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GENERAL PURPOSE FINANCIAL STATEMENTS  
OF THE  
TOWN OF LEONVILLE, LOUISIANA  
FOR THE YEAR ENDED JUNE 30, 1987

Under provisions of state law, this report is a public document. A copy of the report has been furnished to the auditor or revisor, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 5-13-98

## TABLE OF CONTENTS

	PAGE
Independent Auditors' Report	1
<b>GENERAL PURPOSE FINANCIAL STATEMENTS:</b>	
Combined Balance Sheet - All Fund Types and Account Groups	3
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types	3
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - General and Special Revenue	4
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - All Proprietary Fund Types	5
Combined Statement of Cash Flows - All Proprietary Fund Types	6-7
Notes to Financial Statements	8-16
<b>FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS</b>	
<b>General Fund</b>	
Balance Sheet	19
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	30
Detailed Schedule of Revenues - Budget (GAAP Basis) and Actual	21
Detailed Schedule of Expenditures	22
<b>Special Revenue Fund</b>	
Balance Sheet	23
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	24
<b>Enterprise Funds</b>	
Combining Balance Sheet	25-26
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings	27
Combining Statement of Cash Flows	28-29
Combining Statement of Operating Expenses	30

TABLE OF CONTENTS (cont'd)

PAGE

FINANCIAL STATEMENT OF ACCOUNT GROUPS

General Fixed Assets Account Group	
Statement of General Fixed Assets	31
Statement of Changes in General Fixed Assets	32

RELATED REPORTS

Independent Auditor's Report on Internal Control Structure Related Matters Noted in a Financial Statement Audit Conducted in Accordance with "Government Auditing Standards"	33-34
Independent Auditor's Report on Compliance with Laws and Regulations Based on an Audit of General Purpose Financial Statements Performed in Accordance with "Government Auditing Standards" Issued by the GAO	35

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor  
and Members of the Board of Aldermen  
Town of Leesville, Louisiana

I have audited the accompanying general purpose financial statements of the Town of Leesville, Louisiana, as of and for the year ended June 30, 1997. These general purpose financial statements are the responsibility of the Town of Leesville, Louisiana, management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and generally accepted government auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, *Audits of State and Local Governments*. These standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements, referred to above, present fairly, in all material respects, the financial position of the Town of Leesville, Louisiana, as of June 30, 1997, and the results of its operations and cash flows of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Leesville, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

  
Barbara M. York  
Leesville, Louisiana  
December 31, 1997

TOWN OF LEDNALLE, LOUISIANA  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 DECEMBER 31, 1987

	GOVERNMENTAL FUND TYPES		PROPRIETARY FUND TYPE
	GENERAL	SPECIAL REVENUE	ENTERPRISE
<b>ASSETS</b>			
Cash	\$21,048	\$1	\$254,896
Taxes receivable	4,900		
Accrued water sales			11,338
Accounts receivable (net of allowance for uncollectibles)			55,907
Returned checks	108		
Utility plant and depreciable assets (net)			1,585,954
Land			
Buildings			
Equipment			
<u>Total assets</u>	<u>\$26,156</u>	<u>\$1</u>	<u>\$1,898,103</u>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>LIABILITIES</b>			
Accounts payable	\$3,008		\$78,321
Customer deposits			12,128
<u>Total liabilities</u>	<u>3,008</u>	<u>0</u>	<u>\$90,448</u>
<b>FUND EQUITY</b>			
Contributed capital			1,280,001
Investment in general fixed assets			
Retained earnings			
Unreserved, undesignated			616,658
Fund balance			
Unreserved, undesignated	\$2,780	1	
<u>Total fund equity</u>	<u>\$2,780</u>	<u>1</u>	<u>1,917,659</u>
<u>Total liabilities and fund equity</u>	<u>\$26,788</u>	<u>\$1</u>	<u>\$1,898,103</u>

See accountants' report and notes to financial statements.

<u>ACCOUNT GROUP</u>	<u>TOTALS</u> <u>(MEMORANDUM</u> <u>ONLY)</u> <u>December 31, 1995</u>
<u>GENERAL</u>	
<u>FIXED ASSETS</u>	
	\$284,944
	4,600
	12,326
	85,307
	128
	1,585,504
8,912	8,912
88,558	88,558
38,111	38,111
<u>\$131,578</u>	<u>\$2,075,470</u>
	81,329
	12,125
<u>8</u>	<u>83,454</u>
	1,200,801
131,578	131,579
	818,455
	32,781
<u>131,578</u>	<u>1,980,216</u>
<u>\$131,578</u>	<u>\$2,075,470</u>

**TOWN OF LEONVILLE, LOUISIANA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED JUNE 30, 1997**

	GOVERNMENTAL FUND TYPE		TOTALS (MEMORANDUM ONLY)
	GENERAL	SPECIAL REVENUE	
<b>REVENUES</b>			
Franchise tax	21,821		21,821
Licenses	13,267		13,267
Intergovernmental	7,910	0	7,910
Fees	5,267		5,267
Interest income	341		341
Sales of fixed assets	550		550
Miscellaneous	128		128
<b>Total revenue</b>	<b>49,084</b>	<b>0</b>	<b>49,084</b>
<b>EXPENDITURES</b>			
<b>Current</b>			
Executive and administrative	25,533		25,533
Police department	48,111		48,111
Street department	11,760		11,760
Capital Outlay	0	0	0
<b>Total expenditures</b>	<b>85,404</b>	<b>0</b>	<b>85,404</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(36,320)</b>	<b>0</b>	<b>(36,320)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	48,900	0	48,900
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>11,580</b>	<b>0</b>	<b>11,580</b>
<b>BEGINNING FUND BALANCE</b>	<b>21,088</b>	<b>1</b>	<b>21,089</b>
<b>ENDING FUND BALANCE</b>	<b>\$32,780</b>	<b>\$1</b>	<b>\$32,781</b>

See accountants' report and notes to financial statements.

