from Other Funds - Debt Service Funds	-	82	82	804
Total Assets	\$ 111,073	\$ 704,673	\$ 816,960	\$ 794,723
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to Other Funds - Debt Service Fund	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-
FUND BALANCES				
Unreserved and Unassigned Designated for Future Expenditures	111,073	-	111,073	130,179
Total Fund Balances	111,073	704,673	816,960	794,723
Total Liabilities and Fund Balances	\$ 111,073	\$ 704,673	\$ 816,960	\$ 794,723

The accompanying notes are an integral part of these financial statements.

**CITY OF MANDEVILLE, LOUISIANA
SPECIAL REVENUE FUND**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For The Year Ended August 31, 1996
With Comparative Totals For The Year Ended August 31, 1995**

	Sales Tax	Special Sales Tax	Totals	
	1996	1995	1996	1995
REVENUES				
Taxes:				
Sales and Use	\$ 3,358,077	\$ 2,051,080	\$ 5,409,157	\$ 4,064,311
Interest Income	8,797	86,485	95,282	69,881
Total Revenues	<u>3,366,874</u>	<u>2,137,565</u>	<u>5,504,439</u>	<u>4,134,192</u>
EXPENDITURES				
Contract Disbursements:				
Miscellaneous	92	-	92	40
Collection Expenses	61,008	-	61,008	28,439
Total Expenditures	<u>61,099</u>	<u>-</u>	<u>61,099</u>	<u>28,479</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>3,305,775</u>	<u>2,137,565</u>	<u>5,443,340</u>	<u>4,105,713</u>
OTHER USES				
Operating Transfers:				
General Fund	(2,841,000)	(580,000)	(3,421,000)	(2,142,000)
Capital Projects - Water	-	(500,000)	(500,000)	(400,000)
DD&S Services Fund	-	(800,100)	(800,100)	(800,100)
Sanitation Fund	-	(150,000)	(150,000)	-
Capital Projects - Streets	(1,120,500)	(150,000)	(1,270,500)	(1,681,641)
Total Other Uses	<u>(4,961,500)</u>	<u>(1,280,100)</u>	<u>(6,241,600)</u>	<u>(4,024,741)</u>
OTHER SOURCES				
Operating Transfers:				
Sanitation Fund	-	35,000	35,000	41,500
Capital Programs - Public Works	-	-	-	1,000
DD&S Services Fund	-	20,000	20,000	21,000
Total Other Sources	<u>-</u>	<u>55,000</u>	<u>55,000</u>	<u>63,500</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES AND OTHER USES	<u>(1,555,725)</u>	<u>(142,535)</u>	<u>(1,698,260)</u>	<u>(1,961,228)</u>
FUND BALANCES - BEGINNING	<u>130,170</u>	<u>650,824</u>	<u>781,094</u>	<u>1,376,156</u>
FUND BALANCES - ENDING	<u>\$ 114,445</u>	<u>\$ 508,289</u>	<u>\$ 622,734</u>	<u>\$ 414,928</u>

The accompanying notes are an integral part of these financial statements.

CAPITAL PROJECTS FUNDS

WATER FUND - To account for the cost of constructing and acquiring, extensions and improvements to the waterworks system of the City, including, specifically, the funding of a portion of the cost of (i) the installation of new waterwork lines, water distribution lines and interior water lines, and (ii) the construction of improvements to existing water wells and to the control system, title to which shall be in the public. Financing was provided by the issuance of \$1,808,000 of Certificates of Indebtedness, Series 1984 and \$1,500,000 1994 General Obligation Bonds. The Certificates of Indebtedness are secured by and payable solely from a pledge and dedication of the excess of annual revenues of the City above statutory, necessary and usual charges in each of the Fiscal Years during which the Certificates are outstanding. The Bonds are secured solely from a pledge of revenues to be derived from unlimited Ad Valorem taxation.

STREETS FUND - To account for the costs of constructing, acquiring, amending and improving (i) streets and/or (ii) roadside drains and roadside drainage facilities. Financing was provided by issuance of \$6,240,000 1990 Advance Refund Bonds and 1990 Public Improvement Bonds for \$1,885,000. These Bonds are secured solely from a pledge of revenues to be derived from the collection of a 1% special sales tax and a .5% sales tax. Also includes Lakehurst Drive Improvements partially funded through the Federal Highway Department.

