

OFFICIAL  
FILE COPY

FD-302 (REV. 6-22-65)

This document  
comes from the  
files and records  
section of FBI.

2244

RECEIVED  
FEDERAL BUREAU OF INVESTIGATION  
MAY 15 1967

Town of Homer, Louisiana

Annual Financial Report  
Year Ended June 30, 1967

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor or treasurer, ministerial officer, appropriate public officials. This report is available for public inspection in the State House of Representatives Legislative Auditor's office, when appropriate, at the office of the parish clerk of court.

File and Date FEB 14 1968

**TOWN OF HOMER, LOUISIANA**  
**Annual Financial Report**  
**Year Ended June 30, 1997**

**TABLE OF CONTENTS**

	<i>Exhibit</i>	<i>Page</i>
INDEPENDENT AUDITOR'S REPORT		1
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS		2-3
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS		4
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - (OVERVIEW))		5
Combined Balance Sheet - All Fund Types and Account Groups	1	6-9
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	2	10
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Cash Basis) and Actual - General and Special Revenue Funds	3	11
Combined Statement of Revenues, Expenses and Changes in Retained Earnings - All Proprietary Fund Types	4	12
Statement of Cash Flows - Proprietary Fund Type - Utilities and Sanitation and Discretely Presented Component Units	5	13
Notes to Financial Statements		14-31
	<i>Schedule</i>	<i>Page</i>
FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS:		32
General Fund:		33
Comparative Balance Sheet	A-1	34

<i>Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Cash Basis) and Actual</i>	A-2	35
<i>Statement of Revenues, Expenditures and Other Financing Sources by Source Compared to Budget (Cash Basis)</i>	A-3	36-38
<i>Special Revenue Funds:</i>		39
<i>Combining Balance Sheet</i>	B-1	40-41
<i>Combining Statement of Revenue, Expenditures and Changes in Fund Balance</i>	B-2	42-43
<i>Sales Tax Fund:</i>		
<i>Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Cash Basis) and Actual</i>	B-3	44
<i>Street Department Fund:</i>		
<i>Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Cash Basis) and Actual</i>	B-4	45
<i>Fire Department:</i>		
<i>Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Cash Basis) and Actual</i>	B-5	46
<i>Police Department:</i>		
<i>Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Cash Basis) and Actual</i>	B-6	47
<i>Recreation Department:</i>		
<i>Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Cash Basis) and Actual</i>	B-7	48
<i>Contingency Sales Tax Fund:</i>		
<i>Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Cash Basis) and Actual</i>	B-8	49
<i>Industrial Development Fund:</i>		
<i>Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Cash Basis) and Actual</i>	B-9	50
<i>Debt Service Funds:</i>		51
<i>Combining Balance Sheet</i>	C-1	52
<i>Combining Statement of Revenues and Expenditures and Changes in Fund Balance</i>	C-2	53
<i>Statement of Revenues, Expenditures and Changes in Fund Balance Budget (Cash Basis) and Actual</i>	C-3	54
<i>Capital Projects Funds:</i>		55
<i>Combining Balance Sheet</i>	D-1	56
<i>Statement of Revenues, Expenditures and Changes in Fund Balance</i>	D-2	57
<i>Enterprise Funds:</i>		
<i>Utilities and Sanitation:</i>		58
<i>Balance Sheet</i>	E-1	59-60
<i>Statement of Revenues, Expenses and Changes in Retained Earnings</i>	E-2	61

	Schedule	Page
Schedule of Expenses by Department	E-3	62
Trust and Agency Funds:		63
Combining Balance Sheet	F-1	64
Police Bond Fund:		
Balance Sheet	F-2	65
Statement of Changes in Assets and Liabilities	F-2	65
Tax Collection Fund:		
Balance Sheet	F-3	66
Statement of Changes in Assets and Liabilities	F-3	66
Perpetual Care Endowment Trust Fund- Arlington Cemetery:		
Comparative Balance Sheet	F-4	67
Statement of Revenues, Expenditures and Changes in Retained Earnings	F-5	68
Statement of Cash Flows	F-5	69
General Fixed Assets Account Group:		70
Statement of General Fixed Assets	G-1	71
Statement of Changes in General Fixed Assets	G-2	72
General Long-Term Debt Account Group:		73
Statement of General Long-Term Debt	H-1	74
SINGLE AUDIT SECTION		75
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS		76-77
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS		78
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS		79
INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE		80
Schedule of Federal Financial Assistance		81
Schedule of Findings and Reports		82-87

**WILLIAM D. EDWARDS**

*Certified Public Accountant*

*A Professional Accounting Corporation*

*Member: AICPA / Society of CPAs*

**Independent Auditor's Report**

The Honorable Huey Dean, Mayor  
and the Members of the Board of Selectmen  
Town of Homer, Louisiana

I was engaged to audit the accompanying general purpose financial statements of the Town of Homer, Louisiana, as of and for the year ended June 30, 1997, as listed in the table of contents. These financial statements are the responsibility of the Town of Homer, Louisiana management. My responsibility is to express an opinion on these financial statements based on the audit. I did not audit the financial statements of the Homer Hospital, a component unit, which statements reflect total assets of \$1,485,809 as of June 30, 1997, and total revenues of \$13,544,702 for the year then ended. Those statements were audited by other auditors whose report has been furnished to me, and my disclaimer of opinion on the general purpose financial statements, insofar as it relates to the amounts included for the Homer Hospital component unit is not based on the report of the other auditors.

I was unable to obtain sufficient supporting records for financial activities of the Town of Homer, Louisiana, nor was I able to satisfy myself as to these financial activities by other auditing procedures, to form an opinion on these general purpose financial statements. See the Schedule of Findings-All Reports for a further explanation.

Since I did not audit the financial statements of the Town of Homer, Louisiana referred to above, the scope of my work was not sufficient to enable me to express, and I do not express, an opinion on these general purpose financial statements.

As part of my engagement, I also prepared reports, dated February 9, 1998, on internal control and compliance, as required by *Government Auditing Standards*.

As discussed in Note 18 to the financial statements, the Town changed its method of closing depreciation expense in the proprietary fund in 1996.

*William D. Edwards*  
Baton Rouge, Louisiana  
February 8, 1998

reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgement, 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 and combining financial statements.

My study of the Town's internal control structure disclosed a reportable condition in internal controls relating to segregation of duties. Due to its limited size, the entity does not have the personnel to adequately separate the internal control duties. The segregation of duties is a decision that must be made by management on a cost - benefit basis. Management must determine if the costs of implementing an adequate internal control system will outweigh the benefits derived from such a system. This reportable condition is inherent in all small entities, and should not be construed as a failure in proper management. I concur with management's opinion that the costs incurred to implement an adequate internal control system would exceed the benefits derived from such a system.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose and combining 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. Material weaknesses are reported on the Schedule of Findings - All Reports.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. I believe that reportable conditions described in the Schedule of Findings - All Reports above are material weaknesses.

This report is intended for the information of the Mayor, Board of Selectmen and management of the Town of Homer, Louisiana. However, this report is a matter of public record and its distribution is not limited.

  
William B. Edwards  
Ruston, Louisiana  
February 9, 1998

**WILLIAM D. EDWARDS**

*Certified Public Accountant*

*A Professional Accounting Corporation*

*Member: AICPA / Society of CPAs*

**Independent Auditor's Report on Compliance**

**Based on an Audit of General Purpose**

**Financial Statements Performed in Accordance with  
*Government Auditing Standards***

The Honorable Huey Dean, Mayor  
and the Members of the Board of Selectmen  
Town of Homer, Louisiana

I was engaged to audit the financial statements of the Town of Homer, Louisiana, as of and for the year ended June 30, 1997, in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. My report dated February 9, 1998 stated that, as described in the following paragraph, the scope of my work was not sufficient to enable me to express, and I did not express, an opinion on the financial statements.

I was unable to obtain sufficient documentation of the Town of Homer, Louisiana's compliance with generally accepted accounting principles of all programs, nor was I able to satisfy myself by alternate procedures as to the Town of Homer, Louisiana's compliance with those requirements of all programs.

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

The results of my tests disclosed material instances of noncompliance that are required to be reported under *Government Auditing Standards*. Those findings appear in the Schedule of Findings - All Reports.

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



Baton Rouge, Louisiana

February 9, 1998

**General Purpose Financial Statements  
(Combined Statements - Overview)**



Year Of Maturity  
 Combined Balance Sheet - All Fund Types and Account Groups  
 Year Ended June 30, 1997

Exhibit 1

	Governmental Fund Type				Proprietary Fund Type
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE
<b>Assets</b>					
Cash & Interest-bearing Deposits	41,000	10,000	0,000	0,000	0,000
Accounts Receivable	0	0	0	0	0
Due from other funds	1,000	0,000	0	0	0
Prepaid Expenses	0	0	0	0	0
Other Assets	0	0	0	0	0
<b>Liabilities</b>					
Cash & Interest-bearing Deposits	0	0	0	0	0
Accounts Payable	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
Other Liabilities	0	0	0	0	0
<b>Net Assets</b>	<u>42,000</u>	<u>10,000</u>	<u>0,000</u>	<u>0,000</u>	<u>0,000</u>
<b>Other Assets</b>					
Land	0	0	0	0	0
Buildings	0	0	0	0	0
Improvements other than Buildings	0	0	0	0	0
Equipment	0	0	0	0	0
Enterprise Fund Property, Plant and Equipment	0	0	0	0	0
Investments	0	0	0	0	0
Accounts Available for (State Service Funds to be provided for retirement or general long-term use)	0	0	0	0	0
<b>Other Liabilities</b>					
Accounts Payable	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
Other Liabilities	0	0	0	0	0
<b>Net Assets</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**Town of Homer**  
**Combined Balance Sheet - All Fund Types and Account Groups**  
**Year Ended June 30, 1997**

**Exhibit 1**

Fiduciary Fund Type	Account Groups General		Totals	
	Fund Balance	Long-Term Assets	Monies Only	Component Totals
			Primary Encumbrances	Deferred Liability
100004			1,177,187	454,126
10			41,700 8,177	1,754,187
				176,687
				70,779
			1,000	1,000
	27,160		48,070	1,765,000
	662,381		81,768	44,181
	1,000,000		384,787	87,161
1000	66,660		438,880	86,181
			401,478	67,476
1001	88,000		89,128	848,766
				(1,000,000)
			8,881,887	2,443,116
			(1,704,688)	8,400,317
				(1,700,000)
<b>Total</b>			<b>1,000</b>	<b>401,000</b>
<b>100000</b>	<b>8,000,000</b>	<b>0</b>	<b>11,000,000</b>	<b>24,000,000</b>

Trust Of History  
 Combined Balance Sheet - All Fund Types and Account Groups  
 Year Ended June 30, 2007

Exhibit 3

Liabilities & Fund Equity	Governmental Fund Type				Proprietary Fund Type
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ACCOMPLISH
<b>Liabilities:</b>					
Accrued Payroll & Benefits		36,881			36,176
Accounts Payable	3,094				
Accrued Liabilities					
Unearned Revenues				60,000	60,000
Due to Other Funds	60,911	28,139			
Due to Public Insurance Programs					
<b>Due to Other Governmental Units:</b>					
Revenue Bonds					1,901,000
Accrued Interest					20,194
Contractor's Deposits					63,791
Obligations under Capital Lease					
Unpaid Vacation Leave					
Accrued Interest					
General Obligation Bonds Payable					
<b>TOTAL LIABILITIES</b>	<b>14,105</b>	<b>195,099</b>		<b>60,000</b>	<b>2,051,161</b>
<b>Fund Equity:</b>					
Unconditional Capital					9,718,158
Restricted Savings					
Internal Sec.					
Revenue Bond Refinancing					188,470
Bond Depreciation and Contingency					74,793
Unexpended					60,000
<b>Fund/Reserve:</b>					
General	60,000	195,099	0,000	(9,000)	
<b>TOTAL FUND EQUITY</b>	<b>60,000</b>	<b>195,099</b>	<b>0,000</b>	<b>(9,000)</b>	<b>9,952,351</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>74,105</b>	<b>390,198</b>	<b>0,000</b>	<b>51,000</b>	<b>9,994,512</b>

Trust of Boston  
 Condensed Balance Sheet - All Fund Types and Account Groups  
 Year Ended June 30, 1997

Exhibit 1

Fiduciary Fund Type	Account Groups General		Totals Monies Only		Component	Totals Monies Only
	FUND ASSETS	LONG-TERM DEBT	FIDUCIARY LIABILITIES	NET RESERVE		
			85,000		85,000	85,000
					28,876	28,876
					28,876	28,876
5,000			75,000		75,000	75,000
			1,000,000		1,000,000	1,000,000
			20,000		20,000	20,000
			80,000		80,000	80,000
					1,044	1,044
5,000	0	0	1,000,000		1,000,000	1,000,000
	848,000		848,000			848,000
			88,000		88,000	88,000
			50,000		50,000	50,000
			80,000		80,000	80,000
28,876			45,000		45,000	45,000
28,876	1,000,000		1,000,000		1,000,000	1,000,000
85,000	1,000,000	0	1,000,000		1,000,000	1,000,000

## All Government Fund Types

## Combined Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2007

With Comparative Totals for June 30, 2006

	Governmental Funds				Widering Fund	Totals	
	GENERAL	SPECIAL REVENUES	GRANT REVENUES	TRUST or DONOR	EXPENDABLE (FUND)	2007	2006
<b>Revenues</b>							
Taxes	93,407	83,487	200			177,094	174,688
Licenses & Permits	18,210					18,210	18,400
Fees & Rentals		18,170				18,170	17,500
Intergovernmental	20,000	42,000				62,000	61,000
Fines & Penalties	27,533					27,533	27,000
Interest		18,600	400	1,700	10,000	30,300	31,700
Miscellaneous	7,350	26,770			11,000	45,120	44,700
<b>TOTAL REVENUES</b>	<b>166,500</b>	<b>169,927</b>	<b>700</b>	<b>1,700</b>	<b>21,000</b>	<b>359,827</b>	<b>355,688</b>
<b>Expenditures</b>							
General Government	27,000	88	817			28,905	29,700
Public Safety	181,700	101,131				282,831	284,400
Highways & Streets	18,710	107,714				126,424	129,000
Water & Sewerage	28,700	16,770				45,470	46,000
Public Works	11,230				3,500	14,730	15,000
Industrial Development		5,100				5,100	5,000
Capital Outlay	1,800	478,447				480,247	480,000
Debt Service:							
Capital Issues Obligations							11,500
Principal		11,070	71,000			82,070	82,000
Interest							1,800
<b>TOTAL EXPENDITURES</b>	<b>259,440</b>	<b>604,734</b>	<b>71,817</b>		<b>3,500</b>	<b>837,491</b>	<b>838,900</b>
Excess (deficiency) of revenues over expenditures	(92,940)	109,193	(71,117)	1,700	17,500	(46,264)	(53,212)
<b>Other Financing Sources:</b>							
Grant Proceeds							
Operating Transfers in	100,000					100,000	100,000
Operating Transfers out		(200,000)				(200,000)	(200,000)
<b>Total Other Sources/(Uses)</b>	<b>100,000</b>	<b>(200,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Excess (deficiency) of revenues and/or other sources over expenditures & other uses	(92,940)	(90,807)	(71,117)	1,700	17,500	(44,764)	(53,212)
Fund Bal - Beginning of Year	67,380	64,800	26,100	(81,700)	79,700	155,680	164,000
Fund Bal - End of Year	60,340	67,343	1,883	(79,900)	97,200	156,866	110,788