TOWN OF LEBONVILLE, LOUISIANA  
 GENERAL FUND  
 STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 1997

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Franchise tax	22,575	31,621	(584)
Licenses	12,480	13,287	587
Intergovernmental	7,585	7,918	(73)
Fines	5,000	5,297	297
Interest income	343	341	14)
Sale of fixed assets	580	558	580
Miscellaneous	135	128	(18)
<b>Total revenue</b>	<u>48,683</u>	<u>49,098</u>	<u>588</u>
<b>EXPENDITURES</b>			
Current			
Executive and administrative	34,020	25,533	(1,513)
Police department	47,053	48,111	(1,057)
Street department	11,773	13,766	13
<b>Total expenditures</b>	<u>92,846</u>	<u>87,410</u>	<u>(2,589)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(33,863)</b>	<b>(38,308)</b>	<b>(2,443)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Opening transfers in	48,000	48,800	0
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>14,138</b>	<b>11,692</b>	<b>(2,443)</b>
<b>BEGINNING FUND BALANCE</b>	<u>21,688</u>	<u>21,688</u>	<u>0</u>
<b>ENDING FUND BALANCE</b>	<u>\$35,826</u>	<u>\$33,380</u>	<u>(\$2,443)</u>

See accountants' report and notes to financial statements.



TOWN OF LEONVILLE, LOUISIANA  
 COMBINING STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN FUND BALANCE  
 ALL PROPRIETARY FUND TYPES  
 FOR THE YEAR ENDED JUNE 30, 1997

<b>OPERATING REVENUES</b>	
Charges for services	\$476,473
Penalty income	9,689
Miscellaneous	<u>3,481</u>
Total revenues	<u>489,643</u>
<b>OPERATING EXPENSES</b>	
Personal service	192,148
Contractual services	49,994
Repairs & maintenance	110,683
Other	<u>80,078</u>
Total operating expenses	<u>432,903</u>
<b>OPERATING INCOME BEFORE DEPRECIATION</b>	<u>56,740</u>
<b>DEPRECIATION</b>	<u>(66,737)</u>
<b>OPERATING INCOME</b>	<u>(49,997)</u>
<b>NONOPERATING REVENUES</b>	
Interest income	3,149
Gain on sale of assets	<u>0</u>
Total nonoperating revenues	<u>3,149</u>
<b>INCOME BEFORE OPERATING TRANSFERS</b>	<u>(46,848)</u>
<b>OPERATING TRANSFERS</b>	
Operating transfers out	<u>(48,000)</u>
<b>NET INCOME (LOSS)</b>	<u>(94,848)</u>
<b>BEGINNING RETAINED EARNINGS</b>	<u>708,691</u>
<b>ENDING RETAINED EARNINGS</b>	<u>\$613,843</u>

See accountants' report and notes to financial statements.

TOWN OF LEONVILLE, LOUISIANA  
 COMBINED STATEMENT OF CASH FLOWS  
 ALL PROPRIETARY FUND TYPES  
 FOR THE YEAR ENDED JUNE 30, 1997

<b>CASH FLOWS FROM OPERATING</b>	
<b>ACTIVITIES</b>	
Cash received from customers	\$434,000
Cash payments to suppliers	(184,100)
Cash payments to employees	(162,149)
Net cash provided by operating activities	<u>77,751</u>
<b>CASH FLOWS FROM NONCAPITAL</b>	
<b>FINANCING ACTIVITIES</b>	
Operating transfers out to other funds	(40,000)
Net cash (used) for non-capital financing activities	<u>(40,000)</u>
<b>CASH FLOWS FROM CAPITAL AND</b>	
<b>RELATED FINANCING ACTIVITIES</b>	
Proceeds from sale of assets	0
Contribution from customers	(710)
Purchase of depreciable assets	(22,464)
Net cash provided (used) for capital and related financing activities	<u>(23,214)</u>
<b>CASH FLOWS FROM INVESTING</b>	
<b>ACTIVITIES</b>	
Interest on investments	3,100
Net cash provided by investing activities	<u>3,100</u>
<b>NET INCREASE IN CASH</b>	<b>17,637</b>
<b>CASH AND CASH EQUIVALENTS,</b> beginning of year	<u>243,708</u>
<b>CASH AND CASH EQUIVALENTS,</b> end of year	<u>\$261,345</u>

See accountants' report and notes to financial statements.

TOWN OF LEONVILLE, LOUISIANA  
 ENTERPRISE FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 1995

Reconciliation of operating income to net cash  
 provided (used) for operating activities:

Operating income (loss)	(\$48,096)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	88,757
Non-operating revenues (expenses)	
Changes in assets and liabilities:	
Increase in accounts receivable	5,508
Other increases ( decreases)	398
Increase in accrued water sales	173
Increase (decrease ) in accounts payable	<u>60,666</u>
Net cash provided (used) by operating activities	<u>\$78,203</u>

TOWN OF LEONVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1999

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

**A. INTRODUCTION**

The Town of Leonville, Louisiana (the Town) was incorporated under the provisions of the State of Louisiana. The Town operates under the Mayor and Board of Aldermen form of government and provides the following services as authorized by its charter: public safety, (police), streets, health and social services, sub-recreation, public improvements, planning and zoning and general administrative services.

