

OFFICIAL  
FILE COPY  
DO NOT SEND OUT  
Please identify  
copies from this  
copy and PLACE  
DATE in FILE

TOWN OF TOLA, LOUISIANA  
FINANCIAL REPORT  
JUNE 30, 1990

10  
11  
12  
13

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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.

Witness Date 8/25/95

C O N T E N T S

	Exhibit or Schedule	Page
<b>Enterprise Fund:</b>		
Combined utilities fund -		
Balance sheets	E-1	58 and 51
Statement of revenues and expenses - budget (GAAP basis) and actual	E-2	52-54
Statement of changes in retained earnings	E-3	56
Schedule of cash receipts and disbursements - restricted accounts required by bond covenants	E-4	56
<b>Proprietary fund:</b>		
Statement of changes in assets and liabilities - payroll fund	E-1	58
<b>General fixed assets group of accounts:</b>		
Statement of changes in general fixed assets	G-1	60
<b>General long-term debt group of accounts:</b>		
Statement of general long-term debt	H-1	62
<b>SUPPLEMENTARY INFORMATION</b>		
Combined schedule of investments - all funds	I	65
Schedule of insurance in force	J	66 and 67
Schedule of compensation paid to board members	K	68
<b>INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN ASSESSMENT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS</b>		
	-	69-73
<b>INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAW AND REGULATIONS BASED ON AN ASSESSMENT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS</b>		
	-	73-75

C O N T E N T S

	Exhibit or Schedule	Page
<b>INDUSTRY AND/OR CITY REPORT ON THE FINANCIAL STATEMENTS</b>	-	1 and 2
<b>General purpose financial statements (combined statements - overview)</b>		
Combined balance sheet - all fund types and account groups	A	4-7
Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types	B	8 and 9
Combined statement of revenues, expenditures, and changes in fund balances - budget (GAAP basis) and actual - general and special revenue fund types	C	10 and 11
Statements of revenues, expenses and changes in retained earnings - proprietary fund type	D	12
Statement of cash flows - proprietary fund type	E	13 and 14
Notes to financial statements	-	15-28
<b>Financial statements of individual funds</b>		
<b>General fund:</b>		
Balance sheets	A-1	18
Statement of revenues, expenditures, and changes in fund balance - budget (GAAP basis) and actual	A-2	19-23
Statement of expenditures, compared to budget (GAAP basis)	A-3	24 and 25
<b>Special revenue funds:</b>		
<b>Sales tax fund:</b>		
Balance sheets	B-1	18
Statement of revenues, expenditures, and changes in fund balance - budget (GAAP basis) and actual	B-2	29 and 48
<b>Other services fund:</b>		
Combining balance sheet	C-1	43
Combining statement of revenues, expenditures, and changes in fund balance	C-2	43
<b>Capital Projects Fund:</b>		
Utility capital projects fund -		
Combining balance sheet	D-1	46
Combining statement of revenues, expenditures, and changes in fund balance	D-2	47

TOWNS OF NITA, LOUISIANA  
GENERAL FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
Year Ended June 30, 1994

With Comparative Actual Amounts For Year Ended June 30, 1993

	1993		1994	
	Budget	Actual	Estimated- Favorable Informational	Actual
Total revenues forwarded	\$ 137,873	\$ 183,382	\$ 27,982	\$ 160,387
Miscellaneous revenues:				
Interest Income	\$ 750	\$ 658	\$ 189	\$ 886
Bank Income - AYSAP	-	588	588	179
Bank Income - Bienville Park	-	758	758	-
Oil and gas lease	-	-	-	3,080
Gain on sale of assets	-	3,000	3,000	280
Other	2,328	7,882	728	3,437
	\$ 3,578	\$ 8,026	\$ 4,575	\$ 8,027
Total revenues	\$ 141,451	\$ 191,408	\$ 32,557	\$ 168,414
Expenditures:				
Current operating:				
General government	\$ 39,319	\$ 36,140	\$ 2,928	\$ 32,487
Public safety	82,889	84,632	12,433	118,729
Highways and streets	50,314	51,698	(382)	58,088
Culture and recreation	8,438	1,458	939	4,128
Capital outlay	28,258	22,813	763	3,087
Total expenditures	\$ 209,218	\$ 207,831	\$ 1,856	\$ 216,529
(Deficiency) of revenues over expenditures	\$ 67,767	\$ 16,423	\$ 35,815	\$ 47,815
Other financing sources (uses):				
Transfers to other funds	\$ 47,500	\$ 150,800	\$ 12,500	\$ 218,021
Transfers from other funds	12,312	-	(12,312)	28,080
Total other financing sources	\$ 59,812	\$ 150,800	\$ 1,188	\$ 246,101
Deficiency of revenues and other sources over expenditures (totals forwarded)	\$ 8,955	\$ 33,646	\$ 35,627	\$ 21,714

STATE OF LOUISIANA  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHARGES IN  
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
Year Ended June 30, 1993

With Comparative Actual Amounts for Year Ended June 30, 1992

	1993		Variance- Favorable (Unfavorable)	1992
	Budget	Actual		Actual
<b>Revenues:</b>				
<b>Taxes:</b>				
Ad valorem taxes	\$ 51,500	\$ 53,289	\$ 1,789	\$ 47,600
Electric Franchise Tax	38,000	38,339	339	40,681
Telephone Tax	4,000	3,900	(100)	3,275
Cable TV Franchise	1,500	3,188	1,688	1,250
	<u>\$ 95,000</u>	<u>\$ 98,716</u>	<u>\$ 3,726</u>	<u>\$ 92,806</u>
<b>Licenses and permits:</b>				
Occupational licenses	\$ 8,950	\$ 10,296	\$ 1,346	\$ 21,813
Insurance licenses	25,000	25,622	13,622	21,850
Liquor licenses	600	3,169	3,600	600
Building permits	625	683	625	675
	<u>\$ 31,175</u>	<u>\$ 49,766</u>	<u>\$ 18,623</u>	<u>\$ 45,938</u>
<b>Intra-governmental revenues:</b>				
Beer tax	\$ 3,300	\$ 3,956	\$ 1,656	\$ 3,271
Tobacco tax	5,000	6,324	624	6,550
Gaming commissions	10,200	10,187	(13)	21,291
Police grant	5,200	10,288	5,088	21,851
	<u>\$ 23,700</u>	<u>\$ 30,755</u>	<u>\$ 6,762</u>	<u>\$ 53,000</u>
<b>Charges for services:</b>				
Garage rent	\$ 3,200	\$ 3,933	\$ 2,233	\$ 3,213
<b>Fines and forfeits:</b>				
Fines	\$ 2,100	\$ 4,455	\$ 2,355	\$ 2,641
Interest and penalties	675	163	(512)	100
	<u>\$ 2,775</u>	<u>\$ 4,618</u>	<u>\$ 2,163</u>	<u>\$ 2,741</u>
<b>Total revenues (forward)</b>	<b>\$157,875</b>	<b>\$289,582</b>	<b>\$ 13,982</b>	<b>\$181,561</b>

TOWN OF LOGA, LOUISIANA  
GENERAL FUND

BALANCE SHEETS  
June 30, 1997 and 1996

ASSETS	1997	1996
Cash	\$ 49,700	\$ 30,424
Accounts receivable	3,700	13,163
Due from other funds	<u>2,738</u>	<u>3,371</u>
	<u>\$ 56,138</u>	<u>\$ 46,958</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 8,343	\$ 9,519
Due to other funds	<u>133,082</u>	<u>93,323</u>
	\$141,425	\$102,842
FUND BALANCE	<u>169,369</u>	<u>132,873</u>
	<u>\$ 310,794</u>	<u>\$ 235,715</u>

GENERAL FUND

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

FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS



## NOTES TO FINANCIAL STATEMENTS

The Town had applied for federal assistance via the CORP EAST award from the U.S. Department of Justice and was subsequently approved with the total award amount being \$27,288 beginning March 1, 1990 and ending February 29, 1998. The purpose of this grant is to reimburse the Town for costs associated with hiring one new entry level police officer. During the year ended June 30, 1990, the Town recognized an expense and expenditure \$10,278.

### Note 12. Contingencies

As of June 30, 1987, the Town of Iota had a dispute over the accuracy of engineering fees charged for work performed on their proposal for construction of a new water plant. This proposal was previously defeated in a public election by Town citizens. It is the position of the Town that since the proposition put before the voters to issue bonds for the project failed, that the amounts billed are in error.

### Note 13. Risk Management

The Town of Iota is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance.

### Note 14. Local Services Agreement

On June 11, 1998, the Town of Iota entered into a local services agreement with the newly formed Iota Fire Protection District whose corporate limits include the Town. Within this agreement, the Town agreed to transfer, sell, and convey to the District the Town's fire fighting equipment and \$5,000 in insurance rebate funds. Total fire fighting equipment transferred to the District represented a decrease of \$7,782 within the general fund assets of the Town during 1998. The cost of insurance premiums, water, diesel, gasoline, repair of equipment, and other operating cost for the initial start-up period in 1998 was paid from monies appropriated by the Town to the District derived from fire insurance premium rebates and other monies lawfully available. In return, the District agrees to provide fire protection within the boundaries of the District which include the Town of Iota.

### Note 15. Subsequent Events

On August 20, 1990, the Town council voted to reduce all of the utility revenue bonds due to completely retire in October 1998.

