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CITY OF WESTLAKES, LOS ANGELES
ANNUAL FINANCIAL REPORT
JUNE 30, 1987

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Release Date May 17 1988

CITY OF WESTLAKES, LOUISIANA

ANNUAL FINANCIAL REPORT
Year Ended June 30, 1997

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CITY OF MONROE, LOUISIANA

June 15, 1953

MAYOR

The Honorable Dudley E. Dixon
Mr. Harry Meeks, Mayor Pro-Tempore

BOARD OF ALDERMEN

Mr. Carl "Big" Chisholm
Mr. John Crawburn
Mr. Hal Scellick

Mr. Percy Meeks
Mr. Robert E. "Daddy" LeFard
Mr. Gerald "Red" Washington

LEGAL COUNSEL

Mr. John Van Hornes - City Attorney

CITY CLERK

Mrs. Molly Fontenot

McELROY, QUINN & BUNCH

LA PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
SOCIETY OF ACCOUNTANTS
CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 908
LAKE CHARLES, LOUISIANA
70601-0908

MEMBER OFFICE
TRUST BUILDING CO-100
P.O. BOX 66448

MEMBER OF AICPA

INDEPENDENT AUDITOR'S REPORT

Honorable Dudley B. Dixon, Mayor
and Board Aldermen
City of Westlake, Louisiana

We have audited the accompanying general purpose financial statements and the combining, individual fund and account group financial statements of the City of Westlake, Louisiana, as of and for the year ended June 30, 1997, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Westlake, Louisiana as June 30, 1997 and the results of its operations and changes in cash flows of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Also, in our opinion, the aforementioned combining, individual fund and account group financial statements present fairly the financial position of the individual funds and account groups of the City of Westlake, Louisiana as June 30, 1997, and the results of operations of such funds and changes in cash flows of individual proprietary funds for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated December 8, 1997, on our consideration of the City of Metairie's internal control over financial reporting and the tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the City of Metairie, Louisiana, taken as a whole, and on the combining, individual fund and account group financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-110, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining, individual fund and account group financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements and each of the respective individual funds and account groups, taken as a whole.

M^{rs} Cheryl David & Lorsch

Lake Charles, Louisiana
December 8, 1997

COMBINED STATEMENTS - OVERVIEW

CITY OF METairie, LOUISIANA

COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1997

ASSETS	Governmental Fund Types			
	General	Special Revenues	Debt Service	Capital Projects
Cash	\$ 50,208	\$ 49,364	\$ 25,897	\$ 826,727
Investments, at cost	95,814	-	-	-
Receivables:				
ACCOUNTS	129,843	-	-	-
Special assessments	-	-	81,242	-
Prepaid insurance	69,273	-	-	1,126,806
Due from other funds (Note 1)	944,544	-	-	127,542
Inventory, at cost	-	-	-	-
Restricted assets:				
Cash and investments, at cost	-	-	-	-
Fixed assets (net of accumulated depreciation) (Note 4)	-	-	-	-
Deferred loss expense (net of accumulated amortization)	-	-	-	-
Total assets	\$ 1,729,532	\$ 49,364	\$ 25,897	\$ 1,953,575

Proprietary Fund Type	Account Groups		Totals	
	General Fixed Assets	General Long-Term Debt	Noncurrent Debt	
			2027	2028
\$ 369,846	\$ -	\$ -	\$ 3,383,463	\$ 383,728
2,348,718	-	-	2,351,546	2,712,528
358,700	-	-	383,564	384,487
-	-	-	81,543	82,588
29,898	-	-	3,827,336	319,188
388,143	-	-	3,428,824	386,177
23,583	-	-	23,583	21,858
384,883	-	-	384,883	388,188
6,424,348	3,487,534	-	18,321,828	18,888,348
<u>1,823</u>	<u>-</u>	<u>-</u>	<u>1,823</u>	<u>1,823</u>
<u>\$ 8,327,334</u>	<u>\$ 3,487,534</u>	<u>\$ -</u>	<u>\$ 22,328,828</u>	<u>\$ 20,168,823</u>

(Continued on next page)

CITY OF METairie, LOUISIANA

COMBINED BALANCE SHEET-ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1987
(Continued)

LIABILITIES AND FUND EQUITY	Governmental Fund Types			
	General	Special Revenues	Debt Service	Capital Projects
Liabilities:				
Accounts payable	\$ 128,827	\$ -	\$ -	\$ 128,827
Payable from restricted assets:				
Accrued interest	-	-	-	-
Revenue bonds (Note 4)	-	-	-	-
Deposits	-	-	-	-
Due to other funds (Note 4)	128,827	-	55,543	-
General obligations bonds, notes payable (Note 4)				
Total liabilities	<u>257,654</u>	<u>-</u>	<u>55,543</u>	<u>128,827</u>
Fund equity:				
Contributed capital	-	-	-	-
Investment in general fund assets	-	-	-	-
Retained earnings:				
Reserve for revenue bond retirement	-	-	-	-
Unassigned	-	-	-	-
Fund balances:				
Reserved for contingencies	-	27,871	-	-
Reserve for capital insurance withheld:	48,872	-	-	-
Designated for subsequent years expenditures	843,328	12,353	78,843	2,171,806
Total retained earnings/ fund balance	<u>942,198</u>	<u>40,224</u>	<u>78,843</u>	<u>2,171,806</u>
Total fund equity	<u>942,198</u>	<u>40,224</u>	<u>78,843</u>	<u>2,171,806</u>
Total liabilities and fund equity	<u>\$ 1,200,852</u>	<u>\$ 40,224</u>	<u>\$ 134,386</u>	<u>\$ 2,343,633</u>

See accompanying notes to financial statements.

Proprietary Fund Type	Account Groups		Totals	
	General Fund	General Long-Term Fund	Memorandum Total	
	1997	1998	1997	1998
Enterprise	\$ -	\$ -	\$ 322,465	\$ 349,426
	1,000	-	1,000	1,000
	60,000	-	60,000	60,000
	118,467	-	118,467	67,580
	1,857,494	-	1,859,424	766,577
	<u>24,000</u>	<u>-</u>	<u>24,000</u>	<u>184,000</u>
	<u>1,857,494</u>	<u>-</u>	<u>1,883,424</u>	<u>2,388,674</u>
	0,943,833	-	0,943,833	7,000,071
	3,487,814	-	3,487,814	3,288,366
	76,580	-	76,580	62,053
	1,481,896	-	1,483,096	3,719,887
	-	-	27,071	-
	-	-	69,273	68,000
	<u>-</u>	<u>-</u>	<u>3,584,383</u>	<u>2,584,680</u>
	<u>2,882,878</u>	<u>-</u>	<u>2,388,212</u>	<u>4,812,128</u>
	<u>8,569,421</u>	<u>3,487,814</u>	<u>18,688,698</u>	<u>14,779,883</u>
	<u>2,8,867,628</u>	<u>2,3,487,814</u>	<u>2,17,888,812</u>	<u>2,20,249,612</u>

CITY OF METairie, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
 Year Ended June 30, 1997

	<u>General</u>
Revenues:	
Taxes and special assessments	\$ 345,045
Licenses and permits	280,838
Intergovernmental	87,897
Charges for services	(50,143)
Fines and forfeits	86,344
Interest income	15,530
Miscellaneous	89,202
Rents revenues	2,281
Contributions-gaming industry	-
Grant proceeds	4,880
Donations	59,614
Total revenues	<u>1,027,534</u>
Expenditures:	
Current:	
General government	325,873
Police	162,877
Fire	282,590
Street	143,538
Sanitation	158,877
Sanitation	3,890
Civil defense	22,781
Police	8,278
Emergency preparedness	498,524
Capital outlay	-
DEBT SERVICE:	
Administrative, Principal transfer	-
Total expenditures	<u>2,871,824</u>
Excess (deficiency) of revenues over expenditures	<u>(1,844,290)</u>
Other financing sources (uses):	
Operating transfers in	1,427,982
Operating transfers out	-
Total other financing sources (uses)	<u>1,427,982</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	73,581
Fund balance at beginning of year	<u>831,685</u>
Fund balance at end of year	<u>\$ 905,266</u>

See accompanying notes to financial statements

Governmental Fund Types			Totals	
Special Revenues	Debt Service	Capital Expenditures	Operating Exp.	Trans.
\$ 2,282,898	\$ -	\$ -	\$ 1,832,843	\$ 2,098,214
-	-	-	580,824	122,883
-	-	442,227	229,894	72,844
-	-	-	270,242	188,887
-	-	-	82,248	122,818
1,648	2,828	122,282	222,248	72,282
-	-	-	22,222	22,222
-	-	-	2,222	27,222
-	-	2,282,898	1,282,898	1,282,898
-	-	122,222	222,242	222,222
-	-	22,222	22,222	22,222
<u>2,282,898</u>	<u>2,828</u>	<u>2,242,242</u>	<u>4,222,222</u>	<u>4,222,222</u>
22,222	-	-	222,222	222,222
-	-	-	222,222	222,222
-	-	-	222,222	222,222
-	-	-	222,222	222,222
-	-	-	22,222	22,222
-	-	-	22,222	22,222
-	-	-	222,222	222,222
-	-	2,222,222	2,222,222	222,222
-	2,222	-	2,222	222
<u>22,222</u>	<u>2,222</u>	<u>2,222,222</u>	<u>4,222,222</u>	<u>4,222,222</u>
<u>2,222,222</u>	<u>222</u>	<u>222,222</u>	<u>2,222,222</u>	<u>2,222,222</u>
-	-	222,222	2,222,222	1,222,222
<u>2,222,222</u>	<u>-</u>	<u>222,222</u>	<u>2,222,222</u>	<u>2,222,222</u>
<u>2,222,222</u>	<u>222</u>	<u>222,222</u>	<u>2,222,222</u>	<u>2,222,222</u>
-	-	222,222	2,222,222	1,222,222
<u>2,222,222</u>	<u>-</u>	<u>222,222</u>	<u>2,222,222</u>	<u>2,222,222</u>
22,222	222	222,222	222,222	1,222,222
<u>22,222</u>	<u>222</u>	<u>2,222,222</u>	<u>2,222,222</u>	<u>2,222,222</u>
<u>2,222,222</u>	<u>222,222</u>	<u>2,222,222</u>	<u>2,222,222</u>	<u>2,222,222</u>