**Town of Haver**
**General and Special Revenue Funds**

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Cash Basis) and Actual - General and Special Revenue Funds

Year Ended June 30, 2022

**Exhibit 2**

Revenue	General Fund			Special Revenue Funds			Total Revenue Funds		
	BUDGET	ACTUAL	PERCENTAGE DIFFERENCE	BUDGET	ACTUAL	PERCENTAGE DIFFERENCE	BUDGET	ACTUAL	PERCENTAGE DIFFERENCE
<b>Taxes</b>									
License & Fees	2,000	2,007	100%	80,000	80,000	100%		82	100%
Impassment	10,000	10,000	100%						
Excise & Surtax	25,000	25,000	100%	42,000	42,000	100%			
Income									
Miscellaneous	1,000	1,000	100%	1,000	1,000	100%		40	100%
<b>TOTAL REVENUES</b>	<u>38,000</u>	<u>38,017</u>	<u>100%</u>	<u>123,000</u>	<u>123,000</u>	<u>100%</u>	<u>0</u>	<u>122</u>	<u>100%</u>
<b>Expenditures</b>									
General Government									
Police Salary	274,700	274,700	100%		0	0%	780	1,07	100%
Highway & Street	60,000	60,000	100%	60,700	60,700	100%			
Dept. of Public Works		10,000	100%	26,000	26,000	100%			
Public Works	10,000	10,000	100%	10,000	10,000	100%			
Referral/Outpatient	10,000	11,000	110%	0	0	0%			
State Revenue				1,000	1,000	100%			
Capital Expend.	10,000	10,000	100%	10,000	10,000	100%	10,000	10,000	100%
<b>TOTAL EXPENDITURES</b>	<u>384,700</u>	<u>385,700</u>	<u>100%</u>	<u>96,700</u>	<u>96,700</u>	<u>100%</u>	<u>10,780</u>	<u>10,077</u>	<u>100%</u>
<b>Excess (shortage) of revenues over expenditures</b>									
	295,700	297,000	100%	26,300	26,300	100%	29,780	28,070	100%
<b>Other Financing Sources</b>									
Bonding - Transfer to Current - Transfer to	10,000	10,000	100%						
<b>TOTAL OTHER FINANCING</b>	<u>10,000</u>	<u>10,000</u>	<u>100%</u>	<u>0</u>	<u>0</u>	<u>0%</u>	<u>0</u>	<u>0</u>	<u>0%</u>
<b>Excess (shortage) of revenues over expenditures and other financing</b>									
	305,700	307,000	100%	26,300	26,300	100%	29,780	28,070	100%
<b>Fund Balance - Beginning of Year</b>		10,000		10,000	10,000	100%		10,000	100%
<b>Fund Balance - End of Year</b>		<u>20,000</u>		<u>20,000</u>	<u>20,000</u>	<u>100%</u>		<u>28,070</u>	<u>100%</u>

**Town of Haver  
 Encumbrance Fund  
 All Proprietary Fund Types**

**Exhibit 4**

**Condensed Statement of Revenues, Expenses and Changes in Retained Earnings  
 For the fiscal year ended June 30, 1997**

	Proprietary Fund Type (Encumbrance)	Component Unit (Direct)	Total for 1997 (Minus only) Encumbrance Entry	Total for 1996 (Minus only) Encumbrance Entry
<b>Operating Revenues:</b>				
Charges for Services	862,578	13,344,308	14,207,886	12,283,740
<b>Operating Expenses:</b>				
Depreciation	251,762	666,507	918,269	811,564
Cost of Services	832,776	12,760,480	13,593,256	11,297,717
Total Operating Expenses	1,084,538	13,426,987	14,511,525	12,109,281
Operating Income (Loss)	(221,960)	(78,679)	(300,639)	(826,541)
<b>Nonoperating Revenue (Expense):</b>				
Investment Income	21,494	142,749	164,243	211,283
Ad Valorem Revenues		807	807	208,173
Unrestricted Grant Funds		(73,879)	(73,879)	50,914
Gain (Loss) on sale of assets				(288,772)
Interest and fiscal changes	(286,863)	(286,774)	(573,637)	(388,794)
Total Nonoperating Revenue (Expense)	(265,369)	(78,127)	(343,496)	(178,276)
Income (Loss) before operating results	(487,329)	(156,806)	(644,135)	(1,004,817)
<b>Operating Transfers:</b>				
Transfers out				644
Net Income (Loss)	(487,329)	(156,806)	(644,135)	(1,004,173)
Add depreciation on fixed assets acquired by grants, contributions, and direct revenues internally restricted for capital acquisitions and maintenance that reduce unrestricted capital				
	64,121		64,121	64,121
Retained earnings beginning of year Investment income from restricted funds	1,795,946	(4,814,771) 961	3,081,175	5,711,555
Retained earnings end of year	1,311,677	(3,853,810)	2,542,735	4,807,377

	Proprietary Fund Last Available	Component Fund Budget	2007 Operating Budget Approx. Data
<b>Cash Flows from Operating Activities:</b>			
<b>Operating Cash</b>	\$68,149	\$53,085	(\$74,871)
Adjustments to reconcile operating cash flow to cash provided by operating activities:			
Depreciation	28,232	\$4,727	\$7,899
Provision for Bad Debt	-	\$7,124	\$7,124
Interest Received	-	\$4,764	(\$4,764)
(Increase) in Investments	-	(\$4,875)	(\$4,875)
(Increase) in Prepaid Expenses	-	2,484	2,484
(Increase) Due to/forfeited insurance programs	-	(\$1,194)	(\$1,194)
(Increase) Due to/forfeited auto program	-	75,541	75,541
(Increase) Increase in current receivables	41,456	(\$41,568)	(\$15,688)
(Increase) Increase in due to other funds	91,588	-	91,588
(Increase) Increase in current payable liabilities	-	(\$1,281)	\$1,281
Increase in current equipment-related deposits	-	(\$1,709)	(\$1,709)
Increase in due to funds insurance programs	\$1,144	(\$1,421)	2,341
Increase (decrease) from other funds	21,707	\$61	21,646
(Increase) Increase in current payable	27,947	1,843	14,990
<b>Net cash provided by operating activities</b>	<u>\$62,151</u>	<u>(\$12,121)</u>	<u>(\$48,121)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>			
Transfer to other funds:			
Interest Received	-	\$17	\$17
Educational grant proceeds	\$4,444	-	\$4,444
Net proceeds from sale of other depositability	-	-	-
<b>Net cash from noncapital financing activities</b>	<u>\$4,444</u>	<u>\$17</u>	<u>\$4,461</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Proceeds from sale of land and bonds	100,000	-	\$90,000
Acquisition and construction of capital assets	(1,154,248)	-	(1,170,175)
Proceeds from the issuance of bonds and capital lease obligations	-	\$92,179	\$92,179
Proceeds from construction and capital lease obligations	(38,000)	-	(38,000)
Capital Contributions from other funds	-	-	-
<b>Net cash from capital-related financing activities</b>	<u>(\$72,248)</u>	<u>\$92,179</u>	<u>(\$86,000)</u>
<b>Cash Flows from Investing Activities:</b>			
Advance on deposits contracts	-	(\$4,000)	(\$4,000)
Advance on education contracts	-	(\$7,899)	(\$7,899)
Decrease in current vehicle acquisition	-	\$8,000	\$8,000
Proceeds from sale of assets	-	2,144	2,144
Proceeds of property and equipment	-	(149,170)	(\$47,170)
Interest income from investments	\$1,484	-	\$1,484
<b>Net cash provided (used) by investing activities</b>	<u>\$1,484</u>	<u>(\$150,025)</u>	<u>(\$50,441)</u>
<b>Net increase in cash and cash equivalents</b>	<u>\$62,387</u>	<u>(\$12,121)</u>	<u>(\$48,000)</u>
<b>Cash and cash equivalents beginning of year</b>	<u>\$7,407</u>	<u>\$12,000</u>	<u>\$10,000</u>
<b>Cash and cash equivalents end of year</b>	<u>\$69,794</u>	<u>(\$1,121)</u>	<u>(\$38,000)</u>
<b>Cash and cash equivalents restricted</b>	<u>\$85,146</u>	<u>\$14,179</u>	<u>\$85,146</u>
<b>Restricted Cash</b>	<u>\$85,146</u>	<u>\$14,179</u>	<u>\$85,146</u>
<b>Net cash provided</b>	<u>\$62,387</u>	<u>(\$12,121)</u>	<u>(\$48,000)</u>

Disclosures regarding the budget are at the end of the financial statements.



## 5. Summary of significant policies

The Town of Homer (the town) was incorporated March 11, 1890, and granted a special charter under the provisions of Act No. 36 of the Louisiana Legislature. The Town operates under a Mayor - Board of Selectmen form of government.

The accounting and reporting policies of the Town of Homer conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:314 and to the guidelines set forth in the Louisiana Governmental Audit Guide and local industry audit guide, *Account of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies.

**Reporting Entity:** As the municipal governing authority, for reporting purposes, the Town of Homer is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (municipality), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which 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. 34 established criteria for determining which component units should be considered part of the Town of Homer for financial reporting purposes. The basic criterion for including a potential component unit in the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria include:

1. Appointing a voting majority of an organization's governing body and
  - a. The ability of the municipality 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 municipality.
2. Organization for which the municipality does not appoint a voting majority but are financially dependent on the municipality.
3. Organizations for which the reporting entity financial statements would be misleading if those of the organization is not included because of the nature or significance of the relationship.

As required by generally accepted accounting principles, these financial statements present the Town of Homer as primary government and its component units. The component units included in the accompanying financial statements are either bonded with the municipality funds or discretely presented.

### **Bonded Component Units**

Component units that are legally separate from the municipality but are so intertwined with the municipality that they are, in substance, the same as the municipality are bonded component units. For a component unit to be bonded, the organization's bond and the municipality must be substantively the same, or the organization must provide services entirely or almost entirely to the municipality. The following component units are reported as part of the municipality and bonded with the appropriate municipality funds:

The Arlington Cemetery is owned by the Town of Homer. The fiscal operations of the cemetery are kept and administered apart and separate from the Town. The Arlington cemetery maintains a Perpetual Care Fund for donations and physical care of the cemetery. Based on GASB 18 the Town has included in the financial statements the Arlington Cemetery Perpetual Care Fund.

#### Discretely Presented Component Units

Component units that are legally separate from the municipality but are financially accountable to the municipality, or whose relationship with the municipality are such that inclusion would cause the municipality's financial statements to be misleading or incomplete are discretely presented. The Component Units column of the audited financial statements include the financial data of those discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the municipality.

The following component units are discretely presented in the accompanying financial statements:  
Homer Memorial Hospital is owned by the Town and is administered by a Board of Directors appointed by the Board of Selectmen of the Town of Homer. The fiscal operations of the Hospital are kept and administered apart and separate from the Town, however, they are subject to periodic review and examination by the Mayor and Board of Selectmen. Additionally, all by-laws, rules and regulations, and all resolutions and supplemental charters, and expenditures for capital improvements must be submitted to approval by the Mayor and Board of Selectmen. The Town governing body may transfer surplus to the General Fund of the Town if the annual audit report of the Hospital reflects surplus funds at the close of the fiscal year. Based on GASB Statement 18 the Town has included in the financial statements as a component unit the Homer Memorial Hospital. Audited financial statements of the component unit Homer Memorial Hospital are available upon request from the Homer Memorial Hospital business office.

#### Other Organizations

The Housing Authority of the Town of Homer, although governed by commissioners who are directly appointed by the Town's Board of Selectmen, is considered a separate government because it does not meet the criteria for inclusion in the financial reporting entity as determined by GASB 14. Audited financial statements for the Housing Authority of the Town of Homer are not included in this report, however, such statements are available upon request from the Housing Authority's business office.

**Fund Accounting** The accounts of the Town of Homer 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 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 means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into three broad fund categories and then into seven specific fund types as follows:

#### Governmental Fund Types

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

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

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

**Capital Project Funds -** Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

#### Proprietary Fund Types

**Enterprise Fund -** Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public be financed in whole or in substantial part through user charges, or (b) where the governing body has decided the periodic determination of revenues earned, expenses incurred, and the net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

#### fiduciary Fund Type

**Agency Fund -** The Agency Funds are used to account for assets held by a governmental unit as an agent for individuals, private organizations or other governmental units. Agency funds are considered in nature (not legal) equal liabilities and do not involve measurement of results of operations.

**Expendable Trust Fund -** The Expendable Trust Fund is accounted for in essentially the same manner as governmental funds. The resources, including both principal and earnings, may be expended.

**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 refers to the timing of the measurements made, regardless of the measurement basis applied.

All governmental fund, expendable trust funds, and agency funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as per current events. Taxpayer-related income, grant receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Federal and state grants are expenditures, direct in which, revenues are recognized when the grant expenditures are incurred.

With the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except that principal and interest on general long-term debt is recognized when due.

All proprietary funds are accounted for on a basis of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the balance sheet. The proprietary funds use the accrual basis of accounting whereby revenues are recognized whereby are earned and expenses are recognized at the time the liabilities are incurred.

**Budgets and budgetary accounting -** The Town follows these procedures in establishing the budgetary data referred in these financial statements:

- a) The City Clerk prepares a proposed budget and submits same to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
- b) The public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c) A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.

- d) After the holding of 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.
- e) Budgetary encumbrances involving the transfer of funds from one departmental, program or function to another or involving increases or decreases in expenditures resulting from revenues exceeding or falling to meet amounts estimated require the approval of the Board of Selectmen.
- f) Budgets for the General, Special Revenue, and Debt Service Funds are adopted on a cash basis. Budgeted amounts, as originally adopted, are amended from time to time by the Board of Selectmen. Such amendments were not material in relation to the original appropriations. Budgets are not prepared for capital projects funds due to these funds being restricted to capital improvements.
- g) The revenues and expenditures, shown on Exhibit 2 are reconciled with the amounts reflected on the budget comparisons on Exhibit 3 as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses - Exhibit 2	(1,390)	(247,174)	(26,179)
Adjustments:			
TSA Banking Fund revenue not budgeted	0	0	0
Expenditures awarded	-0	0	-0
Excess (deficiency) of revenues and other sources over expenditures and other uses - Exhibit 3	(1,390)	(247,174)	(26,179)
	<small>(\$11,390.00)</small>	<small>(\$2,471,740.00)</small>	<small>(\$261,790.00)</small>

- h) All budgetary appropriations lapse at the end of each fiscal year.

**Encumbrances** - The Town of Homer does not use encumbrance accounting.

**Cash and cash equivalents** - For purposes of the statements of cash flows, cash and cash equivalents include cash, demand deposits and certificates of deposit of unrestricted and restricted monies.