The Town complies with Generally Accepted Accounting Principles (GAAP). The Town's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1986, unless those pronouncements conflict with or contrast GASB pronouncements, in which case, GASB prevails.

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of the Note. The remainder of the Notes are organized to provide explanations, including required disclosures, of the Town's financial activities for the fiscal year ended June 30, 1999.

**B. FINANCIAL REPORTING ENTITY - BASIS OF PRESENTATION**

**THE REPORTING ENTITY:**

For financial reporting purposes, in conformance with GASB codification Section 2100, General Purpose Financial Statements includes all funds and account groups over which the Town exercises oversight responsibility. This responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. These specific elements were considered in deciding whether to include or exclude specific agencies from this report. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the Town of Leonville.

The accounts of the Town are organized on the basis of funds or 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. Revenues are accounted for in these individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

TOHIM OF LEONVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

B. FINANCIAL REPORTING ENTITY - BASIS OF PRESENTATION (cont'd)

FUNDS AND ACCOUNT GROUPS

The funds presented in the financial statements are described as follows:

Governmental Fund Types

Governmental funds are accounted for using the current financial resources measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Their spending statements present sources and uses of available resources during a given period.

Proprietary Fund Types

Proprietary funds are accounted for using the economic resources measurement focus, the accounting objectives are determination of net income, financial position, and cash flows. All assets and liabilities associated with a proprietary fund's activities are included on its balance sheets. Proprietary fund equity is segregated into contributed capital and retained earnings.

Account Groups

The account groups are used to account for fixed assets and long-term liabilities which are not accounted for in the respective governmental funds.

TOTAL COLUMNS (MEMORANDUM ONLY)

Total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to aid in financial analyses. Interfund eliminations have not been made in the aggregation of this data, and it is, therefore, not comparable to a consolidation.

C. BASES OF ACCOUNTING

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

ACCURAL BASIS OF ACCOUNTING

The accrual basis of accounting is used in proprietary fund types. The accrual basis of accounting recognizes revenues when earned. Expenses are recorded when incurred.

**TOWN OF LEONVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1997**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**C. BASIS OF ACCOUNTING (cont'd)**

**MODIFIED ACCRUAL BASIS OF ACCOUNTING**

The Town uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both "measurable and available." Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

**TRANSFERS BETWEEN FUNDS**

Transfers between funds which are not expected to be repaid are accounted for as other financing sources (uses).

**D. DEPRECIATION**

Property, plant and equipment of all funds are stated at historical cost. Governmental fund fixed assets are recorded in the General Fixed Asset Account Group and are not depreciated. The Town has elected not to report public domain or infrastructure fixed assets that are immovable and of value only to the Town government. Proprietary fund assets are recorded in the respective funds and are depreciated using the straight-line method.

**E. BUDGETS AND BUDGETARY ACCOUNTING**

The Town Council adopts an annual budget for the General Fund. The annual budget for the General Fund is prepared in accordance with the basis of accounting utilized by the fund. The Mayor is authorized to transfer budgeted amounts within and among departments; however, any revisions that alter the total expenditures must be approved by the Town Council. Subsequent to year end, the Town Council adopts an amended budget approving such additional expenditures. The amended budget for the General Fund is presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual. All annual appropriations lapse at fiscal year end.

The Town did not budget for the Special Revenue Funds, since budgetary control is maintained on an individual grant basis.

TOWN OF LEBLANCHE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

F. CASH AND INVESTMENTS

Investments are stated at cost. Discounts and premiums on the purchase of investments, if any, are amortized over the life of the investment from the date of purchase to the date of maturity. Additional cash and investment information are presented in Note 2.

Louisiana statutes authorize the Agency to invest in United States bonds, treasury notes or certificates, time certificates of deposit in state and national banks, or any other federally insured investment.

G. COMPENSATED ABSENCES

The Town's employees earned and used their vacation and sick leave during the fiscal year. Therefore, there is no provision for compensated absences.

H. STATEMENT OF CASH FLOWS

For purposes of the Statement of Cash Flows, the Water Fund and Gas Fund consider all highly liquid investments (excluding restricted assets), with a maturity of three months or less when purchased to be cash equivalents.

I. BAD DEBTS

Uncollectible amounts due for customers' utility receivables are recognized as bad debts through the adjustment of an allowance account to the balance of individual's accounts who are no longer customers and are over ninety (90) days old at the end of each fiscal year. The allowance at June 30, 1997 was \$ 7,121 in the Water Fund and \$ 3,945 in the Gas Fund.

K. INVENTORIES

The Town practices the policy of recording materials and supplies as expenditures when acquired. These items are not recorded as inventory because the amount of the items in stock is insignificant.

**TOWN OF LEONVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1997**

**NOTE 3 - CASH AND CASH EQUIVALENTS**

Under state law, the Town may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 1997, the Town has cash and cash equivalents totaling \$ 370,761. The amounts on deposit are all demand deposits.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The following is a summary of deposit balances (bank balances) at June 30, 1997, and the related federal insurance and pledged securities:

Bank balances	<u>\$ 273,761</u>
Federal deposit insurance	\$ 100,000
Pledged securities (uncollateralized)	<u>202,500</u>
Total	<u>\$ 362,500</u>

Even though the pledged securities are considered uncollateralized under the provisions of Code of Governmental and Financial Control, Louisiana Revised Statute 33:1226 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the Town that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 3 - EXPENDITURES - ACTUAL AND BUDGET**

There were individual funds that had actual expenditures in excess of budgeted expenditures for the year ended June 30, 1997 as follows:

	Budgeted Expenditures	Actual Expenditures	Excess
General fund	\$ 62,840	\$ 66,494	\$ (3,654)

**NOTE 4 - DUE FROM OTHER FUNDS**

There were no due to/from other funds for the year ended June 30, 1997.