CITY OF WESTLAK, CALIFORNIA

Schedule D

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL AND SPECIAL REVENUE FUND TYPES
YEAR ENDED June 30, 1997

	General Fund			Special Revenue Funds
	Budget	Actual	Revenue Transferable Reimbursements	Actual
REVENUES:				
Taxes (State 2)	\$ 348,000	\$ 348,993	\$ 12,493	\$ 3,201,379
Licenses and permits	299,000	299,000	28,000	-
Intergovernmental	70,000	67,500	27,500	-
Charges for services	100,000	170,143	9,545	-
Fees and permits	80,000	80,000	6,000	-
Intergov. grants	10,000	10,000	6,000	1,448
Miscellaneous	50,000	49,500	977	-
State transfers	30,000	3,000	(50,500)	-
Grant proceeds	3,000	6,000	1,500	-
Donations	10,000	10,000	(2,000)	-
Total revenues	<u>1,000,000</u>	<u>1,057,536</u>	<u>68,045</u>	<u>4,652,447</u>
EXPENDITURES:				
General government	100,000	100,000	100,000	10,100
Police	700,000	700,000	6,000	-
Fire	270,000	263,000	6,000	-
Water	50,000	50,000	6,000	-
Sanitation	150,000	150,000	12,000	-
Construction	30,000	1,000	10,000	-
Capital outlay	0,000	60,000	(20,000)	-
Interest	0,000	6,000	11,000	-
Emergency preparedness	600,000	600,000	(20,000)	-
Total expenditures	<u>2,680,000</u>	<u>2,379,000</u>	<u>(80,000)</u>	<u>10,100</u>
Excess (deficiency) of revenues over expenditures	<u>(1,680,000)</u>	<u>(1,321,464)</u>	<u>(141,955)</u>	<u>4,642,347</u>
Other financing sources (uses):				
Financing transferred in	1,070,000	1,037,000	60,000	-
Operating transfers out	-	-	-	<u>(1,030,000)</u>
Total other financing sources (uses)	<u>1,070,000</u>	<u>1,037,000</u>	<u>60,000</u>	<u>(1,030,000)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>390,000</u>	<u>75,536</u>	<u>(20,955)</u>	<u>3,612,347</u>
Fund balance at beginning of year	<u>800,000</u>	<u>810,000</u>	-	<u>80,000</u>
Fund balance at end of year	<u>1,190,000</u>	<u>885,536</u>	<u>(20,955)</u>	<u>4,412,347</u>

See accompanying notes to financial statements.

CITY OF NEWPLAGE, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
 RETAINED EARNINGS - ALL FUNDING SOURCES
 Years Ended June 30, 1977 and 1976

	<u>Estimated Fund</u>	
	<u>1977</u>	<u>1976</u>
Operating revenues:		
Charges for services	\$ 2,320,463	\$ 2,432,506
Operating expenses:		
Personal services	547,428	621,894
Contractual services	67,468	76,863
Supplies and other expenses	784,548	576,443
Rent, light and power	70,548	78,487
Natural gas for meals	648,851	637,396
Depreciating and amortization	<u>422,432</u>	<u>382,483</u>
Total operating expenses	<u>2,468,665</u>	<u>2,373,563</u>
Operating income	<u>152,824</u>	<u>618,983</u>
Nonoperating revenues (expenses):		
Tax fees	38,483	38,583
Interest income	133,888	136,553
Miscellaneous	187	3,483
Interest and fiscal charges	<u>18,473</u>	<u>38,883</u>
Total nonoperating revenues	<u>189,929</u>	<u>317,502</u>
Income before operating transfers	342,753	936,485
Operating transfers in (out)	<u>(208,361)</u>	<u>(138,352)</u>
Net (loss)	(65,608)	798,133
Retained earnings at beginning of year	1,778,368	1,383,687
Add (subtract):		
Depreciation on fixed assets acquired with federal and state grants	<u>313,918</u>	<u>333,318</u>
Retained earnings at end of year	<u>\$ 1,612,755</u>	<u>\$ 2,115,138</u>

See accompanying notes to financial statements

CITY OF METairie, LOUISIANA
 COMBINED STATEMENTS OF CASH FLOW
 ALL PROPRIETARY FUND TYPES
 YEARS ENDED JUNE 30, 1997 and 1998

	<u>Encapsulated Fund</u>	
	<u>1997</u>	<u>1998</u>
CASH FLOW FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 2,427,853	\$ 2,457,268
Cash payments to suppliers for goods and services	(2,479,211)	(2,427,174)
Cash payments to employees for services	(242,428)	(221,228)
Net cash provided by operating activities	<u>286,214</u>	<u>208,866</u>
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES		
Net operating transfers in	118,443	155,758
Tax fees received	8,488	8,252
Operating transfers out to other funds	(292,294)	-
Other nonoperating income	3,282	(212,222)
Net cash (used in) noncapital financing activities	<u>(162,181)</u>	<u>(138,212)</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal received from other funds	359,150	508,222
Principal payments to other funds	-	(248,254)
Principal paid on revenue bond maturities and equipment contracts	(59,898)	(58,040)
Interest paid on revenue bonds and equipment contracts	(9,473)	(2,842)
Acquisition and construction of fixed assets	(281,822)	(162,422)
Net cash (used in) capital and related financing activities	<u>(181,443)</u>	<u>(36,336)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest and dividends on investments	127,853	120,822
Net increase (decrease) in cash and cash equivalents	(24,657)	74,308
Cash and cash equivalents:		
beginning of year	<u>2,722,270</u>	<u>2,647,962</u>
end of year	<u>2,697,613</u>	<u>2,722,270</u>

(continued on next page)

CITY OF WESTLAK, LOUISIANA

COMBINED STATEMENTS OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
YEARS ENDED JUNE 30, 1997 AND 1996

	<u>Reconciliation Fund</u>	
	<u>1997</u>	<u>1996</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 327,874	\$ 414,383
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	438,423	381,699
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	28,582	(28,288)
decrease in inventory	7,471	-
decrease in prepaid insurance	8,489	1,948
Increase in accounts payable	<u>(4,281)</u>	<u>(44,528)</u>
Net cash provided by operating activities	<u>\$ 738,552</u>	<u>\$ 721,812</u>

See accompanying notes to financial statements

CITY OF WESTLAKE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

1) Summary of Significant Accounting Policies

The City of Westlake was incorporated on December 1, 1976, under the provisions of the Louisiana Act. The City operates a Mayor-Board of Aldermen form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, recreation, public improvements, and general administrative services.

The accounting policies of the City of Westlake conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidance set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, *Auditor of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies.

A. Financial Reporting Entity

The accompanying financial statements include the various departments, activities, and organizational units that are within the control and authority of the Mayor and Board of Aldermen of the City of Westlake, Louisiana. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Statement No. 14 of the Governmental Accounting Standards Board. This statement defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Based on the focusing criteria, the City of Westlake has no other fiscal or significant managerial responsibility over any other governmental unit that is not included in the financial statements of the City of Westlake.

I. Fund Accounting

The accounts of the City 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 in this report, into five generic fund types and ten broad fund categories as follows:

GOVERNMENTAL FUNDS

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments 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. Also included is the repayment of special assessment debt and the support provided through special assessment taxes.

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).

PROPRIETARY 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 intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

ACCOUNT GROUPS

General Fixed Assets - The general fixed assets account group accounts for all fixed assets acquired or constructed for use by the City, other than those accounted for in the proprietary fund.

General Long-Term Debt - The general long-term debt account group accounts for long-term obligations not recorded in the proprietary fund.

C. Fixed Assets

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

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

Production and distribution system buildings	20-50 years
Improvements other than buildings	20 years
Machinery and equipment	5-20 years
Data processing equipment	3-10 years

D. 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 are accounted for using a financial resources measurement focus whereby only current assets and current liabilities generally are included on the balance sheet and increases or decreases in net current assets are presented in the operating statements. These funds utilize the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available to finance expenditures of the current period. Certain revenues such as sales tax, property tax, and charges for services are assessed and collected in such a manner that they can be accrued appropriately. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for principal and interest on general long-term debt which are recognized when due. Also, expenditures for accrued compensated absences are not recognized until they are payable from current available financial resources.

The proprietary fund is accounted for and reported using a flow of economic resources measurement focus. This means that all assets and liabilities associated with the operation of these funds are included on the balance sheet and fund equity consists of contributed capital and retained earnings. The operating statements for the proprietary fund presents increases or decreases in net total assets.

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. Assets purchased are recorded as expenditures in the governmental funds and capitalized at cost in the General Fixed Assets Account Group. The City has elected not to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. The City has no general long-term debt.

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

The Governmental Accounting Standards Board (GASB) Statement Number 34 (effective for financial statements for periods beginning after December 15, 1990) provides guidance on accounting and financial reporting for proprietary fund types and allows proprietary fund types to choose one of two options in applying pronouncements issued by the Financial Accounting Standards Board (FASB) after December 15, 1989. The City of Menasha has elected to use the first option for reporting its activities. This approach

applies all GASB pronouncements and FASB Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. Changes to FASB statements and interpretations, APB opinions and ARBs issued after November 30, 1989, would not apply unless adopted by GASB.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

K. Budgets and Budgetary Accounting

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

1. Prior to June 15, the Accountant submits to the Mayor and Board of Aldermen a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at City Hall to obtain comments from the public.
3. Prior to June 20, the budget is legally enacted through passage of an ordinance.
4. Amendments to the budget are approved by the Board of Aldermen by a formal adoption of an ordinance.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.
6. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended by the City Council.
7. All budgetary appropriations lapse at the end of each fiscal year.
8. Budgetary amendments involving increases in expenditures resulting from revenues exceeding expenditures requires the approval of the Board of Aldermen.