**Inventory** - All inventories are valued at the lower of cost (first-in, first-out) or market.

**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. Interest costs incurred during construction are not capitalized. No depreciation has been provided on general fixed assets.

**Town of Homer**  
**Notes to Financial Statements**  
**Year Ended June 30, 1997**

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

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

Depreciation of all depreciable fixed assets used by the proprietary funds are charged to 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:

<b>Utilities and Sanitation Fund</b>	
Buildings	40 years
Electric System:	
Generating equipment	40 years
Transmission and distribution	25 years
Poles	10 years
Waterworks System:	
Water wells	40 years
Water tanks and reservoirs	40 years
Water line distribution system	40 years
Water meters	40 years
Water treatment plant filter system	40 years
Sewer Systems	40 years
Auto and trucks	5 - 10 years
Equipment	5 - 10 years
Office equipment	10 years

All fixed assets are stated at historical cost. Donated fixed assets are stated at their estimated fair value on the date donated.

**Accumulated unpaid vacation pay and other employee benefits** - Accumulated unpaid vacation pay and other employee benefits amounts are accrued when incurred in proprietary funds (using the accrual basis of accounting). Such amounts are not accrued in governmental funds (using the modified accrual basis of accounting). Amounts not expected to be liquidated with expendable available financial resources are reported in general long-term debt account group. No expenditure is reported for this amount.

**Property taxes** - Property tax revenues are recognized as income in the year in which they are levied.

**Bad debts** - The Town considers substantially all ad valorem taxes and customers' utility receivables to be fully collectible; accordingly, an allowance for doubtful accounts is not required. If amounts become uncollectible, they are charged to operations when that determination is made.

**Total columns on combined statements** - Total columns on combined statements are prepared "Miscellaneous Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**Town of Homer**  
**Notes to Financial Statements**  
**Year Ended June 30, 1997**

**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 (i.e., presentation of prior year totals by fund type) have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**Cash and cash equivalents** - For reporting purposes, cash and interest-bearing deposits include cash, demand deposits and certificates of deposits. Cash and interest-bearing deposits are stated at cost. At year-end the Town's total cash and interest-bearing deposits (book balance) including the Homer Hospital was \$ 1,367,920.

Under state law, these deposits for the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1997, the town has \$ 1,627,808 in deposits (collected bank balances). These deposits are secured from risk by \$ 380,000 of federal deposit insurance and \$ 1,628,008 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GAAP Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GAAP Statement 3, Louisiana Revised Statute 38:1228 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the town that the fiscal agent has failed to pay deposited funds upon demand.

**2. Flow of funds, contributions in aid - utilities revenue**

**Utilities and Sanitation:**

**Operating agreement - Louisiana Power and Light**

Effective March 15, 1978, the Town of Homer entered into an agreement with Louisiana Power and Light Company for the operation of the electric system and possible ultimate transfer of ownership of the electric system to the Company. The authorization to enter into the agreement was granted by the voters of the Town in a special election called for that purpose.

Under the operating portion of the agreement, the Company agrees to operate and maintain the system, furnishing reliable and efficient service to both present and future customers. In so doing, the Company shall provide for the entirety of the electric power supply requirements, perform and do all necessary work, and provide all necessary services, materials, and equipment. The Company shall make additions, improvements, and replacements to, extensions of, and retirement of electrical system assets as it considers necessary or desirable. Any such additions, improvements and replacements made by the Company shall be and shall remain the property of the Company unless the Company fails to acquire ultimate ownership of the entire electric system. In such case, the Town is obligated to pay to the Company, within 120 days of any modification or termination of the agreement, the depreciated book value of all additions, improvements, and replacements made by the Company to the electric system less any salvage realized from retired property. At such time, the property would be owned by the Town and the Company shall have no further ownership rights with respect thereto.

**Terms of Home  
Notes to Financial Statements  
Year Ended June 30, 1997**

The Company is obligated to obtain and maintain in effect all such insurance policies under insurance coverage with respect to the electric system as may be required by the various local resolutions.

The consideration for the agreement requires the Company to pay the Town, out of revenues collected by it for electric services rendered, the following:

(a) Monthly payments sufficient to meet sinking fund requirements of various bond issues. The principal amount outstanding at the date of the agreement was \$ 1,590,000.

(b) Monthly payments constituting two percent (2%) of the total revenue collected and received by the Company during the preceding calendar month from the sale of residential and commercial electric services to customers within the corporate limits of the Town. The two percent (2%) shall not apply to or include any revenues from the sale of electric energy to the Town or to government or municipal agencies or to any sale of industrial purposes or for resale within the corporate limits of the Town.

(c) The Company shall pay the Town, as they become due, the regular Town ad valorem taxes on all property owned by the Company within the corporate limits of the Town.

(d) In the event that the payments by the Company to the Town for any calendar year as stipulated in paragraph (a) and (c) above are less than \$41,000, the Company will pay to the Town the difference. Additional, in the event that local revenues collected and received by the Company from the sale of electric service to residential and commercial customers within the corporate limits of the Town exceed \$181,000 during any calendar year or years, the figure of \$41,000 stated above shall be increased by an amount equal to one percent (1%) of the amount by which such annual revenues exceed \$181,000.

(e) From the period commencing on March 1, 1955, and ending on March 1, 1997, the Company shall pay to the Town \$25,400 per year.

The Company is obligated to make all of the payments described above whether or not sufficient funds are generated from the operation of the electric system of the Town of Home.

So long as any of the revenue bonds will remain unpaid or outstanding, the Town shall maintain the Reserve Account and Depreciation and Contingency Account established by the various local resolutions and make timely payments thereof of any amounts which may be necessary in this connection. Expenditures from the Depreciation and Contingency Account shall not be made for capital improvements unless a board of arbitrators shall make a final and binding determination requiring the Company to make such capital improvements.

The agreement also carries provisions relating to increased service rates, limitation on capital improvements to be made by the Company, handling of excess and future customer deposits, prohibition of additional bond issues or sale or conveyance of any parts of the electric system, issuance of refunding bonds, and other administrative matters.

**Town of Homer**  
**Notes to Financial Statements**  
**Year Ended June 30, 1997**

At such time as there are no bonds or refunding bonds outstanding, the Company shall have the right and option to purchase and acquire from the Town the entirety of the electric system including all of the facilities, equipment, plant and property of the Town used or useful for the generation, distribution and/or sale of electricity, all rights-of-way, easements and other interests in land in connection therewith or necessary for the operation and maintenance of the electric system, and all books, records and accounts in connection with the electric system, for the following considerations:

- (1) the continued obligation of the Company to make the payments to the Town provided for in and by item (c) and
- (2) the granting by the Company in the Town of the right and option to require the Company to pay the Town in a single lump sum, in lieu of the last installment payments, the aggregate amount of all such payments then remaining unpaid, discounted on a basis of 10% per annum applied against each such payment to the due date thereof; and upon the Company's exercise of its right and option so to purchase and acquire the Electric System.

**Utilities & Sanitation Fund: Flow of funds; restrictions on use:**

Under the terms of the bond indentures for outstanding Sewer Revenue Bonds, all income and revenues earned or derived from the operation of the sewer system are pledged to the retirement of said bonds and are to be maintained and administered in the following order of priority and for the following express purposes:

- (a) The payment of all reasonable expenses of administration, operation and maintenance of the sewer system.
- (b) Each month, beginning December 1988 through November 1988 there will be set aside \$-6,315 into a fund called the Sewer Revenue Bond Sinking Fund. Beginning December 1989 through November 2028 the amount set aside shall be \$ 7,094 per month. Such transfers shall be fully sufficient to assure the prompt payment of principal interest installments as they become due and may be used only for such payments.
- (c) There shall also be set aside into a Sewer Bond Reserve Fund monthly an amount equal to 1% of the monthly payment being made into the sinking fund until there shall have been accumulated in the Reserve Account \$ 34,948. Such amount may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not on deposit in the Sewer Revenue bond Sinking Fund and as to which there would otherwise be default.
- (d) Funds will also be set aside into a Sewer contingency Fund monthly \$ 207. Money in this fund may be used for the making of extraordinary repairs or replacements to the system which are necessary to keep the system in operating condition and for which money is not available as a maintenance and operations.
- (e) All of the revenues received in any fiscal year and not required to be paid in such fiscal year into any of the above noted funds shall be regarded as surplus and may be used for any lawful corporate purpose.



**Town of Homer**  
**Notes to Financial Statements**  
**Year Ended June 30, 1997**

**3. Net working capital - Enterprise Fund**

The following shows the net working capital for the Enterprise Fund Utilities Fund at June 30, 1997:

Total current assets	\$ 491,860
Total current liabilities	190,259
	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>
Net working capital	\$ 301,602
	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>

**4. Ad valorem taxes**

For the year ended June 30, 1997, taxes of 18.51 mills were levied on property with assessed valuations totaling \$ 10,318,307 and were dedicated as follows:

General corporate purposes	1.92 mills
----------------------------	------------

Total taxes levied were \$ 93,144.

Ad valorem taxes attach as an enforceable lien on the valuation of property as of January 1 of each year. The Town of Homer bills and collects its property taxes using the assessed values determined by the tax assessors of Clatsop County.

**5. Interfund receivables and payables**

From time to time and for various purposes, the different funds utilized by the Town may borrow money from other funds or one fund may collect revenues for or incur expenditures on behalf of another fund. Such transactions create interfund receivables and payables which are detailed below:

	Interfund Receivables	Interfund Payables
General Fund	\$ 11,056	18,711
Special Revenue	15,832	134,359
Debt Service:		
Waterworks 7-1-87	600	
Public Improvement 3-1-75 '81"		102,000
Capital Projects		
Agency Funds:		
Tax Collection	80	
Police Fund		
Utility Fund		20,807
EMMA Capital Projects		
Trust Agency		9,380
	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>
	\$ 28,568	\$ 175,857
	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>	<hr style="width: 50%; margin-left: auto; margin-right: 0;"/>

Because of the situation noted in the Findings - All Reports, the Interfund Receivables and Payables were not reconciled at year end.

Town of Homer, Louisiana  
Notes to Financial Statements  
Year Ended June 30, 1997

**6. Fixed Assets**

A summary of changes in general fixed assets follows:

	Balance July 1, 1996	Additions	Deletions	Balance June 30, 1997
Land	\$ 87,740	-	-	87,740
Buildings	646,564	318,783	-	965,347
Improvements other than buildings	3,858,741	162,354	-	4,021,095
Airport	463,083	-	-	463,083
Equipment	890,908	-	-	890,908
<b>Total General Fixed Assets</b>	<b>\$ 5,838,036</b>	<b>481,137</b>	<b>-</b>	<b>6,420,616</b>

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

	Beginning of Year	Additions	Deletions	End of Year
Construction in Progress	\$ 2,460,888	1,033,118	(2,460,888)	1,033,118
Land	13,138	-	-	13,138
Buildings & improvements other than buildings	4,803,581	2,460,888	-	7,274,569
Machinery & equipment	211,000	-	-	211,000
<b>Net Fixed Assets</b>	<b>\$ 7,499,607</b>	<b>3,554,886</b>	<b>(2,460,888)</b>	<b>8,693,605</b>

The capital projects fund consists of improvements to the water system of the Town. The total improvements are shown in the enterprise fixed as construction in progress.

**Town of Boston, Louisiana  
Notes to Financial Statements  
Year Ended June 30, 1997**

**V. Changes in long-term debt**

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

	General Obligations	Revenue	Total
Bonds and certificates payable at July 1, 1996	\$ 31,800	2,734,740	2,766,540
Bonds and notes issued		590,000	590,000
Bonds and certificates retired	(31,800)	(21,275)	(53,075)
Bonds, certificates and deferred payment contract at June 30, 1997	\$ -0-	2,900,870	2,900,870

Bonds, certificates of indebtedness and notes payable at June 30, 1997, are comprised of the following individual issues:

**General obligation bonds**

\$240,000 Public Improvement Bonds dated July 1, 1997 due in annual installments of \$10,000 at \$11,000 through July 1, 1999, interest at 4.20%. This issue is secured by a levy of ad valorem taxes.

- (a) Paid off in 1997
- (b) Paid off in 1997

**Revenue Bonds:**

\$1,200,000 Sewer Revenue Bonds dated November 28, 1995, due in annual installments of \$ 70,000 in November 1997 and \$ 84,000 from 1998 through 1999, interest at 6.25%.

\$ 1,180,000

\$ 100,000 Sewer Bond dated June 28, 1996, due in annual installments of \$2,000 from 1997-2004, interest at 4.25%.

\$ 100,000

Water Revenue Bonds dated July 15, 1994, payable over a forty (40) year period, with the first payment of \$1,000 30- of interest due on July 15, 1995. Commencing August 15, through July 15, 2034, equal monthly installments of \$6,041.00 consisting of principal and interest, interest at 5.25%.

\$ 1,01,000

**Total revenue bonds, notes payable and certificates of indebtedness**

**\$ 2,900,870**

**Town of Homer, Louisiana**  
**Notes to Financial Statements**  
**Year Ended June 30, 1997**

The annual requirements to amortize all debt outstanding as of June 30, 1997 including interest payments of \$ 2,751,318 are as follows:

Year Ending June	General Obligation	Revenue	Total
1997	\$ 21,907	156,541	178,448
1998		156,540	156,540
1999		156,541	156,541
2000		156,541	156,541
2001		156,541	156,541
Thereafter		4,945,647	4,945,647
	\$ 21,907	5,328,311	5,751,318

\$ 28,646 is available in the Debt Service Funds to service the general obligation debt.

**B. Capital Leases**

The Town Homer has entered into two lease agreements. One for acquisition of a tract. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. In the event no funds or insufficient funds are appropriated and budgeted and funds are otherwise unavailable by any means whatsoever in any fiscal period for which rental payments are due, the lease agreement may be terminated without penalty to the town.

The following is an analysis of the leased property under capital leases at June 30, 1997:

	Estimotec Fund	General Fund, Assets
Tractor	\$ 14,800	\$ 14,800
Freightliner Truck	-	58,800
Less accumulated depreciation	(7,400)	
	\$ 7,400	72,600

Town of Homer, Louisiana  
Notes to the Financial Statements  
Year Ended June 30, 1997

The following is a schedule of the future minimum lease payments and the present value of the net minimum lease payments at June 30, 1997.

<u>Fiscal Year Ending June 30</u>	<u>Traffic Loans</u>	<u>Truck Loans</u>
1998	\$ -0-	3,289
1999	-	-
Total minimum lease payments	<u>-0-</u>	<u>3,289</u>
Less: amount representing interest	<u>-0-</u>	<u>-0-</u>
Present value of future minimum lease payments	<u>1,140</u>	<u>3,289</u>

**8. Sales and use taxes collected**

Under the provisions of the sales and use tax ordinance effective October 1, 1973, one per cent sales and use tax collected may be used for the following purposes:

- (a) Opening, constructing, paving, resurfacing, improving and/or maintaining streets, alleys, sidewalks and bridges, and
- (b) Constructing, acquiring, extending, improving, renovating and/or maintaining street lighting facilities, waterworks, sewers and sewage disposal works, garbage collection and waste disposal facilities, police department stations and equipment, public buildings and/or fire department stations and equipment, including fire engines, public parks and recreation facilities, and industrial development facilities, and
- (c) Purchasing and acquiring the necessary land, equipment and furnishings for the aforesaid public works, buildings, improvements and facilities, title to which improvements shall be in the public, or for any one or more said purposes, and
- (d) Provided that a minimum of twenty percent (20%) of the net revenues received from this tax shall be dedicated and used for industrial development facilities.