NOTES TO FINANCIAL STATEMENTS

Note 9. Deposits and Investments

For reporting purposes, deposits include cash and certificates of deposit. The Town may invest in United States bonds, treasury notes, or certificates, or time certificates of deposit of state banks having their principal office in the State of Louisiana, or any other federally insured investment. The Town may also invest in shares of any homestead and building and loan association in any amount not exceeding the federally insured amount. The deposits at June 30, 1997 were secured as follows:

	Bank Balance	FDIC Insurance	Balance Uninsured
Checking	\$169,622	\$200,000	\$369,622
Nonchecking	<u>153,331</u>	<u>500,000</u>	<u>653,331</u>
Total	<u>\$322,953</u>	<u>\$700,000</u>	<u>\$1,022,953</u>
Security pledged and held by the custodial bank in the name of the Bank (Category II)			<u>375,000</u>
Excess of FDIC insurance plus pledged securities over cash and cash equivalents			<u>\$647,953</u>

Note 10. Deficit Fund Balance and Retained Earnings of Individual Funds

The combined utility fund has a deficit retained earnings balance of \$27,885. This deficit retained earnings balance is primarily due to depreciation expense taken each year. Management policy is to reduce this deficit retained earnings through annual net income of this utility fund.

The general fund has a deficit fund balance of \$65,249. Management policy is to eliminate this deficit fund balance through appropriations from other funds and the general revenues of the Town.

Note 11. Sewer Plant Construction

The Town had applied for federal assistance through the Rural Development Office under the Community Facilities Loan Program. As of November 1991, the funding to the Town had been approved and consisted of both grant and loan monies. These monies are earmarked for improvements to the sewer system. Funds associated with the improvements to the sewer system consisted of issuance of the Town's bonds in the principal amount of \$700,000 supplemented by a grant in an amount not to exceed \$62,000. As at June 30, 1997 the Town had advanced into an interim-loan agreement to facilitate the sewer system project. The Town's bonds will be issued upon the completion of the project and the interim-loan will be repaid using the bond proceeds.

NOTES TO FINANCIAL STATEMENTS

Note 7. Flow of Funds: Restrictions on Use - 1% Sales and Use Tax

The tax was levied for, and the proceeds dedicated, to the purpose of constructing, acquiring, extending, improving and/or maintaining sewers and sewage disposal works, a natural gas transmission system, drainage facilities, streets, waterworks, recreational facilities, public parks, public buildings and fire department stations and equipment, including fire engines, garbage collection and disposal facilities.

Note 8. Flow of Funds: Restrictions on Use - Utility Revenue Bonds

Under the terms of the bond indenture on outstanding utility revenue bonds dated October 1, 1968, all income and revenues (hereinafter referred to as revenues) earned from the operation of the utility system are to be deposited into an account designated as the "Utilities Revenue Fund" and said fund is to be maintained and administered in the following order of priority and for the following expense purposes:

- (a) The payment of all reasonable and necessary expenses of administering, operating and maintaining the utility system from a fund designated as the "Maintenance and Operation Fund."
- (b) Each month there will be set aside into a "Utilities Revenue Bond Sinking Fund" an amount representing 1/12 of the next maturing installment of principal and 1/6 of the next installment of interest on the outstanding bonds. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due.
- (c) There shall also be set aside into a "Utilities Revenue Bond Reserve Fund" the sum of \$18,000 simultaneously with the delivery of the bonds, and monthly thereafter a sum equal to 10% of the amount required to be paid into the aforesaid "Sinking Fund" until such time as there has been accumulated into the "Reserve Fund" the sum of \$27,000.
- (d) Funds will also be set aside into a "Capital Additions and Contingency Fund" to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the utility system. Transfers shall be made each month into this fund a sum at least equal to 5% of the gross revenues of the utility system for the preceding month provided such sum is available after provisions are made for the funds required by the preceding paragraphs. Payments will continue as long as bonds are outstanding and the balance in this fund shall not be reduced below a minimum of \$5,000.

NOTES TO FINANCIAL STATEMENTS

The annual requirements to service all debt outstanding as of June 30, 1991 including interest payments of \$18,684 are as follows:

Year Ending June 30	Revenue Bond Anticipation		General Obligation	Total
	Date	Amount		
1990	0506,500	\$ 18,380	\$ 8,700	\$34,360
1991	-	18,380	10,247	40,007
2000	-	-	10,593	10,593
2001	-	-	11,867	11,867
2002 and thereafter	-	-	27,001	27,001
	<u>0506,500</u>	<u>\$ 36,760</u>	<u>\$ 57,408</u>	<u>\$130,829</u>

\$8,156 is available in the Debt Service Fund to service the general obligation bonds.

There are a number of limitations and restrictions contained in the various bond indentures. The Town is in compliance with all significant limitations and restrictions with regards to both the Revenue and the General Obligation Bonds.

Note 5. Operating Lease

The Town is committed under a five year lease for one 180 HK leader harrow. This lease is considered for accounting purposes to be an operating lease. Lease expenditures for the years ended June 30, 1990 and 1991 amounted to \$2,948 and \$2,820, respectively. The future minimum lease payment under this lease is as follows:

1990	<u>\$ 2,820</u>
------	-----------------

Note 6. Individual Fund Interfund Receivable and Payable Balances

The individual fund interfund receivable and payable balances at June 30, 1991 were as follows:

	Interfund Receivable	Interfund Payable
Enterprise Fund:		
Combined Utilities	\$100,000	\$ 26,464
Agency Fund:		
Payroll	-	2,968
General Fund	2,750	101,087
Special revenues:		
Sales tax fund	70,804	-
Capital projects		12,908
	<u>\$173,554</u>	<u>\$143,327</u>

NOTES TO FINANCIAL STATEMENTS

Note 4. Changes in Long-Term Debt

The following is a summary of bond transactions of the Town for the year ended June 30, 1993.

	Revenue Bond Anticipation		Series 1993 General	
	Rate	Amount	Obligation	Total
Bonds payable at June 30, 1992	\$ -	\$ 13,000	\$ 18,000	\$31,000
Bonds issued	100,000	-	-	100,000
Bonds retired	-	<u>13,000</u>	<u>18,000</u>	<u>31,000</u>
Bonds payable at June 30, 1993	<u>\$100,000</u>	<u>\$-0-000</u>	<u>\$-0-000</u>	<u>\$100,000</u>

Bonds payable at June 30, 1993 are comprised of the following individual issues:

General obligation bonds (secured by average revenues of Town):

\$80,000 Public Improvement serial bonds due in annual installments of \$5,000 to \$10,000 through July 1, 2003, interest at 4-1/2% \$ 80,000

Revenue bonds:

\$20,000 Utilities serial bonds due in annual installments of \$5,000 to \$7,000 through October 1, 1998, interest at 5 percent through October 1, 1993, then at 6 percent through October 1, 1998 (this issue is being serviced - principal and interest - by the Combined Utilities Fund) \$ 20,000

Revenue bond anticipation note:

\$100,000 Note payable on June 8, 1993 at 8.5%. (This note was obtained in anticipation of issuance of revenue bonds to be issued upon completion of the new sewer facility plant project. Proceeds from these new revenue bonds will be used to pay off this note when obtained). \$100,000

NOTES TO FINANCIAL STATEMENTS

Note 2. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 15 and are payable by December 31. The town bills and collects its own property taxes. Town property tax revenues are recognized when levied to the extent that they result in current receivables.

The town levies taxes at 37 mills on the dollar of assessed valuations of property. For the year ended June 30, 1997, the assessed valuations of property amounted to \$1,973,990. Taxes levied are dedicated to general corporate purposes, street maintenance, public drainages, and bridges.

Note 3. Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance July 1, 1996	Additions	Deletions	Balance June 30, 1997
Land	\$ 31,847	\$ -	\$ -	\$ 31,847
Building and improvements	32,697	-	-	32,697
Improvements other than buildings	706,036	-	-	706,036
Equipment	142,383	32,628	21,666	153,345
	<u>\$512,963</u>	<u>\$ 32,628</u>	<u>\$ 21,666</u>	<u>\$523,925</u>

A summary of proprietary fund type property, plant, and equipment at June 30, 1997 follows:

	Enterprise
Land	\$ 35,175
Buildings	79,617
Distribution systems	41,738
Equipment	673,863
Water treatment	1,895,758
Construction in process - wastewater treatment plant	84,000
Total	<u>\$3,530,151</u>
Less accumulated depreciation	<u>328,830</u>
Net	<u>\$ 3,201,321</u>

## NOTES TO FINANCIAL STATEMENTS

3. The budget is legally enacted through passage of a resolution.
4. Budgets for the General, Special Revenues, and Enterprise Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. The budget is employed as a management control device during the year for the General Fund, Special Revenue Funds, and Enterprise Fund.

All budget appropriations lapse at year end. The budget presented is as amended by the Board of Aldermen. Expenditures may not legally exceed budgeted appropriations at the fund type level.

- K. Investments - Investments are stated at cost or amortized cost, which approximates market.
- L. Inventory - Inventory is valued at the lower of cost (first-in, first-out) or market.
- M. Bad debts - Uncollectible amounts due from customers' utility receivables are recognized as bad debts by use of the direct write-off method at the time information becomes available which would indicate the uncollectibility of the particular receivable.
- N. Cash and cash equivalents - For purposes of reporting cash flows, the Town considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.
- O. Total columns on Combined Statements - Overview - Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are prepared 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.
- P. Comparative data - Comparative total data for the prior year has 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 (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

## NOTES TO FINANCIAL STATEMENTS

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued because of immateriality; and (2) principal and interest on general long-term debt which is recognized when due.

These revenues susceptible to accrual are property taxes, franchise taxes, licenses, interest revenue, and charges for services. Sales taxes collected and held by the parish school board at year-end on behalf of the Town also are recognized as revenue. Fines and permit revenues are not susceptible to accrual because generally they are not ascertainable until received in cash.