10. The budget and actual comparison presented in Exhibit C in the accompanying financial report includes the General Fund and Special Revenue Funds. The capital budget ordinances which encompass the Capital Projects Funds present cumulative as opposed to annual budget amounts and their budget and actual comparisons are not reported in the accompanying financial report for these funds.

11. The City Charter provides that expenditures cannot legally exceed appropriations within any fund of the City.

12. Memorandum accounting is not used.

F. Investments

Investments and verification of deposits are stated at cost.

G. Inventory

Inventory is valued at the lower of cost (first-in, first-out) or market. General Fund inventories are accounted for under the consumption method where expenditures are recorded when the goods are used.

H. 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 City's financial position and operations.

I. Total Columns on Combined Statements - Overview

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

J. Bad Debts

Uncollectible amounts due for ad valorem taxes, customers' utility receivables, and special assessments are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. This method does not result in a change in bad debts that is materially different from the amount that would be charged if the reserve method were used.

E. Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits and certificates of deposit. Certificates of deposit are stated at cost.

Louisiana State Statutes, as stipulated in R.S. 18-1271, authorize the City to invest in United States bonds, treasury notes, or certificates, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having the principal office in the State of Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Fund, Inc. (LAMFI), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at cost.

I. RESERVES

The City records reserves to indicate that a portion of the fund balance or retained earnings is legally segregated for a specific future use. The following is a list of all reserves used by the City and a description of each as of June 30, 1997:

	<u>Amount</u>
Enterprise funds:	
Reserve for public utility revenue bond retirement	\$ 74,642
General fund:	
Reserve for prepaid insurance	68,073
Special revenue fund:	
Reserve for contingencies	<u>21,812</u>
	<u>\$ 164,527</u>

H. Restricted Assets

These assets consist of cash and investments restricted for various purposes as detailed in Note 10.

K. Accumulated Unpaid Sick Pay

Accumulated unpaid sick pay was not considered material at June 30, 1997 and is not reflected in these financial statements.

2) Cash and Investments

Deposits in excess of Federally insured amounts are required by Louisiana state statute to be protected by collateral of equal market value. Authorized collateral includes general obligations of the U.S. government, obligations issued or guaranteed by an agency established by the U.S. government, general obligation bonds of any state of the U.S., or any Louisiana parish, municipality, or school district. The City's bank and demand and time deposits at year end were entirely covered by Federal depositary insurance or by pledge of securities owned by the financial institution in the City's name.

	<u>Carrying</u> <u>Amount</u>	<u>Book</u> <u>Balance</u>
Balance at June 30, 1997 were as follows:		
Demand deposits, interest bearing	<u>\$ 1,145,054</u>	<u>\$ 1,145,054</u>

Investments:

Louisiana state statutes authorize the City to invest in United States bonds, treasury notes, or certificates, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having the principal office in the State of Louisiana. Investment are stipulated in R.S. 33:2071, or any other federally insured investment, or in mutual or trust fund organizations, which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies.

Credit risk categories:

The City's deposits and investments are categorized above in accordance with GAO Statement No. 3 to give an indication of the level of risk assumed at year end. Category 1, which represents the lowest level of risk, includes investments and deposits that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments with the securities held by the financial institution's trust department or agent in the City's name. Category 3, which represents the greatest level of risk, includes uninsured and unregistered investments or deposits which are not protected by collateral, or for which securities are not held in the City's name. Categories 2 and 3 were not applicable to any deposits or investments at any time during the fiscal year ended June 30, 1997.

Investments held at June 30, 1997, consist of 40,251,546 in the Louisiana Asset Management Pool, Inc. (LAMP), a local government investment pool (see Summary of Significant Accounting Policies). LAMP investments at June 30, 1996 totaled 54,744,487. In accordance with GAO modification Section 193.049

The investment in LAMP as June 30, 1997, is not categorized in the three risk categories provided by GAMA codification section 159.104 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprising the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPAs. Only local governments having contracted to participate in LAMP have an investment interest in the pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, corporations, or instrumentalities, as well as repurchase agreements collateralized by these securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 181 days. LAMP is designated to be highly liquid to give its participants immediate access to their account balances.

3) Property Tax

Taxes are levied on June 1, billed on November 1, and payable by December 31. The city bills and collects its own property taxes. City property tax revenues are recognized when billed to the extent that they result in current receivables. Delinquent taxes are delinquent by January 1st. Sale of delinquent properties is held once a year.

The total millage is 4.32 divided as follows:

	Millage	Tax Collected
General purpose tax	4.32	\$ 72,881

4) Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance ____2,128,____	Additions	Deletions	Balance ____4,320,81____
Land	\$ 288,248	\$ 281,328	\$ -	\$ 569,576
Building	2,144,688	145,736	-	2,290,424
Equipment	____3,344,644	____128,808	_____	____3,473,452
	<u>\$ 2,782,842</u>	<u>\$ 128,802</u>	<u>\$ _____</u>	<u>\$ 2,911,644</u>

A summary of proprietary fund type property, plant and equipment at June 30, 1987 and 1986 follows:

	Expenditure Fund	
	1987	1986
Land	\$ 54,489	\$ 54,489
Production and distribution	11,629,479	11,888,328
Buildings	83,383	83,383
Machinery, equipment, vehicles	842,085	428,085
Construction in progress	238,385	173,688
Total	12,847,821	13,628,183
Less accumulated depreciation	<u>2,821,381</u>	<u>2,818,028</u>
Net	<u>\$ 10,026,440</u>	<u>\$ 10,810,155</u>

50 Changes in Proprietary Fund Long-Term Debt

The following is a summary of revenue bond and long-term note transactions of the City for the year ended June 30, 1987:

Bonds and other obligations payable at July 1, 1986	\$ 184,000
Bonds retired	<u>(184,000)</u>
Bonds and other obligations payable at June 30, 1987	<u>\$ 184,000</u>

Bonds payable at June 30, 1987 are comprised of the following individual issues:

Revenue Bonds:

\$775,000 1986 San Utility serial bonds due in annual installments varying in amounts through November 1, 1990;	
Interest at 5.0%	<u>\$ 184,000</u>

The annual requirements to amortize all debt outstanding as of June 30, 1987, including interest payments of \$9,108 are as follows:

Year Ending	Revenue	Total
<u>June 30,</u>		
1988	\$ 17,012	\$ 17,012
1989	<u>36,916</u>	<u>36,916</u>
	<u>\$ 53,928</u>	<u>\$ 53,928</u>

61 Interfund receivables and payables were as follows at June 30, 1987:

Fund	Interfund Receivable	Interfund Payable
General	\$ 281,240	\$ 228,227
Debt Service	-	22,549
Capital Projects	227,143	-
Enterprise	<u>228,121</u>	<u>1,227,228</u>
	<u>\$ 736,504</u>	<u>\$ 1,478,004</u>

71 Capital Project Fund

The capital project fund is being used to account for the construction of improvements to the municipal waterworks system and various streets within the City. Financing for the improvements is being provided by the removal of a one cent sales tax. The work will entail water line relocation and the replacement of shell and asphalt streets with concrete.

40 Delinquent Assessments

The City is contingently liable for amounts shown as delinquent assessment receivables. The total amount delinquent for the fiscal year ended June 30, 1987 was \$8,114.

49 Dedication of Proceeds and Five of Funds - Two and One-Half Percent Sales Tax

Proceeds of the two percent sales tax levied by the City of Washita are collectible by the Sales Tax Fund and are dedicated and distributed as follows:

- One percent of the two percent collected is distributed to the Capital Projects Fund for the Water Fund/Fire Improvement Program. This tax expires on June 30, 1987.
- An amount equal to .20 of one percent is transferred to the General Fund Street Department. This tax is a perpetual tax.
- An amount equal to .20 of one percent is transferred to the General Fund Police Department. This tax is a perpetual tax.
- An amount equal to .20 of one percent is distributed to the General Fund Fire Department. This tax is a perpetual tax.
- An amount equal to .20 of one percent is distributed to the Water Works Enterprise Fund. This tax is a perpetual tax.

proceeds of the one-half percent sales tax, which was passed on July 21, 1980 and is to run for five years is dedicated to the following:

- A. The sales tax is to be used for the operation and maintenance of the Westlake Police Department. On October 1, 1987, this tax was renewed and will expire on October 1, 1997.

100 Restricted Assets - Proprietary Fund Type

restricted assets were applicable to the following at June 30, 1987:

	<u>1987</u>	<u>1986</u>
Customer Deposits	\$ 347,218	\$ 131,687
Revenue bond redemption account	42,419	48,779
Revenue bond reserve account	<u>58,824</u>	<u>62,312</u>
	<u>\$ 448,461</u>	<u>\$ 242,778</u>

110 Retirement Commitments

Substantially all employees are covered by retirement plans. One plan is the Municipal Police Employees Retirement System (MPEERS), the other is the Louisiana Municipal Employees Retirement System, which are administered by the State of Louisiana. Generally all classified employees are required to participate.

Municipal Police Employees Retirement System

The Municipal and State Police Employees' Retirement System of Louisiana is the administrator of a cost-sharing multiple employer plan of which the City of Westlake, Louisiana is a member. The Municipal Police Employees' Retirement System was established on July 1, 1975, by Act 189 of 1975 and amended by Act 13-1271 of the 1984 session to become Municipal and State Police Retirement System of Louisiana. The System is a state retirement system which was created for full time municipal police officers in Louisiana, and state police officers hired after January 1, 1987. The System is administered by a Board of Trustees of the Retirement Committee of the House of Representatives and the Chairman of the Senate Finance Committee, or their designees, to serve as voting ex-officio members of the Board.

The amount of current year covered payroll for the City of Westlake for members of the State Plan was \$444,976. The City's total payroll for current year was \$1,324,321.

The Municipal and State Police Employees' Retirement System provides retirement benefits for municipal and state police officers. There are 122 contributing municipalities.