**Town of Homer, Louisiana**  
**Notes to the Financial Statements**  
**Year Ended June 30, 1997**

Under the provisions of the sales and use tax ordinance effective January 1, 1986, one percent sales and use tax collected may be used for the following purposes (after paying the reasonable and necessary expenses of collecting and administering the tax):

- (a) Sixty percent (60%) for constructing, paving, resurfacing, improving, and for maintaining streets in and for the Town;
- (b) Ten percent (10%) for constructing, acquiring, improving, and for maintaining fire department stations and facilities for said Town, including fire trucks and apparatuses;
- (c) Ten percent (10%) for constructing, acquiring, improving, and for maintaining recreational facilities for said Town;
- (d) Ten percent (10%) for constructing, acquiring, extending, improving, and for maintaining police department facilities for said Town, including the acquisition of all necessary equipment; and
- (e) Ten percent (10%) to be used for any one or more of the above purposes as may be determined by the governing authority of the Town.

**10. Pension Plan**

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

- A. **Municipal Employees Retirement System of Louisiana (System)** - All full time employees, other than policemen, are required to participate in the system. Employees who retire at or after age 60 with at least 10 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 2% per year times the number of creditable service times the average yearly compensation for the highest consecutive 36 months of earning. Benefits are not to exceed 60% of an employee's final compensation. The system also provides death and disability.

State statute requires covered employees to contribute 9.25% of monthly earnings to the system and requires the Town to contribute 6.75% of monthly earnings as an employer match.

**Town of Monroe, Louisiana**  
**Notes to Financial Statements**  
**Year Ended June 30, 1997**

For the year ended June 30, 1997, the Town contributed \$23,610 to the Municipal Employees Retirement System.

- B. Municipal Police Employees Retirement System of Louisiana (System)-** All full time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year creditable service. Final-average salary is the employee's average salary over the 30 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accorded to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

State statute requires covered employees to contribute 7.5% of monthly earnings to the system and requires the Town to contribute 9% of monthly earnings as an employer match.

For the year ended June 30, 1997, the Town contributed \$11,040 to the Municipal Police Retirement System.

The "pension benefit obligation" is a standard disclosure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The estimate, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employer retirement systems and employers. The System does not make separate measurements of assets and pension benefit obligations for individual employees.

**FOR THE YEAR ENDED JUNE 30, 1994**

	<b>Municipal Employees</b>	<b>Municipal Police</b>
Total current year payroll	\$ 39,417	249,411
Total current year defined payroll	34,390	122,117
Provision benefit obligation	42,944,645	122,078,350
Net assets	34,324,112	125,234,024
Unfunded pension benefit obligation	87,380,546	21,126,129

**Town of Houma, Louisiana  
Notes to Financial Statements  
Year Ended June 30, 1997**

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's June 30, 1997 comprehensive annual financial report. The City does not guarantee the benefit granted by the System.

### **11. Deferred Compensation Plan**

Employees of the Town of Houma who are not eligible to participate in the retirement system have an option to participate in the social security system or the Louisiana Deferred Compensation Plan. Under this plan, the a percentage is withheld from the employees which the town will match. At each payroll, a check is written to pay into the Louisiana deferred Compensation Plan both the amounts withheld and the employer's matching portion. The plan can also be used as a savings plan, where amounts are withheld from the employee's checks and paid into the plan at each payroll. The Town does not match withheld funds under this option. The Louisiana Deferred Compensation Plan is used by the Town strictly as a retirement or savings plan, no other benefits are paid under this plan. Also, in the case of an emergency, money may be drawn out by participants.

### **12. Expenditures - Actual and Budget**

The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 1996:

	Budget	Actual	Variance
Fire Department Sales Tax	\$300,000	\$460,000	(160,000)
Recreation Dept. Sales Tax	45,000	142,178	(97,178)
Contingency Sales Tax	60,000	69,862	(9,862)

### **13. Reserved and designated Retained Earnings/Fund Balance**

The enterprise fund has certain restrictions due to bond indentures on funds. At June 30, 1997, the enterprise fund had the following amounts of retained earnings designated as reserved:

Reserved for revenue bond retirement	\$189,970
Reserved for bond depreciation and contingency	34,782

The debt service funds are designated for payment of general obligation bonds. At June 30, 1997, reserve debt service fund balance was \$28,513.

### **14. Litigations and claims**

The Town is involved in one or more lawsuits, the outcome being undetermined for purposes of quantifying any probable liability.



**Town of Haouss, Louisiana**  
**Notes to Financial Statements**  
**Year Ended June 30, 1997**

**15. Deficit fund balance and/or retained earnings**

The following funds had a deficit fund balance or retained earnings balance at June 30, 1997 based on general purpose financial statements prepared in accordance with generally accepted accounting principles:

Capital Projects fund balance	(71,800)
-------------------------------	----------

The deficit fund balance in the capital projects fund is considered temporary pending the receipt of grant monies to reimburse expenses incurred.

**16. Change in Accounting Principle**

For the year ended June 30, 1996, the Town closed depreciation expenses directly to the contributed capital account for those assets which were constructed with resources externally restricted for capital acquisitions. This change in accounting principle is appropriate as described in GASB Codification Section G60.136. During prior periods, this depreciation expense had been recognized as an operating expense in the Town's Enterprise Fund. As a result, this expense was closed to the retained earnings of the Enterprise Fund which caused a deficit in the Retained Earnings. The Contributions Account and Retained Earnings accounts have been restated for the retroactive adjustment attributable to this depreciation.

There was no effect on net income for prior years; however, the cumulative effect on contributions and retained earnings are as follows:

	Contributions	Retained Earnings
Balance 1/1/96 before restatement	\$ 4,395,415	\$ (38,393)
Cumulative effect of depreciation	(1,440,302)	1,440,302
Depreciation on contributions 1996	<u>          (81,121)</u>	<u>          (81,121)</u>
Balance 12/31/96 after change	\$ 2,874,012	\$ 1,478,218

**17. Restatement of Proprietary Fund Retained Earnings**

The unreserved retained earnings in the proprietary fund was restated for 1996 as follows:

Retained Earnings as previously reported	\$ (38,393)
Cumulative effect of rest to	1,500,419
Adjustment in accounts receivable	6,259
Adjustment in meter deposits	6,607
Add back assets per inventory previously written off	<u>      1,897</u>
Retained Earnings, Restated 12/31/96	\$ 1,438,217

Town of Homer, Louisiana  
Notes to Financial Statements  
Year Ended June 30, 1997

**18. Fixed Asset Inventory Adjustments**

During the year ending June 30, 1996 the Town of Homer conducted a physical inventory of the fixed assets of the utility fund and general fixed assets of the town. In the utility fund the reduction of assets is shown as a loss on the disposition of assets. The majority of the assets written off consist of remaining basis in assets assumed by Louisiana Power & Light on the assumption of the light & water plant which was previously maintained by the town.

**FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS  
AND ACCOUNT GROUPS**

**GENERAL FUND**

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

**Town of Homer, Louisiana**  
**General Fund**  
**Comparative Balance Sheet**  
**June 30, 1997 and 1996**

	<u>1997</u>	<u>1996</u>
<b>Assets</b>		
Cash	\$ 81,842	49,682
Interest bearing deposits	0	0
Receivables:		
Due From other funds	11,056	18,191
Retained checks	118	20
Minor Deposits	<u>2,138</u>	<u>2,129</u>
<b>Total assets</b>	<u>\$ 75,146</u>	<u>\$6,022</u>
<b>Liabilities and Fund Balance:</b>		
Accounts Payable	\$ 3,592	24,898
Due to other funds	10,911	
<b>Total Liabilities</b>	<u>14,503</u>	<u>24,898</u>
<b>Fund Balance:</b>		
Unreserved	<u>60,643</u>	<u>62,026</u>
<b>Total Fund Balance</b>	<u>60,643</u>	<u>62,026</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 75,146</u>	<u>\$6,022</u>

## Town of Homer

A-2

## General Fund

Statement of Revenues, Expenditures, and (Change in Fund Balance - Budget (with Inlay) and Actual  
 Year End June 30, 2017  
 With Comparative Amounts for Year Ended June 30, 2016

	BUDGET	ACTUAL	PERCENT COMPARISON	DIFFERENCE
<b>REVENUES:</b>				
TAXES	62,000	62,007	100%	7
LICENSES AND FEES	143,000	143,504	100%	504
INTERGOVERNMENTAL	45,000	45,000	100%	0
INTEREST	0	0	0%	0
FINES AND FORFEITURES	14,000	14,000	100%	0
miscellaneous	1,000	14,500	1450%	13,500
<b>TOTAL REVENUES</b>	<u>265,000</u>	<u>279,011</u>	<u>105.3%</u>	<u>14,011</u>
<b>EXPENDITURES:</b>				
GENERAL GOVERNMENT	20,770	20,670	99.5%	100
PUBLIC SAFETY	240,100	240,000	99.9%	100
PUBLIC UTILITIES	2,000	2,000	100%	0
PUBLIC WORKS	0	0	0%	0
ROADWAY & STREET	0	0	0%	0
CAPITAL OUTLAY	0	0	0%	0
<b>TOTAL EXPENDITURES</b>	<u>262,870</u>	<u>262,670</u>	<u>99.9%</u>	<u>2,200</u>
Excess (deficiency) of revenues over expenditures	<u>(24,130)</u>	<u>(33,659)</u>	<u>(139.5%)</u>	<u>(9,529)</u>
Other financing resources:				
Operating transfers in	20,000	20,000	100%	0
Total other financing resources	<u>20,000</u>	<u>20,000</u>	<u>100%</u>	<u>0</u>
Excess (deficiency) of revenues over expenditures and other resources	<u>(4,130)</u>	<u>(13,659)</u>	<u>(331.0%)</u>	<u>(9,529)</u>
Fund balance at beginning of year	<u>0</u>	<u>0</u>	<u>0%</u>	<u>0</u>
Fund balance at end of year	<u>(4,130)</u>	<u>(13,659)</u>	<u>(331.0%)</u>	<u>(9,529)</u>

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

**Town of Homer**  
**General Fund**  
**Statement of Revenues, Expenditures and Other Financing Sources**  
**by Source Compared to Budget (Cash Basis)**  
**Year Ended June 30, 1997**  
**With Comparative Amounts for Year Ended June 30, 1996**

A-3

NAME	BUDGET	ACTUAL	VARIANCE FAVORABLE UNFAVORABLE	PERCENTAGE DIFFERENCE BASED
<b>AD VALOREM</b>	<u>41,000</u>	<u>41,887</u>	<u>887</u>	<u>2.16%</u>
<b>LICENSES AND PERMITS</b>				
EXCISE/TAXING LICENSE	40,000	33,600	(6,400)	-16.00%
STREET FRANCHISE FEE	4,000	4,700	700	17.50%
BUILDING PERMITS	1,000	1,700	700	70.00%
BURIAL PERMITS	1,000	1,000	0	0.00%
INSURANCE PREMIUM TAXES	40,000	40,000	0	0.00%
<b>TOTAL LICENSES &amp; PERMITS</b>	<u>46,000</u>	<u>41,000</u>	<u>(5,000)</u>	<u>-10.87%</u>
<b>INTERGOVERNMENTAL</b>				
HOME HEATING ASSISTANCE	1,000	1,000	0	0.00%
LABORERS' PROGRAM TAX	10,000	10,000	0	0.00%
LABORERS' BENEFIT TAX	1,000	1,000	0	0.00%
<b>TOTAL INTERGOVERNMENTAL</b>	<u>12,000</u>	<u>12,000</u>	<u>0</u>	<u>0.00%</u>
<b>Special Events Activities</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
<b>FINES &amp; PENALTIES</b>				
HAZARD & EMBROIDERY	10,000	10,470	470	4.70%
HAZARD & EMBROIDERY	1,000	1,000	0	0.00%
HAZARD & EMBROIDERY	1,000	1,000	0	0.00%
<b>TOTAL FINES &amp; PENALTIES</b>	<u>12,000</u>	<u>12,470</u>	<u>470</u>	<u>3.92%</u>

**Town of Homer  
General Fund  
Statement of Revenues, Expenditures, and Other Financing Sources  
by Source - Compared to Budget (Cash Basis)  
Year Ended June 30, 2007  
With Comparative Amounts for Year Ended June 30, 1996**

4-3

	BUDGET	ACTUAL	VARIANCE FAVORABLE (ADVERSE)	1996 ACTUAL BUDGETARY BASE
<b>MISCELLANEOUS</b>				
CYMBERTON EQUIPMENT	400	2,000	1,600	200
ALL OTHER	4,000	16,000	12,000	4,000
<b>TOTAL MISCELLANEOUS</b>	<u>4,400</u>	<u>18,000</u>	<u>13,600</u>	<u>4,200</u>
<b>EXPENSES</b>				
<b>SALARIES - MANOR &amp; SELECTMEN</b>	10,000	10,000	-	10,000
<b>SALARIES - OTHER</b>	21,111	16,000	(5,111)	17,700
<b>SALARIES - MANAGEMENT</b>	14,000	14,000	(0)	12,700
<b>INSURANCE</b>	3,500	3,500	(0)	3,600
<b>TOWNSHIP SUPPLIES</b>	4,000	3,200	(800)	3,200
<b>TOWNSHIP REPAIRS</b>	3,000	3,000	(0)	4,400
<b>VEHICLE MAINTENANCE</b>	3,000	0	3,000	3,000
<b>ACCOUNTING &amp; AUDITING</b>	6,000	6,122	122	4,500
<b>LEGAL FEE</b>	4,000	2,000	(2,000)	3,000
<b>LEGAL ADVERTISING</b>	1,000	1,200	200	1,000
<b>OFFICE SUPPLIES</b>	1,400	4,600	3,200	1,000
<b>DEALS &amp; SUBSCRIPTIONS</b>	0	1,000	1,000	0
<b>CONVENTION AND TRAVEL</b>	3,000	3,000	(0)	1,000
<b>TAX ASSISTANCE FEE</b>	1,000	1,000	(0)	700
<b>TELEPHONE</b>	3,000	3,000	(0)	11,400
<b>DATA RENTING</b>	1,000	1,700	700	1,000
<b>ELECTRICITY - TOWNSHIP</b>	11,700	11,400	(300)	12,000
<b>LIABILITY INSURANCE</b>	14,000	14,000	(0)	12,000
<b>PROPERTY INSURANCE</b>	3,000	3,000	(0)	3,000
<b>RETIRES/COMPENSATION</b>	14,000	14,400	400	20,000
<b>EMPLOYEE INSURANCE</b>	14,000	14,000	(0)	20,000
<b>EMPLOYEE RETIREMENT</b>	14,000	11,000	(3,000)	14,000
<b>PHYSICAL TAXES</b>	3,000	3,000	(0)	3,000
<b>EMPLOYMENT</b>	400	400	(0)	1,000
<b>MISCELLANEOUS</b>	1,000	4,000	3,000	10,000
<b>CLASSROOM CONCERN - ON BOARD</b>	1,000	0	1,000	0