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

Proprietary funds are reported in accordance with GASB Statement No. 34, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting. This standard requires that all applicable GASB pronouncements, Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletin (ARBs) issued on or before November 30, 1989 be applied to proprietary activities unless they (FASB Statements and Interpretations, APB Opinions, and ARBs) conflict with an authoritative GASB pronouncement.

GASB Statement No. 39 also states that for proprietary activities management may elect to apply all FASB Statements and Interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements. Proprietary activities under the control of the Town of Lata will not elect to apply FASB Statements and Interpretations issued after November 30, 1989, unless they are adopted by GASB.

6. **Budgetary and budgetary accounting** - The Town follows these procedures for the budgetary data reflected in the financial statements:
1. Prior to July 1, the Mayor submits to the Town Council a proposed operating budget for the ensuing year. The operating budget includes proposed expenditures and the means of financing them.
  2. Public hearings are conducted at the Town Hall to obtain taxpayer comments.



## NOTES TO FINANCIAL STATEMENTS

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

Because of their spending measurement focus, expenditures recognition for governmental fund types is limited to definite amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

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

Buildings	12 years
Improvements	18-22 years
Equipment	3-18 years

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

All governmental 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 net current assets. Taxpayer-assessed 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. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

NOTES TO FINANCIAL STATEMENTS

**ENTERPRISE FUNDS**

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

**AGENCY FUNDS**

Agency Funds - Agency Funds are used to account for assets held by the Town in a trustee capacity or as an agent for other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

3. Fixed assets and long-term liabilities - The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present revenues (resources and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. General fixed assets including buildings and other improvements are capitalized, whereas items such as roads, bridges, curbs and gutters, signs and sidewalks, drainage systems, and lighting systems are not. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost.

TOWN OF NOTS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS

**Note 1. Summary of Significant Accounting Policies**

The Town was incorporated in 1903, under the provisions of the Louisiana Act. The Town operates under a Mayor - Board of Aldermen form of government and provides the following services as authorized by its charter: public safety (police, highways and streets), sanitation, welfare - recreation, public improvements, planning and zoning, and general administrative services.

The Town's financial statements include the accounts of all Town operations. There are no component units within the Town's reporting entity.

The accounting policies of the Town conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

- A. **Fund accounting** - The accounts of the Town 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 the means by which spending activities are controlled. The various funds are grouped, in the financial statements of this report, into six general fund types and three broad fund categories as follows:

**GOVERNMENTAL FUNDS**

**General Fund** - The General Fund is the general operating fund of the Town. It is used to account for all financial resources 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 sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified 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 Projects Funds** - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

STATE OF LOUISIANA  
 STATEMENTS OF CASH FLOW  
 PROPRIETARY FUND TYPE (CONTINUED)  
 Years Ended June 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
Net decrease in cash and cash equivalents		
Subtotals forwarded	\$ 4,973	\$ 15,989
Cash and cash equivalents, beginning of year	<u>128,866</u>	<u>143,855</u>
(Including \$124,704 and \$118,850 in restricted cash as of June 30, 1997 and 1996, respectively)		
Cash and cash equivalents, end of year	<u>\$ 133,839</u>	<u>\$ 127,866</u>
(Including \$116,364 and \$114,704 in restricted cash as of June 30, 1997 and 1996, respectively)		

See Notes to Financial Statements.

STATEMENTS OF CASH FLOWS  
 PROPRIETARY FUND TYPE  
 Years Ended June 30, 1997 and 1996

	1997	1996
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ 198,487	\$ (5,314)
Adjusted to reconcile operating income to net cash used by operations:		
Depreciation	38,648	31,254
Change in assets and liabilities:		
Decrease (increase) in accounts receivable	(2,874)	5,987
Decrease (increase) in other receivables	607	1407
Decrease (increase) in due from other funds	121,375	124,365
Decrease (increase) in inventory	(4,843)	7,881
Decrease (increase) in prepaid expenses	1,344	(1,811)
Increase (decrease) in accounts payable	(5,680)	123,381
Increase (decrease) in sales tax payable	(111)	78
Increase (decrease) in accrued operating payable	4,824	-
Increase (decrease) in due to other funds	1,153	(2,504)
Increase (decrease) in customer deposits	1,358	1,800
	<u>\$ 2,801</u>	<u>\$ 26,071</u>
Net cash provided by operating activities		
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating transfers out to other funds	\$ -	\$ 120,800
Operating transfers in from other funds	<u>7,848</u>	<u>32,830</u>
Net cash provided (used) by noncapital financing activities	<u>\$ 7,848</u>	<u>\$ (87,970)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of capital assets	\$ (24,478)	\$ (6,817)
Principal paid on revenue bond maturities	(23,806)	(22,800)
Interest paid on revenue bonds	(5,498)	(5,844)
Capital contributions - rural development	34,976	-
Recovery of engineering costs	-	21,350
Travel-Bus proceeds	100,000	-
Returns of contributed capital - sales tax	<u>(24,650)</u>	<u>-</u>
Net cash used by capital and related financing activities	<u>\$ (43,456)</u>	<u>\$ (11,461)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	\$ (24,841)	\$ (1,842)
Interest received	<u>7,836</u>	<u>8,331</u>
Net cash provided from investing activities	<u>\$ (17,005)</u>	<u>\$ 6,489</u>
Net decrease in cash and cash equivalents (increased forward)	<u>\$ (47,660)</u>	<u>\$ (81,940)</u>

## YEAR OF 1976, LOUISIANA

STATEMENTS OF REVENUE, EXPENSE  
AND CHANGES IN RETAINED EARNINGS  
PROPRIETARY FUND TYPE  
Years Ended June 30, 1997 and 1998

	Combined	
	1997	1998
Operating revenues:		
Charges for services	\$ 459,768	\$ 475,299
Miscellaneous	1,818	2,748
	<u>\$ 461,586</u>	<u>\$ 478,047</u>
Operating expenses:		
Personnel services	\$ 169,199	\$ 125,733
Fuel purchased	105,875	94,099
Supplies and materials	50,585	65,299
Heat, light and power	19,855	18,843
Depreciation	50,648	71,254
Benefit payments	50,868	9,466
Other	189,893	96,799
	<u>\$ 527,833</u>	<u>\$ 481,393</u>
Operating income (loss)	<u>\$ (66,247)</u>	<u>\$ (3,346)</u>
Non-operating revenue (expense):		
Interest income	\$ 7,310	\$ 2,698
Interest expense	(3,346)	(5,479)
Rural development grant income	39,875	-
Rural development grant expense	(18,025)	-
Recovery of engineering fees	-	20,357
	<u>\$ 1,364</u>	<u>\$ (2,423)</u>
Income (loss) before operating interfund transfers	<u>\$ (64,883)</u>	<u>\$ (5,769)</u>
Operating interfund transfers:		
Operating transfers in	\$ 3,948	\$ 17,631
Operating transfers out	-	(10,000)
Total operating interfund transfers	<u>\$ 3,948</u>	<u>\$ 7,631</u>
Net income (loss)	<u>\$ (60,935)</u>	<u>\$ 1,862</u>
Retained earnings - beginning	(22,438)	(47,099)
Retained equity transfers in	-	6,237
Retained earnings - ending	<u>\$ (22,893)</u>	<u>\$ (39,000)</u>

See Notes to Financial Statements.

Special Revenue Funds			Totals		
Budget	Actual	Variance- Favorable (Unfavorable)	Budget	Actual	Variance- Favorable (Unfavorable)
\$ 88,000	\$ 86,872	\$ 11,128	\$ 134,600	\$ 186,600	\$ 52,000
-	-	-	32,800	47,481	14,681
-	-	-	24,000	29,820	5,820
-	-	-	1,700	3,835	2,135
-	-	-	2,275	4,418	2,143
826	3,078	2,252	4,350	11,333	6,983
<u>\$ 88,826</u>	<u>\$ 90,950</u>	<u>\$ 2,124</u>	<u>\$ 257,825</u>	<u>\$ 399,587</u>	<u>\$ 141,762</u>
\$ 31,850	\$ 31,617	\$ 233	\$ 70,968	\$ 59,558	\$ 11,410
-	-	-	52,169	56,622	4,453
-	-	-	51,514	51,694	180
-	-	-	2,638	2,638	-
4,440	6,483	2,043	30,598	33,408	2,810
3,948	-	3,948	3,948	-	3,948
<u>\$ 40,298</u>	<u>\$ 38,100</u>	<u>\$ 2,198</u>	<u>\$ 251,636</u>	<u>\$ 259,791</u>	<u>\$ 8,155</u>
\$ 40,836	\$ 38,069	\$ 2,767	\$ 17,6271	\$ 18,368	\$ 7,741
\$ 275,000	\$ 178,448	\$ 96,552	\$ 352,540	\$ 378,448	\$ 25,908
-	-	-	17,425	-	17,425
<u>\$ 275,000</u>	<u>\$ 178,448</u>	<u>\$ 96,552</u>	<u>\$ 369,965</u>	<u>\$ 378,448</u>	<u>\$ 43,937</u>
\$ 15,634	\$ 18,987	\$ 3,353	\$ 374,822	\$ 33,480	\$ 34,342
273,624	273,624	-	166,480	166,480	-
-	-	-	-	(12)	12
<u>\$ 218,058</u>	<u>\$ 292,611</u>	<u>\$ 74,553</u>	<u>\$ 541,302</u>	<u>\$ 519,787</u>	<u>\$ 21,515</u>