Membership is mandatory for any full time police officer, employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing they do not have to pay social security and providing they meet the statutory criteria.

Benefit provisions are authorized within Act 189 of 1971 and amended by 188 11/1971.

Any member is eligible for normal retirement after he has been a member of the System for one year, if he has 10 years of creditable service and is age 40 or has 15 years creditable service and is age 35.

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

The total pension benefit obligation of the Municipal and State Police Retirement System of Louisiana as of June 30, 1990 was \$777,737,873. The total net assets available for benefits at June 30, 1990 was \$218,124,444.

Contributions for all members are established by statute at 7.50% of serviceable compensation and are deducted from the member's salary and remitted by the participating municipality.

Contributions for all employees are established by statute at 8% of employee's serviceable compensation including overtime pay including state supplemental pay. The system also receives a portion of the gross direct premiums received by the Louisiana Insurance Rating Commission and is used as an additional employer contribution. The system receives four-tenths of one percent of premiums paid.

Because the purpose of the Municipal and State Police Retirement System is to provide specific benefits to a group of employees at various times in the future, actuarial valuations and assumptions are made regularly. The latest actuarial valuation available is as of June 30, 1993. For financial reporting purposes, the primary focus of this information is the pension benefit obligation which is the actuarial present value of credited projected benefits. This can be defined as a standardized disclosure measure of the present value of pension benefits, adjusted for effects of projected salary increases and any step-rate benefits expected to be payable in the future as a result of employee service to date. The intent of this measure is three-fold:

- To help users assess the system's funding status on a going concern basis.
- To assess progress made in accumulating sufficient assets to pay benefits, and
- To make comparisons among other systems.

The actuarial method used to compute the pension benefit obligation for reporting purposes is not essentially the same used to determine adequate funding for the System. Although the Projected Unit Credit Method was used for reporting purposes, the Entry Age Normal Cost Method was used to arrive at a total contribution rate of 18.52% necessary to bring the system to a fully funded status.

The total actual contributions amounted to \$31,370, which represents approximately 7.14% member contributions of \$10,648, 34% employer contributions of \$10,482 of the total covered payroll of \$444,676.

Historical trend information for this Plan is included in the separately issued report for the Municipal Police Employees Retirement System for the period ended June 30, 2016.

Municipal Employees' Retirement System

The Municipal Employees' Retirement System, State of Louisiana is the administrator of a cost-sharing multiple-employer plan.

The System provides retirement benefits to employees of all incorporated villages, towns and cities within the state which do not have their own retirement system and which elect to become members of the System.

The Municipal Employees' Retirement System of Louisiana was established by act 100 of the 1904 Regular Session of the Legislature of the State of Louisiana, to provide retirement benefits to employees of all incorporated villages, towns and cities within the state, which did not have their own retirement system and which elected to become members of the System.

The System is administered by a Board of Trustees composed of nine members, six of whom shall be active and contributing members of the System with at least ten years creditable service, elected by the members of the System, one of whom shall be the president of the Louisiana Municipal Association who shall agree as an ex-officio member during his tenure; one of whom shall be the Chairman of the Senate Retirement Committee; one of whom shall be the Chairman of the House Retirement Committee of the Legislature of Louisiana.

Act 854 of the year 1968 established by the legislature of the State of Louisiana provides an optional method for municipalities to convert Social Security and cover under supplementary benefits in the Municipal Employees' Retirement System, effective on and after June 30, 1970.

Effective October 1, 1976, under Act 878, the "regular plan" and the "supplemental plan" were replaced, and are now known as Plan "A" and Plan "B". Plan "A" combines the original plan and the supplemental plan for those municipalities participating in both plans, while Plan "B" participates in only the original plan. The City of Westlake is a member of Plan "B" of the retirement system.

Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least thirty-five hours per week, not participating in another public funded retirement system and under age sixty (60) at date of employment. Those individuals paid jointly by a participating employer and the parish are not eligible for membership in the System.

The amount of current year covered payroll for the City of Westlake for members of the STATE PLAN was \$823,844. The City's total payroll for the current year was \$1,318,121.

As noted above, the City of Westlake is a member of Plan "B" retirement system. Any member of Plan "B" can retire providing he meets one of the following criteria:

1. Age 65 with thirty (30) years of creditable service.
2. Age 60 with a minimum of ten (10) or more years of creditable service.
3. Under age 60 with ten (10) years of creditable service eligible for disability benefits.
4. Survivor's benefits require twenty (20) years creditable service at death of member.

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

Because the purpose of the Municipal Employees Retirement System is to provide specific benefits to a group of employees at various times in the future, actuarial valuations and assumptions are made regularly. The latest actuarial valuation available is as of June 30, 1989. For financial reporting purposes, the primary focus of this information is the pension benefit obligation which is the actuarial present value of credited projected benefits. This can be defined as a standardized disclosure measure of the present value of pension benefits, adjusted for effects of projected salary increases and any step-rate benefits estimated to be payable in the future as a result of employee service to date. The intent of this measure is threefold:

- To help users assess the system's funding status on a going-concern basis.
- To assess progress made in accumulating sufficient assets to pay benefits, and
- To make comparisons among other systems.

The actuarial method used to compute the pension benefit obligation for reporting purposes is NOT necessarily the same used to determine adequate funding for the System. Although the Projected Unit Credit Method was used for reporting purposes, the Frozen Accrued Age Normal Cost Method was used to arrive at a total contribution rate of 13.614 for the Plan "B" necessary to bring the plan to a fully funded status.

The total pension obligation of Plan "B" of the Municipal Employee's Retirement System as of June 30, 1989 latest report available was \$48,487,488. The total net assets of Plan "B" available for benefits at June 30, 1989 was \$48,757,143.

The System's contribution requirements are not actuarially determined. Instead, the contribution requirements are currently established by statute. The System is fully aware of the actuarial implications of such a policy.

The total actual contributions amounted to \$28,847 which represents approximately 14.264 of current year covered payroll. The contributions consist of 4.264 member contributions and 4.264 employer contributions of the total covered payroll of \$181,014 for Plan "B".

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 any step-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 system's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among other systems.

Historical trend information for this plan is included in the separately issued report for the Municipal Employee's Retirement System for the period ended June 30, 1990.

120 Litigation

Two suits have been filed in connection with the alleged expiration of a 14 sales tax rebating refund of sales taxes paid. According to legal counsel, the two suits have been consolidated for hearing and trial and are presently pending. Attempts to resolve or settle this matter have been unsuccessful at this time and a trial date has not been established. The City is vigorously contesting the two suits. Legal counsel cannot at this time give an evaluation as to the amount the plaintiffs might be entitled to. However, legal counsel is of the opinion that the case will be met with an outcome in favor of the City of Wichita.

131 Segment Information For Enterprise Funds

The City maintains three enterprise funds which provide utilities (electricity, water and sewer, and data processing services). Segment information for the year ended June 30, 1990 was as follows:

	Gas Fund	Water and Sewer Fund	Data Processing Fund	Total Enterprise Funds
Operating revenues (depreciation and amortization)	\$ 1,542,800	\$ 702,001	\$ 125,419	\$ 2,370,220
Operating income (loss)	68,390	299,586	28,594	406,570
Operating transfers in (out)	362,382	1094,972	125,700	187,974
Net income (loss)	430,772	404,568	-	835,340
Interest costs:				
Total interest	18,471	-	-	18,471
Net working capital	191,990	2,423,800	125,200	1,843,037
Total assets	2,777,122	7,767,028	422,287	9,966,437
Liabilities:				
Revenue bonds	104,000	-	-	104,000
Total equity	465,551	9,767,961	125,100	8,358,612

140 Contingencies

In connection with a pass-through grant from the Louisiana Housing Finance Agency - Health and Safety Rehabilitation (CFDA number 24.219), the City has expended certain federal funds in a manner that may have violated certain of the restrictive provisions of the grant for the year ended June 30, 1990. Questioned costs of 278,600 were identified for the year ended June 30, 1990.

The possible outcome of these matters, which are known to appropriate federal officials, is uncertain at this time. Accordingly, no provision for any liability has been made in the financial statements for possible federal claims for refunds of these grant monies.

Significant deficiencies in certain areas of the grant program management were identified during the monitoring process by the Louisiana Housing Finance Agency and a final determination has not been made as to the amount, if any, of ineligible projects over which the City may have to repay to the grantor. The City has contracted with a Housing Consultant to (1) perform inspections and work write-ups, (2) reorganize files to comply with state agency demands, and (3) review material and labor invoices for the City's Home Rehabilitation Program. The possible outcome of these matters is uncertain at this time.

13) Excess of Expenditures Over Appropriations

Expenditures and other financing uses for the current year exceeded appropriations for the following funds:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Statistical</u>
General fund	\$ 2,487,700	\$ 2,571,917	\$ 84,217

14) Cooperative Agreement

During the fiscal year ended June 30, 1986, the City entered into a cooperative agreement with the Calcasieu Parish Police Jury, whereby the City will receive \$1,000,000 per year. This payment is to provide funding to the City to offset the effects of the location of a riverboat casino at a site known as the Barton Blvd. Yard. This amount will be paid evenly over four quarters each year as long as the center of the riverboat pays each amount to the Police Jury.

In the event the center ceases operation of the casino at any time within six years of the opening date, the Police Jury and the City have agreed to an equal division of a \$1,000,000 annual cash payment.

This obligated annual payment shall stop at any time the City begins the levying or collection of a head or similar tax from a riverboat berthed in the City, unless the City agrees to contribute an amount to the Police Jury equal to the \$1,000,000 from any proceeds it receives from any riverboat berthed in the City.

The City Council has restricted these funds for use in Capital Projects only and not for operations of the City.