**Town of Hooper  
General Fund  
Statement of Revenues, Expenditures, and Other Financing Sources  
by Source - Compared to Budget (Cash Basis)  
Year Ended June 30, 2017  
With Comparative Amounts for Year Ended June 30, 2016**

**A-3**

	BUDGET	ACTUAL	VARIANCE (EXCESS/SHORTAGE)	PERCENTAGE VARIATION BUDGET
TOTAL REVENUE	600	1,000	400	66.67
MANIFEST PROGRAM				
TOTAL GENERAL GOVERNMENT	20,775	20,979	204	0.98
PUBLIC SAFETY:				
POLICE DEPARTMENT SALARIES	10,244	20,609	10,365	202.31
INSURANCE EXPENSE	10,000	24,014	14,014	240.14
INDENTURE DEFENSE	1,000	4,000	3,000	300
CRUISER EXPENSE	1,400	1,400	0	100
MISCELLANEOUS POLICE	100	1,000	900	900
ANIMAL CONTROL	1,000	4,000	3,000	300
TOTAL PUBLIC SAFETY	24,744	54,033	29,289	238.76
REGULATORY & SERVICES:				
STREET DEPARTMENT SALARIES	0	14,000	14,000	0
PARKS & RECREATION:				
SALARIES-RECREATION	11,000	1,000	10,000	9.09
SALARIES-BOARDS/COMMISSIONS	4,000	1,000	3,000	25
SALARIES-BOYSCOUTS	1,000	2,000	1,000	100
TOTAL PARKS & RECREATION	16,000	4,000	12,000	25
PUBLIC WORKS:				
CONTRACT SUPPLIES & EXPENSE		4,000	4,000	0
AIRPORT SUPPLIES	10,000	1,000	9,000	10
MISCELLANEOUS	10,000	4,000	6,000	40
TOTAL PUBLIC WORKS	20,000	9,000	11,000	45
CAPITAL OUTLAY:				
CAPITAL OUTLAY-COMPUTER	0,000	1,000	1,000	0
TOTAL CAPITAL OUTLAY	0,000	1,000	1,000	0
OTHER FINANCIAL SOURCES:				
OTHER FINANCIAL TRANSACTIONS BOND ISSUANCE UTILITY FUND	20,000	20,000	0	0
TOTAL OTHER FINANCIAL	20,000	20,000	0	0

**Special Revenue Funds  
Sales Tax Fund**

Funds used to account for the receipt and use of proceeds of the Town's sales and use taxes.

Under the provisions of the sales and use tax ordinance effective October 1, 1971, the said percent sales and use tax collected may be used for the following purposes:

- (a) Opening, constructing, paving, resurfacing, improving and/or maintaining streets, alleys, sidewalks and bridges and
- (b) Constructing, acquiring, extending, improving, renovating and/or maintaining street lighting facilities, water and a sewer. Additionally disposal works, garbage collection and waste disposal facilities, police department stations and equipment, public facilities and/or fire department stations and equipment, including fire engines, public parks and recreation facilities, and industrial development facilities, and
- (c) Purchasing and acquiring the necessary land, equipment and furnishings for the municipal public works, buildings, improvements shall be in the public use for any one or more said purposes, and
- (d) Provided that a minimum of twenty percent (20%) of the net revenues received from this tax shall be dedicated and used for industrial development facilities.

**Industrial Development Fund**

Fund used to account for the twenty percent (20%) of the net revenues of the sales and use tax which is dedicated and used for industrial development facilities.

**Street Department Fund**

Fund used to account for the operations of the street maintenance department. Financing is provided by a use and sales tax ordinance effective January 1, 1965 which states that after paying the reasonable and necessary expenses of collecting and administering the tax, Ten percent (10%) would be used for constructing, paving, resurfacing, improving and/or maintaining streets in and/or to town. Additional financing is provided from maintenance of the landfill and other miscellaneous sources related to the department activities.

**Fire Department Fund**

Fund used to account for the operations of the fire department. Financing is provided by a use and sales tax ordinance effective January 1, 1966 which states that after paying the reasonable and necessary expenses of collecting and administering the tax, Ten percent (10%) would be available for constructing, paving, resurfacing, improving and/or maintaining fire department stations and facilities in and/or town, including fire trucks and equipment. Additional funding is provided by the Town's share of State Fire Insurance Funds and other miscellaneous sources related to the fire department.

**Police Department Fund**

Fund used to account for the operations of the police department. Financing is provided by a use and sales tax ordinance effective January 1, 1966 which states that after paying the reasonable and necessary expenses of collecting and administering the tax, Ten percent (10%) would be available for constructing, acquiring, extending, improving, operating and/or maintaining police department facilities in and/or town, including the acquisition of all necessary equipment. Additional funding is provided by the Mayor's court, Sheriff's Civil Fund and other miscellaneous sources related to the police department.

**Recreation Department Fund**

Fund used to account for the operations of the recreation department. Financing is provided by a use and sales tax ordinance effective January 1, 1966 which states that after paying the reasonable and necessary expenses of collecting and administering the tax, Ten percent (10%) would be used for constructing, acquiring, extending, improving, operating and/or maintaining recreation facilities in and/or town. Additional funding is provided by miscellaneous sources related to the recreation department.

**Contingency Sales Tax Fund**

Fund used to account for the receipt and use of proceeds of the Town's sales and use tax. Under the provisions of the sales and use tax ordinance effective January 1, 1966 the percent is to be used for any one or more of the purposes that the remaining 80% of the tax is allowed for. The appointment of this 10% will be determined by the governing authority of the town.

Trust of Elmer  
Special Revenue Funds  
Combining Balance Sheet  
June 30, 1977

B-1

With Comparative Totals from June 30, 1976

	1977 (A) (\$,000)	1976(B) (\$100,000)	1977(C) (\$100,000)	1976(D) (\$100,000)
<b>ASSETS</b>				
CASH	11,704	10,867	11,888	12,111
INTEREST BEARING DEPOSITS	10,657			
DEB FROM OTHER FUNDS		6,881		
MUTUAL DEPOSITS - L.P.		10		
<b>TOTAL ASSETS</b>	<u>22,361</u>	<u>17,758</u>	<u>11,888</u>	<u>22,111</u>
<b>LIABILITIES &amp; FUND BALANCE</b>				
<b>LIABILITIES</b>				
ACCOUNTS PAYABLE			1,000	1,000
DEB FROM OTHER FUNDS				11,704
<b>TOTAL LIABILITIES</b>	<u>0</u>	<u>0</u>	<u>1,000</u>	<u>12,704</u>
<b>FUND BALANCE</b>				
RESERVED & UNRESERVED	22,361	17,758	10,888	9,407
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>22,361</u>	<u>17,758</u>	<u>11,888</u>	<u>22,111</u>

**Town of Haver**  
**Special Revenue Funds**  
**Combining Balance Sheet**  
**June 30, 1997**

With Comparative Totals from June 30, 1996

RECREATION FUND	PAID IN ADVANCE	CONTRIBUTION FUND	TOTAL	
			1997	1996
6,875	9,200	9,500	25,575	60,141
			19,607	67,049
			6,968	10,001
			141	200
<u>6,875</u>	<u>9,200</u>	<u>9,500</u>	<u>62,241</u>	<u>137,391</u>
8,000	1,500		9,500	11,000
			10,125	0
<u>8,000</u>	<u>1,500</u>	<u>0</u>	<u>19,625</u>	<u>11,000</u>
10,000	9,500	1,500	21,000	44,000
<u>10,000</u>	<u>9,500</u>	<u>1,500</u>	<u>32,600</u>	<u>49,000</u>

**Town of Hallowell**  
**Special Revenue Funds**  
**Condensed Statement of Revenue Expenditures and Changes in Fund Balances**  
**Year Ended June 30, 1997**  
**With Comparative Totals for June 30, 1996**

**B-2**

	1997 BALDWIN TOWN	1996 BALDWIN TOWN	1997 BALDWIN TOWN	1996 BALDWIN TOWN
<b>REVENUES:</b>				
TAXES	46,424		34,000	46,110
ROYALTIES		14,170		
INTER-GOVERNMENTAL			10,000	10,000
INTEREST	1,481	4,300		14,500
MISCELLANEOUS				10,000
<b>TOTAL REVENUES</b>	<u>47,905</u>	<u>18,470</u>	<u>54,000</u>	<u>80,610</u>
<b>EXPENDITURES:</b>				
<b>GENERAL GOVERNMENT</b>				
PUBLIC SAFETY				
ROADWAYS & STREETS			11,714	11,944
LAND & REDEVELOPMENT				
INDUSTRIAL DEVELOPMENT		1,116		
CAPITAL OUTLAY			4,277	1,000
DEBT SERVICE			1,400	
<b>TOTAL EXPENDITURES</b>		<u>1,116</u>	<u>17,391</u>	<u>12,944</u>
Excess of revenues over expenditures, appropriations and transfers	<u>46,900</u>	<u>17,354</u>	<u>(1,391)</u>	<u>(23,334)</u>
<b>OTHER SOURCES AND USES:</b>				
Operating Transfers from (to):				
Special Revenue Funds	46,110	41,400	(4,000)	(4,000)
General Fund	1,000			11,000
<b>TOTAL OTHER SOURCES/USES</b>	<u>47,110</u>	<u>41,400</u>	<u>(4,000)</u>	<u>7,000</u>
Excess of revenues and other sources over expenditures and other uses	<u>1,000</u>	<u>(1,116)</u>	<u>1,000</u>	<u>(1,000)</u>
Fund Balance beginning of year	14,121	13,116	1,000	46,000
<b>Fund Balance end of year</b>	<u>15,121</u>	<u>12,000</u>	<u>2,000</u>	<u>45,000</u>

**Town of Haver**

**Special Revenue Funds**

**Combining Statement of Revenue Expenditures and Changes in Fund Balance**

**Year Ended June 30, 2007**

**With Comparative Totals for June 30, 2006**

RECREATION FUND	COLLEGE FUND	CONFERENCE FUND	TOTAL 2007	TOTAL 2006
40,111	40,111	40,111	120,333	120,333
			14,174	1,789
			42,381	10,443
	139		14,035	14,035
10,844	7,499		18,343	40,000
<u>40,111</u>	<u>40,111</u>	<u>40,111</u>	<u>120,333</u>	<u>120,333</u>
		88	88	11,750
	43,111		11,851	10,000
			204,730	200,000
40,111			40,111	40,000
40,111			40,111	41,279
			40,400	170,000
			1,870	4,229
<u>120,333</u>	<u>40,111</u>	<u>88</u>	<u>261,522</u>	<u>412,571</u>
104,174	17,440	40,000	161,614	161,614
(1,000)	(10,000)	15,000	34,000	0
<u>103</u>	<u>7,440</u>	<u>15,000</u>	<u>34,000</u>	<u>161,614</u>
104,174	7,440	15,000	126,614	126,614
15,000	4,000	11,000	30,000	40,000
<u>119,174</u>	<u>11,440</u>	<u>26,000</u>	<u>156,614</u>	<u>166,614</u>

**Town of Blinn  
Special Revenue Funds  
Sales Tax Fund**

11-3

**Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget (Cash Basis) and Actual  
Year Ended June 30, 2007  
With Comparative Amounts for Year Ended June 30, 2006**

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	FY06 ACTUAL ON BUDGETARY BASE
<b>REVENUES</b>				
<b>TAXES:</b>				
SALES TAX	40,000	41,478	1,478	40,000
INTEREST	500	1,481	981	1,480
<b>TOTAL REVENUES</b>	<u>40,500</u>	<u>42,959</u>	<u>2,459</u>	<u>41,480</u>
<b>EXPENDITURES:</b>				
<b>GENERAL GOVERNMENT</b>				
OPERATIONAL COLLECTED (EXPENSE)				4
Transfers (refunding) advances and expenditures	40,000	40,000	0	40,000
<b>OTHER FUNDS</b>				
SPENDING TRANSFERRED FROM (TO)				
GENERAL FUND	20,000	20,000	(20,000)	(20,000)
SOCIAL SERVICE FUND	10,000	8,511	(1,489)	(10,000)
<b>TOTAL OTHER FUNDS</b>	<u>30,000</u>	<u>28,511</u>	<u>(1,489)</u>	<u>(30,000)</u>
Transfers (refunding) advances and expenditures available from	10,000	32,444	22,444	(20,000)
<b>Fund Balance - Beginning of Year</b>		14,007		14,000
<b>Fund Balance - End of Year</b>		<u>14,007</u>		<u>14,000</u>

**Town of Haverhill**  
**Special Revenue Funds**  
**Street Department Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (Funds Basis) and Actual**  
**Year Ended June 30, 1997**  
**With Comparative Totals for Year Ended June 30, 1996**

8-4

	BUDGET	ACTUAL	VARIANCE (FAVORABLE/ UNFAVORABLE)	PERCENTAGE OF BUDGETARY BASE
<b>REVENUES:</b>				
<b>Taxes:</b>				
SALES TAX	246,000	246,000	00	100.00
OTHER TAXES	0.00	0.00	-	0.00
<b>TOTAL REVENUES</b>	<u>246,000</u>	<u>246,000</u>	<u>00</u>	<u>100.00</u>
<b>EXPENDITURES:</b>				
<b>PERSONAL SERVICES:</b>				
COLLECTION FEE				
POLICE AND EXPENSE	26,750	11,740	15,010	
SALARIES	186,880	46,018	140,862	13.85
WORKERS COMPENSATION	14,000	100.00	13,900	100.00
WAGE PREMIUM EXPENSE	26,870	0.00	26,870	0.00
CAPITAL OUTLAY	0.00	48,077	(48,077)	0.00
DEBT SERVICE	0.00	0.00	0.00	0.00
<b>TOTAL EXPENDITURES</b>	<u>253,600</u>	<u>105,835</u>	<u>147,765</u>	<u>41.75</u>
Excess (deficiency) of revenues over expenditures	(7,600)	(41,835)	(34,235)	(14.75)
<b>OTHER SOURCES &amp; USES:</b>				
<b>FINANCING (TRANSFERS) OTHERS:</b>				
SPECIAL REVENUE FUND	0.00	0.00	(0.00)	0.00
GENERAL FUND				0
<b>TOTAL OTHER SOURCES (USES)</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Excess (deficiency) of revenues over expenditures and other uses	(7,600)	(41,835)	(34,235)	(14.75)
Fund Balance - Beginning of year		2,000		20.00
Fund Balance - End of year		<u>(39,835)</u>		(14.75)