STATE OF LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES - BUDGET (ORAS BASIS) AND ACTUAL - GENERAL AND  
 SPECIAL REVENUE FUND TYPES  
 Year Ended June 30, 1987

	General Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)
<b>Revenues:</b>			
Taxes	\$ 94,800	\$ 97,178	\$ 2,378
Licenses and permits	37,800	47,481	19,681
Intergovernmental revenues	25,000	29,800	4,800
Charges for services	3,700	3,935	235
Fines and forfeits	2,275	4,418	2,143
Miscellaneous	2,518	8,857	6,339
	<u>\$ 181,913</u>	<u>\$ 192,670</u>	<u>\$ 10,757</u>
<b>Expenditures:</b>			
Current operating:			
General government	\$ 39,219	\$ 38,141	\$ 1,078
Public safety	92,589	94,622	(2,033)
Highways and streets	51,314	51,688	(374)
Culture and recreation	2,628	3,459	831
Capital outlay	26,286	29,913	3,627
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
	<u>\$ 221,936</u>	<u>\$ 208,813</u>	<u>\$ 13,123</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 159,977</u>	<u>\$ 113,857</u>	<u>\$ 46,120</u>
Other financing sources (uses):			
Transfers to other funds	\$ 27,500	\$ 210,000	\$ 182,500
Transfers from other funds	12,315	-	(12,315)
Total other financing sources (uses)	<u>\$ 39,815</u>	<u>\$ 210,000</u>	<u>\$ 170,185</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	<u>\$ 199,792</u>	<u>\$ 323,857</u>	<u>\$ 124,065</u>
Fund balances - beginning	(17,044)	(17,044)	-
Residual equity transfer in	-	(133)	(133)
Fund balances - ending	<u>\$ 182,748</u>	<u>\$ 306,713</u>	<u>\$ 123,965</u>

See Notes to Financial Statements.



Special Revenues	Debt Service	Capital Expenditures	Totals	
			1981	1979
\$ 96,873	\$ -	\$ -	\$ 196,600	\$ 389,718
-	-	-	47,681	23,767
-	-	108,080	128,820	251,737
-	-	-	6,893	4,114
-	-	-	4,418	2,874
<u>3,078</u>	-	-	<u>11,150</u>	<u>6,914</u>
<u>\$ 99,951</u>	<u>\$ -</u>	<u>\$ 108,080</u>	<u>\$ 383,249</u>	<u>\$ 671,213</u>
\$ 23,417	\$ -	\$ -	\$ 99,938	\$ 49,871
-	-	-	96,472	114,737
-	-	-	51,696	63,769
-	-	-	1,528	6,178
4,449	-	9,493	61,899	244,888
-	18,080	-	10,000	6,883
-	9,423	-	4,617	3,686
<u>\$ 27,866</u>	<u>\$ 27,503</u>	<u>\$ 9,493</u>	<u>\$ 223,702</u>	<u>\$ 429,214</u>
<u>\$ 78,562</u>	<u>\$ 118,823</u>	<u>\$ 90,901</u>	<u>\$ 329,682</u>	<u>\$ 1,107</u>
\$ 118,448	\$ -	\$ -	\$ 178,448	\$ 182,890
-	18,080	2,508	12,389	44,878
-	-	-	-	-
-	-	-	-	-
<u>\$ 118,448</u>	<u>\$ 18,080</u>	<u>\$ 2,508</u>	<u>\$ 17,967</u>	<u>\$ 1,267</u>
\$ 98,987	\$ 64,470	\$ 93,903	\$ 129,934	\$ 1,274
329,424	32,827	(79,908)	118,125	129,501
-	-	33	-	68,203
<u>\$ 328,411</u>	<u>\$ 97,297</u>	<u>\$ 13,928</u>	<u>\$ 248,059</u>	<u>\$ 299,978</u>

TOWN OF LITA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
Year Ended June 30, 1987

	General
Revenues:	
Taxes	\$ 91,771
Licenses and permits	41,481
Intergovernmental revenues	29,800
Charges for services	5,911
Fines and forfeits	4,418
Miscellaneous	8,250
	<u>\$ 135,651</u>
Expenditures:	
Current operating:	
General government	\$ 38,261
Public safety	54,873
Highways and streets	51,896
Culture and recreation	1,459
Capital outlay	25,811
Debt service:	
Principal retirement	-
Interest and fiscal charges	-
	<u>\$ 208,831</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (16,177)</u>
Other financing sources (uses):	
Transfers to other funds	\$ (10,000)
Transfers from other funds	-
Proceeds from capital lease financing	-
Proceeds from issuance of long-term debt	-
Total other financing sources (uses)	<u>\$ (10,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	<u>\$ (26,177)</u>
Fund balances - beginning	137,874
Residual equity transfer out (in)	(50)
Fund balances - ending	<u>\$ 111,727</u>

See Notes to Financial Statements.

Proprietary Fund Type	Fiduciary Fund Type	RECEIVABLE ACCOUNTS		Totals	
		General Fixed Assets	General Long-Term Debt	Governmental Activities 2022	Governmental Activities 2021
\$ 8,743	\$ -	\$ -	\$ -	\$ 17,748	\$ 28,035
872	-	-	-	872	985
100,800	-	-	-	100,800	-
4,873	1,104	-	-	7,807	1,191
50,000	-	-	-	50,000	27,800
748	-	-	-	748	1,493
33,108	-	-	-	33,108	30,343
34,848	5,969	-	-	144,797	121,885
-	-	-	40,000	40,000	20,800
-	-	-	-	-	50,800
<u>\$ 218,128</u>	<u>\$ 7,073</u>	<u>\$ -</u>	<u>\$ 40,000</u>	<u>\$ 454,263</u>	<u>\$ 638,377</u>
51,109,659	\$ -	\$ -	\$ -	\$1,109,659	\$1,359,159
-	-	444,153	-	444,155	455,211
14,587	-	-	-	14,587	18,367
68,314	-	-	-	68,314	50,794
14,917	-	-	-	15,813	36,341
1148,933	-	-	-	1,148,933	1,171,094
-	-	-	-	8,254	12,607
-	-	-	-	212,850	108,658
<u>52,082,656</u>	<u>\$ -</u>	<u>\$ 444,153</u>	<u>\$ -</u>	<u>\$1,732,866</u>	<u>\$1,713,029</u>
<u>21,286,386</u>	<u>\$ 7,073</u>	<u>\$ 444,153</u>	<u>\$ 40,000</u>	<u>\$2,211,852</u>	<u>\$2,171,585</u>

## TOWNS OF JOHN, LOUISIANA

COMBINED BALANCE SHEET - (CONTINUED)  
ALL FUND TYPES AND ACCOUNT GROUPS  
June 30, 1997

LIABILITIES	Environmental Fund Types			
	General	Special Revenues	Debt Service	Capital Projects
Accounts payable	\$ 8,343	\$ 655	\$ -	\$ -
Sales tax payable	-	-	-	-
Lease payable	-	-	-	-
Other payables	-	-	-	-
Payable from restricted assets:				
Revenue bonds	-	-	-	-
Accrued interest	-	-	-	-
Customers' deposits	-	-	-	-
Due to other funds	110,080	-	-	12,900
General obligation bonds	-	-	-	-
Revenue bonds payable	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 128,423</b>	<b>\$ 655</b>	<b>\$ -</b>	<b>\$ 12,900</b>
<b>FUND EQUITY</b>				
Contributed capital:	\$ -	\$ -	\$ -	\$ -
Investment in general fixed assets	-	-	-	-
Retained earnings:				
Reserved for revenue bond retirement	-	-	-	-
Reserved for revenue bond contingency	-	-	-	-
Reserved for sewer improvements	-	-	-	-
Unreserved	-	-	-	-
Fund balances:			\$ 154	-
Reserved for debt service	-	-	-	-
Unreserved - undesignated	250,282	282,818	-	12,119
<b>Total fund equity</b>	<b>\$ 250,282</b>	<b>\$ 282,818</b>	<b>\$ 154</b>	<b>\$ 12,119</b>
	<b>\$ 378,705</b>	<b>\$ 363,473</b>	<b>\$ 154</b>	<b>\$ 25,019</b>

See Notes to Financial Statements.

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals	
		General Fund Assets	Special Long-Term Debt	(Encumbrances, \$mln.) 1991	1992
\$ 45,325	\$ 7,873	\$ -	\$ -	\$ 185,281	\$ 206,067
-	-	-	-	84,828	16,375
51,316	-	-	-	82,368	61,667
371	-	-	-	855	384
-	-	-	-	-	8,375
189,283	-	-	-	184,297	213,683
12,349	-	-	-	12,349	8,346
6,987	-	-	-	6,987	8,751
156,346	-	-	-	154,344	176,784
98,929	-	-	-	98,929	42,444
867,200	-	404,153	-	1,331,353	1,368,587
-	-	-	8,154	8,154	19,467
-	-	-	(8,154)	(8,154)	(19,467)
-	-	-	80,000	80,000	10,000
\$2,288,326	\$ 7,873	\$ 404,153	\$ 80,000	\$2,231,842	\$2,327,587

(Cont. Inves)

TOWN OF JETA, LOUISIANA.

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
June 30, 1990

ASSETS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Cash	\$ 69,700	\$109,180	\$ 8,154	\$ 24,838
Investments, at cost	-	29,008	-	-
Receivables:				
Accounts	3,763	3,283	-	-
Accrued interest	-	384	-	-
Other	-	-	-	-
Due from other funds	2,750	70,804	-	-
Investments, at cost	-	-	-	-
Prepaid expenses	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	-
Investments, at cost	-	-	-	-
Fixed assets (net of accumulated depreciation)	-	-	-	-
Amount available in debt service funds	-	-	-	-
Amount available in debt service funds for other purposes	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-
	<u>\$ 76,213</u>	<u>\$202,375</u>	<u>\$ 8,154</u>	<u>\$ 24,838</u>

See Notes to Financial Statements.

