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**FINANCIAL SECTION**

Richard C. Uhlman

CERTIFIED PUBLIC ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT

To the Town Council  
Town of Washington, Louisiana

We have audited the accompanying general-purpose financial statements and the accompanying, individual fund and account group financial statements of the Town of Washington, Louisiana as of and for the year ended June 30, 1997, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Town of Washington'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 and the standards applicable to financial audits contained in 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Washington, Louisiana, as of June 30, 1997, and the results of its operations and cash flows of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles. Also, in our opinion, the accompanying, individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the Town of Washington, Louisiana, at June 30, 1997, and the results of operations of such funds and the cash flows of individual proprietary funds for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated December 9, 1997, on our consideration of the Town of Washington's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the accompanying, individual fund

and account group financial statements. The accompanying financial information listed as supporting 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 Town of Washington, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining and individual fund and account group financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds and account group, taken as a whole.



RICHARD C. USHER, C.P.A.

Opinionas, Louisiana  
December 9, 1997

GENERAL PURPOSE  
FINANCIAL STATEMENTS

TOWN OF WASHINGTON, LOUISIANA  
 COMBINING BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 June 30, 1997  
 With Comparative Totals for June 30, 1996

	Governmental Fund Types		
	General	Special Receipts	Debt Service
<b>ASSETS</b>			
Cash	\$ 94,883	\$ 10,189	\$ ---
Investments, at cost	---	234,210	---
Receivables (net of allow- ances for uncollectibles):			
Interest	---	4,259	---
Taxes	1,873	---	---
Accounts	---	---	---
Special assessments	---	---	9,815
Due from other funds	---	---	---
Unbilled service revenue	---	---	---
Inventory	---	---	---
Prepaid expenses	---	---	---
Restricted assets:			
Cash	---	---	---
Investments, at cost	---	---	---
Fixed assets (net of accumulated depreciation)	---	---	---
Total Assets	98,856	248,639	9,815

The accompanying notes are an integral part of this statement.

Proprietary Fund	Account Groups		TOTALS	
	General Fund	General Long-term Fund	(Memorandum Only)	
Encumbrance	1991	1991	1991	1990
\$ 31,350	\$ ---	\$ ---	\$ 58,582	\$ 108,582
185,325	---	---	339,535	372,260
1,340	---	---	5,599	7,864
---	---	---	1,875	1,885
32,948	---	---	32,850	32,891
---	---	---	9,115	9,116
29,090	---	---	29,891	86,852
17,458	---	---	17,458	17,458
5,353	---	---	5,353	5,353
3,479	---	---	3,479	3,320
25,024	---	---	25,024	22,814
302,397	---	---	302,207	314,633
<u>2,174,215</u>	<u>1,504,860</u>	---	<u>3,612,176</u>	<u>3,699,624</u>
2,667,754	1,504,860	---	4,448,323	4,662,757



TOWN OF WASHINGTON, LOUISIANA  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 June 30, 1997  
 With Comparative Totals for June 30, 1996

	Governmental Fund Types		
	General	Special Revenues	Debt Service
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 4,179	\$ ---	\$ ---
Accrued expenses	3,152	138	---
Due to other funds	---	28,667	384
Current liabilities payable			
From restricted assets:			
Utility refunding bonds payable	---	---	---
Accrued interest payable	---	---	---
Customers' deposits	---	---	---
Utility refunding bonds payable	---	---	---
Total liabilities	8,331	28,805	384
<b>Fund equity:</b>			
Investments in general			
fixed assets	---	---	---
Contributed capital	---	---	---
Retained earnings:			
Reserved	---	---	---
Unreserved	---	---	---
Fund balances:			
Reserved for Debt Service	---	318,345	---
Unreserved-undesignated	12,525	1,490	8,731
Total fund equity	12,525	319,835	8,731
Total liabilities and fund equity	20,856	348,640	9,715

The accompanying notes are an integral part of this statement.

Proprietary Fund	Account Groups		TOTALS	
	General Fund Assets	General Long-term Debt	(Memorandum Bal.)	
Enclosures			1987	1988
\$ 3,643	\$ ----	\$ ----	\$ 7,821	\$ 9,388
2,172	----	----	4,660	4,893
----	----	----	29,951	60,852
24,683	----	----	24,603	21,517
8,670	----	----	9,410	10,158
48,073	----	----	44,072	47,462
<u>326,791</u>	<u>----</u>	<u>----</u>	<u>326,791</u>	<u>351,352</u>
<u>450,800</u>	<u>----</u>	<u>----</u>	<u>446,218</u>	<u>508,284</u>
----	1,504,960	----	1,504,960	1,443,149
3,245,867	----	----	3,245,867	3,245,867
262,866	----	----	262,866	278,789
(1,250,878)	----	----	(1,250,878)	(1,042,075)
----	----	----	370,240	294,600
----	----	----	<u>22,246</u>	<u>19,890</u>
<u>2,256,856</u>	<u>1,504,960</u>	<u>----</u>	<u>4,603,906</u>	<u>4,737,892</u>
3,447,754	1,504,960	----	4,449,303	4,662,367
*****	*****	*****	*****	*****