## Type of Matter

B-5

## Special Revenue Funds

## Fire Department Fund

## Statement of Revenue, Expenditures and Change in Fund Balance

## Budget (With Basis) and Actual

Year Ended June 30, 1987

With Comparative Budget for Year Ended June 30, 1986

	BUDGET	ACTUAL	VARIANCE FAVORABLE UNFAVORABLE	PERCENTAGE ON BUDGETARY BASE
<b>REVENUES:</b>				
<b>TAXES:</b>				
FIRE TAX	40,000	41,071	1,071	100%
<b>INTERGOVERNMENTAL:</b>				
LAUREL FIRE DEPT	10,000	11,700	1,700	117%
OTHER (FIRE COSTS)	25,000	18,000	(7,000)	72%
GRANT	0	4,000	4,000	0
INTEREST	0	101	101	101%
ALL OTHER	0	178	178	600%
<b>TOTAL REVENUES</b>	<u>75,000</u>	<u>75,951</u>	<u>951</u>	<u>101%</u>
<b>EXPENDITURES:</b>				
<b>PROPERTY TAXES:</b>				
COLLECTION FEE	0	0	0	0
REPAIRS	10,000	9,000	(1,000)	90%
SUPPLIES EXPENSE	10,000	11,700	1,700	117%
CAPITAL OUTLAY	20,000	21,000	1,000	105%
<b>TOTAL EXPENDITURES</b>	<u>40,000</u>	<u>41,700</u>	<u>1,700</u>	<u>103%</u>
Excess (deficiency) revenues over expenditures	<u>35,000</u>	<u>34,251</u>	<u>(749)</u>	<u>98%</u>
<b>OTHER REVENUES &amp; FUNDS:</b>				
<b>RESERVE FUNDS:</b>				
SPECIAL TRANSFER (BONDING)	0	14,000	14,000	0
SPECIAL REVENUE FUNDS	0	0	0	0
GENERAL FUNDS	0	14,000	14,000	0
<b>TOTAL OTHER REVENUES (FUNDS)</b>	<u>0</u>	<u>28,000</u>	<u>28,000</u>	<u>0</u>
Excess (deficiency) revenues over expenditures and other funds	<u>35,000</u>	<u>62,251</u>	<u>27,251</u>	<u>178%</u>
Fund Balance - Beginning of Year	0	62,000	0	100%
Fund Balance - End of Year		<u>124,251</u>		<u>100%</u>

**State of Illinois**

**Special Revenue Funds**

**Public Departmental Fund**

**Statement of Revenues, Expenditures and Changes in Fund Balance**

**Budget (Cash Basis) and Actual**

**Year Ended June 30, 1997**

**With Comparative Totals for Year Ended June 30, 1996**

	BUDGET	ACTUAL	YEAR-END FAVORABLE UNAVAILABLE	1996 ACTUAL ON BUDGETARY BASE
<b>REVENUES</b>				
<b>TAXES</b>				
INDEBTING	4,000	4,131	131	4,000
MISCELLANEOUS REVENUE	2,000	2,298	298	2,000
<b>TOTAL REVENUES</b>	<u>6,000</u>	<u>6,429</u>	<u>429</u>	<u>6,000</u>
<b>EXPENDITURES</b>				
<b>PUBLIC SAFETY</b>				
COLLECTION FEE				0
SUPPLIES & EXPENSES	4,200	39,131	(34,931)	48,000
MARKETING EXPENSES	2,000	4,493	(2,493)	3,333
CAPITAL OUTLAY	15,000	89	14,911	15,771
<b>TOTAL EXPENDITURES</b>	<u>21,200</u>	<u>43,703</u>	<u>22,503</u>	<u>77,104</u>
Excess (deficiency) of revenues over expenditures	<u>(15,200)</u>	<u>(37,274)</u>	<u>22,074</u>	<u>(15,104)</u>
<b>OTHER SOURCES AND USES</b>				
<b>OPERATING TRANSFERS FROM/TO:</b>				
SPECIAL REVENUE FUNDS	20,000	20,000	0	20,000
GENERAL FUND				0
<b>TOTAL OTHER SOURCES (USES)</b>	<u>20,000</u>	<u>20,000</u>	<u>0</u>	<u>20,000</u>
Excess (deficiency) of revenues over expenditures and other uses	<u>(1,200)</u>	<u>(1,274)</u>	<u>674</u>	<u>(1,104)</u>
Fund Balance - Beginning of Year		4,431		18,334
Fund Balance - End of Year		<u>3,157</u>		<u>17,230</u>

Town of Hester

Special Revenue Funds

Recreation Department Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Cash Basis) and Actual

Year Ended June 30, 1997

With Comparative Data for Year Ended June 30, 1996

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1996 ACTUAL PER CENTAGE OF BUDGET
<b>REVENUES</b>				
<b>TAXES</b>				
BUDGET TAX	4000	4000	00	100%
MISCELLANEOUS REVENUE	4000	14000	10000	350%
<b>TOTAL REVENUES</b>	<u>8000</u>	<u>18000</u>	<u>10000</u>	<u>225%</u>
<b>EXPENDITURES</b>				
<b>PERSONNEL COMPENSATION</b>				
EMPLOYEE SALARIES				0
CAPITAL OUTLAY	10000	9100	(900)	91%
SUPPLIES EXPENSE	2000	2070	70	103%
MISCELLANEOUS EXPENSE		1100	1000	100%
<b>TOTAL EXPENDITURES</b>	<u>3000</u>	<u>12270</u>	<u>(900)</u>	<u>409%</u>
From (Advance) Revenues and expenditures	(1000)	(9100)	(8100)	(270%)
<b>OTHER SOURCES AND USES</b>				
<b>OPERATING TRANSFER FROM (TO)</b>				
SPECIAL REVENUE FUND	0	5000	5000	5000%
<b>TOTAL OTHER SOURCES (USES)</b>	<u>0</u>	<u>5000</u>	<u>5000</u>	<u>5000%</u>
From (Advance) Revenues and expenditures and otherwise	11000	(8100)	(9000)	73%
<b>Reconciliation - Beginning of Year</b>		<u>0000</u>		<u>00%</u>
<b>Reconciliation - End of Year</b>		<u>8000</u>		<u>100%</u>

**Terms of Honor**

**Special Revenue Funds**

**Contingency Sales Tax Fund**

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Cash Basis) and Actual

Year Ended June 30, 2001

With Comparative Totals for Year Ended June 30, 1999

0-8

	BUDGET	ACTUAL	VARIANCE, FAVORABLE UNFAVORABLE	DIFFERENCE ON BUDGETARY BASE
<b>REVENUES</b>				
<b>TAXES</b>				
EDUCATION	40,000	40,000	00	40,000
INTEREST				000
<b>TOTAL REVENUE</b>	<u>40,000</u>	<u>40,000</u>	<u>00</u>	<u>40,000</u>
<b>EXPENDITURES</b>				
MISCELLANEOUS EXPENSE	0	00	000	0
Excess (deficiency) of revenues over expenditures	<u>40,000</u>	<u>40,000</u>	<u>00</u>	<u>40,000</u>
<b>OTHER USES</b>				
<b>OPERATING TRANSFERS FROM (TO)</b>				
SPECIAL REVENUE FUND	(40,000)	(40,000)	(0,000)	(40,000)
<b>TOTAL OTHER USES</b>	<u>(40,000)</u>	<u>(40,000)</u>	<u>(0,000)</u>	<u>(40,000)</u>
Excess (deficiency) of revenues over expenditures and other uses	<u>0,000</u>	<u>(4,000)</u>	<u>(4,000)</u>	<u>(4,000)</u>
Fund Balance, Beginning of Year		0,000		0,000
Fund Balance, End of Year		<u>0,000</u>		<u>0,000</u>

**Trust of Honor**
**Special Revenue Fund**
**Industrial Development Fund**
**Statement of Revenues, Expenditures and Changes in Fund Balance**
**(Budget (Cash Basis) and Actual**
**Year Ended June 30, 1997**
**With Comparative Totals for Year Ended June 30, 1996**
**B-9**

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	RELATION BUDGETARY BASE
<b>REVENUES:</b>				
RENTALS	2,700	8,177	5,477	300
INTEREST EARNED	3,000	4,500	1,500	2100
MISSCELLANEOUS GRANT	0	0	0	2,000
<b>TOTAL REVENUES</b>	<u>5,700</u>	<u>12,677</u>	<u>6,977</u>	<u>5,000</u>
<b>EXPENDITURES:</b>				
<b>INDUSTRIAL DEVELOPMENT:</b>				
INDUSTRIAL DEVELOPMENT EXPENSE	14,000	9,114	4,886	(1,274)
Taxes (Military) of income tax expenditures	(6,200)	11,700	(7,500)	(11,000)
<b>OTHER SOURCES AND USES:</b>				
<b>OPERATING TRANSFERS FROM/TO:</b>				
SPECIAL REVENUE FUND	8,000	8,700	(700)	
SPECIAL REVENUE FUND		(6,000)	6,000	8,111
<b>TOTAL OTHER REVENUES (USES)</b>	<u>8,000</u>	<u>(6,000)</u>	<u>(4,000)</u>	<u>8,111</u>
Taxes (Military) of income tax expenditures and other use	14,000	(1,400)	(12,600)	6,400
Fund Balance - Beginning of Year		20,000		21,000
Fund Balance - End of Year		<u>18,596</u>		<u>19,000</u>

## Debt Service Funds

### Water System 7-1-87:

To accumulate monies for payment of the 1987 \$241,000 Public Improvement Bonds, which are serial bonds due in annual installments, plus interest, through maturity in 1997. Debt service is not levied or financed by the levy of a specific ad valorem tax. The debt was paid in full during the year ended June 30, 1997.

### Public Improvement 3-1-73 "A":

To accumulate monies for payment of the 1973 \$260,000 public improvement bond Series A, which are serial bonds due in annual installments, plus interest, through maturity in 1993. Debt service is levied by the levy of a specific ad valorem tax and revenues generated by the rental of an industrial building, which was acquired from the proceeds of the bond issue. The debt was paid in full at June 30, 1993.

Town of Homer  
 Solid Service Funds  
 Combining Balance Sheet  
 Year Ended June 30, 1997  
 With Comparative Totals for June 30, 1996

C-1

	Water System 20-63	Public Improvement 20-21, 22, 23	TOTAL	
			1997	1996
<b>Assets</b>				
Cash	3,000		3,000	8,000
Interest Bearing Deposits			0-	41,278
Due from other funds				
Field Service Funds	449		449	0-
Agency Funds	153		153	124
<b>TOTAL ASSETS</b>	<u>3,602</u>	<u>0-</u>	<u>3,602</u>	<u>49,402</u>
<b>Liabilities &amp; Fund Balance</b>				
<b>Liabilities</b>				
Interest Payable				1,410
Due to Other Funds				36,831
<b>TOTAL LIABILITIES</b>	<u>0-</u>	<u>0-</u>	<u>0-</u>	<u>38,241</u>
<b>Fund Balances</b>				
Unassigned & Unbudgeted	3,602		3,602	11,161
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>3,602</u>	<u>0-</u>	<u>3,602</u>	<u>49,402</u>

## Town of Homer

C-2

## Belt Service Funds

## Comparing Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 1991

With Comparative Totals for June 30, 1990

	Waste System 7-1-81	Public Improvement 1-1-78	TOTAL	
			1991	1990
<b>Revenues:</b>				
ad Valorem Taxes	550	-	550	26,298
Interest Earnings-Investment	420	-	420	2,204
<b>TOTAL REVENUES</b>	<u>970</u>	<u>0</u>	<u>970</u>	<u>28,502</u>
<b>Expenditures:</b>				
Needs & Capitalize (Paid Interest Paid)	21,000	-	21,000	26,000
Paying Agent Fees	100	-	100	1,817
Miscellaneous Expenses	77	400	477	100
<b>TOTAL EXPENDITURES</b>	<u>21,177</u>	<u>400</u>	<u>21,577</u>	<u>28,116</u>
Excess (deficiency) of revenues over expenditures	(20,207)	(400)	(20,607)	486
Fund Balance- Beginning of Year	28,446	400	28,846	28,630
Fund Balance- End of Year	<u>8,239</u>	<u>0</u>	<u>8,239</u>	<u>29,116</u>



## Town of Haver

## Debt Service Funds

## 1947 Waterworks Sinking Fund

## Statement of Revenues, Expenditures and Changes in Fund Balance

## Budget (Cash Basis) and Actual

## Year Ended June 30, 1997

## With Comparative Totals for Year Ended June 30, 1996

C-2

	BUDGET	ACTUAL	FAVORABLE UNFAVORABLE (UNFAVORABLE)	PERCENTAGE ON BUDGETARY BASE
<b>Revenues:</b>				
Ad Valorem Tax		435	435	100.0%
Interest Income		435	435	1.89%
<b>TOTAL REVENUES</b>	<u>0</u>	<u>870</u>	<u>870</u>	<u>101.89%</u>
<b>Expenditures:</b>				
Principal	21,000	21,000		100.0%
Interest Expense	434	434		1.82%
Paying Agent Fee	150	80	350	53.3%
Miscellaneous		37	(37)	0
<b>TOTAL EXPENDITURES</b>	<u>21,584</u>	<u>21,541</u>	<u>43</u>	<u>2.13%</u>
Transfers (deficiency) revenues over expenditures	<u>(21,584)</u>	<u>(21,571)</u>	<u>13</u>	<u>0%</u>
Fund Balance, Beginning of Year		2,844		100.0%
Fund Balance, End of Year		<u>1,273</u>		<u>44.8%</u>

#### Capital Projects Funds

##### **FMBA Water Improvements:**

Fund used to account for the receipts and disbursements of Plaquemine Home Administration Award grant for improvements to water system.

##### **LCDMO Sewer Improvement Fund:**

Fund used to account for the receipts and disbursements of Louisiana Community Development Block Grant grant for improvements to the town's sewer system.

**Trust of Home**  
**All Capital Projects Funds**  
**Combined Balance Sheet**  
**Year Ended June 30, 1997**  
**With Comparative Totals for June 30, 1996**

**B-1**

	FUND COUN	FUND BOARD AC	TOTAL 1997	TOTAL 1996
<b>Assets:</b>				
Cash	11,000		11,000	34,700
<b>TOTAL ASSETS</b>	<u>11,000</u>	<u>0</u>	<u>11,000</u>	<u>34,700</u>
<b>Liabilities and Fund Balance</b>				
<b>Liabilities:</b>				
Accounts Payable				9,007
Due to Enterprise Fund	100,000		100,000	100,400
<b>TOTAL LIABILITIES</b>	<u>100,000</u>	<u>0</u>	<u>100,000</u>	<u>109,407</u>
<b>Fund Balance</b>				
Unreserved & Undesignated	(94,000)		(94,000)	(94,700)
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<u>11,000</u>	<u>0</u>	<u>11,000</u>	<u>34,700</u>

**Town of Homer**  
**All Capital Project Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Year Ended June 30, 1997**  
**With Comparative Totals for Year Ended June 30, 1996**

34

	Fund BALANCE	1996 REVENUES	TOTAL 1997	TOTAL 1996
<b>Revenues:</b>				
Grants				805,524
Including Funds (1996)				80,810
Interest	1,760		1,760	2,500
<b>TOTAL REVENUES</b>	<u>1,760</u>	<u>0</u>	<u>1,760</u>	<u>810,834</u>
<b>Expenditures:</b>				
Principal & Interest Payments				0
Capital Outlay - Public Works				681,971
<b>TOTAL EXPENDITURES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>681,971</u>
Excess (deficiency) of revenues over expenditures	1,760	0	1,760	128,863
<b>Other Financing Sources:</b>				
Transfers In - Enterprise Fund				64
Loan Proceeds				0
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>64</u>
Excess (deficiency) of revenue and other financing sources over expenditures	1,760		1,760	129,907
Fund Balance - Beginning of Year	(93,712)		(93,712)	(279,400)
<b>Fund Balance - End of Year</b>	<u>1,028</u>	<u>0</u>	<u>1,028</u>	<u>(149,493)</u>

## Enterprise Funds

### Utilities and Sanitation

To account for the provision of water, sewer and sanitation services to residents of the Town 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. Additionally, this fund accounts for revenue earned and expenses incurred under the terms of an electric plant operating agreement with Louisiana Power and Light Company.