GENERAL PURPOSE FINANCIAL STATEMENTS  
(Combined Statements of Operations)

The Honorable John B. Sittig, Mayor  
and the Board of Aldermen  
Town of Iota, Louisiana

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

In accordance with Government Auditing Standards, we have also issued a report dated September 22, 1997 on our consideration of the Town of Iota's internal control structure and a report dated September 22, 1997 on its compliance with laws and regulations.

*Broussard, Pochi, Lewis & Breaux*

Covington, Louisiana  
September 22, 1997





**BROUSSARD, POCHE, LEWIS & BUREAU**  
CHARTERED PUBLIC ACCOUNTANTS

100 West 10th St.  
P.O. Box 90000  
New Orleans, Louisiana  
70173-0000

Phone: (504) 787-6600  
Fax: (504) 787-6300

**Other Offices:**

Lafayette, LA  
(504) 982-1900

Metairie, LA  
(504) 885-0200

Shreveport, LA  
(504) 836-1000

New Orleans, LA  
(504) 584-8100

Thibodaux Point, LA  
(504) 885-2000

Watson, LA  
(504) 877-0000

James A. Broussard, CPA  
Raymond N. Poché, CPA  
John W. Lewis, CPA  
Donald R. Burell, CPA  
Robert E. Burell, CPA  
David L. Broussard, CPA  
C. Charles Poché, CPA  
Richard H. Lewis, CPA  
Richard E. Broussard, CPA  
Walter E. Broussard, CPA  
George E. Broussard, CPA  
George E. Broussard, III, CPA  
David L. Burell, CPA  
C. Charles Poché, CPA

Richard Burell, CPA

**Members of:**

American Institute of CPAs (AICPA)  
Louisiana Institute of CPAs (LICPA)  
American Society of Public Accountants (ASPA)  
American Society of Accountants (ASA)  
American Society of Certified Public Accountants (ASCPA)  
American Society of Certified Public Accountants (ASCPA)  
American Society of Certified Public Accountants (ASCPA)  
American Society of Certified Public Accountants (ASCPA)  
American Society of Certified Public Accountants (ASCPA)  
American Society of Certified Public Accountants (ASCPA)

**INDEPENDENT AUDITOR'S REPORT**

The Honorable John B. Sittig, Mayor,  
and the Board of Aldermen  
Town of Iota, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Iota, Louisiana as of and for the period ended June 30, 1987, as stated in the table of contents. These financial statements are the responsibility of the management of the Town of Iota. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Iota at June 30, 1987, 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.

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

TRUST OF 1976, LOUISIANA  
SPECIAL REVENUE FUND  
SALES TAX FUND

BALANCE SHEETS  
June 30, 1987 and 1986

ASSETS	1987	1986
Cash	\$109,198	\$ 81,588
INVESTMENTS, at cost	94,038	14,175
Accounts receivable	7,265	7,818
Accrued interest receivable	386	0
Due from other Funds	<u>72,886</u>	<u>121,124</u>
	<u>\$253,621</u>	<u>\$204,605</u>
 LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 481	\$ 4,899
FUND BALANCE	<u>253,140</u>	<u>199,706</u>
	<u>\$253,621</u>	<u>\$204,605</u>

STATE OF IOWA, LEGISLATURE  
SPECIAL REVENUE FUND  
SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE - BUDGET (OGAS BASIS) AND ACTUAL  
Year Ended June 30, 1997  
With Comparative Actual Amounts for Year Ended June 30, 1996

	1997			1996
	Budget	Actual	Variance- Favorable (Unfavorable)	Actual
<b>Revenues:</b>				
Taxes:				
Sales tax	\$ 80,000	\$ 98,827	\$ 18,827	\$184,745
Miscellaneous revenue:				
Interest income	815	1,028	2,204	879
Total revenues	<u>\$ 80,815</u>	<u>\$ 99,855</u>	<u>\$ 19,032</u>	<u>\$185,624</u>
<b>Expenditures:</b>				
Current:				
General government:				
Engineering and consulting	\$ 2,000	\$ 2,042	\$ 4,938	\$ 2,000
Collection fees	1,468	1,450	241	1,566
Printing, stationery and supplies	1,120	2,463	652	2,857
Repairs and maintenance	-	2,380	(2,384)	185
Miscellaneous	18,185	24,598	4,313	4,760
	<u>\$ 21,773</u>	<u>\$ 23,933</u>	<u>\$ 2,160</u>	<u>\$ 11,268</u>
Highways and streets:				
Repairs	\$ -	\$ -	\$ -	\$ 2,462
Capital outlay	\$ 4,468	\$ 4,482	\$ 12,850	\$ 24,861
Debt service:				
Principal retirements	\$ 1,948	\$ -	\$ 1,948	\$ 1,853
Interest and fiscal charges	1,158	-	1,958	470
	<u>\$ 3,106</u>	<u>\$ -</u>	<u>\$ 3,906</u>	<u>\$ 2,323</u>
Total expenditures	<u>\$ 28,138</u>	<u>\$ 28,415</u>	<u>\$ 18,524</u>	<u>\$ 38,312</u>
Excess of revenues over expenditures (change forward)	<u>\$ 52,677</u>	<u>\$ 71,440</u>	<u>\$ 2,508</u>	<u>\$ 147,312</u>

STATE OF LOUISIANA  
SPECIAL REVENUE FUND  
SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
Year ended June 30, 1997  
With Comparative Actual Amounts for Year Ended June 30, 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
Excess of revenues over expenditures (forwarded)	\$ 49,876	\$ 70,948	\$ 29,464	\$ 78,585
Other sources (uses):				
Transfers to other funds	<u>(125,890)</u>	<u>(110,548)</u>	<u>15,342</u>	<u>(128,890)</u>
Excess of revenues and other sources over expenditures and other uses	\$ 15,836	\$ 59,592	\$ 43,656	\$ 43,751
Fund balance - beginning	<u>123,435</u>	<u>123,435</u>	-	<u>128,861</u>
Fund balance - ending	<u>\$139,271</u>	<u>\$183,027</u>	<u>\$ 43,756</u>	<u>\$172,612</u>

**BEST SERVICE FUNDS**

**1948 PUBLIC IMPROVEMENT BONDS** - to accumulate monies for payment of the 1948 \$100,000 6% Public Improvement Bonds.

**1953 CERTIFICATE OF INDENTURE** - to accumulate monies for payment of the 1953 \$40,000 6.5% Certificates of Indenture for the purpose of replacing various bridges in the Town of Loda.

TOWN OF BOYA, LOUISIANA  
DEBT SERVICE FUND

COMBINING BALANCE SHEET  
June 30, 1997 and 1996

	1996 Public Improvement Bonds	1995 Certificate of Indebtedness	1997	1996
ASSETS				
Cash Rinking Fund	\$ _____	\$ 8,136	\$ 8,136	\$ 32,821
FUND BALANCE				
FUND BALANCE:				
Reserved for debt retirement	\$ _____	\$ 8,136	\$ 8,136	\$ 32,821

TOWN OF JOYE, LOUISIANA  
WATER SERVICE FUNDCOMBINED STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
Years Ended June 30, 1997 and 1996

	1996 Public Improvement Bonds	1995 Certificates of Indebtedness	1997	1996
<b>Revenue:</b>				
Interest income	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
Debt service:				
Principal retirement	\$ -	\$ 10,000	\$ 10,000	\$ 9,000
Interest coupons paid	-	9,473	9,473	9,186
Paying agent fees	-	-	-	-
Bank charges	-	-	-	-
	<u>\$ -</u>	<u>\$ 19,473</u>	<u>\$ 19,473</u>	<u>\$ 18,186</u>
(Deficiency) of revenue over expenditures	\$ -	\$ (19,473)	\$ (19,473)	\$ (9,186)
Other financing sources (uses):				
Transfers from other funds	-	10,000	10,000	10,000
Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses	\$ -	\$ (9,473)	\$ (9,473)	\$ (9,186)
Fund balance - beginning	-	12,627	12,627	13,616
Residual equity transfer out	-	-	-	(9,186)
Fund balance - end of year	<u>\$ -</u>	<u>\$ 3,154</u>	<u>\$ 3,154</u>	<u>\$ 4,430</u>

CAPITAL PROJECTS FUND

UTILITY CAPITAL PROJECT FUND - to account for the collection and disbursement of funds for the proposed improvements to the WASHINGTON TREATMENT PLANT.

STREET CAPITAL PROJECT FUND - to account for the collection and disbursement of funds for street improvements.