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

Year Ended June 30, 1997

With Comparative Totals for the Year Ended June 30, 1996

	Governmental Fund Types			TOTALS	
	General	Special Revenue	Debt Service	(Memorandum Only)	
				1997	1996
<b>Revenues:</b>					
Taxes	\$ 22,585	\$ 59,113	\$ ---	\$ 81,698	\$ 76,115
Licenses and permits	39,847	---	---	39,847	37,865
Intergovernmental	9,387	---	---	9,387	11,118
Charges for services	2,790	12,420	---	15,210	10,018
Fines	15,934	---	---	15,934	15,908
Miscellaneous	38,296	---	---	38,296	62,577
Interest	---	12,800	---	12,800	12,253
Total revenues	<u>118,799</u>	<u>84,333</u>	<u>---</u>	<u>203,132</u>	<u>198,036</u>
<b>Expenditures:</b>					
Current:					
General government	147,722	18,485	---	166,207	210,568
Public safety - police	171,938	---	---	171,938	183,445
Street department	50,765	---	---	50,765	55,857
Total expenditures	<u>369,425</u>	<u>18,485</u>	<u>---</u>	<u>387,910</u>	<u>449,870</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>					
	<u>(250,626)</u>	<u>65,850</u>	<u>---</u>	<u>(184,776)</u>	<u>(187,799)</u>
<b>Other financing sources (uses):</b>					
Operating transfers in	249,998	5,800	---	255,798	249,500
Operating transfers out	---	(62,423)	---	(62,423)	(189,319)
Total other financing sources (uses)	<u>249,998</u>	<u>(56,623)</u>	<u>---</u>	<u>193,375</u>	<u>160,181</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>					
	<u>3,302</u>	<u>9,227</u>	<u>---</u>	<u>12,529</u>	<u>( 28,618)</u>
Fund balance, beginning	<u>8,204</u>	<u>218,470</u>	<u>8,131</u>	<u>234,805</u>	<u>289,350</u>
Fund balance, ending	<u>11,506</u>	<u>219,697</u>	<u>8,131</u>	<u>239,334</u>	<u>234,385</u>

The accompanying notes are an integral part of this statement.

TOWN OF MURKINCH, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL - GENERAL,  
 SPECIAL REVENUE, AND DEBT SERVICE FUNDS  
 For the Year Ended June 30, 1997

	General Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)
<b>Revenues:</b>			
Taxes	\$ 18,435	\$ 22,585	\$ 3,150
Licenses and permits	24,880	29,847	5,047
Intergovernmental	18,800	8,287	( 9,413)
Charges for services	1,800	2,780	980
Fees	14,500	18,934	4,434
Miscellaneous	35,900	38,296	2,396
Interest	-----	-----	-----
Total revenues	<u>127,235</u>	<u>118,729</u>	<u>( 8,506)</u>
<b>Expenditures:</b>			
General government	147,368	143,722	( 3,646)
Public safety	111,658	119,938	( 8,280)
Street department	90,350	94,785	4,435
Capital outlay	-----	-----	-----
Total expenditures	<u>349,376</u>	<u>358,445</u>	<u>( 9,069)</u>
Excess (deficiency) of revenues over (under) expenditures	( 222,141)	( 239,716)	17,575
<b>Other financing sources (uses):</b>			
Operating transfers in	263,000	235,998	( 27,002)
Operating transfers out	-----	-----	-----
Total other financing sources (uses)	<u>263,000</u>	<u>235,998</u>	<u>( 27,002)</u>
Excess (deficiency) of revenues and other sources over expen- ditures and other uses	16,859	3,332	( 13,527)
Fund balance, beginning	-----	8,288	8,288
Fund balance, ending	16,859	12,520	( 4,339)

The accompanying notes are an integral part of this statement.

Special Revenue Fund			Debt Service Fund		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 57,800	\$ 59,113	\$ 2,313	\$ ----	\$ ----	\$ ----
-----	-----	-----	-----	-----	-----
7,500	17,439	9,939	-----	-----	-----
-----	-----	-----	-----	-----	-----
10,400	13,000	2,600	-----	-----	-----
-----	-----	-----	-----	-----	-----
14,500	30,523	16,023	-----	-----	-----
-----	-----	-----	-----	-----	-----
18,680	18,485	195	-----	-----	-----
-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----
18,680	18,485	195	-----	-----	-----
-----	-----	-----	-----	-----	-----
36,320	45,058	8,738	-----	-----	-----
-----	-----	-----	-----	-----	-----
10,000	9,800	200	-----	-----	-----
( 26,600)	( 37,433)	10,833	-----	-----	-----
-----	-----	-----	-----	-----	-----
( 36,600)	( 27,633)	9,967	-----	-----	-----
-----	-----	-----	-----	-----	-----
( 36,380)	9,428	45,808	-----	-----	-----
-----	-----	-----	-----	-----	-----
-----	278,410	218,410	-----	8,731	8,731
-----	-----	-----	-----	-----	-----
( 30,380)	219,835	249,835	-----	8,731	8,731
-----	-----	-----	-----	-----	-----

**TOWN OF WASHINGTON, MICHIGAN**  
**FINANCIAL STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN RETAINED EARNINGS - PROPRIETARY FUND TYPE**  
**Years Ended June 30, 1997 and 1996**

	Enterprise	
	1997	1996
<b>Operating revenues:</b>		
<b>Charges for services:</b>		
Gas sales	\$ 336,552.40	\$ 354,946.61
Water sales	83,316.73	87,037.33
Sewer charges	37,787.80	38,466.35
Connection charges	1,740.00	1,877.98
Tapping charges	4,035.32	3,488.36
Miscellaneous revenues	2,774.75	1,519.48
Total operating revenue	466,207.00	468,146.11
<b>Operating expenses:</b>		
Gas department	293,052.49	290,456.50
Water department	73,949.38	79,966.82
Sewer department	112,701.58	113,528.76
Total operating expenses	479,703.45	483,952.08
Operating income (loss)	( 13,496.45)	( 15,805.97)
<b>Non-operating revenues (expenses):</b>		
Loss on sale of equipment	( 1,458.28)	---
Interest income	14,836.94	14,887.69
Interest expense	( 48,427.68)	( 43,322.41)
Total non-operating revenues (expenses)	( 35,048.62)	( 28,434.72)
Income (loss) before operating transfers	( 48,995.07)	30,050.81
<b>Transfers to General Fund</b>	175,173.80	188,481.89
<b>Transfers to Cemetery Fund</b>	5,880.80	11,080.80
<b>Transfers from Sales Tax Fund</b>	( 6,659.80)	( 43,368.72)
Net operating transfers	174,394.80	146,193.97
Net income (loss)	( 22,600.27)	( 128,626.46)
<b>Retained earnings (deficit), beginning</b>	( 768,280.82)	( 632,642.32)
<b>Retained earnings (deficit), ending</b>	( 908,592.36)	( 764,268.88)

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA  
 COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE  
 Year Ended June 30, 1997