TOWN OF LEONVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1987

**NOTE 5 - COMPENSATION OF BOARD MEMBERS**

A detail of the compensation paid to individual board members for the fiscal year ending June 30, 1987 is as follows:

Joel Landos, Jr. - Mayor	\$ 800
Walter Desinger	100
L. B. Meche	0
J. B. Stelly	100
Roy Mallet	70
Cleveland Azarone	100
Dorothy Meche	100
Total	<u>\$1,170</u>

**NOTE 6 - ENTERPRISE FUND - FRANCHISE AGREEMENT**

The Town of Leonville entered into franchise agreements with Southwest Louisiana Electric Membership (SLEMCO), Gulf States Utilities and St. Landry Cable T.V. The Town receives a percentage of the revenues earned by these operations, for the use of the Town's lines, poles and other equipment, within the town's corporate limits.

The St. Landry Cable T.V., Inc., franchise is for a period of fifteen (15) years, expiring April 3, 1987, and may be renewed for an additional fifteen (15) year period. The Town receives an annual franchise fee equal to three percent (3%) of the revenues collected from subscribers, to be paid by the 1st day of April for the preceding calendar year.

The Gulf States Utilities Company franchise is for a period of sixty (60) years, expiring January 1, 2003. The Town receives an amount equal to four and one-half percent (4 1/2%) for the first ten (10) years and five percent (5%) for the next fifty (50) years, of the gross receipts of the company from the sale of electricity for residential and commercial purposes in the village of Leonville.

The SLEMCO franchise is for a period of sixty (60) years, expiring May 23, 1994. The Town receives an annual fee equal to eight percent (8%) of the gross receipts actually collected from its customers, members and sales within the corporate limits of the Village of Leonville.

TOWN OF LEDAVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1997

**NOTE 7 - PROPRIETARY FUND - FIXED ASSETS**

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

	Water	Gas	Total
Utility, plant and other depreciable assets	\$1,727,988	2,550,358	\$2,277,326
Less - accumulated depreciation	<u>(584,872)</u>	<u>(237,080)</u>	<u>(821,952)</u>
Net property, plant and equipment	<u>\$1,143,116</u>	<u>\$453,278</u>	<u>\$1,596,394</u>
	Accumulated Cost	Depreciation	Net
<b>Changes during the year:</b>			
<b>Water Fund:</b>			
Balance, beginning of year	\$1,703,579	\$665,960	\$1,137,619
Assets purchased	38,162		38,162
Assets sold	(12,611)		(12,611)
Current depreciation		41,424	(41,424)
Accumulated depreciation on asset sold		(12,611)	12,611
Balance, end of year	<u>\$1,727,119</u>	<u>\$684,874</u>	<u>\$1,132,245</u>
<b>Gas Fund:</b>			
Balance, beginning of year	\$550,358	\$81,777	\$632,135
Assets purchased		15,313	(15,313)
Depreciation	<u>\$550,358</u>	<u>\$97,080</u>	<u>\$647,438</u>
Balance, end of year	<u>\$550,358</u>	<u>\$97,080</u>	<u>\$647,438</u>

**NOTE 8 - PROPRIETARY FUND - CONTRIBUTED CAPITAL**

	Water Fund	Gas Fund	Total
<b>Contributions from:</b>			
Membership fees	\$66,110	\$0	\$66,110
Customers	178,139	16,765	194,904
Anti-recession fund	3,725	1,000	4,725
Federal revenue sharing	3,299	12,179	15,478
Block grants	221,797	528,889	750,686
Department of transportation	<u>28,540</u>	<u>12,000</u>	<u>40,540</u>
Total contributed capital	<u>\$630,570</u>	<u>\$571,423</u>	<u>\$1,202,093</u>

TOWN OF LEONVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1997

**NOTE 9 - PROPRIETARY FUND - RESTRICTED ASSETS**

The proprietary fund has restricted assets of \$12,125 for customer deposits in the Gas Fund.

**NOTE 10 - SEGMENT INFORMATION - ENTERPRISE FUND**

Segment information for the Enterprise Fund for the fiscal year ended June 30, 1995, is as follows:

	WATER	GAZ	TOTAL
Operating revenue	\$280,315	\$68,320	\$348,635
Depreciation expense	41,424	15,312	56,737
Operating income (loss)	(61,467)	5,372	(46,095)
Operating transfers:			
In	0	0	0
Out	24,000	54,000	78,000
Net income (loss)	(72,724)	(17,222)	(89,946)
Net cash flows	12,427	(245)	12,182
Total assets	1,232,514	579,689	1,812,203
Books and other long-term liabilities	0	0	0
Total fund equity	1,294,343	562,313	1,817,656
Capital contributions from:			
Grants (before amortization)	321,797	628,488	950,285
Others	308,781	42,734	351,515
Property, plant and equipment:			
Additions	36,102	0	36,102
Deletions	(12,511)	0	(12,511)

**NOTE 11 - ACCOUNT GROUPS - GENERAL FUND ASSETS**

**CHANGES IN GENERAL FUND ASSETS**

The following is a summary of changes in general fund assets:

	Balance 6/30/96	Additions	Retirements/ Transfers	Balance 6/30/97
Land	\$8,912			\$8,912
Buildings	66,595		12,071	74,485
Equipment	48,182			48,182
<b>Totals</b>	<b>\$143,689</b>	<b>82</b>	<b>\$12,071</b>	<b>\$153,679</b>