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

CITY OF METLAK, LOUISIANA
SERIAL FUNDCOMPARATIVE BALANCE SHEET
June 30, 1997 and 1996

ASSETS	1997	1996
Cash	\$ 58,229	\$ 556,843
Investments	88,820	88,209
Accounts receivable	139,843	88,279
Prepaid insurance	69,273	68,844
Due from other funds	<u>244,540</u>	<u>643,318</u>
Total assets	<u>\$ 2,278,731</u>	<u>\$ 2,138,294</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 228,827	\$ 278,939
Due to other funds	<u>288,807</u>	<u>22,424</u>
Total liabilities	<u>517,634</u>	<u>301,363</u>
Fund balance:		
Reserved for prepaid insurance	69,273	68,844
Unreserved:		
Designated for subsequent year's expenditures	<u>881,224</u>	<u>762,267</u>
Total fund balance	<u>950,520</u>	<u>833,321</u>
Total liabilities and fund balance	<u>\$ 2,278,731</u>	<u>\$ 2,138,294</u>

See accompanying notes to financial statements

GENERAL FUND

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

CITY OF BRATTLEBORO, VERMONT
GENERAL FUND

BUDGET 0-0

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET FORM BASIS AND ACTUAL
Year Ending June 30, 1991
With Comparative Actual Amounts for Year Ending June 30, 1990

	1991		1990	
	Budget	Actual	Revenues Available*	Actual
Revenues:				
Taxes	\$ 249,400	\$ 245,385	\$ 19,453	\$ 219,503
Licenses and permits	189,000	189,820	18,820	189,083
Intergovernmental	75,000	37,597	37,597	72,944
Charges for services	349,000	374,143	9,543	348,847
Fees and donations	45,000	41,365	4,365	308,428
Interest income	35,000	34,393	4,393	30,430
Miscellaneous	50,000	44,189	571	59,580
Nonmajor funds revenue	18,000	18,453	413	17,209
Grant proceeds	0,000	0,000	0	58,844
Donations	18,000	8,280	18,420	15,804
Total revenues	<u>817,400</u>	<u>782,322</u>	<u>129,482</u>	<u>1,028,204</u>
Expenditures:				
General government	218,400	219,873	129,457	457,464
Police	148,521	142,872	8,894	128,549
Fire	372,241	343,899	8,243	381,218
Street	383,700	343,228	8,187	351,895
Sanitation	142,000	148,872	12,278	149,818
Utilities	88,000	8,879	19,847	94,989
Civil defense	3,000	32,344	118,611	4,278
Debt	7,800	8,278	21,840	800
Nonmajor expenditures	400,000	408,204	128,204	399
Total expenditures	<u>2,482,262</u>	<u>2,578,262</u>	<u>129,204</u>	<u>1,489,262</u>
Excess (deficiency) of revenues over expenditures	(1,664,862)	(1,595,940)	124,278	(461,058)
Other financing sources (uses): OPERATING CYCLES ONLY	1,664,862	1,627,342	56,728	1,664,442
Excess (deficiency) of revenues and other sources over expenditures	0,000	31,402	81,556	203,384
Fund balance at beginning of year	817,000	817,000	-	743,208
Fund balance at end of year	\$ 817,000	\$ 848,402	\$ 81,556	\$ 946,592

See accompanying notes to financial statements

CITY OF NEW ORLEANS, LOUISIANA
GENERAL FUND

EXHIBIT D-1

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (OLEAF BASIS)
Year Ended June 30, 1997
WITH COMPARATIVE Actual Amounts For Year Ended June 30, 1996

	1997		Variance Favorable (Unfavorable)	1996	
	Budget	Actual		Budget	Actual
General government:					
Personal services	\$ 136,818	\$ 136,300	\$ 518	\$ 243,482	
Supplies	21,850	26,974	15,124	20,734	
OTHER services and charges	158,848	155,729	(24,242)	289,288	
Total general government	<u>317,516</u>	<u>319,003</u>	<u>(20,813)</u>	<u>553,504</u>	
Public safety:					
Police:					
Personal services	388,800	388,828	9,568	556,127	
Supplies	17,888	17,887	(1)	18,997	
Other services and charges	341,280	346,413	15,133	503,420	
Capital outlay	28,200	28,820	2,812	28,083	
Total police	<u>776,168</u>	<u>781,948</u>	<u>4,782</u>	<u>1,096,627</u>	
Fire:					
Personal services	203,227	204,208	9,581	186,726	
Supplies	11,228	11,240	12	15,574	
Other services and charges	54,324	54,894	570	88,820	
Capital outlay	3,425	3,428	33	-	
Total fire	<u>272,204</u>	<u>273,770</u>	<u>1,466</u>	<u>291,120</u>	
Streets:					
Personal services	143,860	143,868	9,581	383,214	
Supplies	18,880	17,128	(1,752)	29,870	
Other services and charges	124,884	127,518	2,634	128,817	
Capital outlay	15,000	15,000	-	-	
Total streets	<u>292,624</u>	<u>295,514</u>	<u>2,883</u>	<u>542,901</u>	
Sanitation:					
Other services and charges	168,416	168,032	(2,276)	268,928	
Sanitation:					
Personal services	21,483	2,388	(24,247)	16,128	
Other services and charges	888	1,783	1,895	862	
Total sanitation	<u>22,371</u>	<u>4,171</u>	<u>(24,247)</u>	<u>16,990</u>	

(continued on next page)

CITY OF BREITLAND, LOUISIANA
GENERAL FUND

STATEMENT OF EXPENDITURES, COMPARED TO BUDGET (GRAP BASIS)
Year Ended June 30, 1991
With Comparative Actual Amounts for Year Ended June 30, 1990
(Continued)

	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Civil defense:				
Personnel services	5,295	5,444	(149)	5,329
Other services and charges	2,085	19,381	(17,296)	2,851
Total civil defense	3,380	24,825	(21,416)	8,180
Police:				
Other services and charges	7,528	8,278	(750)	888
Emergency preparedness:				
Other services and charges	600,000	608,524	(8,524)	-
	24,987,300	25,074,388	8,081,824	24,580,568

See accompanying notes to financial statements

SPECIAL REVENUE FUNDS

SALES TAX FUND - to account for the collection of the 2 1/2% sales and use tax which is to be used for purposes specified by City ordinance #123.

OFFICE OF REVENUE, LOUISIANA
SALES TAX SPECIAL REVENUE FUND

BALANCE SHEET
June 30, 1997

With Comparative Totals For June 30, 1996

	Totals	
	1997	1996
ASSETS		
Cash	\$ 60,364	\$ 50,708
Due from water fund	-	1,616
Total assets	<u>\$ 60,364</u>	<u>\$ 52,324</u>
LIABILITIES AND FUND BALANCE		
Liabilities	\$ -	\$ -
Fund balance:		
Reserved for contingencies	57,873	-
Unreserved:		
Designated for subsequent year's expenditures	<u>22,523</u>	<u>22,524</u>
Total liabilities and fund balance	<u>\$ 60,364</u>	<u>\$ 52,324</u>

See accompanying notes to financial statements

COPY OF RECEIPTS, LOUISIANA
SALES TAX SPECIAL, REVENUE FUNDS

Exhibit B-2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 1997
With Comparative Totals For Year Ended June 30, 1996

	<u>Totals</u>	
	<u>1997</u>	<u>1996</u>
Revenues:		
Gross	\$ 1,180,000	\$ 1,422,000
Interest	<u>1,000</u>	<u>1,000</u>
Total revenues	1,181,000	1,423,000
Expenditures:		
General government	<u>28,204</u>	<u>6,000</u>
Excess of revenues over expenditures	1,152,796	1,417,000
Other financing (uses):		
Operating transfers out	<u>1,068,000</u>	<u>1,013,000</u>
Excess (deficiency) of revenues over expenditures and other uses	27,090	1,124
Fund balances at beginning of year	<u>12,204</u>	<u>1,188</u>
Fund balances at end of year	<u>\$ 49,294</u>	<u>\$ 13,132</u>

See accompanying notes to financial statements

DEBT SERVICE FUNDS

Debt Service Funds - to account for the payment of interest and principal on all general obligation debt. To account for the repayment of special assessment debt and the revenue provided through special assessment taxes.

CITY OF WESTLAK, GOVERNOR
SEWER SERVICE FUNDCOMPARATIVE BALANCE SHEET
June 30, 1997 and 1996

ASSETS	<u>1997</u>	<u>1996</u>
Cash	\$ 26,297	\$ 26,508
Special assessments-receivable-current	12,828	77,939
Special assessments-receivable-delinquent	<u>8,214</u>	<u>8,880</u>
Total assets	<u>\$ 47,339</u>	<u>\$ 113,327</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Due to other funds	\$ 22,549	\$ 19,847
Fund balance:		
Reserved for special assessments	<u>24,810</u>	<u>73,633</u>
Total liabilities and fund balance	<u>\$ 47,359</u>	<u>\$ 93,480</u>

See accompanying notes to financial statements

CITY OF WESTLAK, LOUISIANA
 DEPT SERVICE FUND

Exhibit 1-2

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE
 Fiscal Years Ended June 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
Revenues:		
Interest on investments	\$ 2,425	\$ 2,479
Expenditures:		
Administrative charges	<u>2,129</u>	<u>247</u>
Excess of revenues over expenditures before transfers	306	2,232
Transfers in (out)	<u>—</u>	<u>21,929</u>
Excess (deficiency) of revenues over expenditures	306	21,929
Fund balance at beginning of year	<u>24,202</u>	<u>28,208</u>
Fund balance at end of year	<u>\$ 24,508</u>	<u>\$ 28,251</u>

See accompanying notes to financial statements

CAPITAL PROJECTS FUNDS

Water/Wastewater Improvement Fund - to account for the construction of improvements to water lines (replacement) and to replace all asphalt and shell roads with concrete.