TOWN OF 10TH, LOUISIANA  
ALL CAPITAL PROJECTS FUND

COMBINED BALANCE SHEET  
June 30, 1997 and 1996

ASSETS	Water Improvements	Street Improvements	1997	1996
Cash and cash equivalents	\$ 26,038	\$ -	\$ 26,038	\$ -
LIABILITIES				
Due to other Funds	\$ 12,960	\$ -	\$ 12,960	\$ 12,960
FUND BALANCE	13,138	-	13,138	13,382
	\$ 26,038	\$ -	\$ 26,038	\$ -

STATE OF LOUISIANA,  
ALL CAPITAL PROJECTS FUND

COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
Year Ended June 30, 1987 and 1986

	State Instruments	State Instruments	1987	1986
<b>Revenues:</b>				
Grants	\$100,000	\$ -	\$180,800	\$218,819
Appropriation - sales tax	2,500	-	2,500	9,000
Appropriation - general	-	-	-	-
Total	\$102,500	\$ -	\$183,300	\$227,819
<b>Expenditures:</b>				
Capital outlay	\$ 482	-	\$ 482	\$22,819
Excess of revenues over expenditures	\$ 92,678	\$ -	\$ 92,818	\$ -
Fund balance, beginning	(78,849)	(32)	(78,981)	(78,802)
Residual equity transfer out	-	32	32	-
Fund balance (deficit), ending	\$ 13,829	\$ -	\$ 13,869	\$ (78,802)

#### INTERPRENE FUND

COMBINED UTILITIES FUND - Is aimed at the provision of gas, water and sewer services to the residents of the Town. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

STATE OF LOUISIANA  
 COMBINED UTILITIES FUND

BALANCE SHEETS  
 June 30, 1997 and 1996

ASSETS	1997	1996
<b>CURRENT ASSETS</b>		
Cash	\$ 45,126	\$ 56,767
Accounts receivable	50,156	48,487
Other receivables	-	487
Accrued interest receivable	231	195
Due from other funds	108,263	87,500
Inventory - supplies, at cost (FIFO)	12,758	8,545
Prepaid insurance	<u>8,387</u>	<u>8,751</u>
Total current assets	<u>\$ 243,311</u>	<u>\$ 299,332</u>
<b>RESTRICTED ASSETS</b>		
Bond reserve account	\$ 27,511	\$ 27,511
Bond capital additions and contingencies account	60,314	55,258
Revenue bond and interest sinking fund	16,500	18,247
Customers' deposits:		
Cash	50,837	33,890
Certificates of deposit	24,286	8,890
Certificates of deposit - Green Chart	27,828	24,596
Reserve - power improvements (CB)	<u>2,801</u>	<u>2,800</u>
	<u>\$ 113,877</u>	<u>\$ 142,394</u>
<b>PLANT AND EQUIPMENT, at cost, net of accumulated depreciation of \$978,858 and \$988,202 at June 30, 1997 and 1996, respectively</b>	<b>\$ 862,380</b>	<b>\$ 813,324</b>
	<u>\$ 1,219,568</u>	<u>\$ 1,265,050</u>

STATE OF IOWA, LEGISLATIVE  
 GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET (ORARY BASIS) AND ACTUAL

Year Ended June 30, 1993

With Comparative Actual Amounts for Year Ended June 30, 1992

	1992		Variance: Favorable (Disfavorable)	1993
	Budget	Actual		Actual
Deficiency of revenues and other resources over expenditures (Total Encumbered)	\$ (48,448)	\$ (36,392)	\$ 12,056	\$ (48,747)
Fund balance (deficit) - beginning	(37,026)	(37,026)	-	9,773
Residual equity transfer in	-	(22)	(22)	-
Fund balance (deficit) - ending	<u>\$ (47,872)</u>	<u>\$ (36,282)</u>	<u>\$ 11,590</u>	<u>\$ (38,974)</u>

TOWN OF 10TH, LOUISIANA  
GENERAL FUND

STATEMENT OF EXPENDITURES, COMPARED TO BUDGET (GAAP Basis)  
Year Ended June 30, 1993  
With Comparative Actual Amounts for Year Ended June 30, 1992

	1992		Variance- Favorable (Unfavorable)	1993
	Budget	Actual		Actual
<b>General government:</b>				
Salaries	\$ 11,780	\$ 11,700	\$ -	\$ 11,700
Payroll taxes	1,180	895	405	895
Printing	4,112	4,105	23	3,588
Office supplies	150	-	150	-
Postage and telephone	2,475	2,640	165	2,583
Insurance	5,389	6,743	1,354	6,840
Utilities	3,819	3,800	19	3,491
Miscellaneous	9,204	8,148	1,056	8,345
Repairs - Maintenance	-	6	6	70
	<u>\$ 29,118</u>	<u>\$ 26,181</u>	<u>\$ 2,937</u>	<u>\$ 27,492</u>
<b>Public safety:</b>				
Police salaries	\$ 55,716	\$ 54,121	\$ 1,595	\$ 55,348
Payroll taxes	4,417	4,084	333	4,864
Auto	8,802	8,244	558	9,800
Telephone	2,268	2,589	321	1,808
Miscellaneous	2,238	1,883	355	2,471
Supplies	4,054	3,782	272	1,313
Fire department expenses	-	-	-	17,499
Insurance	14,100	18,180	4,080	20,469
Police auxiliary expenses	898	2,419	(1,521)	643
Transfer to fire district	-	-	-	2,588
	<u>\$ 92,185</u>	<u>\$ 96,423</u>	<u>\$ 4,238</u>	<u>\$118,732</u>
<b>Subtotals Forward</b>	<u>\$121,303</u>	<u>\$122,604</u>	<u>\$ 1,301</u>	<u>\$146,224</u>

YEAR OF 1954, LOUISIANA  
GENERAL FUND

STATEMENT OF EXPENDITURES, COMPARED TO BUDGET (GROSS BASIS)  
Year Ended June 30, 1957  
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1956

	1957		Variance, Favorable (Disfavorable)	1956
	Budget	Actual		Actual
Salaries forwarded	\$ 132,388	\$ 132,742	\$ 354	\$ 126,172
Highways and streets:				
Salaries	\$ -	\$ -	\$ -	\$ 12,817
Payroll taxes	-	-	-	765
Supplies and materials	25,089	25,121	(1,822)	11,282
Repairs and maintenance	1,527	5,368	(3,371)	9,259
Bridges and culverts	4,768	-	4,768	1,618
Gas, oil, and tires	3,478	3,384	94	3,414
Utilities	14,549	14,389	211	14,738
Insurance	1,000	3,644	(1,844)	5,578
Miscellaneous	1,528	850	640	1,213
	\$ 51,335	\$ 52,658	\$ 1,282	\$ 52,059
Culture and recreation:				
Sacred Park expense	\$ 1,618	\$ 1,622	\$ 422	\$ 4,128
Capital outlay	\$ 25,124	\$ 25,512	\$ 344	\$ 1,829
Total expenditures	\$ 211,214	\$ 208,821	\$ 1,382	\$ 216,728

**SPECIAL REVENUE FUND**

**SALES TAX FUND - to account for the collection and disbursement of the town's one (1) percent sales tax.**



LIABILITIES AND FUND EQUITY	1991	1990
<b>CURRENT LIABILITIES</b>		
Payable from current assets:		
Accounts payable	\$ 8,743	\$ 14,673
Sales tax payable	873	883
Accrued overtime payable	4,833	-
Loans payable	200,000	-
Due to other funds	24,866	31,675
	<u>\$ 151,315</u>	<u>\$ 47,031</u>
Payable from restricted assets:		
Revenue bonds payable	\$ 18,000	\$ 21,000
Accrued interest payable	144	1,032
Customers' deposits	32,180	38,341
	<u>\$ 50,324</u>	<u>\$ 60,373</u>
Total current liabilities	\$ 201,639	\$ 107,404
<b>OTHER LIABILITIES</b>		
Revenue bonds payable	-	28,800
Total liabilities	<u>\$ 201,639</u>	<u>\$ 136,204</u>
<b>FUND EQUITY</b>		
Contributed capital	\$1,199,618	\$1,199,192
Retained earnings:		
Reserved for revenue bond retirement	\$ 14,402	\$ 18,343
Reserved for revenue bond contingency	60,314	55,754
Reserved for sewer improvements	34,912	34,502
Unreserved	134,713	131,075
	<u>\$ 244,341</u>	<u>\$ 239,674</u>
Total fund equity	<u>\$1,443,960</u>	<u>\$1,438,866</u>

STATE OF LOUISIANA  
COMBINED UTILITIES SYSTEM

STATEMENT OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL  
Year Ended June 30, 1997  
With Comparative Actual Amounts for Year Ended June 30, 1996

	1997		Variance- Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>Operating revenues:</b>				
Charges for services:				
Natural gas sales	\$200,000	\$128,854	\$ 71,146	\$231,921
Water sales	128,000	147,440	19,440	161,858
sewer fees	78,000	97,310	19,310	96,808
Transmission charge	350	340	(10)	800
Overdue penalty	2,800	4,392	1,592	4,348
Customer transfer fee	-	530	530	515
	<u>\$408,150</u>	<u>\$488,766</u>	<u>\$ 80,616</u>	<u>\$475,245</u>
Miscellaneous revenue	<u>2,300</u>	<u>1,818</u>	<u>(482)</u>	<u>2,197</u>
<b>Total revenue (actuals forward)</b>	<b>\$410,450</b>	<b>\$490,584</b>	<b>\$ 80,134</b>	<b>\$477,442</b>
<b>Operating expenses:</b>				
Personnel services:				
Salaries and wages	\$128,320	\$248,138	\$ 119,818	\$122,320
Fuel purchased	\$282,828	\$205,825	\$ 77,003	\$ 284,879
Supplies and materials:				
Gas system	\$ 12,808	\$ 10,000	\$ 2,808	\$ 18,503
Water system	20,000	27,992	7,992	18,109
sewer system	13,568	12,540	1,028	9,880
	<u>\$ 46,376</u>	<u>\$ 49,532</u>	<u>\$ 3,156</u>	<u>\$ 46,492</u>
Heat, light and power:				
Gas system	\$ 1,158	\$ 1,084	\$ 74	\$ 1,111
Water system	16,000	15,340	660	16,108
sewer system	3,212	3,328	116	2,803
	<u>\$ 20,370</u>	<u>\$ 19,752</u>	<u>\$ 618</u>	<u>\$ 20,022</u>
Depreciation	\$ 22,000	\$ 18,648	\$ 3,352	\$ 21,526
<b>Subtotals forward</b>	<b>\$388,516</b>	<b>\$399,543</b>	<b>\$ 10,927</b>	<b>\$376,612</b>