**TOWN OF LEONVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1997**

**NOTE 12 - RETIREMENT PLANS**

**GENERAL INFORMATION**

The Town of Leonville, Louisiana, participates in funding two retirement plans. These plans are statewide funded plans which cover substantially all full-time employees. The payroll covered by these two systems for the year ended June 30, 1995, was comprised of the following:

	Covered Employees	Covered Payroll
Municipal Employees' Retirement System	All employees not covered below	\$131,633
Municipal Police Employees' Retirement System	Policemen	\$ 27,157

The Town's total payroll for the year ended June 30, 1995 was \$158,790. The rates stated below were those in effect at June 30, 1994. The contribution requirements for the year ended June 30, 1995 were as follows:

	Town Contribution		Employee Contribution	
	Percentage	Amount	Percentage	Amount
Municipal Employees' Retirement System	3%	\$3,948	6%	65,582
Municipal Police Employees' Retirement System	9%	\$2,725	7.5%	\$2,071

**PENSION BENEFIT OBLIGATION**

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and set-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the Systems' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERG and employers. The Systems do not make separate measurements of assets and pension benefit obligations for individual employees. The pension benefit obligations determined through actuarial valuations performed as of the dates noted are shown individually.

TOWN OF LEONVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1997

**NOTE 12 - RETIREMENT PLANS**

**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM**

All permanent employees working at least thirty-five (35) hours per week, who are not participating in another public funded retirement system and are under age sixty (60) at date of employment are members of the Municipal Employees' Retirement System. The System is a cost-sharing, multiple-employer, statewide retirement system which is administered and controlled by a separate board of trustees. The System is financed by contributions from members based on their earnable compensation, deducted from their wages by the employing municipalities and remitted quarterly to the System, together with contributions from all parishes in the State, excepting Orleans and East Baton Rouge, equal to one-fourth (1/4) of one (1) percent of ad valorem taxes collected within the respective parishes. Effective October 1, 1993, under Act #798, the "Regular Plan" and the "Supplemental Plan" were replaced, and are now known as Plan "A" and Plan "B". The Town provides pension benefits for substantially all of its full-time employees except the police department, through the Municipal Employees' Retirement System of Louisiana, Plan "B". Any member of Plan "B" is eligible for normal retirement providing he meets one of the following criteria:

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

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

The pension benefit obligation for the system as a whole, determined through an actuarial valuation performed was as follows:

	Municipal Employees/ Retirement System
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 25,090,053
Current employees	<u>38,940,433</u>
Total pension benefit obligation	62,130,486
Net assets available for benefits at amortized cost	<u>59,638,821</u>
Unfunded pension benefit obligation	<u>\$ 2,491,665</u>
Date of last actuarial valuation	June 30, 1994
Actuarial Cost Method	Attained age normal

TOWN OF LEBONVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1997

**MUNICIPAL POLICE EMPLOYEES' RETIREMENT SYSTEM**

The Municipal Police Employees' Retirement System covers any full-time police officer, employed to patrol streets, who is employed by a municipality of the State and engaged in law enforcement, earns at least \$375 per month, excluding state supplemental pay, or an elected chief of police whose salary is at least \$100 per month. The System is a cost-sharing multiple-employer, statewide retirement system which is administered by a Board of Trustees. For the plan year ending 1994, the System is financed by employee contributions of 7.5 percent of assessable compensation, by employer contributions of 9 percent assessable compensation excluding overtime but including state supplemental pay, and by .4 percent of eligible for retirement benefits after twenty (20) years of service and if they are over fifty (50) or twelve (12) years of service and age fifty-five (55).

TOWN OF LEONVILLE, LOUISIANA  
 GENERAL FUND  
 BALANCE SHEET  
 JUNE 30, 1997

## ASSETS

Cash	\$31,948
Taxes receivable	4,900
Returned checks	108
Due from other funds	<u>0</u>
<b>Total assets</b>	<b><u>\$36,956</u></b>

## LIABILITIES AND FUND BALANCE

## LIABILITIES

Accounts payable	\$3,088
Due to other funds	<u>0</u>
<b>Total liabilities</b>	<b><u>3,088</u></b>

## FUND BALANCE

Unreserved, undesignated	<u>\$33,868</u>
<b>Total liabilities and fund balance</b>	<b><u>\$36,956</u></b>

## GENERAL FUND:

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund has a greater number and variety of revenue sources than any other fund and its resources normally finance a wider range of activities. The resources of the General Fund are ordinarily largely expended and replenished on an annual basis.



TOWN OF LEONVILLE, LOUISIANA  
 GENERAL FUND  
 STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 1997

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Franchise tax	20,575	21,521	(946)
Licenses	13,400	13,287	113
Intergovernmental	7,385	7,919	(534)
Fees	5,000	5,287	287
Interest income	345	341	4
Sales of fixed assets	500	668	(168)
Miscellaneous	125	128	(3)
Total revenue	<u>48,080</u>	<u>49,056</u>	<u>976</u>
<b>EXPENDITURES</b>			
Current			
Executive and administrative	24,029	25,325	(1,296)
Police department	47,059	48,111	(1,052)
Street department	11,735	11,790	55
Total expenditures	<u>82,823</u>	<u>85,226</u>	<u>(2,403)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(34,843)</b>	<b>(36,170)</b>	<b>(1,327)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	<u>48,000</u>	<u>48,000</u>	<u>0</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>14,157</b>	<b>11,830</b>	<b>(2,327)</b>
<b>BEGINNING FUND BALANCE</b>	<u>21,088</u>	<u>21,088</u>	<u>0</u>
<b>ENDING FUND BALANCE</b>	<u>\$35,245</u>	<u>\$32,918</u>	<u>(\$2,327)</u>

See accountants' report and notes to financial statements.