CITY OF METLAGE, LOUISIANA
CAPITAL PROJECTS FUNDCOMPARATIVE BALANCE SHEET
June 30, 1997
With Comparative Totals for June 30, 1996

<u>ASSETS</u>	<u>1997</u>	<u>1996</u>
Cash	\$ 438,757	\$ 188,817
Investments	3,728,885	1,498,874
Prepaid insurance	-	5,883
Due from other funds	<u>117,183</u>	<u>48,631</u>
Total assets	<u>\$ 3,784,825</u>	<u>\$ 1,742,205</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 128,083	-
Fund balance:		
Designated for construction	<u>1,535,806</u>	<u>1,742,205</u>
Total liabilities and fund balance	<u>\$ 1,663,889</u>	<u>\$ 1,742,205</u>

See accompanying notes to financial statements

CITY OF WESTLAFE, LOUISIANA
CAPITAL PROJECTS FUND

Exhibit 3-3

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Year Ended June 30, 1997
With Comparative Totals for Year Ended June 30, 1996

	<u>1997</u>	<u>1996</u>
Revenues:		
Distribution-gaming industry	\$ 1,883,396	\$ 1,800,000
Grant proceeds-Community Development Block Grant	304,143	303,484
Local contribution-block grant matching funds	24,870	116,444
Federal emergency assistance	442,237	-
Interest income	<u>308,388</u>	<u>38,283</u>
Total revenues	<u>2,963,034</u>	<u>2,248,211</u>
Expenditures:		
General government	748,484	9,127
Construction/street improvement	388,714	-
Construction/water/sewer/circle	349,848	499,340
Construction in progress-CDBG, Sewer, Housing Sohab Program	513,847	408,660
Resident intervention-CDBG, Sewer, Housing Sohab Program	328	18,878
Administrative costs-CDBG	3,748	14,820
Engineering-CDBG	2,488	9,880
Administrative costs	<u>12,444</u>	<u>4,320</u>
Total expenditures	<u>2,238,355</u>	<u>975,025</u>
Excess (deficiency) of revenues over expenditures before transfers	<u>724,679</u>	<u>1,273,186</u>
Other financing sources (uses):		
Transfers in	127,288	808,120
Transfers out	<u>(1872,083)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1744,795)</u>	<u>808,120</u>
Excess of revenues over expenditures	546,562	1,144,396
Fund balance at beginning of year	<u>1,120,248</u>	<u>388,128</u>
Fund balance at end of year	<u>\$ 2,578,065</u>	<u>\$ 2,739,384</u>

See accompanying notes to financial statements

ENTERPRISE FUND

GAS UTILITY FUND - is account for the natural gas service to the residents of the City and some residents of the parish. 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, billing and collection.

WATER AND SEWER FUND - is account for water and sewer services to the residents of the City and some residents of the parish. 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, billing and collection.

DATA PROCESSING FUND - is account for computer billing and meter reading for customers which are composed of six neighboring municipalities or governmental units and the City of Westlake. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, billing and collection.

CITY OF NEWORLEANS, LOUISIANA
FINANCIAL STATEMENTS

COMPARING BALANCE SHEET
June 30, 1987
With Comparative Totals for June 30, 1986

ASSETS	<u>One Fund</u>	<u>Water and Sewer Funds</u>
Current assets:		
Cash	\$ 148,888	\$ 85,228
Investments, at cost	8,138	2,000,470
Accounts receivable	158,450	84,000
Prepaid insurance	12,828	14,828
Due from other funds	40,000	284,420
Inventory, at cost	<u>28,880</u>	<u>2,280</u>
Total current assets	<u>387,184</u>	<u>2,453,226</u>
Restricted assets, cash and investments:		
Customers' deposits	128,780	28,000
Revenue bond redemption account	48,420	-
Revenue bond reserve account	<u>84,824</u>	<u>-</u>
Total restricted assets	<u>262,024</u>	<u>28,000</u>
Property, plant and equipment:		
Land	-	84,428
Production and distribution system	2,094,450	2,534,820
Buildings	48,870	-
Furniture, equipment and vehicles	228,860	238,160
Construction in progress	-	218,220
	<u>2,372,180</u>	<u>3,065,628</u>
Less accumulated depreciation	<u>1,288,800</u>	<u>4,778,828</u>
Net property, plant and equipment	<u>1,083,380</u>	<u>2,286,800</u>
Other assets:		
Unamortized loan expense, net of accumulated amortization	<u>2,822</u>	<u>-</u>
Total assets	<u>\$ 1,753,566</u>	<u>\$ 1,768,026</u>

CITY OF BENTLEY, COLORADO
 MUNICIPAL FUNDS

COMPARING BALANCE SHEET
 June 30, 1997
 With Comparative Totals For June 30, 1996
 (Continued)

	Gas Fund	Water and Sewer Fund
LIABILITIES AND FUND EQUITY		
Current liabilities (payable from current assets):		
Accounts payable	\$ 48,885	\$ 17,708
Due to other funds	<u>1,857,185</u>	<u>1,028</u>
Total current liabilities (payable from current assets)	<u>1,906,070</u>	<u>20,834</u>
Current liabilities (payable from restricted assets):		
Current portion of revenue bonds	50,000	-
Retained revenue bond interest	1,000	-
Customer deposits	<u>280,428</u>	<u>18,858</u>
Total current liabilities (payable from restricted assets)	<u>331,428</u>	<u>20,858</u>
Long-term liabilities:		
Revenue bonds (out of current portion)	<u>54,808</u>	<u>-</u>
Total liabilities	<u>2,292,306</u>	<u>42,690</u>
Fund equity:		
Contributed capital	<u>183,878</u>	<u>2,868,847</u>
Retained earnings:		
Reserved for revenue bond retirement	74,580	-
Unreserved	<u>216,824</u>	<u>1,858,118</u>
Total retained earnings	<u>291,404</u>	<u>1,858,118</u>
Total fund equity	<u>475,282</u>	<u>4,726,965</u>
Total liabilities and fund equity	<u>\$ 2,767,588</u>	<u>\$ 4,769,655</u>

See accompanying notes to financial statements

MCCB Processing Fund	Totals	
	1997	1998
\$ 119,000	\$ 346,844	\$ 121,528
309,118	1,865,710	9,168,475
-	332,701	258,381
9,124	38,888	48,280
21,882	388,381	83,873
<u>1</u>	<u>13,882</u>	<u>21,588</u>
<u>360,301</u>	<u>1,678,958</u>	<u>9,679,331</u>
-	147,338	183,487
-	48,437	49,771
<u>1</u>	<u>68,824</u>	<u>63,721</u>
<u>1</u>	<u>394,301</u>	<u>348,188</u>
-	84,428	84,428
-	11,838,478	21,889,333
88,711	83,385	83,385
374,424	842,090	855,090
<u>1</u>	<u>218,325</u>	<u>221,248</u>
428,225	13,858,778	12,579,193
<u>349,381</u>	<u>8,223,381</u>	<u>8,814,088</u>
<u>181,881</u>	<u>8,814,388</u>	<u>8,789,333</u>
<u>1</u>	<u>1,023</u>	<u>1,615</u>
<u>\$ 422,282</u>	<u>\$ 8,817,324</u>	<u>\$ 8,821,328</u>

Continued on next page

Data Processing Fund	Totals	
	1997	1998
\$ -	\$ 64,567	\$ 78,580
<u>107,378</u>	<u>1,287,808</u>	<u>712,388</u>
<u>107,378</u>	<u>1,352,375</u>	<u>790,968</u>
-	58,000	58,000
-	1,875	3,489
<u>-</u>	<u>159,875</u>	<u>61,489</u>
<u>-</u>	<u>188,875</u>	<u>218,875</u>
<u>-</u>	<u>58,000</u>	<u>104,800</u>
<u>107,378</u>	<u>1,417,351</u>	<u>1,014,667</u>
<u>118,312</u>	<u>8,841,881</u>	<u>7,888,871</u>
-	78,882	82,883
<u>118,312</u>	<u>1,496,233</u>	<u>1,116,287</u>
<u>118,312</u>	<u>1,567,878</u>	<u>1,178,300</u>
<u>128,289</u>	<u>8,920,621</u>	<u>8,978,371</u>
<u>\$ 422,287</u>	<u>\$ 9,917,508</u>	<u>\$ 9,891,828</u>

CITY OF WESTLARK, LOUISIANA
ENTERPRISE FUNDS

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
Year Ended June 30, 1997
With Comparative Totals for Year Ended June 30, 1996

	<u>Gas</u> <u>Fund</u>	<u>Water and</u> <u>Power</u> <u>Fund</u>
Operating revenues:		
Charges for services	\$ 1,542,000	\$ 123,811
Operating expenses:		
Personnel services	284,488	187,488
Contracted services	43,138	4,368
Supplies and other expenses	214,828	481,704
Heat, light and power	8,188	84,818
Natural gas for resale	648,081	-
Depreciation and amortization	<u>68,392</u>	<u>678,566</u>
Total operating expenses	<u>1,277,117</u>	<u>2,007,284</u>
Operating income (loss)	<u>264,883</u>	<u>(184,473)</u>
Nonoperating revenues (expenses):		
Tug fees	3,748	4,898
Interest income	22,084	128,812
Miscellaneous	147	-
Interest and fiscal charges	<u>(8,472)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>18,507</u>	<u>133,710</u>
Income (loss) before operating transfers	279,898	(188,160)
Operating transfers in (out):	<u>(183,268)</u>	<u>178,843</u>
In (Out)	(174,346)	(17,898)
Retained earnings at beginning of year	843,327	1,085,368
Add (subtract):		
Depreciation on fixed assets acquired with federal and state grants	<u>51,605</u>	<u>98,913</u>
Retained earnings at end of year	<u>\$ 2,113,289</u>	<u>\$ 2,308,231</u>