GENERAL FUND

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

**CITY OF MONROVILLE, LOUISIANA
COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
PROPRIETARY FUND-TYPE
ENTERPRISE FUND**

	For The Years Ended August 31,	
	1996	1995
OPERATING REVENUES		
Charges for Services:		
Water	\$ 58,275	\$ 48,758
Sewerage	659,888	622,881
Supply Fees - Water Department	58,217	59,588
Supply Fees - Sewer Department	11,288	11,915
Industrious Other gas	47,833	41,844
License Charge	17,923	19,885
Sewer Inspection Fees	1,688	1,688
Sewer Impact Fees	31,767	28,195
Water Impact Fees	85,688	88,888
Water Inspection Fees	1,788	1,679
Interest/Income	28,884	23,688
Total Operating Revenues	<u>1,408,112</u>	<u>1,378,136</u>
OPERATING EXPENSES		
Water Department	604,488	600,781
Sewer Department	578,681	628,788
Total Operating Expenses	<u>1,183,169</u>	<u>1,229,569</u>
Operating (Loss)	<u>(215,057)</u>	<u>(281,433)</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	81,779	38,874
Interest and Fiscal Charges	(11,888)	(14,581)
Loss on Disposal of Assets	-----	(18,779)
Total Non-Operating Revenues (Expenses)	<u>68,891</u>	<u>4,514</u>
(Loss)/Before Operating Transfers	<u>(146,166)</u>	<u>(276,919)</u>
OPERATING TRANSFERS IN (OUT)		
Special Revenue Fund	154,400	(18,888)
Capital Projects	(188,888)	-----
Debt Service Fund	-----	(1,111)
Total Operating Transfers In (Out)	<u>(34,488)</u>	<u>(19,999)</u>
NET (LOSS)	<u>(180,654)</u>	<u>(296,818)</u>
ADD REVENUES FROM NON-FIXED ASSETS ACQUIRED WITH SALES TAX REVENUE THAT REVENUES CONTRIBUTED CAPITAL FROM GOVERNMENT	<u>178,331</u>	<u>172,788</u>
NET INCREASE IN NON-FIXED EARNINGS	<u>67,966</u>	<u>64,744</u>
RETAINED EARNINGS - BEGINNING	<u>1,818,301</u>	<u>1,853,430</u>
RETAINED EARNINGS - ENDING	<u>\$ 1,916,267</u>	<u>\$ 1,918,174</u>

The accompanying notes are an integral part of these financial statements.

CITY OF MOOREVILLE, GEORGIA
COMPREHENSIVE STATEMENT OF REVENUES, EXPENDITURES AND BALANCES BY FUND BALANCES - BUDGET
GRAND BUDGET AND ACTUAL - GENERAL, SPECIAL REVENUE AND CAPITAL PROJECT FUND STATEMENTS
 For The Year Ended August 31, 2009

	Capital Project			
	Total	Expenses - Personnel	Budget	Actual
REVENUES				
Interest Income	\$ 14,000	\$ 25,700	\$ 30,000	\$ 30,000
Fund Cash			2,100,000	1,800,000
Total Revenues	14,000	25,700	2,130,000	1,830,000
EXPENDITURES				
Public Works				
Construction Grants	4,800,000	1,004,075	5,400,000	1,004,000
Engineering Firm	64,000	480,000	700,000	100,000
Other Cash	1,000	20	1,000	111
Legal Fees	1,000	1,000	2,000	111
Total Expenditures	6,445,000	1,525,095	6,103,000	1,105,122
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,431,000)	(1,500,000)	(4,000,000)	(4,000,000)
OTHER FUNDING(S) FOR OTHER OTHERS				
Operating Transfers				
- American Fund	800,000		1,000,000	1,000,000
- State Tax	200,000		100,000	100,000
- Rental from Fire Dept	200,000		1,000,000	1,000,000
- Total Other Funding Source(s)	1,200,000		2,000,000	2,100,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHERS OVER EXPENDITURES FOR OTHER OTHERS	550,000		1,000,000	1,000,000
FUND BALANCES - BEGINNING	(4,881,000)	(4,481,111)		(4,481,111)
FUND BALANCES - ENDING	(4,331,000)	(1,100,000)		(1,100,000)

The accompanying notes are an integral part of these financial statements.