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net loss	\$ ( 222,643.00)
Adjustments to reconcile net loss to net cash provided by operations:	
Depreciation	148,007.00
Decrease (increase) in:	
Accounts receivable	4    57.86
Unbilled service revenue	---
Accrued interest receivable	2,099.96
Inventory	---
Due from other funds	32,880.72
Prepaid expenses	( 1,158.47)
Increase (decrease) in:	
Accounts payable	---
Accrued expenses	( 59.11)
<b>NET CASH (USED BY) OPERATING ACTIVITIES</b>	<u>( 32,364.14)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Decrease in investments, at cost	4,122.93
Proceeds from sale of asset	1,808.26
Purchases of plant and equipment	( 4,217.00)
Decrease in restricted assets	9,816.16
Increase in current liabilities payable from restricted assets	5,107.52
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>14,437.87</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Contributed capital	---
Principal reduction of long-term liabilities	( 24,696.00)
<b>NET CASH (USED BY) FINANCING ACTIVITIES</b>	<u>( 24,696.00)</u>
<b>NET DECREASE IN CASH</b>	<b>( 42,622.27)</b>
<b>CASH AT BEGINNING OF YEAR</b>	<u>78,732.57</u>
<b>CASH AT END OF YEAR</b>	<b>36,110.30</b>

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON  
NOTES TO FINANCIAL STATEMENTS  
June 30, 1997

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The accounting and reporting policies of the Town of Washington conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:507 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audit of State and Local Governmental Units.

The following is a summary of certain significant accounting policies.

Reporting Entity

This report includes all funds and the general long-term debt account group which are controlled by or dependent on the Mayor and Board of Aldermen. Control by or dependence on the Town was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

Fund Accounting

The accounts of the Town of Washington are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be used and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two categories: governmental and proprietary. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of assessed taxes (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to assess financial administration. Goods or services from such activities are provided to outside parties (enterprise funds).



## NOTE TO FINANCIAL STATEMENTS (continued)

### Basis of Accounting

Basis of Accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of collecting governments and are recognized as revenue at that time. Fines and permits are not susceptible to accrual because generally they are not measurable until received, therefore, they are not recognized as revenue until received in cash.

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

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

### Budgetary and Budgetary Accounting

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

1. The Mayor prepares a proposed budget and submits same to the Board of Aldermen no later than thirty days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Any budgetary amendments require the approval of the Mayor and Board of Aldermen.
6. Any budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the General, Special Revenue and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

## NOTES TO FINANCIAL STATEMENTS (continued)

### Investments

Investments consist of certificates of deposit and are stated at cost.

### Short-term Interfund Receivables/Payables

During the course of operations, resource transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

### Prepaid Items

Payments made to insurance companies for coverage that will benefit the period beyond June 30, 1997, are recorded as prepaid insurance.

### Bad debts

Uncollectible accounts due for ad valorem taxes, customers' utility receivables, and special assessments 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.

### Fixed Assets and Long-term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets account group, and are recorded as expenditures in the governmental fund types when purchased. The town has elected to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

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

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

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

Utility systems	50 years
Machinery and equipment	5 - 10 years

NOTES TO FINANCIAL STATEMENTS (continued)

All fixed assets are stated at historical cost.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. No interest costs have been capitalized for the fiscal year ended June 30, 1997.

Compensated Absence

The Town has adopted a policy of ten days vacation per year, which may not carry over or accumulate to future years. At June 30, 1997, the liability for accumulated unpaid vacation was minimal for both the general and proprietary funds, and no liability has been recorded.

Comparative Data

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

Memorandum Only - Total Columns

Total columns on the general purpose financial statements 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 are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Resources from ad valorem taxes are budgeted in the year billed.

For the year ended June 30, 1997, the Town levied a general tax of 7.80 mills on property with an assessment valuation totaling \$3,790,020.

Total tax levied was \$32,585.34 with \$1,275 and \$400 being receivable from current roll and prior years, respectively.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Debt Service Fund	\$ ----	\$ 388
Enterprise Fund - Utility Fund	29,051	----
Sales Tax Fund	----	28,667

NOTE 4 - RESTRICTED ASSETS - INDEPENDENT FUND TYPE

Restricted assets were applicable to the following at June 30:

	<u>1997</u>	<u>1996</u>
Bond reserve account	\$ 216,894	\$ 235,127
Bond contingency account	43,972	48,622
Customers' deposits	<u>65,165</u>	<u>61,280</u>
	327,031	345,029
	*****	*****

NOTE 5 - DEFICITS IN INDIVIDUAL FUNDS

The following funds reflected deficits in their retained earnings/fund balances at June 30, 1997:

Enterprise Fund - Utility Fund	\$ (908,912)
--------------------------------	--------------

The enterprise fund deficit is due to depreciation expense on contributed assets, and not from normal operations.

The Town Council plans to eliminate the deficit in retained earnings of the Utility Fund by reducing the operating expenses required by the general fund, and increasing operating transfers in from the sales tax fund.

It is estimated that the accumulated deficit should be eliminated within the next seven fiscal years.

NOTE 6 - DEPOSITS AND INVESTMENTS

At June 30, 1997, the carrying amount of the Town's deposits was \$ 26,004 and the bank balances were \$ 28,582. The Town's deposits and bank balances were covered by federal depository insurance up to \$ 100,000. The remaining balance was covered by collateral held in the pledging financial institutions' trust department in the Town's name.

NOTES TO FINANCIAL STATEMENTS (continued)

The Town's investments consist of certificates of deposit and are secured by the same collateral discussed above. The total collateral pledged amounted to \$ 692,864 (market value) at June 30, 1997, and averaged \$ 690,000 to \$ 750,000 for the entire year. Total investments of \$ 647,162, deposits of \$ 21,824 and bank balances of \$ 68,502 were adequately secured as of and for the year ended June 30, 1997.

NOTE 7 - FIXED ASSETS

The following is a summary of proprietary fund-type fixed assets at June 30, 1997:

	<u>Enterprises Fund -</u> <u>Utility Fund</u>
Land	\$ 113,358
Buildings	39,395
Furniture and fixtures	15,530
Transportation equipment	42,418
Machinery and equipment	82,370
Gas system and extensions	316,152
Water system and extensions	1,504,461
sewer system and extensions	<u>1,854,143</u>
	3,871,830
Less accumulated depreciation	<u>1,857,617</u>
Net fixed assets	2,014,214

NOTE 8 - CONTINGENT LIABILITIES

The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Town's attorney the resolution of these matters will not have a materially adverse effect on the financial condition of the Town.