TOWN OF LEONVILLE, LOUISIANA  
 GENERAL FUND  
 DETAILED SCHEDULE OF REVENUES  
 BUDGET (MAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 1997

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>FRANCHISE TAXES</b>			
SLEMCO	7,275	8,824	(151)
Gulf States Utilities	13,940	13,499	(501)
Cable Tv	1,350	1,350	(0)
Total franchises	<u>22,565</u>	<u>21,673</u>	<u>(894)</u>
<b>LICENSES</b>			
Occupational licenses	12,400	13,287	887
Total licenses	<u>12,400</u>	<u>13,287</u>	<u>887</u>
<b>INTERGOVERNMENTAL</b>			
State tobacco tax	4,480	4,481	1
State beer tax	2,180	2,078	(10)
Housing Authority	1,375	1,373	(2)
Total - intergovernmental	<u>7,935</u>	<u>7,932</u>	<u>(3)</u>
<b>FINES</b>			
Court fines	5,000	5,267	267
Total fines	<u>5,000</u>	<u>5,267</u>	<u>267</u>
<b>INTEREST INCOME</b>			
Interest earned on investments	345	341	(4)
Total interest income	<u>345</u>	<u>341</u>	<u>(4)</u>
<b>MISCELLANEOUS</b>			
Sundry	128	120	(8)
Total miscellaneous	<u>128</u>	<u>120</u>	<u>(8)</u>
<b>SALE OF FIXED ASSETS</b>			
Sale of fixed assets	590	590	590
Total sale of fixed assets	<u>590</u>	<u>590</u>	<u>590</u>
<b>Total revenues</b>	<u>348,800</u>	<u>347,099</u>	<u>(1,701)</u>

TOWN OF LEONVILLE, LOUISIANA  
 GENERAL FUND  
 DETAILED SCHEDULE OF EXPENDITURES  
 BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 1997

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>EXECUTIVE AND ADMINISTRATIVE</b>			
Salaries	3,219	3,209	1
Payroll taxes	170	117	53
Retirement	40	34	6
Employee benefits	3,985	3,951	(34)
Accounting	1,440	1,438	2
Advertising	60	66	(16)
Bank charges	0	0	0
Dues & subscriptions	325	325	0
Electricity	3,000	3,021	29
Insurance	8,400	8,283	117
Janitorial	600	757	(157)
Office supplies	1,450	1,640	(290)
Kitchen supplies	300	434	(134)
Park rent	300	300	0
Telephone	1,000	1,001	(1)
Miscellaneous	2,550	3,816	(1,266)
Total executive and administrative	<u>34,026</u>	<u>29,535</u>	<u>(4,491)</u>
<b>POLICE DEPARTMENT</b>			
Salaries	28,048	28,226	4
Payroll taxes	280	200	80
Retirement	2,600	2,522	78
Employee benefits	2,080	2,095	(15)
Automobile expenses	6,000	7,148	(948)
Repairs	0	0	0
Supplies	600	605	(175)
Uniforms	580	572	8
Insurance	4,780	4,844	(84)
Miscellaneous	1,350	1,689	(149)
Total police department	<u>47,626</u>	<u>46,111</u>	<u>(1,515)</u>
<b>STREET DEPARTMENT</b>			
Street materials	1,275	1,275	0
Electricity-street lights	13,400	13,385	15
Miscellaneous	0	0	0
Total street department	<u>14,675</u>	<u>14,660</u>	<u>15</u>

See accountants' report and notes to financial statements.

## SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for resources legally restricted to expenditures for specified current operating purposes or the acquisition of furniture, fixtures, machinery, equipment, or other relatively minor or comparatively short-lived assets.

TOWN OF BOONVILLE, LOUISIANA  
SPECIAL REVENUE FUND  
BALANCE SHEET  
JUNE 30, 1997

ASSETS

Cash	<u>          \$1</u>
Total assets	<u>          \$1</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	<u>          \$0</u>
Total liabilities	<u>          0</u>

FUND BALANCE

Unreserved, undesignated	<u>          1</u>
Total liabilities and fund balance	<u>          \$1</u>

TOWN OF LEONVILLE, LOUISIANA  
SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 1997

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Intergovernmental	0	0	0
<b>Total revenue</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXPENDITURES</b>			
Capital Outlay	0	0	0
<b>Total expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	0	0	0
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	0	0	0
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER FUNDED EXPENDITURES AND OTHER USES</b>	0	0	0
<b>BEGINNING FUND BALANCE</b>	<u>1</u>	<u>1</u>	<u>0</u>
<b>ENDING FUND BALANCE</b>	<u>\$1</u>	<u>\$1</u>	<u>\$0</u>

See accountants' report and notes to financial statements.