CITY OF MONROVILLE, LOUISIANA
COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES TO FUND BALANCES - BUDGET
GRAND TOTALS NOT ACTUAL - GENERAL FUND - REVENUE FROM CAPITAL PROJECT FUND TAXES
For The Year Ended August 31, 1999

	General Fund		Monroville Enterprise		Special Income Prod. Type		Monroville Enterprise	
	Budget	Actual	Committed	Actual	Budget	Actual	Committed	Actual
REVENUES								
Taxes	\$ 90,000	\$ 1,013,000	\$ 11,000	\$ 1,221	\$ 5,000,000	\$ 4,400,000	\$ -	\$ (10,100)
License and Permits	400,000	528,711	1,200	-	-	-	-	-
Miscellaneous	20,000	20,000	-	-	-	-	-	-
Supplies/Services	80,000	43,884	(43,884)	-	-	-	-	-
Change in Reserves	10,000	85,126	10,000	10,000	-	-	-	-
From and Forfeits	10,000	12,000	10,000	12,000	-	-	-	-
Interest Income	10,000	10,000	10,000	10,000	4,000	11,000	4,000	5,000
State Grants	8,000	8,125	(8,125)	-	-	-	-	-
Total Revenues	1,418,000	2,130,846	110,000	133,826	5,009,000	5,815,000	5,815,000	(1,200)
EXPENDITURES								
General/Committed	1,075,000	1,075,149	402,111	90,000	90,000	61,000	61,000	61,000
Public Safety - Police	1,000,000	1,002,110	100,000	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Street and Utilities	1,100,000	144,000	111,000	-	-	-	-	-
Contract	60,000	11,000	11,000	-	-	-	-	-
County	1,000,000	1,011,000	1,011,000	60,000	60,000	60,000	60,000	
Total Expenditures	4,175,000	4,143,259	685,111	90,000	1,000,000	1,281,000	1,281,000	1,281,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	0	0	0	0	0	0	0
OTHER FINANCING SOURCES (USES)								
Transfer - Taxation &	2,100,000	2,100,000	-	-	80,000	10,000	10,000	(2,000)
Operating Transfer-In	(80,000)	(70,000)	(80,000)	-	(80,000)	(70,000)	(70,000)	(1,000)
Interchange	2,000,000	2,100,000	2,000	-	2,000,000	(1,000,000)	(2,000)	(2,000)
Total Other Financing Sources (Uses)	3,220,000	3,130,000	1,920	0	1,920,000	830,000	830,000	(2,000)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER TOTAL EXPENDITURES	3,220,000	3,130,000	1,920	0	1,920,000	830,000	830,000	(2,000)
FUND BALANCE - BEGINNING	0	0	0	0	0	0	0	0
ADDITIONS DECREASES FUND EXPENDITURE	3,220,000	3,130,000	1,920	0	1,920,000	830,000	830,000	(2,000)
FUND BALANCE - ENDING	3,220,000	3,130,000	1,920	0	1,920,000	830,000	830,000	(2,000)

The accompanying notes are an integral part of these financial statements.

CITY OF MANHUVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

NOTE K

PENSION PLANS (Continued)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) (Continued)

Generally, the monthly amount of the retirement allowance for any member shall consist of an amount equal to 2% of the member's final compensation multiplied by his years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

If a member's employment is terminated before the member is eligible for any benefits under MERS, the member shall receive a refund of his member contributions.

Description of Funding Policy:

The System's contribution requirements are not actuarially determined. Instead, the contribution requirements are currently established by statute. As of July 1, 1994, the statutory rates were 2% member contribution and 2% employer contribution of the total covered payroll. Effective July 1, 1995, the employer contribution rate changed to 4.15%. The City has elected to pay the member contribution as an additional benefit to City employees. The City's contribution requirement for the year ended August 31, 1996 was \$87,679 which represents 8.31% of covered payroll.

The amount reported below as "pension benefit obligation" is a standardized discount measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to assist users in assessing the plan's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among government pension plans and employers. The MERS does not conduct separate measurements of assets and pension benefit obligations for individual employees. The pension benefit obligation at June 30, 1995 for the MERS as a whole, determined through an actuarial valuation performed as of that date, was \$65,581,363. The MERS net assets available for benefits on that date (valued at market) were \$59,345,380, resulting in an unfunded pension benefit obligation of \$6,236,263. The City's contribution represented 4.77% of total contributions required of all participating employers.