NOTE 9 - LONG-TERM DEBT

Utility Revenue Refunding Bonds

The Town issued refunding bonds to provide for the refinancing of the Town's general obligation and revenue bonds. The original bonds were issued to provide funds for the acquisition and construction of major capital facilities. Since the major portion of these facilities consisted of the Town's water and sewer systems, the entire portion of the utility revenue refunding bonds are being reported in the proprietary fund and will be repaid from proprietary fund revenues.

**NOTES TO FINANCIAL STATEMENTS (continued)**

Utility revenues refunding bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Utility system refinancing	11 %	\$ 251,354
		<u>251,354</u>

Annual debt service requirements to maturity for the utility revenues refunding bonds, including interest of \$ 234,060 are as follows:

<u>Fiscal Year</u> <u>Ending 6/30</u>	<u>Enterprise Fund -</u> <u>Utility Fund</u>	<u>Total</u>
1998	\$ 43,730	\$ 43,730
1999	41,730	41,730
2000	41,730	41,730
2001	44,820	44,820
2002	44,330	44,330
Thereafter	<u>258,731</u>	<u>258,731</u>
Total	<u>578,820</u>	<u>578,820</u>

**NOTE 10 - DESIGNATION OF PROCEEDS AND PLAN OF FUNDS**

**1.28 Sales and Use Tax**

The Town of Washington has designated the proceeds of its 1% sales and use tax to the purpose of retirement of utility revenues refunding bonds dated April 5, 1989. These bonds were issued for the purpose of refinancing the original bonds issued for constructing sewers, sewer disposal works, and water systems.

The Town has designated the proceeds of its .2% sales and use tax to the purpose of street and sidewalk improvements. For the year ended June 30, 1997, \$ 9,852 had been collected and used for these purposes.

**NOTE 11 - PLAN OF FUNDS: RESTRICTIONS ON USE - ENTERPRISE FUNDS**

Under the terms of the bond indenture on outstanding utility revenues refunding bonds dated April 5, 1989, all income and revenue of every nature derived from the operation of the system are pledged for the purpose of the following funds and shall be set aside into the following separate funds:

**Utility Revenue Fund**

All revenues derived or to be derived from the operation of the System shall be deposited promptly in a separate account designated as the "Utility Revenue Fund". Out of these revenues shall be first set aside an amount sufficient to provide for the payment of the reasonable and necessary expenses of operating and maintaining the System.

NOTE TO FINANCIAL STATEMENTS (CONTINUED)

Sink Fund

There shall not be set aside into a fund called the "Sinking Fund" during each fiscal year, an amount sufficient to pay all principal and interest falling due on October 1 of the current fiscal year and April 1 of the next succeeding fiscal year on all bonds and obligations payable thereon. The amount to be so paid into such fund in each fiscal year shall be paid in monthly installments on or before the 20th day of each month.

Contingency Fund

There shall not be set aside into the "Contingency Fund" a monthly deposit equal to 1% of the amount to be paid into the "Sinking Fund" for the corresponding monthly period. Such deposits shall continue for the life of the bonds.

Reserve Fund

In addition, there shall be paid into a "Reserve Fund" a sum equal to 1% of the amount to be paid into the "Sinking Fund" for the corresponding monthly period. Such deposits shall continue until such time as there is no deposit in the "Reserve Fund" an amount equal to the highest combined principal and interest requirements falling due and any succeeding bond year.

**NOTE 12 - RETIREMENT OBLIGATIONS**

The Town of Washington is a member of the Municipal Police Employees Retirement System of Louisiana, which covers the eligible employees of the police department. Other Town Employees are not covered by a plan. No employees were eligible to participate during the fiscal year ended June 30, 1997. The Town makes contributions for the covered employees based on fourteen percent (14%) of compensation, of which seven percent (7%) is the employees' share. No contributions were made during the fiscal year ended June 30, 1997.

GENERAL FUND

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



TOWN OF WASHINGTON, LOUISIANA  
 GENERAL FUND  
 COMPARATIVE BALANCE SHEET  
 June 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
<b>ASSETS</b>		
Cash	\$ 16,883.33	\$ 15,100.04
Ad valorem taxes receivable	<u>1,875.00</u>	<u>1,885.34</u>
Total assets	<u>18,758.33</u>	<u>17,085.38</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	4,178.58	5,343.30
Payroll taxes payable	<u>2,152.65</u>	<u>2,147.75</u>
Total liabilities	<u>6,331.23</u>	<u>7,491.05</u>
Fund balance - Unreserved-undesignated	<u>12,427.10</u>	<u>9,594.33</u>
Total Fund balance (deficit)	<u>12,427.10</u>	<u>9,594.33</u>
Total liabilities and fund balance	<u>18,758.33</u>	<u>17,085.38</u>

The accompanying notes are an integral part of this statement.

**TOWN OF MONROE, LOUISIANA**  
**GENERAL FUND**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
Year Ended June 30, 1997