**Terms of Manner**  
**Subscription Fund**  
**Proprietary Fund Type - Utilities and Sanitation**  
**Balance Sheet**  
**Year Ended June 30, 1997**  
**With Comparative Totals for June 30, 1996**

	1997	1996
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash	\$7,963	\$9,947
Interest-bearing deposits	388,238	582,208
Due from other funds	-	81,889
Accounts Receivable:		
Utilities and Sanitation	81,675	108,111
<b>TOTAL CURRENT ASSETS</b>	<u>478,884</u>	<u>882,155</u>
<b>Restricted Assets:</b>		
Fund Reserve Account	\$7,868	15,617
Customer's Money Deposits	111,286	81,380
Fund Interest and Redemption Account	182,884	388,049
Depreciation and Contingency Account	79,420	60,156
Construction Account	58,982	-
<b>TOTAL RESTRICTED ASSETS</b>	<u>480,440</u>	<u>645,202</u>
Construction in Progress	1,111,118	2,468,997
Property, plant and equipment	9,499,959	7,881,941
Less: Accumulated depreciation	(3,588,759)	(1,377,687)
<b>TOTAL ASSETS</b>	<u>10,000,581</u>	<u>11,177,997</u>

**Trust of Warner  
Enterprise Fund  
Proprietary Fund Type - Utilities and Institutions  
Balance Sheet  
Year Ended June 30, 1997  
With Comparative Data for June 30, 1996**

	1997	1996
<b>Liabilities and Fund Equity:</b>		
<b>Current Liabilities (payable from restricted assets)</b>		
Accounts Payable and Accounts Due to Other Funds	\$1,291	17,111
	13,911	-
<b>Total</b>	<u>15,202</u>	<u>17,111</u>
<b>Current Liabilities (payable from unrestricted assets)</b>		
Accounts Receivable and Notes Receivable	\$1,775	11,985
Contract In Progress	44,948	44,737
Contractors' Deposits	41,992	41,890
<b>Total</b>	<u>88,715</u>	<u>98,612</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>103,917</u>	<u>115,723</u>
<b>Long Term Liabilities</b>		
Obligations under Capital Lease	-	1,134
Revenue Bonds - Public Law Current Portion	1,091,878	1,090,742
	(28,552)	(14,985)
<b>Total Long Term Liabilities</b>	<u>1,063,326</u>	<u>1,076,889</u>
<b>TOTAL LIABILITIES</b>	<u>2,167,243</u>	<u>2,192,612</u>
<b>Fund Equity:</b>		
Contributions	1,711,190	1,377,591
<b>Retained Earnings:</b>		
Non-restricted Balance Sheet Statement	88,472	105,430
Non-restricted Balance Sheet Statement	76,333	64,936
Restricted Balance Sheet Statement and Contingency Encumbrance	473,121	1,144,889
<b>Total Retained Earnings</b>	<u>637,926</u>	<u>1,315,255</u>
<b>TOTAL FUND EQUITY</b>	<u>2,359,116</u>	<u>2,687,846</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>4,526,359</u>	<u>4,880,458</u>

**Types of History**

**B-2**

**Enterprise Fund**

**Proprietary Fund Type - Utilities and Institution**

**Statement of Revenues, Expenses and Changes in Funded Balance**

**Year Ended June 30, 1997**

**With Comparative Data for June 30, 1996**

	<b>1997</b>	<b>1996</b>
<b>Operating Revenues</b>		
Water sales and service	250,000	270,000
Operating Agreement - LPRL	80,000	80,000
Water System	60,000	50,000
Institution	100,000	100,000
Debt Service Charge	10,000	10,000
Miscellaneous	1,000	200
<b>TOTAL OPERATING REVENUES</b>	<u>501,000</u>	<u>590,200</u>
<b>Operating Expenses</b>		
Water Department	207,400	180,000
Water Treatment	207,000	170,000
Institution Department	70,000	100,000
General and Administration	207,000	200,000
<b>TOTAL OPERATING EXPENSES</b>	<u>691,400</u>	<u>650,000</u>
<b>Operating Income (loss)</b>	<u>(190,400)</u>	<u>(59,800)</u>
<b>Nonoperating Revenues/Expenses</b>		
Interest Income	20,000	20,000
Interest Expense	(100,000)	(100,000)
Loss on disposition of assets	-	(200,000)
<b>TOTAL NONOPERATING REVENUES &amp; EXPENSES</b>	<u>(80,000)</u>	<u>(200,000)</u>
<b>Income (loss) before operating transfers</b>	<u>(270,400)</u>	<u>(260,000)</u>
<b>Operating Transfers</b>		
Transfers out	-	(0)
<b>Net Income (Loss)</b>	<u>(270,400)</u>	<u>(260,000)</u>
<b>Additional revenues and funds received by grants, contributions, and shared resources externally provided for capital acquisition and construction that are not fund-financed</b>	40,000	40,000
<b>Revised earnings - beginning of year</b>	<u>1,200,000</u>	<u>1,210,000</u>
<b>Revised earnings - end of year</b>	<u>929,600</u>	<u>950,000</u>



**Town of Homer**  
**Enterprise Fund**  
**Proprietary Fund Type - Utilities and Incentives**  
**Schedule of Expenses by Department**  
**Year Ended June 30, 1997**  
**With Comparative Totals for June 30, 1996**

8-3

	1997	1996
<b>Water Department Expenses:</b>		
Salaries	90,915	97,708
Electricity	43,488	41,058
Supplies Expense	10,180	10,499
Miscellaneous	3,585	3,880
	<u>148,168</u>	<u>153,145</u>
<b>TOTAL WATER DEPARTMENT</b>		
<b> Sewer Department Expenses:</b>		
Salaries	41,300	49,000
Electricity	31,046	40,780
Supplies Expense	90,000	82,217
	<u>162,346</u>	<u>171,997</u>
<b>TOTAL SEWER DEPARTMENT</b>		
<b>Sanitation Department Expense:</b>		
Contract Services	105,364	107,809
<b>General and Administrative Expenses:</b>		
Salaries Mayor, Council and Office	64,890	53,000
Fringe	4,316	3,800
Town Hall/Supplies, Repairs, and Maintenance	12,078	14,619
Legal and Accounting	10,766	10,898
Office Supplies	4,693	3,573
Conventions and Travel	3,088	3,304
Telephone	9,741	98,090
Utilities	27,433	23,115
Insurance	67,300	61,884
Employees Benefits	13,011	54,348
Payroll Taxes	9,801	10,013
Miscellaneous	17,450	13,465
Utility Fund Depreciation	104,380	140,880
Award/ Vacation Expense	-	4,888
	<u>507,803</u>	<u>476,900</u>
<b>TOTAL GENERAL AND ADMINISTRATIVE EXPENSE</b>		
<b>TOTAL EXPENSES</b>	<u>1,045,098</u>	<u>971,475</u>

### **Trust and Agency Funds**

Agency funds are used to account for assets held by the government as trustee for individuals, private organizations, other governments and/or other funds.

#### **Police Bond Fund**

To account for the collection and ultimate disposition of bonds posted by citizens who have been bonded-outstanding for traffic violations or arrested for civil offenses. Bonds posted by the violators are held until their cases are heard in Mayor's Court. At that time, the bonds for persons assessed of violations are distributed to the General Fund. If a person posting the bond is found to be not guilty, the bonds are refunded.

#### **Tax Collection Funds**

To account for the collection and disposition of all revenues assessed by the town.

Expendable trust funds are used to account for assets held by the government in a trustee capacity.

#### **Arlington Cemetery (Perpetual Care) Fund**

To account for donations, principal amounts and related income. The funds are to be used to maintain the cemetery cemetery.

**Trust of Homer  
Trust and Agency Funds  
Combining Balance Sheet  
Year Ended June 30, 1997  
With Comparative Totals for June 30, 1996**

8-1

	Agency Fund		COMBINEABLE TRUST FUND- AGENCY FUND COMBINED	TOTALS	
	FUND BOND	T&A (AGENCY FUND)		1997	1996
<b>Assets</b>					
Cash/Interest-Bearing Deposits	5,000		284,000	284,000	292,000
Investment			1,000	1,000	1,000
Due from General Fund		\$0	\$0	\$0	\$0
Equipment			4,000	4,000	4,000
Accumulated Depreciation			(200)	(200)	(200)
<b>TOTAL ASSETS</b>	<u>5,000</u>	<u>\$0</u>	<u>284,000</u>	<u>284,000</u>	<u>297,000</u>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Due to Other Funds		\$0	\$0	\$0	\$0
Due to Self-Insured Health					1700
Due to General Fund	4,000			4,000	4,000
<b>TOTAL LIABILITIES</b>	<u>4,000</u>	<u>\$0</u>	<u></u>	<u>4,000</u>	<u>5,700</u>
<b>Fund Balance</b>					
Unreserved	+	-	284,000	284,000	291,300
<b>Fund Fund Balance</b>	<u>+</u>	<u>-</u>	<u>284,000</u>	<u>284,000</u>	<u>285,600</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<u>5,000</u>	<u>\$0</u>	<u>284,000</u>	<u>288,000</u>	<u>296,900</u>

**State of Flower**  
**Agency Funds**  
**Police Road Fund**  
 Comparative Balance Sheet  
 June 30, 1999 and June 30, 1998

8-1

	<u>1999</u>	<u>1998</u>
<b>Assets</b>		
Cash	9,800	10,000
<b>TOTAL ASSETS</b>	<u>9,800</u>	<u>10,000</u>
<b>Liabilities</b>		
Due to General Fund	9,800	10,000
<b>TOTAL LIABILITIES</b>	<u>9,800</u>	<u>10,000</u>

**Statement of Changes in Assets and Liabilities**

	<u>BALANCE</u> <u>06/30/98</u>	<u>ACQUISITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>06/30/99</u>
<b>Assets</b>				
Cash	10,000	24,000	24,000	9,800
<b>TOTAL ASSETS</b>	<u>10,000</u>	<u>24,000</u>	<u>24,000</u>	<u>9,800</u>
<b>Liabilities</b>				
Due to General Fund	10,000	24,000	24,000	9,800
<b>TOTAL LIABILITIES</b>	<u>10,000</u>	<u>24,000</u>	<u>24,000</u>	<u>9,800</u>

Town of Homer  
Agency Funds  
Tax Collection Funds  
Comparative Balance Sheet  
June 30, 1997 and June 30, 1996

B-3

	1997	1996
<b>Assets</b>		
Cash		
Due to General	81	188
<b>TOTAL ASSETS</b>	<u>81</u>	<u>188</u>
<b>Liabilities</b>		
Due to Debt Service Funds	81	154
Due to General Fund		34
<b>TOTAL LIABILITIES</b>	<u>81</u>	<u>188</u>

Statement of Changes in Assets and Liabilities

	BALANCE 6/30/96	ADDITIONS	DEDUCTIONS	BALANCE 6/30/97
<b>Assets</b>				
Cash	1,465			4-
Due from General		81	1,465	81
<b>TOTAL ASSETS</b>	<u>1,465</u>	<u>81</u>	<u>1,465</u>	<u>81</u>
<b>Liabilities</b>				
Due to Debt Service Funds	207		150	81
Due to General Fund	1,258		1,178	4-
<b>TOTAL LIABILITIES</b>	<u>1,465</u>	<u>4-</u>	<u>1,328</u>	<u>81</u>

**Trust of Honor**

F-8

**Principals Care Expense Trust Fund**

**Academy Country**

**Statement of Revenues, Expenditures and Changes in Fund Balance**

**Year Ended June 30, 1991**

**With Comparative Totals for June 30, 1990**

	1991	1990
	-----	-----
<b>Revenues:</b>		
Interest	12,008	11,879
Dividends	542	587
Donations	11,540	13,580
<b>TOTAL REVENUES</b>	----- 24,090	----- 26,046
<b>Expenses:</b>		
Maintenance	4,525	5,000
Office Expenses	180	268
Depreciation Expense	492	492
<b>TOTAL EXPENSES</b>	----- 5,207	----- 5,760
<b>Excess of Revenues over expenditures</b>	18,883	20,286
<b>Fund Balance, Beginning of Year</b>	778,714	762,088
<b>Fund Balance, End of Year</b>	----- 797,597	----- 782,374

**Trust of Honor**  
**Perpetual Care Endowment Trust Fund**  
**Washington Cemetery**  
**Statement of Cash Flows**  
**Year Ended June 30, 1997**  
**With Comparative Totals for June 30, 1996**

7-4

	1997	1996
	<u>          </u>	<u>          </u>
<b>Cash Flows from Operating Activities:</b>		
Cash Paid for Maintenance	4,071	(9,000)
Cash Paid for Administrative Costs	191	(1,000)
Donations	31,688	17,581
Interest	31,648	11,978
Dividends Received	143	307
<b>Net Cash Provided by Operating Activities</b>	<u>68,541</u>	<u>19,866</u>
<b>Cash Flows from Investing Activities:</b>		
Cash Paid for Fixed Assets	-	(491.0)
<b>Net Cash (used) by Investing Activities</b>	<u>-</u>	<u>(491.0)</u>
<b>Net Increase in Cash</b>	<u>68,541</u>	<u>19,375</u>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>100,655</u>	<u>234,115</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>169,196</u></u>	<u><u>253,490</u></u>

**General Fixed Assets Account Group**

To account for fixed assets not used in proprietary fund operations



**Types of Member**  
**General Fixed Assets**  
**Comparative Balance Sheet**  
**June 30, 1997 and 1996**

6-1

	<b>1997</b>	<b>1996</b>
<b>General Fixed Assets at Cost</b>		
Land	87,770	87,770
Buildings	666,767	666,284
Improvements-Other than Building	4,814,091	3,980,341
Automobile	463,863	463,863
Equipment	698,938	698,938
<b>TOTAL GENERAL FIXED ASSETS</b>	<u>6,439,429</u>	<u>5,998,196</u>
<b>Investments in General Fixed Assets</b>		
Property Acquired prior July 1, 1933	30,797	30,797
Property Acquired after July 1, 1933, thru		
General Obligation Bonds	787,817	787,817
Federal and State Bonds	2,893,238	2,893,238
Donations	50,000	50,000
General Fund Revenues	1,347,383	665,755
Sales Tax and Special Revenue Funds	1,993,839	1,993,839
Federal Revenue Sharing Funds	162,950	162,950
<b>TOTAL INVESTMENTS IN GENERAL FIXED ASSETS</b>	<u>6,439,429</u>	<u>5,998,196</u>

**State of Hawaii**

0-2

**Statement of Changes in Fixed Assets  
Year Ended June 30, 1997**

	LAND	BUILDINGS	LAND AND CONCRETE IMPROVEMENTS	EQUIPMENT	INVENTORY	TOTAL
Grand Fixed Assets - Beginning of Year	\$1,740	166,888	3,136,791	403,683	880,888	5,409,890
<b>ADDITIO:</b>						
Grand Fixed Acquisitions						681,600
State Tax and Special Revenue Fund Acquisitions		180,288	102,554			282,842
<b>TOTAL ADDITIONS</b>	<u>0</u>	<u>180,288</u>	<u>102,554</u>	<u>0</u>	<u>0</u>	<u>363,684</u>
<b>TOTAL DEPLETION AND AMORTIZATION</b>	17,740	164,787	4,114,895	403,683	880,888	4,681,993
<b>DEDUCTIONS</b>						
Assets Sold, Transf. In/Out						0
<b>TOTAL DEDUCTIONS</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Classified Assets - End of Year</b>	<u>\$1,740</u>	<u>164,787</u>	<u>4,114,895</u>	<u>403,683</u>	<u>880,888</u>	<u>4,681,993</u>

**General Long-Term Debt  
Account Group**

To account for unamortized principal amounts on general long-term debt expected to be financed from governmental type funds. Payments of matured obligations, including interest, are accounted for in the debt service funds.