Trend Information:

Five-year historical trend information pertaining the MERS program is accumulating sufficient assets to pay benefits when due is presented in the MERS June 30, 1995 annual financial report. The MERS June 30, 1996 annual financial report was not available as of the date of this audit report.

**CITY OF MONROVILLE, LOUISIANA
GENERAL FUND
COMPARATIVE BALANCE SHEET**

ASSETS

	August 31,	
	1996	1995
CURRENT ASSETS		
Cash	\$ 827,500	\$ 599,640
Investments	812,060	789,161
Receivables:		
Grants	11,498	94,176
Other	18,660	13,908
Due from Other Funds:		
Enterprise Fund	55,381	136,009
Debt Service Fund	118,755	15,930
Water Deposits	2,580	2,580
Insurance Deposit	12,918	-
Inventory:		
Unsold Cemetery Plots and Miscellaneous Crypts	31,636	34,067
Total Current Assets	1,893,165	1,693,501
RESTRICTED ASSETS		
Cash	1,359	368
Total Restricted Assets	1,359	368
Total Assets	\$ 1,894,524	\$ 1,693,869

LIABILITIES AND FUND BALANCE

LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 268,132	\$ 275,815
Payroll Taxes and Retirement Payable	12,180	9,861
Due to Other Funds:		
Debt Service Fund	3,586	3,908
Total Liabilities	283,898	293,584
FUND BALANCE		
Reserved for Inventory of Unsold Cemetery and Miscellaneous Crypts	31,636	34,067
Reserved for Capital Expenditures	1,559	368
Unreserved and Undesignated	1,560,271	1,279,582
Total Fund Balance	1,593,466	1,313,927
Total Liabilities and Fund Balance	\$ 1,894,524	\$ 1,693,869

The accompanying notes are an integral part of these financial statements.

CITY OF MONROEVILLE, LOUISIANA
GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
For The Year Ended August 31, 1998
With Comparative Actual Amounts For The Year Ended August 31, 1997

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
GENERAL GOVERNMENT				
Salaries	\$ 489,000	\$ 476,271	\$ 12,729	\$ 478,971
Council Meeting Fees	31,500	31,500	-	30,000
City Attorney Retainer	30,500	9,100	1,400	30,200
Legal Fees	60,000	49,062	10,108	55,993
Advertising	8,000	6,320	1,672	7,083
Accounting	20,500	20,150	350	19,822
Council on Aging	1,500	1,500	-	1,500
Humanities - Art Grant	1,200	1,815	1,485	1,800
Industrial Service and Supplies	11,000	9,740	1,254	6,700
Maintenance of Equipment	1,000	1,001	99	1,621
Membership, Dues and Subscriptions	6,000	6,009	91	5,647
Miscellaneous	1,000	281	708	971
Office Supplies	11,000	11,029	1,071	13,397
Payroll Taxes	28,000	24,000	4,000	32,181
Postage	7,000	4,998	2,002	6,110
Printing	28,500	27,167	1,333	27,768
Stationery and Printing	9,000	8,142	1,858	9,210
Telephones	13,000	11,971	1,029	10,900
Homecare Society	19,500	19,440	60	17,047
Youth Service	7,000	7,000	-	10,000
Travel, Meetings and Conferences	3,000	2,817	183	2,799
Utilities	20,000	19,709	2,291	12,700
City Engineer Retainer	6,000	6,000	-	6,000
Economic Development Council	9,000	9,000	-	9,000
City Hall Maintenance	36,000	36,039	471	19,839
General Insurance	28,000	19,989	8,011	20,500
Employee Medical Insurance	70,000	67,931	2,069	77,000
Workman's Compensation	4,000	4,200	(200)	4,200
Computer Programs and Supplies	8,000	5,144	2,856	7,600
Painting - Equipment Maintenance	7,000	5,973	1,028	11,029
Mayor Allowance	1,000	1,000	(30)	890
Deposits	5,000	4,467	533	1,100
Decorations and Beautification	5,000	4,083	917	4,614
Insurance - Property	5,000	4,999	1	4,990
General Liability Claims	25,000	23,543	1,457	24,074
Planning and Zoning Meeting Fees	8,000	7,700	300	8,000
Printing Expense	6,000	5,999	1	-
Insurance - Vehicle	1,500	1,400	1,100	2,000

The accompanying notes are an integral part of these financial statements.