With Comparative Actual Revenue for Year Ended June 30, 1996

	1997		Variance - Favorable (Unfavorable)	1996 Actual
	Budget	Actual		
<b>Revenues:</b>				
All values taxes	\$ 19,450.00	\$ 22,585.34	\$ 3,135.34	\$ 19,744.03
Licenses and permits	24,800.00	28,847.00	4,047.00	31,864.86
Intergovernmental	10,800.00	8,387.38	( 2,412.62)	11,115.88
Charges for services	1,800.00	2,789.50	989.50	1,869.75
Fines and forfeits	14,500.00	15,975.50	1,475.50	15,905.99
Miscellaneous revenues	20,900.00	25,295.64	4,395.64	42,571.59
<b>Total revenues</b>	<u>107,350.00</u>	<u>118,780.34</u>	<u>11,430.34</u>	<u>122,568.20</u>
<b>Expenditures:</b>				
General government	147,350.00	147,722.34	( 372.34)	151,568.86
Public safety - police	111,650.00	111,978.47	( 328.41)	103,445.58
Street department	82,350.00	91,764.44	984.44	88,850.20
<b>Total expenditures</b>	<u>341,350.00</u>	<u>351,465.25</u>	<u>( 10,115.25)</u>	<u>343,864.64</u>
Excess (deficiency) of revenues over expenditures	(234,000.00)	(232,679.75)	13,320.25	(209,908.00)
<b>Other financing sources:</b>				
Operating transfer from:				
utility fund	173,000.00	175,173.80	2,173.80	160,489.99
sales tax fund	88,000.00	69,825.00	( 18,175.00)	51,018.81
<b>Total other sources</b>	<u>261,000.00</u>	<u>245,000.00</u>	<u>( 16,000.00)</u>	<u>211,508.80</u>
Excess (deficiency) of revenues & other sources over expenditures & other uses	18,800.00	3,320.25	( 15,479.75)	1,806.00
Fund balance, beginning	---	8,203.86	8,203.86	11,029.88
Fund balance, ending	<u>18,800.00</u>	<u>12,524.11</u>	<u>( 6,275.89)</u>	<u>9,203.88</u>

The accompanying notes are an integral part of this statement.

STATE OF WASHINGTON, LEGISLATURE  
GENERAL FUND

STATEMENT OF EXPENDITURES (UNPAID TO BUDGET (GMAF) BASIS)  
Year Ended June 30, 1997  
With Comparative Actual Accounts for Year Ended June 30, 1996

	1997		Variance - Favorable (unfavorable)	1996 Actual
	Budget	Actual		
<b>General government:</b>				
Auto expense	\$ 1,000.00	\$ 836.04	\$ 163.96	\$ 852.62
Bufl fees	2,350.00	2,300.00	---	2,350.00
Salaries	56,600.00	56,204.58	395.42	52,989.73
Attorney fees	1,800.00	1,800.00	---	12,380.00
Accounting fees	1,950.00	1,930.00	20.00	2,170.00
Advertising	700.00	725.50	( 25.50)	366.24
Group insurance	11,800.00	11,611.54	( 188.46)	11,818.70
Utilities	13,800.00	13,784.08	15.92	12,243.53
Office supplies	3,800.00	2,318.94	1,481.06	2,833.46
Payroll taxes	14,800.00	11,683.54	3,116.46	10,173.20
Miscellaneous	8,000.00	5,325.85	2,674.15	4,818.89
Dues and subscriptions	1,200.00	1,161.30	38.70	952.30
Insurance	37,000.00	43,318.48	( 6,318.48)	40,577.37
Preparation of tax roll	620.00	600.00	20.00	620.00
Repairs and maintenance	1,800.00	1,015.04	784.96	843.61
Court clerk	300.00	375.00	75.00	300.00
Mayor's auto allowance	2,400.00	2,400.00	---	2,438.00
Washington museum	4,800.00	4,580.00	---	3,000.00
Telephone	1,800.00	1,273.20	526.80	1,438.38
Meetings and conventions	1,000.00	1,860.40	( 860.40)	1,463.65
Food control	530.00	532.89	( 2.89)	519.32
Supplies - general	2,250.00	2,237.03	12.97	1,615.98
Jurisdictional supplies	1,800.00	1,756.81	43.19	1,032.67
Capital outlay	18,000.00	12,810.00	5,190.00	45,685.65
<b>Total general government</b>	<b>142,350.00</b>	<b>147,722.34</b>	<b>( 5,372.34)</b>	<b>121,555.85</b>
<b>Public safety - police:</b>				
Salaries	88,000.00	88,405.41	( 405.41)	82,514.37
Auto expense	9,200.00	9,037.97	162.03	8,000.89
Film and developing	280.00	242.31	37.69	85.23
Coroner's fees	---	---	---	200.00
Equipment repairs	740.00	738.22	1.78	1,081.13
Supplies	1,600.00	1,479.36	1,120.64	1,221.39
Telephone	4,800.00	4,799.07	1.93	3,905.10
Miscellaneous	4,500.00	4,467.59	32.41	4,860.87
Office supplies	1,800.00	1,320.35	479.65	894.99
Feeding prisoners	370.00	369.59	40.41	104.30

The accompanying notes are an integral part of this statement.

	1992		Variance = Favorable (Unfavorable)	1991 Actual
	Budget	Actual		
Public safety - police (continued):				
Uniforms	900.00	869.43	30.57	1,167.28
Capital outlay				
Total expenditures	111,650.00	111,376.41	( 273.59)	103,445.20
Street department:				
Salaries	25,000.00	24,389.79	610.21	28,282.24
Truck expense	5,000.00	5,823.90	( 823.90)	8,052.31
Repairs and maintenance	5,000.00	4,823.50	176.50	6,760.67
Concrete, gravel, etc.	2,400.00	2,232.22	167.78	3,156.32
Miscellaneous	500.00	500.00		253.25
Small tools and supplies	7,300.00	7,146.30	153.70	8,149.10
Capital outlay	43,800.00	46,808.08	( 3,008.08)	71,332.90
Total street department	82,350.00	81,704.44	645.56	88,866.35
Total expenditures	194,000.00	193,080.85	( 919.15)	192,311.55

## SPECIAL REVENUE FUNDS

### SALES TAX FUND

To account for the receipt and use of proceeds of the Town's 1.24 sales and use tax. These taxes are dedicated to capital expenditures for sewer and sewage disposal department operations and maintenance.

Proceeds of the tax have been pledged and dedicated to the retirement of Utilities Revenue Refunding Bonds dated April 6, 1988.

A portion of accumulated sales tax revenues has been dedicated to be used for street improvements.

### CEMETERY FUND

To account for the receipts and subsequent expenditure of funds received for the sale of cemetery plots and the maintenance and upkeep of the Town-owned cemetery.