State of Illinois

11-1

Statement of General Long-Term Debt

Year Ended June 30, 1997

With Comparative Totals for Year Ended June 30, 1996

	WATER REVENUE	CAPITAL LEASE REVENUE	GENERAL LEASE REVENUE	IMPAIR LEASE	TOTAL 1997	TOTAL 1996
Amount Available under the Periodically Expanding General Long-Term Debt						
Amount available in debt service fund for debt retirement	\$-	\$-	\$-	\$-	\$-	\$1,000
Funds to be provided from:						
General Fund Revenues and Voluntary Transfers				\$1,000	\$1,000	\$1,000
Bonds Issued			\$1,000		\$1,000	\$1,000
	<u>\$-</u>	<u>\$-</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
General Long-Term Debt Payable						
Bonds, Certificates of Participation, Admitted payments/revenues, and unpaid revenues	\$-	\$-	\$1,000	\$1,000	\$1,000	\$1,000

**SINGLE-AUDIT SECTION**

# WILLIAM D. EDWARDS

Certified Public Accountant  
A Professional Accounting Corporation  
Member: AICPA / Society of CPAs

## INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Gray Davis, Mayor  
and the Members of the Board of Selectmen  
Town of Haver, Louisiana

In planning and performing my audit for the year ended June 30, 1997, I considered the internal control structure of the Town of Haver, Louisiana, in order to determine my auditing procedures for the purpose of expressing my opinion on the Town of Haver's general purpose financial statements and to report on the internal control structure in accordance with ISBA (Clarified 4-173). This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures relevant to my audit of the general purpose financial statements in a separate report dated February 9, 1998.

The management of the Town of Haver, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance; with 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 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 in future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have identified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

### General Requirements

Political Activity	Drug-Free Workplace Act
Civil Rights	Administrative Requirements
Federal Financial Reports	Debarment Act
Cash management	Rehabilitation Assistance and real property acquisition principles
Allowable costs	

### Accounting Applications

Cash receipts	Cash disbursements
---------------	--------------------

#### Special Requirements

Types of services offered or audited  
Special reporting requirements  
Claims for advances and reimbursements

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

During the year ended June 30, 1993, the Town of Homer, Louisiana, expended 100% of its total federal financial assistance under major federal financial assistance programs.

I performed tests of controls, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and 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 each of the Town of Homer, Louisiana's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

My consideration of the internal control structure policies and procedures used in administering Federal financial assistance would not necessarily identify 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 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 non-compliance 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. I noted certain matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above. These findings are listed in the Schedule of Findings on page 64-65.

This report is intended for the information of management, Farmers Home Administration, and the Office of Community Development. However, this report is a matter of public record and its distribution is not limited.



Paris, Louisiana  
February 8, 1994

## WILLIAM D. EDWARDS

Certified Public Accountant  
A Professional Accounting Corporation  
Member: AICPA / Society of CPAs

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

To the Honorable Mayor Dean, Mayor  
and the Members of the Board of Supervisors  
Town of Homer, Louisiana

I have audited the general purpose financial statements of the Town of Homer, Louisiana, as of and for the year June 30, 1997, and have issued my report thereon dated November 13, 1997.

I have applied procedures to test the Town of Homer, Louisiana's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1997: political activity, Davis-Bacon Act, civil rights, cash management, relocation assistance and real property acquisition, federal financial reports, allowable cost/expense principles, Drug-Free Workplace Act, and administrative requirements.

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

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

This report is intended for the information of management, Finance Home Administration, and the Office of Community Development. However, this report is a matter of public record and its distribution is not limited.



Homer, Louisiana  
February 9, 1998



# WILLIAM D. EDWARDS

Certified Public Accountant  
A Professional Accounting Corporation  
Member: AICPA / Society of CPAs

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

To the Honorable Huey P. Long, Mayor  
and the Members of the Board of Selectmen  
Town of Homer, Louisiana

I was engaged to audit the financial statements of the Town of Homer, Louisiana, as of and for the year ended June 30, 1991, in accordance with generally accepted auditing standards and Government auditing standards, issued by the Comptroller General of the United States. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. My report dated February 9, 1992 stated that, as described in the following paragraph, the scope of my work was not sufficient to enable me to express, and I did not express, an opinion on the financial statements.

I was also engaged to audit the Town of Homer, Louisiana's compliance with the requirements governing types of services allowed or restricted, reporting, and claims for reimbursements that are applicable to each of its major federal assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended June 30, 1991. The management of the Town of Homer, Louisiana, is responsible for the Town of Homer, Louisiana's compliance with these requirements. Our responsibility is to express an opinion on compliance with these requirements based on my audit.

The management of the Town of Homer was not aware that they were the administrator of the grant and construction loan received during the year ended June 30, 1990. Neither were they familiar with the responsibilities of the administrator.

Because of the matter described in the preceding paragraph, the scope of my audit work was not sufficient to enable me to express, and I do not express, an opinion on Town of Homer, Louisiana's compliance with the requirements governing types of services allowed or restricted eligibility, matching, level of effort, or cost-sharing; reporting; claims for advances and reimbursements; and accounts receivable or used for matching that are applicable to each of its major federal financial assistance programs for the year ended June 30, 1991.

This report is intended for the information of management, Finance Home Administration, and the Office of Community Development. However, this report is a matter of public record and its distribution is not limited.



Homer, Louisiana  
February 9, 1992

**WILLIAM D. EDWARDS**

*Certified Public Accountant*  
A Professional Accounting Organization  
Member: AICPA / Society of CPA's

**INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF  
FEDERAL FINANCIAL ASSISTANCE**

**The Honorable Huey Dean, Mayor  
and Members of the Board of Selectmen  
Town of Homer, Louisiana**

I was engaged to audit the general purpose financial statements of the Town of Homer, Louisiana, as of and for the year ended June 30, 1997 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-119, Audits of State and Local Governments and have issued my report thereon dated February 9, 1998. These financial statements are the responsibility of the Town of Homer, Louisiana's management.

The audit I was engaged to conduct was for the purpose of forming an opinion on the financial statements of the Town of Homer, 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 financial statements. For reasons stated in the third paragraph of my report, I do not express an opinion on the Schedule of Federal Financial Assistance.



Homer, Louisiana  
February 9, 1998

**Town of Homer**  
**Schedule of Federal Financial Assistance**  
**Year Ended June 30, 1997**

Program	FYDA #	Expending CAGR	Federal Revenue Expended	Expenses Expended	Funding CAGR	Reimbursable	Repayable	Unexpended Revenue
Federal Home Department of Agriculture Rural Development	14-028		1,097,978	1,148,138	84,960			

**BOND FINANCIAL**

	FISCAL YEAR		Total	FISCAL YEAR	Total Revenue Total	Expenses of Bond Issuance
	1994-95	1995-96				
<b>DEBENTURE OBLIGATION</b>						
Home Revenue Bonds of the Town of Homer, State of Louisiana, Series 1994 original \$1,000,000 purchased by the Federal Home Administration	1,000,000	80,000	10,782	1,760,000	88,500	290,000
Home Revenue Bonds of the Town of Homer, State of Louisiana, Series 1994 original \$1,000,000 purchased by the Federal Home Administration	1,000,000		7,500	1,000,000	87,500	
<b>COMMODITY LOAN</b>						
Export Revenue Bonds of the Town of Homer, State of Louisiana Series 1994 purchased by the Federal Home Administration	1,377,000		80,000	3,000,000	206,775	

**TOWN OF HONOLULU**  
**SCHEDULE OF FINDINGS AND REPORTS**  
**FOR THE YEAR ENDED JUNE 30, 1997**

**Independent Auditor's Report on the Internal Control Structure Based on an Audit of General Purpose Financial Statements**

**FINDING 1**

The working environment during the engagement indicated potential internal control problems. During the negotiation to perform the audit, the Mayor assumed use of cooperation in order to reduce the audit cost. The staff would not provide support, even refusing to provide beginning and ending check numbers for a sample selection. Staff then told me that the Mayor told them that they did not have to provide the support I requested. In fact what was supposed to be the Town's records were piled on tables and the floor of an upstairs room. The data was not organized and some of the records did not cover updates. The Town's response to my concern was that they felt going through, sorting out the records, looking for missing documents was part of the audit. As a result of this environment, I finally decided to disclaim an opinion and so advised the Mayor and staff in November 1997. An audit concern, when data is not forthcoming, is that records do not exist or do not support transactions. One of the consequences of this situation is that some year end adjustments were not made, such as opening the door to blue from accounts.

**Recommendation**

The Town should decide what kind of service it wants from the outside accountant and then provide the support necessary for the outside accountant to do their engagement.

**Response**

We concur with the recommendation and will establish a better understanding with the outside accountant in the future.

**FINDING 2**

The Town ran out of checks for the cash bank account and used temporary checks in the interim period. The interim checks were not numbered in sequence, making documentation of checks written difficult.

**Recommendation**

The Town should ensure that checks are numbered in sequence, even when using temporary checks.

**Response**

This was a very unusual situation and we will ensure proper checks numbering of temporary checks in the future.

**FINDING 3**

The Town has too many funds set up, for example the Enterprise Fund consists of eleven different funds in their computer system. This complexity makes determining the Town's financial position very difficult.

**Recommendation**

The Town should consider to merge the separate fund accounts as possible.

**TOWN OF HOMER**  
**SCHEDULE OF FINDINGS - ALL REPORTS**  
**FOR THE YEAR ENDED JUNE 30, 1997 (cont.)**

**Summary:**

The Town does not agree with this recommendation. We think our system of funds works better for our Town.

**DETAILS:**

The Town does not always retain consistent documentation of activity. For example, only part of the insurance receipts documentation could be located in the insurance files maintained by the staff. This same situation occurred with sales tax receipts transmitted.

**Recommendation:**

The Town should select a documentation procedure for supporting accounting transactions and apply that procedure consistently.

**Response:**

All of our accounting transactions are supported and can be documented.

**TOWN OF HOMER  
SCHEDULE OF FINDINGS - ALL REPORTS  
FOR THE YEAR ENDED JUNE 30, 1997 (cont.)**

**Independent Auditor's Report on Compliance Based on an Audit of General Purpose Financial Statements**

**FININGS**

The Town does not maintain adequate fixed asset records. Last year there was an inventory taken. However, those records have not been updated for subsequent activity. During the early stages of my engagement, documentation of current fixed asset purchases was requested. That documentation was never provided.

**Recommendation**

The Town should maintain Fixed Asset Accounting records that are in place.

**Response**

We will update these records on a timely basis.

**FININGS**

The Town purchased a tractor for the local golf club. While the Town was reimbursed for the cost of the tractor, no invoice was paid.

**Recommendation**

The Town should refrain from making purchases on behalf of other entities. Further, the Town should collect the invoice on the tractor and pay those funds to the appropriate issuing authority.

**Response**

We concur with the recommendation.

**FININGS**

The Town sold a vehicle to an employee without meeting the legal requirements for selling of Town assets.

**Recommendation**

The Town should ensure that it meets all legal requirements before selling any Town assets.

**Response**

We will ensure that we meet all legal requirements for selling assets in the future.

**FININGS**

In a council meeting in April 1997, the Mayor was authorized to see about existing insurance companies. The company was shown to the council. The insurance was switched to another company, now owned by a relative of the Mayor. There were checks made out to that insurance company several weeks before the matter was brought to the council. The insurance eventually was transferred to the company originally authorized.

**TOWN OF HOMER**  
**SCHEDULE OF FINDINGS - ALL REPORTS**  
**FOR THE YEAR ENDED JUNE 30, 1997 (cont.)**

**Recommendation**

If a matter is significant enough to bring to the council, then any changes to the approved action should also come back to council for approval.

**Response**

We will try to follow-up on similar matters in the future.

**FINDING A**

The audit report was not completed within six months as required by Louisiana law.

**Recommendation**

The Town should monitor the outside accountant's progress on the audit and provide all necessary support to ensure timely completion of the audit.

**Response**

We provided all of our records and feel it is the accountant's responsibility to complete the audit in the time specified.

**TOWN OF HOMER**  
**SCHEDULE OF FINDINGS - ALL REPORTS**  
**FOR THE YEAR ENDED JUNE 30, 1997 (cont.)**

**Independent Auditor's Report on Internal Control Structure used in Administering Federal Financial Assistance Programs**

**FINESSE 1**

The Town did not assess it's internal control location. The Town did not know they were responsible for the administration of the Rural Development Grant and Loan. The Town staff was not familiar with the responsibilities of the administration.

**Recommendation**

The Town should ensure that an administrator is assigned or hired on all grant or loan programs. Further the Town should ascertain that these administrators are fully qualified and trained for that position.

**Response:**

The Town concurs. We relied on the government loan administrator. In the future, a administrator will be trained and assigned to the task.



**TOWN OF BOWEN**  
**SCHEDULE OF FINDINGS - ALL REPORTS**  
**FOR THE YEAR ENDED JUNE 30, 1997 (cont.)**

**Independent Auditor's Report on Compliance used in Administering Federal Financial Assistance Programs**

**EPENDING**

The Town did not pay one of the contractors in a timely manner. The contractor was not paid until the Rural Development Administrator wrote the Town a letter demanding that the contractor be paid.

**Recommendation**

The Town should pay all debts on Grant projects in a timely manner, as required by Federal law.

**Response**

We concur and will ensure timely payments in the future.

**FINISH**

The Town's grant file was incomplete on the Rural Development Grant. This happened partially because they were not aware that they were the grant administrator and consequently did not think they were required to maintain their records.

**Recommendation**

The Town should maintain adequate records to meet Federal and state requirements for grant recipients.

**Response**

We concur and will begin immediately to set up and maintain the necessary files and supporting records.