See accompanying notes to financial statements

Date Processing Fund	Totals	
	1997	1998
<u>\$ 128,418</u>	<u>\$ 2,388,488</u>	<u>\$ 2,892,186</u>
68,485	847,485	832,594
-	87,488	78,862
17,897	788,188	878,463
7,298	78,848	78,487
-	848,881	877,280
<u>88,884</u>	<u>828,822</u>	<u>888,488</u>
<u>181,324</u>	<u>2,848,488</u>	<u>2,278,821</u>
<u>(28,785)</u>	<u>(87,826)</u>	<u>818,865</u>
-	18,488	12,888
12,878	182,888	218,888
-	187	2,488
<u>-</u>	<u>18,471</u>	<u>(8,888)</u>
<u>12,878</u>	<u>188,888</u>	<u>148,781</u>
88,788	88,881	888,888
<u>-</u>	<u>(828,881)</u>	<u>(888,881)</u>
88,788	(828,888)	878,488
888,788	1,278,188	1,888,888
<u>-</u>	<u>112,828</u>	<u>112,828</u>
<u>\$ 188,888</u>	<u>\$ 2,888,828</u>	<u>\$ 2,278,188</u>

CITY OF WASHINGTON, LEGISLATION
 OPERATING FUNDS

Exhibit K-3

WASHINGTON STATEMENT OF CASH FLOW
 Year Ended June 30, 2007

	See Fund	Water and Sewer Fund	State Procurement Fund	Totals	
				2007	2006
CASH FLOW FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 3,943,177	\$ 719,373	\$ 211,409	\$ 4,873,959	\$ 5,061,446
Cash payments to suppliers for goods and services	(242,414)	(499,436)	(84,576)	(826,426)	(1,483,174)
Cash payments to employees for services	(284,114)	(107,607)	(83,467)	(475,188)	(521,144)
net cash provided by fund in operating activities	(324,351)	(887,670)	(156,644)	(1,368,665)	(905,862)
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES					
Net operating activities in the fund received	-	100,440	-	100,440	100,734
Typ fees received	-	4,400	-	4,400	8,217
Operating transfers in from other participating income	(2,000)	-	-	(2,000)	-
net cash provided by fund in noncapital financing activities	(2,000)	104,840	-	102,840	108,951
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal received from other funds, restricted capital	361,440	(979,000)	89,440	141,880	(608,110)
Principal payments to other funds	-	-	-	-	(240,474)
Principal paid on revenue bond retirement and equipment acquisition	(50,000)	-	-	(50,000)	(50,000)
Acquisition and construction of fixed assets	(61,414)	(47,400)	(204,440)	(313,254)	(710,434)
Interest paid on revenue bonds and equipment acquisition	(1,471)	-	-	(1,471)	(1,804)
net cash provided by fund in capital and related financing activities	(81,445)	(1,026,800)	(215,000)	(1,023,245)	(1,072,542)
CASH FLOW FROM INVESTMENT ACTIVITIES					
Interest and dividends on investments	11,100	111,824	11,070	134,094	140,814
net increase (decrease) in cash and cash equivalents	24,255	(715,636)	(144,534)	(735,915)	(708,837)
Cash and cash equivalents: Beginning of year	314,870	2,216,230	218,200	2,749,300	2,463,463
End of year	\$ 339,125	\$ 1,500,594	\$ 73,666	\$ 1,913,385	\$ 1,754,626

Continued on next page

CITY OF NEWLEAK, LOUISIANA
 WATERWORKS FUND

COMBINED STATEMENT OF CASH FLOWS
 Year Ended June 30, 1997
 (Continued)

	1996	1997 and 1998	1999	Totals	
	1996	1997	1998	1996	1997
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED OPERATING ACTIVITIES					
Operating income (Loss)	\$ 444,003	\$ (294,873)	\$ 22,700	\$ 171,830	\$ 412,155
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	42,364	200,004	94,544	415,912	341,509
Changes in assets and liabilities:					
Increase (decrease) in accounts receivable	44,308	(5,000)	144	14,452	(14,148)
Increase (decrease) in inventory	19,000	6,000	-	7,000	-
Increase (decrease) in prepaid insurance	4,500	2,000	-	6,500	1,500
Increase (decrease) in accounts payable	(14,000)	6,000	(1,000)	(9,000)	(14,100)
Net cash provided by and (used) in operating activities	\$ 412,155	\$ 104,231	\$ 21,444	\$ 537,830	\$ 484,416

See accompanying notes to financial statements

CITY OF NEWLAGE, MISSISSIPPI
 ENTERPRISE FUNDS

Exhibit K-4

COMBINED STATEMENT OF CHANGES IN CONTRIBUTED CAPITAL
 Years Ended June 30, 1997 and 1998

	<u>Gas Fund</u>	<u>Water and Sewer Fund</u>	<u>Debris Processing Fund</u>	<u>1997</u>	<u>1998</u>
Contributed capital, beginning of year	\$ 179,180	14,760,000	\$ 138,131	\$7,058,875	\$7,158,101
Contributions from other sources	13,000	-	-	13,000	13,000
Depreciation on fixed assets acquired with federal and state grants	<u>(23,625)</u>	<u>(28,320)</u>	<u>-</u>	<u>(115,318)</u>	<u>(115,318)</u>
Contributed capital, end of year	<u>\$ 168,555</u>	<u>\$ 14,731,680</u>	<u>\$ 138,131</u>	<u>\$ 6,956,557</u>	<u>\$ 7,055,783</u>

See accompanying notes to financial statements

CITY OF HOULAKA, LOUISIANA
GAS UTILITY FUND

COMPARATIVE BALANCE SHEET
June 30, 1987 and 1986

ASSETS	<u>1987</u>	<u>1986</u>
Current assets:		
Cash	\$ 145,486	\$ 196,480
Investments, at cost	8,100	5,707
Accounts receivable	158,853	176,890
Prepaid insurance	18,824	26,800
Due from other funds	42,438	52,720
Inventory, at cost	<u>18,860</u>	<u>8,527</u>
Total current assets	<u>502,711</u>	<u>566,124</u>
Restricted assets, cash, and investments:		
Customer deposits	158,740	168,287
Revenue bond redemption account	42,438	48,771
Revenue bond reserve account	<u>54,828</u>	<u>82,744</u>
Total restricted assets, cash, and investments	<u>255,996</u>	<u>299,802</u>
Property, plant and equipment:		
Production and distribution system	2,684,888	2,868,077
Buildings	82,872	42,872
Machinery	<u>228,832</u>	<u>212,888</u>
	2,996,592	3,123,837
Less accumulated depreciation	<u>2,282,800</u>	<u>1,842,242</u>
Net property, plant and equipment	<u>713,792</u>	<u>1,281,595</u>
Other assets:		
Unamortized loan expense, net of accumulated amortization	<u>1,827</u>	<u>1,818</u>
Total assets	<u>\$ 2,273,226</u>	<u>\$ 2,161,200</u>

See accompanying notes to financial statements.

<u>LIABILITIES AND FUND EQUITY</u>	<u>1997</u>	<u>1996</u>
Current liabilities (payable from current assets):		
Accounts payable	\$ 49,567	\$ 61,965
Due to other funds	<u>2,092,289</u>	<u>762,212</u>
Total current liabilities (payable from current assets)	<u>2,141,856</u>	<u>824,177</u>
Current liabilities payable from restricted assets:		
Current portion of revenue bonds	38,000	38,000
Matured revenue bond interest	2,000	2,489
Customer deposits	<u>108,488</u>	<u>82,222</u>
Total current liabilities (payable from restricted assets)	<u>148,488</u>	<u>122,711</u>
Long-term liabilities:		
Revenue bonds (net of current portion)	<u>24,000</u>	<u>24,000</u>
Total liabilities	<u>2,314,344</u>	<u>1,001,088</u>
Fund equity:		
Contributed capital-municipality	<u>282,878</u>	<u>275,788</u>
Retained earnings:		
Reserved for revenue bond retirement	76,560	-
Unreserved	<u>226,824</u>	<u>-</u>
Total fund equity	<u>586,262</u>	<u>275,788</u>
Total liabilities and fund equity	<u>2,900,606</u>	<u>1,276,876</u>

CITY OF HARTLAND, LOUISIANA
GAS UTILITY FUNDCOMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS
Years Ended June 30, 1977 and 1976

	<u>1977</u>	<u>1976</u>
Operating revenues:		
Charges for services	\$ 1,562,812	\$ 1,875,883
Operating expenses:		
Payroll services	184,480	181,718
Contractual services	65,130	61,840
Supplies and other expenses	154,525	188,917
Heat, light and power	9,294	9,383
Natural gas for resale	448,881	437,288
Depreciation and amortization	<u>69,282</u>	<u>57,823</u>
Total operating expenses	1,271,592	1,276,969
Operating income	<u>291,220</u>	<u>598,914</u>
Nonoperating revenues (expenses):		
Tap fees	3,741	3,288
Interest income	23,088	36,380
Miscellaneous revenues	157	1,583
Interest and fiscal charges	<u>(8,871)</u>	<u>(7,888)</u>
Total nonoperating revenues (expenses)	18,115	33,373
Income before operating transfers	309,335	632,287
Operating transfers (out)	<u>(133,264)</u>	<u>(178,708)</u>
Net (loss)	176,071	453,579
Retained earnings at beginning of year	843,327	395,720
Depreciation on fixed assets acquired with Federal and state grants	<u>13,485</u>	<u>13,485</u>
Retained earnings at end of year	<u>\$ 1,022,873</u>	<u>\$ 862,872</u>

(See accompanying notes to financial statements)

CITY OF METairie, LOUISIANA
GAS UTILITY FUNDCOMPARATIVE STATEMENT OF CASH FLOW
Years Ended June 30, 1997 and 1996

	1997	1996
CASH FLOW FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 3,342,977	\$ 3,463,464
Cash payments to suppliers for goods and services	(242,948)	(242,918)
Cash payments to employees for services	(288,888)	(321,328)
Net cash provided by operating activities	(232,849)	(102,782)
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES		
Other nonoperating income	2,912	4,612
Operating transfer out to other funds	(222,224)	(212,322)
Net cash used in noncapital financing activities	(219,312)	(207,710)
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Loan to (from) other funds	(42,442)	(147,532)
Principal paid on revenue bond securities and equipment contracts	(28,894)	(28,894)
Interest paid on revenue bonds	18,471	17,890
Acquisition and maintenance of fixed assets	(12,822)	(28,522)
Net cash provided by (used in) capital and related financing activities	(75,687)	(197,058)
CASH FLOW FROM INVESTMENT ACTIVITIES		
Interest and dividends on investments	22,284	28,322
Net increase (decrease) in cash and cash equivalents	(4,004)	2,224
Cash and cash equivalents:		
Beginning of year	(12,222)	(14,442)
End of year	\$ (16,226)	\$ (12,218)