TOWN OF WASHINGTON, LOUISIANA  
 SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 June 30, 1997  
 With Comparative Totals for June 30, 1996

	Debitary	Sales Tax	Totals	
			1997	1996
<b>ASSETS</b>				
Cash	\$1,626.23	\$ 8,844.13	\$ 10,469.35	\$ 13,758.03
Investments, at cost	----	234,219.20	234,219.20	262,816.07
Accrued interest receivable	----	4,258.55	4,258.55	4,638.70
Total Assets	1,626.23	247,812.87	248,638.10	280,992.74
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Payroll taxes payable	\$ 125.75	----	125.75	114.54
Due to Utility Fund	----	28,667.43	28,667.47	68,468.79
Total Liabilities	125.75	28,667.43	28,803.22	68,583.33
<b>Fund Balances:</b>				
Reserved for debt service	----	218,345.40	218,345.40	234,855.42
Unreserved-designated	1,499.48	----	1,499.48	1,754.59
Total Fund Balances	1,499.48	218,345.40	219,834.88	236,610.01
Total Liabilities and Fund Balances	1,625.23	247,812.87	248,638.10	280,992.74

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA  
SPECIAL REVENUE FUND  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
Year Ended June 30, 1997  
With Comparative Totals for Year Ended June 30, 1996

	Cometary	Sales Tax	Totals	
			1997	1996
<b>Revenues:</b>				
Taxes	\$ ---	\$ 59,113.82	\$ 59,113.82	\$ 55,378.54
Charges for services	12,425.00	---	12,425.00	8,645.00
Miscellaneous	---	12,691.75	12,691.75	12,052.65
<b>Total revenues</b>	<u>12,425.00</u>	<u>71,805.57</u>	<u>82,534.57</u>	<u>76,088.19</u>
<b>Expenditures:</b>				
General government	18,485.11	---	18,485.11	18,949.81
<b>Total expenditures</b>	<u>18,485.11</u>	<u>---</u>	<u>18,485.11</u>	<u>18,949.81</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>( 6,060.11)</u>	<u>71,805.57</u>	<u>85,049.87</u>	<u>57,138.38</u>
<b>Other financing sources</b>				
Bonds:				
Operating transfers in	3,800.00	---	3,800.00	11,000.00
Operating transfers out	---	( 87,425.00)	( 87,425.00)	(100,318.33)
<b>Total other financing sources (uses)</b>	<u>3,800.00</u>	<u>( 87,425.00)</u>	<u>( 83,625.00)</u>	<u>( 89,318.33)</u>
<b>Excess (deficiency) of revenues and other sources over expendi- tures and other uses</b>	<u>( 2,260.11)</u>	<u>3,889.57</u>	<u>3,424.87</u>	<u>( 32,210.45)</u>
<b>Fund balances, beginning</b>	<u>1,764.98</u>	<u>214,855.42</u>	<u>216,620.81</u>	<u>248,808.76</u>
<b>Fund balances, ending</b>	<u>1,489.48</u>	<u>218,745.00</u>	<u>219,834.88</u>	<u>216,618.31</u>

The accompanying notes are an integral part of this statement.

TOWN OF MADISON, LOUISIANA  
SPECIAL REVENUE FUND  
EMPLOYEES FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET (OAR) BUDGET AND ACTUAL  
Year Ended June 30, 1997  
With Comparative Actual Results for Year Ended June 30, 1996

	1997			
	Budget	Actual	Variance - Favorable (Unfavorable)	1996 Actual
<b>Revenues:</b>				
<b>Charges for services:</b>				
Sale of plots	\$ 4,500.00	\$ 4,929.00	\$ 4,325.00	\$ 3,800.00
Interest fees	400.00	1,075.00	475.00	420.00
Maintenance & upkeep	2,400.00	2,520.00	120.00	4,120.00
Total revenues	<u>7,300.00</u>	<u>8,524.00</u>	<u>1,224.00</u>	<u>8,340.00</u>
<b>Expenditures:</b>				
<b>General government:</b>				
Miscellaneous	3,200.00	3,371.24	171.24	3,062.20
Interest fees	200.00	215.00	15.00	190.00
Gas, oil & repairs	600.00	642.09	42.09	2,742.85
Supplies	700.00	359.37	340.63	69.88
Capital outlay	1,100.00	1,400.00	300.00	500.00
Salaries	11,840.00	11,805.88	34.12	15,181.80
Payroll taxes	800.00	893.53	93.53	3,037.75
Total expenditures	<u>18,440.00</u>	<u>18,487.11</u>	<u>47.11</u>	<u>18,880.28</u>
Excess (deficiency) of revenues over expenditures	(11,140.00)	( 363.11)	8,158.89	( 540.28)
<b>Other financing sources:</b>				
Operating transfer from Utility Fund	10,000.00	5,880.00	4,120.00	11,000.00
Total other sources	<u>10,000.00</u>	<u>5,880.00</u>	<u>4,120.00</u>	<u>11,000.00</u>
Excess (deficiency) of revenues over expenditures	( 1,140.00)	( 483.11)	914.89	559.72
Fund balance, beginning	---	1,754.58	1,754.58	900.00
Fund balance, ending	( 1,140.00)	1,271.47	2,411.47	1,754.59

The accompanying notes are an integral part of this statement.



TOWN OF WASHINGTON, LOUISIANA  
 SPECIAL REVENUE FUND  
 SALES TAX FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET (GRAN BAISS) AND ACTUAL  
 Year Ended June 30, 1997  
 With Comparative Actual Amounts for Year Ended June 30, 1996

	1997		Variance - Favorable - (Unfavorable)	1996 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Taxes:</b>				
Sales Taxes	\$ 57,000.00	\$ 58,113.32	\$ 2,113.32	\$ 55,370.54
<b>Miscellaneous revenues:</b>				
Interest on investments	10,800.00	12,000.78	1,200.78	12,852.40
Total revenues	<u>67,800.00</u>	<u>70,114.10</u>	<u>2,314.10</u>	<u>68,222.94</u>
<b>Expenditures:</b>				
General government	---	---	---	58.00
Total expenditures	<u>---</u>	<u>---</u>	<u>---</u>	<u>58.00</u>
<b>Excess of revenues over expenditures</b>	67,800.00	70,114.10	2,314.10	68,164.94
<b>Other financing uses:</b>				
Operating transfer to:				
General Fund	90,000.00	68,625.00	21,375.00	57,818.01
Utility Fund	6,500.00	6,500.00	---	63,300.73
Total other uses	<u>96,500.00</u>	<u>75,125.00</u>	<u>21,375.00</u>	<u>121,118.74</u>
<b>Excess (deficiency) of revenues over expenditures &amp; other uses</b>	( 28,700.00)	3,689.10	12,889.10	( 52,953.80)
<b>Fund balance, beginning</b>	---	218,655.42	218,655.42	247,610.91
<b>Fund balance, ending</b>	( 28,020.00)	218,345.40	247,545.40	214,657.11

The accompanying notes are an integral part of this statement.