TOWN OF IOLA, LOUISIANA  
COMBINED UTILITIES FUNDSTATEMENT OF REVENUES AND EXPENSES - BUDGET (ISAP BASIS) AND ACTUAL  
Year Ended June 30, 1997  
With Comparative Actual Amounts for Year Ended June 30, 1996

	1997		Variance- Favorable/ Unfavorable	1996
	Budget	Actual		
Operating revenues:				
Totals forwarded	\$ 408,800	\$ 428,326	\$ 81,246	\$ 479,070
Operating expenses:				
Subtotals forwarded	\$ 398,150	\$ 384,862	\$ 13,288	\$ 308,432
Operating expenses (Continued):				
Benefit payments:				
Payroll taxes	\$ 13,361	\$ 20,948	\$ 7,587	\$ 9,664
Other operating expenses:				
Repairs and maintenance:				
Gas system	\$ 12,882	\$ 12,313	\$ 569	\$ 8,821
Water system	15,157	21,508	13,648	17,474
Sewer system	1,007	1,268	(158)	496
Miscellaneous:				
Gas system	2,800	1,164	836	1,184
Water system	1,800	448	351	190
Sewer system	1,800	848	132	216
Printing, stationary and supplies	5,275	4,838	386	8,150
Insurance	20,800	17,932	2,668	19,221
Superintendent's truck expense	2,737	1,425	1,382	2,299
Bad debts	508	3,783	(1,303)	573
Auditing and accounting	4,110	6,548	(1418)	3,515
Legal fees	2,500	137	2,368	2,808
EPA permit	1,700	934	766	1,424
Miscellaneous general expense	29,114	24,198	2,918	20,878
Equipment lease	7,944	2,948	-	7,818
Water plant phone	1,500	1,444	56	573
Appropriations - auxiliary police	1,718	1,735	(20)	273
Engineering services	3,100	2,089	1	-
	\$ 130,375	\$ 108,883	\$ 21,492	\$ 86,295
Total operating expenses	\$ 528,525	\$ 513,083	\$ 22,361	\$ 480,350
Operating Income (Loss) (Totals Forward)	\$120,275	\$ 144,487	\$ 86,283	\$ 121,716

STATE OF IOWA, LEGISLURE  
 COMBINED UTILITIES FUND

STATEMENT OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL  
 Year Ended June 30, 1994  
 With Comparative Actual Amounts for Year Ended June 30, 1993

	1994		Variance- Favorable	1993
	Budget	Actual		Actual
Operating income (loss) (totals forwarded)	\$1139,376	\$ 166,463	\$ 972,913	\$ 12,196
Non-operating revenues and expenses):				
Interest income	\$ 3,650	\$ 7,118	\$ 3,468	\$ 2,896
Interest expense	(5,400)	(3,368)	2,032	(5,479)
Rural development grant - income	-	10,023	10,023	-
Rural development grant - expense	-	(10,023)	(10,023)	-
Recovery of engineering fees	-	-	-	21,392
	\$ 8,250	\$ 3,750	\$ 4,500	\$ 27,309
Gain (loss) before operating interfund transfers	\$1190,566	\$ 172,123	\$ 1,018,443	\$ 39,505
Operating interfund transfers:				
Operating transfers in	\$ 8,000	\$ 7,948	\$ 52	\$ 17,811
Operating transfers out	-	-	-	(20,000)
Total operating interfund transfers	\$ 8,000	\$ 7,948	\$ 52	\$ (2,189)
Net income (loss)	\$1197,566	\$ 179,071	\$ 1,018,495	\$ 37,316

TRUST OF LOCA, LOUISIANA  
 COMBINED UTILITIES FUND

STATEMENTS OF CHANGES IN RETAINED EARNINGS  
 Years Ended June 30, 1993 and 1994

	1993	1994
Balance, beginning	\$422,438	\$441,074
Net Income (Loss)	(24,715)	18,444
Residual equity transfer in	-	5,287
Balance, ending	<u>\$397,723</u>	<u>\$464,805</u>

TRINITY OF LOUISIANA  
GAS AND UTILITIES FUND

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS -  
RESTRICTED ACCOUNTS REQUIRED BY BOB ORDINANCE  
Year Ended June 30, 1997

	Bond and Interest Sinking Fund	Reserve Fund	Capital Additions & Contingency Fund	Reserved For Sewer Improve- ments	Total
Cash and investments - beginning of year	\$ 18,347	\$ 27,511	\$ 50,728	\$ 3,009	\$100,604
Cash receipts:					
Transfers from operating account	\$ 24,845	\$ -	\$ 2,258	\$ 351	\$ 27,454
Interest earned on investments	583	1,338	3,868	-	6,223
	<u>\$ 25,428</u>	<u>\$ 1,338</u>	<u>\$ 6,126</u>	<u>\$ 351</u>	<u>\$ 33,243</u>
Total cash and investments available	\$ 43,775	\$ 28,849	\$ 56,854	\$ 3,360	\$132,838
Cash disbursements:					
Payment on matured bonds and interest	\$ 371	\$ 1,199	\$ 150	\$ -	\$ 1,720
Disbursements on Taxes	26,890	-	-	-	26,890
Paying agent fees	60	133	180	-	373
Total disbursements	<u>\$ 27,321</u>	<u>\$ 1,332</u>	<u>\$ 330</u>	<u>\$ -</u>	<u>\$ 29,023</u>
Total cash and investments - end of year	\$ 16,454	\$ 27,517	\$ 56,524	\$ 3,360	\$103,855

**FISCALARY FUND**

**BONDSY FUND (payroll)** - An account for the disbursement of salaries and expenditures incurred in conjunction with payroll.

TOWN OF 109A, LOUISIANA  
 STATEMENT OF CHANGES IN ASSETS AND  
 LIABILITIES - PAYROLL FUNDS  
 June 30, 1991 and 1992

ASSETS	Balance, July 1, 1991	Additions	Deductions	Balance, June 30, 1992
Cash	<u>\$ 6,899</u>	<u>\$271,466</u>	<u>\$218,392</u>	<u>\$ 2,973</u>
 LIABILITIES				
Payroll taxes payable	\$ 1,000	\$ 58,464	\$ 58,435	\$ 1,029
Due to other funds	4,899	218,645	218,570	5,974
Other payables	<u>100</u>	<u>2,122</u>	<u>2,262</u>	<u>0</u>
	<u>\$ 6,000</u>	<u>\$279,231</u>	<u>\$279,267</u>	<u>\$ 7,003</u>



GENERAL FUND ASSETS GROUP OF ACCOUNTS -

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

TOWN OF DOTA, LOUISIANA  
 GENERAL FIXED ASSETS GROUP OF ACCOUNTS

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

	Balance, July 1, 1996	additions	deletions	Balance, June 30, 1997
General fixed assets, at end:				
Land	\$ 31,847	\$ -	\$ -	\$ 31,847
Building and improvements	77,877	-	-	77,877
Improvements other than buildings	366,836	-	-	366,836
Equipment	187,303	31,486	23,880	194,909
	<u>\$863,863</u>	<u>\$ 31,486</u>	<u>\$ 23,880</u>	<u>\$971,469</u>
Investment in general fixed assets from:				
Federal grant	\$ 31,488	\$ -	\$ -	\$ 31,488
General fund revenues	209,082	15,813	17,668	217,227
Sales tax fund revenues	122,840	6,663	3,898	125,605
Federal and state revenue sharing revenues	59,412	-	-	59,412
	<u>\$422,822</u>	<u>\$ 22,959</u>	<u>\$ 21,566</u>	<u>\$424,215</u>

**CENTRAL LONG-TERM DEBT GROUP OF ACCOUNTS**

To account for general long-term liabilities of governmental units other than perpetual fund.

TOWN OF JOY, LOUISIANA  
 STATEMENT OF GENERAL LONG-TERM DEBT  
 Year Ended June 30, 1993

	1993 Series General Obligations Bonds	
	1992	1993
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE PAYMENT OF GENERAL LONG-TERM DEBT		
Amount available in Debt Service Fund	\$ 8,194	\$ 12,617
Amount available for other purposes	(8,194)	(12,617)
Amount to be provided from Known revenues of the Town	<u>68,000</u>	<u>70,000</u>
Total available and to be provided for retirement of long-term debt	<u>\$ 68,000</u>	<u>\$ 70,000</u>
GENERAL LONG-TERM DEBT PAYABLE		
Bonds payable	<u>\$ 68,000</u>	<u>\$ 70,000</u>

SUPPLEMENTARY INFORMATION

## TRUST OF 1974, LOUISIANA

COMBINED SCHEDULE OF INVESTMENTS - ALL FUNDS  
June 30, 1990

	Interest Rate	Maturity Date	Value
Sales Tax Fund:			
Certificates of Deposit -			
Bank of Commerce & Trust Co.	4.95%	12-31-97	\$ 17,100
Bank of Commerce & Trust Co.	3.05%	11-30-97	<u>18,889</u>
			<u>\$35,989</u>
Combined Utilities Fund:			
Certificates of Deposit -			
Bank of Commerce & Trust Co.	5.05%	08-31-97	\$ 9,800
Bank of Commerce & Trust Co.	4.95%	12-31-97	27,800
Bank of Commerce & Trust Co.	4.95%	12-31-97	7,600
Bank of Commerce & Trust Co.	3.05%	02-27-98	<u>15,100</u>
Restricted trust accounts -			
First National Bank of Commerce	5.40%	-	27,500
First National Bank of Commerce	5.40%	-	<u>40,300</u>
First National Bank of Commerce	5.40%	-	<u>18,300</u>
			<u>\$86,100</u>
Total, all Funds			<u>\$122,089</u>