## ENTERPRISE FUNDS

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

TOWN OF LEONVILLE, LOUISIANA  
 ENTERPRISE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 1997

	WATER FUND	GAS FUND	TOTALS (MEMORANDUM ONLY)
<b>CURRENT ASSETS</b>			
Cash	\$140,564	\$113,351	\$253,915
Accrued water sales	12,164	1,252	13,416
Accounts receivable, net of allowance for uncollectibles	47,580	7,757	55,337
Due from other funds	<u>0</u>	<u>0</u>	<u>0</u>
Total current assets	<u>200,308</u>	<u>122,360</u>	<u>322,668</u>
<b>RESTRICTED ASSETS</b>			
Cash	<u>0</u>	<u>0</u>	<u>0</u>
Total restricted assets	<u>0</u>	<u>0</u>	<u>0</u>
<b>PROPERTY, PLANT AND EQUIPMENT</b>			
Utility plant and depreciable assets, net	<u>1,132,296</u>	<u>452,268</u>	<u>1,584,564</u>
Total property, plant and equipment	<u>1,132,296</u>	<u>452,268</u>	<u>1,584,564</u>
Total assets	<u>\$1,332,604</u>	<u>\$574,628</u>	<u>\$1,907,232</u>

See accountants' report and notes to financial statements.



TOWN OF LEONVILLE, LOUISIANA  
ENTERPRISE FUNDS  
COMBINED BALANCE SHEET  
JUNE 30, 1997

	WATER FUND	GAS FUND	TOTALS (MEMORANDUM ONLY)
<b>LIABILITIES AND FUND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	\$77,171	\$1,150	\$78,321
Customer deposits		12,125	12,125
Due to other funds	<u>8</u>		<u>8</u>
<b>Total liabilities</b>	<u>77,171</u>	<u>13,275</u>	<u>90,446</u>
<b>FUND EQUITY</b>			
Contributed capital	638,578	\$71,423	1,232,901
Unreserved, undesignated	<u>624,785</u>	<u>(9,113)</u>	<u>618,652</u>
<b>Total fund equity</b>	<u>1,263,363</u>	<u>62,310</u>	<u>1,617,655</u>
<b>Total liabilities and fund equity</b>	<u>\$1,340,534</u>	<u>\$675,588</u>	<u>\$1,908,122</u>

See accountants' report and notes to financial statements.

TOWN OF LEONVILLE, LOUISIANA  
ENTERPRISE FUNDS  
COMBINED STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN RETAINED EARNINGS  
FOR THE YEAR ENDED JUNE 30, 1997

	WATER FUND	GAS FUND	TOTALS (MEMORANDUM ONLY)
<b>OPERATING REVENUES</b>			
Charges for services	\$248,520	\$95,669	344,189
Penalty income	5,839		5,839
Miscellaneous	1,086	2,375	3,461
<b>Total operating revenue</b>	<u>255,445</u>	<u>98,044</u>	<u>353,489</u>
<b>OPERATING EXPENSES</b>			
Personal services	160,827	9,321	170,148
Contractual services		49,994	49,994
Repairs & maintenance	126,449	4,235	130,684
Other	80,086	7,963	88,049
<b>Total operating expenses</b>	<u>367,392</u>	<u>69,513</u>	<u>436,905</u>
<b>OPERATING INCOME BEFORE DEPRECIATION</b>	<u>(9,947)</u>	<u>28,531</u>	<u>18,584</u>
<b>DEPRECIATION</b>	<u>(41,424)</u>	<u>(16,312)</u>	<u>(57,736)</u>
<b>OPERATING INCOME</b>	<u>(51,371)</u>	<u>12,219</u>	<u>(39,152)</u>
<b>NONOPERATING REVENUES</b>			
Interest income	1,743	1,408	3,151
Sale of assets	0		0
<b>Total nonoperating revenues</b>	<u>1,743</u>	<u>1,408</u>	<u>3,151</u>
<b>INCOME BEFORE OPERATING TRANSFERS</b>	<u>(49,628)</u>	<u>13,627</u>	<u>(36,001)</u>
<b>OPERATING TRANSFERS</b>			
Operating transfers out	(24,000)	(24,000)	(48,000)
<b>NET INCOME (LOSS)</b>	<u>(73,628)</u>	<u>(10,373)</u>	<u>(84,001)</u>
<b>BEGINNING RETAINED EARNINGS</b>	<u>687,458</u>	<u>8,112</u>	<u>695,570</u>
<b>ENDING RETAINED EARNINGS</b>	<u>613,830</u>	<u>(2,261)</u>	<u>611,569</u>

See accountants' report and notes to financial statements.

TOWN OF LEONVILLE, LOUISIANA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 1997

	WATER FUND	GAS FUND	TOTALS (MEMORANDUM ONLY)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$262,898	\$61,701	\$324,599
Cash payments to suppliers	(124,894)	(58,304)	(183,198)
Cash payments to employees	(182,827)	(8,321)	(191,148)
Net cash provided by operating activities	<u>55,177</u>	<u>35,076</u>	<u>90,253</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Operating transfers out to other funds	(24,800)	(24,000)	(48,800)
Net cash (used) for non-capital financing activities	<u>(24,800)</u>	<u>(24,000)</u>	<u>(48,800)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from sale of assets	0	0	
Contribution from customers	0	(730)	(730)
Purchase of depreciable assets	(22,484)	0	(22,484)
Net cash (provided) (used) for capital and related financing activities	<u>(22,484)</u>	<u>(730)</u>	<u>(23,214)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on investments	1,744	1,408	3,152
Net cash provided by investing activities	<u>1,744</u>	<u>1,408</u>	<u>3,152</u>
<b>NET INCREASE IN CASH</b>	<b>34,437</b>	<b>(248)</b>	<b>34,189</b>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>130,127</u>	<u>113,579</u>	<u>243,706</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u>\$164,564</u>	<u>\$113,331</u>	<u>\$277,895</u>

See accountants' report and notes to financial statements.