**CITY OF MANDEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE M

INVESTMENTS (Continued)

	Category			Carrying Amount	Market Value
	1	2	3		
U.S. Government Securities and Instruments	\$1,463,717	\$ -	\$ -	\$1,463,717	\$ 1,508,104
Investment in a Pool Managed by the Louisiana Asset Management Pool				2,505,643	2,505,643
Total Investment				\$4,453,220	\$ 4,478,547

NOTE N

CONSTRUCTION COMMITMENT

The government has entered into a contract for construction as follows:

	Project Authorization	Expended to Date	Commitment	80% Federal Financial Assistance Reimbursement
Lakeview Drive	\$ 2,232,480	\$ 2,083,437	\$ 1,139,363	\$ 911,490

NOTE O

CONTINGENT LIABILITY

Included in the utility and plant equipment account of the City's Enterprise Fund is a sewer and water treatment facility. The City is required to comply with state and federal environmental laws governing municipal sewer and water treatment. The City is currently upgrading its facility under the guidance of the Environmental Protection Agency. For the year end August 31, 1997, an amount of \$606,080 has been included in its operating budget to meet all applicable environmental standards.

CITY OF MONROEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

NOTE K

PENSION PLANS (Continued)

MUNICIPAL AND STATE POLICE EMPLOYEES RETIREMENT SYSTEM
(MSPERS) (Continued)

The amount reported below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess the plan's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among government pension plans and employers. The MSPERS does not conduct separate measurements of assets and pension benefit obligations for individual employees. The pension benefit obligation as June 30, 1995 for the MSPERS as a whole, determined through an actuarial valuation performed as of that date, was \$78,844,384. The MSPERS net assets available for benefits on that date (valued at market) were \$264,365,190. The City's contribution represented 50% of total actuarial contributions required.

Trend Information:

Five-year historical trend information concerning the MSPERS program in accumulating sufficient assets to pay benefits when due is presented in the MSPERS June 30, 1995 annual financial statements.

NOTE L

CASH AND TIME CERTIFICATES OF DEPOSIT

At August 31, 1996, the carrying amount of the City's deposits was \$5,943,102 (including \$74,166 of restricted cash), and the bank balance was \$6,757,702. Of the bank balances, \$608,000 was covered by federal depositary insurance and \$1,217,000 was covered by collateral pledged to the CITY OF MONROEVILLE, LOUISIANA, by the institutions.

NOTE M

INVESTMENTS

The City's investments (which include \$843,000 reserved for debt service) are categorized below to give an indication of the level of risk assumed by the City at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the City's name.

**CITY OF MONROEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE K

PENSION PLANS (Continued)

MUNICIPAL AND STATE POLICE EMPLOYEES' RETIREMENT SYSTEM (MSPERS)

Plan Description and Provisions:

All of the City's full-time police officers participate in the MSPERS, a multiple-employer, cost sharing pension plan. The payroll for employees covered by the MSPERS was \$171,271 including \$21,651 of state supplemental pay. The City's total police department payroll was \$203,529.

Any member is eligible for normal retirement after he has been a member of the System for one year, if he has 25 years of creditable service at any age or has 30 years creditable service and is age 54 or has 33 years creditable service and is age 55.

Benefit's rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years creditable service not to exceed 100% of final salary.

A member is eligible to receive disability benefits if he was an active contributing member of the Retirement System or, if he is no longer a member but has 20 years creditable service established in the System and suffers disability which has been certified by examination by a member of the State-wide Medical Disability Board. A service related disability requires no certain number of years of creditable service, however, a non-service connected disability requires five years of creditable service.

The disability benefits are calculated at three percent of average final compensation multiplied by years of creditable service, but shall not be less than 40% nor more than 80% of average final compensation. Upon reaching the age required for regular retirement, the disability pensioner receives the greater of disability benefit or normal benefit earned to date of disability.

Upon the death of an active contributing member, or disability retiree, the plan provides benefits for surviving spouse and minor children. Under certain conditions outlined in the statute, the benefits range from 40-50% of the member's average final compensation.

Description of Funding Policy:

Effective July 1, 1994, contributions for all member employees are established by statute at 7.5% percent of employee's taxable compensation including overtime, but including state supplemental pay and also percent employer contribution. The City has elected to pay the member contribution as an additional benefit to City police employees. The City's contribution requirement for the year ended August 31, 1996 was \$136,850 which represents 15% of covered payroll.