TOWN OF LOUIS, LOUISIANA  
 SCHEDULE OF INSURANCE IN FORCE  
 (Continued)  
 June 30, 1997

Insurer	Main Coverage
Commercial Union Insurance Companies	Town Hall and Improvements
Louisiana Municipal Risk Management	Law enforcement officers and public officials
Louisiana Municipal Risk Management	Municipal employees and volunteer firemen
Commercial Union Insurance Companies	Municipal building
Louisiana Municipal Risk Management	Automobiles
Louisiana Municipal Risk Management	General liability
Commercial Union Insurance Companies	Water plant and improvements
Commercial Union Insurance Companies	Boatwain building and meeting house
Western Surety Company	Tax collector
Western Surety Company	Clerk
Western Surety Company	Secretary
Archon Insurance Group	Police automobiles

<u>Risk Covered</u>	<u>Limit Coverage</u>	<u>Co-Insurance Clause</u>	<u>Expiration Date</u>
Fire, lightning, extended coverage, vandalism and malicious mischief	\$88,800	80%	04-12-98
Bond	\$1,000,000	-	05-01-98
Workman's compensation & employer's liability	Statutory	-	12-31-97
Fire, lightning, extended coverage, vandalism and malicious mischief	\$83,500	80%	04-12-98
Comprehensive collision	\$100,000	-	05-08-98
Fire, medical payments, property damage	\$500,000	-	05-08-98
Fire, lightning, extended coverage, vandalism and malicious mischief	\$974,800	80%	04-12-98
Fire, lightning, extended coverage, vandalism and malicious mischief	\$18,300	80%	04-12-98
Bond	\$5,000	-	11-18-98
Bond	\$1,000	-	02-01-98
Bond	\$5,000	-	11-18-97
Commercial auto physical damage	Total loss enforcement	-	07-28-97



## TOWN OF DIXIE, LOUISIANA

SCHEDULE OF COMPENSATION PAID TO BOARD MEMBERS  
Year Ended June 30, 1993

Name	Amount
John B. Sitzig, Mayor	\$ 4,200
W. B. Fontenot	1,500
Marion Pennington	1,500
Ralph Miller	1,500
J. D. Legre	1,500
Thomas Miller	1,500
	<u>\$ 11,700</u>

The schedule of compensation paid to board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

The mayor receives \$750 per month and the aldermen receive \$125 per month.



# PROFESSIONAL SOCIETY OF ACCOUNTANTS

OFFICE OF THE CHIEF OF BUREAU

100 East 10th St.  
P.O. Box 207  
Covington, Louisiana  
70021-0207  
Phone: (504) 835-2000  
Fax: (504) 835-2000

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

### City of Iota

100 East 10th St.  
Covington, LA 70021

100 East 10th St.  
Covington, LA 70021

100 East 10th St.  
Covington, LA 70021

100 East 10th St.  
Covington, LA 70021

100 East 10th St.  
Covington, LA 70021

100 East 10th St.  
Covington, LA 70021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

100 East 10th St., 10021

The Honorable John D. Ehrig, Mayor  
and the Board of Aldermen  
Town of Iota, Louisiana

We have audited the general purpose financial statements of the Town of Iota, Louisiana, as of and for the year ended June 30, 1997, and have issued our report thereon dated September 22, 1997.

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

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

The management of the Town of Iota, 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 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

The Honorable John B. Sittig, Mayor  
and the Board of Aldermen  
Town of Iota, Louisiana

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.

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

**Finding:** During our visit of Iota, it was noted that a ticket book had been issued to a police officer who subsequently resigned. However, the ticket book issued was never returned to the Town.

**Response:** The ticket book in question has never been returned by the ex-police officer. The mayor and the chief of police are aware of this problem but have been unable to obtain the ticket book.

**Finding:** During our consideration of the internal control structure, it was noted that in one instance, a purchase order was approved by a department head and the approved purchase order was not properly relayed to Town Hall. Furthermore, the Town paid for the items without the purchase order and never billed the person for use of the materials.

**Response:** The Town will ensure that all properly approved purchase orders are sent to Town Hall as required. Furthermore, Town Hall will no longer pay invoices without a properly approved purchase order.

**Finding:** During our consideration of the internal control structure, there was an inadequate segregation of duties with respect to payroll.

**Response:** Due to the limited number of personnel, it is not always practical to have a complete segregation of duties. However, the Town will re-evaluate the control structure with regards to payroll and make changes as it deems necessary and feasible.

**Finding:** During our audit procedures, it was noted that no lists were kept of supplies used out of the Town barn and on which jobs they are used. The Town handbook requires that such a list be kept and submitted to Town Hall on a monthly basis. Consequently, it is difficult for the Town to keep track of where Town supplies and materials are used.

**Response:** The Town will begin keeping such lists and properly and timely submitting to Town Hall.

The Honorable John D. Kitting, Mayor  
and the Board of Aldermen  
Town of Lake, Louisiana

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

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe that all of the reportable conditions described above are material weaknesses.

This report is intended for the information of management and the Legislative Auditor's office. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*Broussard, Pochi, Lewis & Breaux*

Crosby, Louisiana  
September 22, 1997



**H.H. CASSARD, INC., LEWIS & BRIDGES**  
 CERTIFIED PUBLIC ACCOUNTANTS

111 East 10th St.  
 P.O. Box 9999  
 Gretna, Louisiana  
 70043  
 phone (504) 833-6111  
 fax (504) 833-6111

**Other Offices:**

Lafayette, LA  
 (504) 483-1000

Shreveport, LA  
 (504) 422-1001

Shreveport, LA  
 (504) 422-1001

New Orleans, LA  
 (504) 581-1001

Greenville, LA  
 (504) 833-1001

Franklin, LA  
 (504) 833-1001

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

Louisiana Department of  
 Economic Development

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

The Honorable John D. Bivins, Mayor  
 and the Board of Aldermen  
 Town of Iota, Louisiana

We have audited the general purpose financial statements of the  
 Town of Iota, Louisiana, as of and for the year ended June 30, 1997,  
 and have issued our report thereon dated September 22, 1997.

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

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

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

**Finding:**

**Finding:** For the year ended June 30, 1997, actual revenues exceeded  
 budgeted revenues by more than five percent in the General  
 Fund.

**Cause:** Management failed to amend the budget when actual revenues  
 exceeded budgeted amounts.

**Recommendation:** We recommend that the budget continue to be closely  
 monitored and every effort possible be made to stay within the  
 five percent limitation as has been done in the past.

The Honorable John D. Hillig, Mayor  
and the Board of Aldermen  
Town of Iota, Louisiana

**Response:** The Town will continue to monitor the budget closely in order to comply with the five percent limitation.

**Finding:** For the year ended June 30, 1985, actual revenues and expenditures exceeded budgeted revenues and expenditures by more than five percent in the Water Tax Fund.

**Cause:** Management failed to amend the budget when actual revenues and expenditures exceeded budgeted amounts.

**Recommendation:** We recommend that the budget continue to be closely monitored and every effort possible be made to stay within the five percent limitation as has been done in the past.

**Response:** The Town will continue to monitor the budget closely in order to comply with the five percent limitation.

**Finding:** For the year ended June 30, 1987, actual revenues exceeded budgeted revenues by more than five percent in the Utility Fund.

**Cause:** Management failed to amend the budget when actual revenues exceeded budgeted amounts.

**Recommendation:** We recommend that the budget continue to be closely monitored and every effort possible be made to stay within the five percent limitation as has been done in the past.

**Response:** The Town will continue to monitor the budget closely in order to comply with the five percent limitation.

#### **Investments**

**Finding:** The Town did not develop and adopt an investment policy that details investment objectives.

**Cause:** Management failed to develop and adopt an investment policy for the Town of Iota.

**Recommendation:** We recommend that the management develop and adopt an investment policy for the Town of Iota as required by law.

**Response:** The Town of Iota will develop and adopt an investment policy as required.

#### **Overtime**

**Finding:** The Town did not timely pay employees for overtime earned.

The Honorable John B. Sittig, Mayor  
and the Board of Aldermen  
Town of Iona, Louisiana

**Issue:** The Town did not pay some employees for overtime as earned but rather paid them a set amount of overtime each week to make up.

**Recommendation:** We recommend that the Town pay employees for overtime as earned.

**Response:** The Town will begin paying all overtime as earned and will pay employees who have cumulative overtime hours immediately. Furthermore, the Town will amend its handbook to better state when and how overtime is to be paid.

#### Issues of Funds

**Finding:** During our auditing procedures, it was noted that in some instances items were purchased by the Town for employees who would then reimburse the Town for the cost of the items. It was further noted that in some cases, reimbursement was not done immediately.

**Issue:** In most instances, the Town purchased items for employees when the Town was also needing supplies from the same vendor.

**Recommendation:** We recommend that the Town no longer purchase items for employees' personal use.

**Response:** The Town will no longer purchase items for employees' personal use.

We considered these material instances of noncompliance in forming our opinion as to whether the 1997 general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated September 27, 1997 on those general purpose financial statements.

Except as described above, the results of our tests of compliance 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 Legislative Auditor's office. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*Broussard, Pochi, Lewis & Breaux*

Crowley, Louisiana  
September 22, 1997