DEBT SERVICE FUND

To account for the funds generated by assessing individual property owners for a share of the cost of paving several streets within the Town.

TOWN OF WASHINGTON, LOUISIANA  
 DEBT SERVICE FUND  
 BALANCE SHEET  
 June 30, 1997  
 With Comparative Totals for June 30, 1996

	<u>Street Paving Project Fund</u>	<u>1996</u>
<b>ASSETS</b>		
Assessments receivable	\$ 8,715.05	\$ 8,715.05
Total assets	8,715.05	8,715.05
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Due to utility fund	203.00	203.00
Total liabilities	203.00	203.00
<b>Fund balances:</b>		
Reserved for debt service	---	---
Unreserved-undesignated	8,715.15	8,715.15
Total fund balances	8,715.15	8,715.15
Total liabilities and fund balances	8,918.15	8,918.15

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA  
 DEBT SERVICE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET (GAAP) BASIS AND ACTUAL  
 Year Ended June 30, 1997

	Street Paving Project Fund		
	Budget	Actual	(Difference)
<b>Revenues:</b>			
Miscellaneous -			
Interest Income	\$      ---	\$      ---	\$      ---
<b>Total revenue</b>	<u>          ---</u>	<u>          ---</u>	<u>          ---</u>
<b>Expenditures:</b>	<u>          ---</u>	<u>          ---</u>	<u>          ---</u>
<b>Excess revenues over expenditures</b>	---	---	---
<b>Other financing uses:</b>			
Operating transfer from (to):			
General fund	---	---	---
Utility fund	---	---	---
<b>Total other uses</b>	<u>          ---</u>	<u>          ---</u>	<u>          ---</u>
<b>Excess (deficiency) of revenues over expenditures and other uses</b>	---	---	---
<b>Fund balance, beginning</b>	<u>          ---</u>	<u>\$,738.15</u>	<u>\$,738.15</u>
<b>Fund balance, ending</b>	<u>          ---</u>	<u>\$,738.15</u>	<u>\$,738.15</u>

The accompanying notes are an integral part of this statement.

**ENTERPRISE FUND**

**Utility Fund** - To account for the provision of gas, water and sewer services to residents of the Town. 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.

TOWN OF WASHINGTON, MISSISSIPPI  
WELLS FUND  
COMPARATIVE BALANCE SHEET  
June 30, 1997 and 1996

	1997	1996
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash	\$ 31,258.28	\$ 38,722.57
Investments, at cost	306,326.31	189,486.24
Accounts receivable, net of allowance for uncollectible accounts (\$675.25)	33,948.83	32,880.87
Unbilled service revenue	17,457.63	17,457.63
Accrued interest receivable	1,338.04	3,476.80
Due from debt service fund	383.90	383.90
Due from sales tax fund	28,667.47	68,488.19
Inventory	8,356.17	5,355.87
Prepaid expenses	3,478.44	3,300.32
Total current assets	326,307.06	318,483.82
<b>Restricted assets:</b>		
Bond reserve accounts:		
Investments, at cost	378,894.28	235,126.88
Bond contingency account:		
Investments, at cost	43,971.96	48,621.82
Customers Deposits:		
Cash	25,824.21	22,474.31
Investments, at cost	42,780.77	38,884.45
Total restricted assets	387,311.22	307,047.32
<b>Plant and equipment, at cost, net of accumulated depreciation</b>		
(1997 - \$1,857,416.73)		
(1996 - \$1,719,146.89)	2,118,216.28	2,266,478.52
Total assets	3,647,754.53	3,918,005.63

The accompanying notes are an integral part of this statement.

	<u>1987</u>	<u>1986</u>
<b>LIABILITIES AND FUND EQUITY</b>		
<b>Liabilities:</b>		
<b>Current liabilities</b>		
(payable from current assets):		
Accounts payable	3,442.38	3,442.38
Accrued expenses	<u>2,175.86</u>	<u>2,251.01</u>
Total current liabilities		
(payable from current assets)	<u>5,618.24</u>	<u>5,693.39</u>
<b>Current liabilities</b>		
(payable from restricted assets):		
Utility refunding bonds payable	24,403.00	21,511.00
Accrued interest payable	3,409.52	10,198.00
Customers' deposits	<u>44,012.23</u>	<u>41,452.23</u>
Total current liabilities		
(payable from restricted assets)	<u>71,824.75</u>	<u>73,161.23</u>
<b>Long-term liabilities:</b>		
Utility refunding bonds payable	<u>328,701.00</u>	<u>351,351.00</u>
Total long-term liabilities	<u>328,701.00</u>	<u>351,351.00</u>
<b>Total liabilities</b>	<u>415,063.00</u>	<u>430,405.62</u>
<b>Fund equity:</b>		
<b>Contributed capital:</b>		
State grants	236,146.36	236,146.36
Federal grants	2,366,218.00	2,366,219.00
Intergovernmental	<u>643,501.53</u>	<u>643,501.53</u>
Total contributed capital	<u>3,245,865.89</u>	<u>3,245,866.89</u>
<b>Retained earnings:</b>		
Reserved for bond retirement	252,066.24	275,146.71
Unreserved	( 1,355,878.56)	( 1,042,817.53)
Total retained earnings (deficit)	<u>( 1,103,812.32)</u>	<u>( 767,670.82)</u>
<b>Total Fund equity</b>	<u>2,142,053.57</u>	<u>2,478,196.07</u>
<b>Total liabilities and fund equity</b>	<u>2,687,754.53</u>	<u>2,918,601.69</u>