TOWN OF LEONVILLE, LOUISIANA  
 ENTERPRISE FUNDS  
 COMBINED STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 1997

	WATER FUND	GAS FUND	TOTALS (MEMORANDUM ONLY)
Reconciliation of operating income to net cash provided (used) for operating activities:			
Operating income (loss)	(\$50,467)	\$5,373	(\$45,094)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	41,424	15,213	56,637
Non-operating revenues (expenses)			
Changes in assets and liabilities:			
(increase) decrease accounts receivable	3,591	3,414	7,005
(increase) decrease accrued water sales	64	69	133
Increase (decrease) in accounts payable	61,077	(1,665)	59,412
Increase (decrease) due to other funds	0	0	0
Other increases (decreases)	358	0	358
Net cash provided (used) by operating activities	<u>\$55,127</u>	<u>\$23,075</u>	<u>\$78,202</u>

See accountants' report and notes to financial statements.

TOWN OF LEONVILLE, LOUISIANA  
 ENTERPRISE FUNDS  
 CONDENSED SCHEDULE OF OPERATING EXPENSES  
 FOR THE YEAR ENDED JUNE 30, 1997

	WATER FUND	GAS FUND	TOTALS (MEMORANDUM ONLY)
<b>OPERATING EXPENSES</b>			
<b>Personal services</b>			
Salaries	\$148,764	\$0,428	\$152,192
Payroll taxes	11,879	862	12,541
Retirement	4,355	371	4,726
Employee benefits	18,129	0	18,129
<b>Total personal services</b>	<u>183,127</u>	<u>9,321</u>	<u>192,448</u>
<b>Contractual services</b>			
Gas purchases	0	45,994	45,994
<b>Repair &amp; maintenance</b>			
Repair & maintenance	100,445	4,255	110,680
<b>Other</b>			
Advertising	182		182
Accounting	1,368	1,438	
Bad debts	948	818	1,766
Computer expense	1,350	60	1,410
Electricity	30,517		30,517
Engineering fees	2,298	1,312	3,792
Insurance	17,893		17,893
Supplies	1,526	497	2,023
Telephone	771		771
Truck expense	9,740		9,740
Uniforms	2,418		2,418
Rent - tank sites	300		300
Miscellaneous	19,827	3,880	14,507
<b>Total other</b>	<u>61,995</u>	<u>7,993</u>	<u>69,978</u>
<b>Total operating expenses</b>	<u>\$245,122</u>	<u>\$57,313</u>	<u>\$302,435</u>

See accountants' report and notes to financial statements.

## GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group accounts for fixed assets purchased from the general fund and from certain special revenue funds.

TOWN OF LEONVILLE, LOUISIANA  
STATEMENT OF GENERAL FIXED ASSETS  
JUNE 30, 1997

## ASSETS

Land	58,540
Buildings	88,588
Equipment	<u>38,111</u>
Total assets	<u>\$185,239</u>

## INVESTMENT IN GENERAL FIXED ASSETS

Acquired from:	
General fund revenues	\$80,419
Federal grants	48,160
Federal revenue sharing fund revenues	<u>0</u>
Total investment in general fixed assets	<u>\$128,579</u>

TOWN OF LEONVILLE, LOUISIANA  
STATEMENT OF CHANGES IN GENERAL FIXED ASSETS  
FOR THE YEAR ENDED JUNE 30, 1997

	LAND	BUILDINGS	EQUIPMENT	TOTALS
GENERAL FIXED ASSETS, Beginning of year	\$8,812	\$85,558	\$48,192	\$142,562
ADDITIONS				
General fund revenues	0	0	0	0
DEDUCTIONS	<u>0</u>	<u>0</u>	<u>(12,071)</u>	<u>(12,071)</u>
GENERAL FIXED ASSETS, End of year	<u>\$8,812</u>	<u>\$85,558</u>	<u>\$36,121</u>	<u>\$130,491</u>



*Barbara M. York*  
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Mayor and  
Members of the Board of Aldermen  
Leonville, Louisiana

I have audited the general purpose financial statements of the Town of Leonville, Louisiana, as of and for the year ended June 30, 1997, and have issued my report herein dated December 31, 1997.

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

The management of the Town of Leonville, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of the general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to 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.

In planning and performing my audit of the general purpose financial statements of the Town of Leonville, Louisiana, for the year ended June 30, 1997, I obtained an understanding of the internal control structure. This request to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal controls structure would not necessarily disclose all matters in the internal control structure that might be 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 errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of management and the appropriate regulatory agencies. However, this report is a matter of public record and its distribution is not limited.



Opelousas, Louisiana  
December 31, 1997

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

To the Honorable Mayor and  
Members of the Board of Aldermen,  
Leoville, Louisiana

I have audited the component unit financial statements of the Town of Leoville, Louisiana, as of and for the year ended June 30, 1997, and have issued my report thereon dated December 31, 1997.

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

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

The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of management and the appropriate regulatory agencies. However, this report is a matter of public record and its distribution is not limited.



Opelousas, Louisiana  
December 31, 1997

MANAGEMENT LETTER

To the Honorable Mayor and  
Members of the Board of Aldermen  
Leominster, Louisiana

I have audited the general purpose financial statements of the Town of Leominster, Louisiana, for the year ended June 30, 1997, and have issued my report thereon dated December 31, 1997. Professional standards require that I provide you with the following information related to my audit.

Timing of noncompliance

According to Louisiana Revised Statute 24:213, the audit report must be submitted to the Legislative Auditor's office within six months of the close of the Town's fiscal year. The report was not submitted on a timely basis. According to management, this was due to unusual circumstances and will not occur again in the future.

This information is intended solely for the use of management and the appropriate regulatory agencies and should not be used for any other purpose.



December 31, 1997