TOWN OF MONROE, LOUISIANA  
 ENTERPRISE FUND  
 UTILITY FUND  
 STATEMENT OF OPERATING EXPENSES  
 Years Ended June 30, 1997 and 1996

	1997	1996
<b>Gas department:</b>		
Audit fees	\$ 3,700.00	\$ 1,750.00
Accounting fees	1,887.60	840.00
Depreciation	12,015.19	51,481.60
Gas purchases	155,235.04	128,844.90
Insurance and bond expenses	27,564.58	17,453.95
Miscellaneous	3,082.88	6,884.53
Office supplies	795.44	806.60
Payroll taxes	3,928.81	4,243.98
Postage	3,227.85	3,058.99
Repairs - meters	4,228.60	3,133.65
Repairs - other	2,150.80	1,582.64
Salaries	48,823.26	48,270.48
Supplies - other	18,728.28	11,981.13
Telephone	3,597.25	3,775.98
Truck expenses	2,615.68	1,777.87
Uniforms	988.54	---
Utilities	5,056.47	6,711.90
<b>Total gas department</b>	<b>283,052.48</b>	<b>258,486.90</b>
<b>Water department:</b>		
Accounting fees	480.00	480.00
Depreciation	58,385.75	55,232.76
Insurance	3,510.80	2,108.53
Miscellaneous	1,812.75	1,121.58
Outside services	295.00	87.50
Repairs	847.34	5,287.75
Supplies - other	8,422.62	15,388.78
Telephone	286.00	362.80
<b>Total water department</b>	<b>73,845.26</b>	<b>79,956.82</b>

The accompanying notes are an integral part of this statement.



	<u>1997</u>	<u>1996</u>
<b>Sewer Department:</b>		
Accounting fees	480.00	480.00
Insurance	1,329.88	4,293.55
Depreciation	79,466.54	79,466.63
Miscellaneous	2,687.50	1,329.00
Supplies - other	1,685.36	8,778.54
Payroll taxes	1,599.93	1,674.73
Repairs	8,783.90	4,148.95
Salaries	38,480.00	17,863.78
Truck expenses	<u>          </u>	<u>18.00</u>
<b>Total sewer department</b>	<u>119,781.58</u>	<u>113,524.78</u>
<b>Total operating expenses</b>	<u>488,753.73</u>	<u>483,807.58</u>
	*****	*****

**GENERAL FIXED ASSETS ACCOUNT GROUP**

The General Fixed Assets Account group accounts for fixed assets not used in proprietary fund operations.

TOWN OF WASHINGTON, MICHIGAN  
 COMPARATIVE STATEMENT OF GENERAL FUND ASSETS  
 June 30, 1997 and 1996

	1997	1996
<b>General Fixed Assets</b>		
Land	\$ 60,000	\$ 60,000
Buildings	384,397	384,397
Improvements other than buildings	739,492	682,504
Equipment	286,078	331,167
Other structures and improvements	74,031	78,821
Total general fixed assets	1,504,908	1,443,189
	*****	*****
 <b>Investment in General Fixed Assets From:</b>		
General Fund revenues	349,546	349,546
Federal Revenue Sharing Fund revenues	71,708	71,708
Special Revenue Fund revenues	356,865	323,849
Federal grants	325,000	325,000
Contributions by property owners	621,273	128,233
Utility Fund revenues	47,675	47,675
State Revenue Sharing Funds	19,675	19,675
Department of Transportation	176,000	176,000
State General Trust Fund	11,143	11,143
Total investment in general fixed assets	1,504,908	1,443,189
	*****	*****

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA  
 STATEMENT OF CHANGES IN GENERAL FIXED ASSETS  
 Year Ended June 30, 1997

	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other than Buildings</u>
General fixed assets, beginning of year	\$ 68,980	\$ 384,397	\$ 657,584
<b>Additions:</b>			
Special fund revenues	-----	-----	46,908
Total additions	-----	-----	46,908
<b>Deletions:</b>			
Special fund revenues	-----	-----	-----
Total deletions	-----	-----	-----
General fixed assets, end of year	68,980	384,397	704,492

The accompanying notes are an integral part of this statement.

<u>Equipment</u>	<u>Other Structures &amp; Improvements</u>	<u>Total</u>
\$ 231,167	\$ 74,021	\$ 1,443,149
<u>16,808</u>	<u>---</u>	<u>65,876</u>
<u>16,808</u>	<u>---</u>	<u>65,876</u>
<u>4,025</u>	<u>---</u>	<u>4,025</u>
<u>4,025</u>	<u>---</u>	<u>4,025</u>
246,076	74,021	1,509,040
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**GENERAL INFORMATION**

TONS OF WASHINGTON, LOUISIANA  
SCHEDULE OF GENERAL INFORMATION AND STATISTICAL DATA  
June 30, 1997

Governing Body

The Town of Washington, Louisiana operates under the "Mayor and Board of Aldermen" form of government. The governing body and their income for the year ended June 30, 1997 is as follows:

Honorable John E. Sciloso, Mayor	\$0,000
Honorable T. J. Smith, Alderman	1,311
Honorable Gary Wilson, Alderman	1,311
Honorable John L. Witt, Alderman	1,200
Honorable Wilbert Locket, Alderman	1,200
Honorable Dorothy Hayer, Alderwoman	1,311

RICHARD C. URBAN  
CERTIFIED PUBLIC ACCOUNTANT

MEMBER  
AMERICAN SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF ACCOUNTS  
CERTIFIED PUBLIC ACCOUNTANTS

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1112 BELLEVILLE  
BIRMINGHAM, ALABAMA 35203  
PHONE (205) 961-1104

To the Mayor and Board of Aldermen  
Town of Washington, Louisiana

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

We have audited the general purpose financial statements of the Town of Washington, Louisiana, as of and for the year ended June 30, 1997, and have issued our report thereon dated December 9, 1997. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Town of Washington, Louisiana financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Town of Washington, Louisiana internal control over financial reporting 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 over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.



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



RICHARD C. URGAN, C.P.A.

Opinions, Louisiana  
December 6, 1997