(Continued on next page)

CITY OF METLAK, ALASKA
CASH TRUST FUNDCOMPARATIVE STATEMENT OF CASH FLOWS
Years Ended June 30, 1997 and 1996
(Continued)

	<u>1997</u>	<u>1996</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income	\$ 283,160	\$ 400,108
Adjustments to reconcile operating income to net cash provided by operating activities:		
DEPRECIATION	60,700	57,810
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	20,338	(11,100)
(Increase) in Inventory	(2,332)	-
(Increase) decrease in prepaid insurance	8,248	118
(Increase) in accounts payable	<u>112,808</u>	<u>189,330</u>
Net cash provided by operating activities	<u>\$ 482,616</u>	<u>\$ 536,156</u>

See accompanying notes to financial statements

CITY OF WESTLAK, LOUISIANA
GAS UTILITY FUND

Exhibit 5-4

COMPARATIVE STATEMENT OF OPERATING EXPENSES BY DEPARTMENT
Years Ended June 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
General and administrative:		
Personal services	\$ 158,000	\$ 158,314
Contractual services	63,138	61,848
Supplies and other expenses	87,328	89,670
Heat, light and power	8,184	7,399
Depreciation and amortization	<u>522</u>	<u>1,428</u>
Total general and administrative	<u>317,172</u>	<u>318,669</u>
Production:		
Personal services	128,381	153,448
Supplies and other expenses	187,285	143,747
Natural gas for resale	448,081	527,358
Depreciation	<u>58,853</u>	<u>34,373</u>
Total production	<u>822,600</u>	<u>858,926</u>
Total operating expenses	<u>\$ 1,139,772</u>	<u>\$ 1,177,595</u>

See accompanying notes to financial statements

CITY OF WESTLAFE, LOUISIANA
WATER AND SEWER FUNDCOMPARATIVE BALANCE SHEET
JUNE 30, 1997 and 1996

BALANCE	<u>1997</u>	<u>1996</u>
Current assets:		
Cash	\$ 65,290	\$ 103,289
INVESTMENTS, NET COST	2,899,473	1,943,837
Accounts receivable	84,888	88,430
Prepaid insurance	54,800	17,381
Due from other funds	184,413	44,371
Inventory, at cost	<u>2,722</u>	<u>12,228</u>
Total current assets	<u>3,452,886</u>	<u>2,229,826</u>
Restricted assets, cash, and investments:		
Customer deposits	<u>26,828</u>	<u>22,820</u>
Property, plant and equipment:		
Land	84,429	84,429
Production and distribution system	8,534,803	8,529,328
Machinery, equipment and vehicles	199,114	127,383
Construction in progress	<u>128,220</u>	<u>117,588</u>
Less accumulated depreciation	18,849,293	8,878,931
Net property, plant and equipment	<u>8,138,828</u>	<u>8,479,798</u>
Total assets	<u>\$ 7,387,824</u>	<u>\$ 7,832,824</u>
LIABILITIES AND FUND EQUITY		
Current liabilities (payable from current assets):		
Accounts payable	\$ 17,704	\$ 7,883
Due to other funds	<u>3,388</u>	<u>21,720</u>
Total current liabilities (payable from current assets)	21,092	29,603
Current liabilities (payable from restricted assets):		
Customer deposits	<u>18,003</u>	<u>14,218</u>
Total liabilities	39,095	43,821
Fund equity:		
Contributed capital-municipality	4,469,847	4,780,148
Retained earnings:		
Unreserved	<u>1,838,128</u>	<u>2,822,620</u>
Total liabilities and fund equity	<u>\$ 7,387,824</u>	<u>\$ 7,832,824</u>

See accompanying notes to financial statements

CITY OF NEWLAGE, LOUISIANA
WATER AND SEWER FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND
CHANGE IN RETAINED EARNINGS
YEARS ENDED JUNE 30, 1967 AND 1966

	<u>1967</u>	<u>1966</u>
Operating revenues:		
Charges for services	\$ 721,911	\$ 700,664
Operating expenses:		
Personnel services	187,898	200,488
Contractual services	4,588	4,688
Supplies and other expenses	451,715	348,384
Heat, light and power	94,516	94,150
Depreciation	<u>129,206</u>	<u>229,821</u>
Total operating expenses	<u>1,007,223</u>	<u>818,531</u>
Operating (loss)	<u>(285,312)</u>	<u>(117,867)</u>
Nonoperating revenues (expenses):		
Tax fees	8,658	9,218
Interest income	119,813	96,568
Miscellaneous	<u> </u>	<u>128</u>
Total nonoperating revenues (expenses)	<u>128,471</u>	<u>105,914</u>
(Loss) before operating transfers	(156,841)	(223,781)
Operating transfers in (out)	<u>118,641</u>	<u>191,100</u>
Net income (loss)	(37,400)	\$7,319
Retained earnings at beginning of year	1,508,388	828,880
Depreciation on fixed assets acquired with federal and state grants	<u>38,323</u>	<u>38,313</u>
Retained earnings at end of year	<u>\$ 1,470,988</u>	<u>\$ 866,503</u>

See accompanying notes to financial statements

CITY OF WESTLAK, LOUISIANA
WATER AND SEWER FUND

EXHIBIT B-3

COMPARATIVE STATEMENT OF CASH FLOWS
Years Ended June 30, 1991 and 1990

	1991	1990
CASH FLOW FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 715,170	\$ 488,487
Cash payments to suppliers for goods and services	(498,484)	(427,870)
Cash payments to employees for services	(187,483)	(120,483)
Net cash provided by (used in) operating activities	(96,797)	(59,866)
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES		
Operating transfers in	110,043	100,200
Tax fees received	8,458	8,200
Miscellaneous nonoperating income	-	300
Net cash provided by noncapital financing activities	118,501	208,700
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(47,432)	(138,073)
Principal received from other funds, nondebtfinanced capital	(178,000)	(48,300)
Net cash provided by (used in) capital and related financing activities	(225,432)	(186,373)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest and dividends on investments	133,631	138,648
Net increase (decrease) in cash and cash equivalents	(79,438)	(64,888)
Cash and cash equivalents:		
Beginning of year	2,148,378	2,213,266
End of year	2,068,940	2,148,378

Continued on next page

CITY OF NEWFAKE, LOUISIANA
WATER AND SEWER FUNDCOMPARATIVE STATEMENT OF CASH FLOW
YEARS ENDED JUNE 30, 1997 and 1996
(Continued)

	<u>1997</u>	<u>1996</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH (USED IN) OPERATING ACTIVITIES		
Operating (Loss)	\$ (294,572)	\$ (297,719)
Adjustments to reconcile operating income to net cash (used in) operating activities:		
Depreciation	208,888	207,821
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(3,433)	(24,573)
Decrease in inventory	9,485	-
(Increase) decrease in prepaid insurance	2,571	(48)
Increase (decrease) in accounts payable	<u>2,721</u>	<u>(11,821)</u>
Net cash provided by (used in) operating activities	<u>\$ 25,269</u>	<u>\$ (26,238)</u>

See accompanying notes to financial statements

CITY OF MONTEAGUE, LOUISIANA
 WATER AND SEWER FUND

COMPARATIVE STATEMENT OF OPERATING EXPENSES BY DEPARTMENT
 Years Ended June 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
General and administrative:		
Personal services	\$ 10,475	\$ 9,940
Contractual services	4,058	4,000
Supplies and other expenses	<u>22,823</u>	<u>22,222</u>
Total general and administrative	<u>37,356</u>	<u>36,162</u>
Production:		
Personal services	185,840	190,415
Supplies and other expenses	439,859	509,431
Rent, lights and power	54,318	64,353
Depreciation	<u>228,828</u>	<u>227,821</u>
Total production	<u>878,845</u>	<u>912,020</u>
Total operating expenses	<u>\$ 1,257,201</u>	<u>\$ 1,248,182</u>

See accompanying notes to financial statements

CITY OF METLAK, LOUISIANA
 DATA PROCESSING FUND

Exhibit B-1

COMPARATIVE BALANCE SHEET
 June 30, 1997 and 1996

ASSETS	<u>1997</u>	<u>1996</u>
Current assets:		
Cash	\$ 118,038	\$ 21,848
Receivables, at cost	229,138	214,950
Prepaid expenses	5,184	5,838
Due from other funds	<u>21,822</u>	<u>8,878</u>
Total current assets	<u>374,182</u>	<u>251,514</u>
Property, plant and equipment:		
Computer programs and equipment	129,774	242,734
Vehicle	21,579	-
Office equipment	21,873	21,873
Building	<u>20,312</u>	<u>22,312</u>
Less accumulated depreciation	423,229	378,827
net property, plant and equipment	<u>120,213</u>	<u>107,122</u>
total assets	<u>\$ 494,395</u>	<u>\$ 358,636</u>
 LIABILITIES AND FUND EQUITY		
Current liabilities (payable from current assets):		
ACCOUNTS payable	\$ -	\$ 2,324
Due to other funds	<u>182,128</u>	<u>2,324</u>
total current liabilities (payable from current assets)	<u>182,128</u>	<u>4,648</u>
Fund equity:		
Contributed capital - municipality	128,321	118,121
Retained earnings - unreserved	<u>198,858</u>	<u>238,324</u>
total fund equity	<u>327,179</u>	<u>356,445</u>
total liabilities and fund equity	<u>\$ 509,307</u>	<u>\$ 361,093</u>

See accompanying notes to financial statements

CITY OF METLAK, LOUISIANA
DATA PROCESSING FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN DEFERRED EARNINGS
Years Ended June 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
Operating revenues:		
Charges for services	\$ 125,413	\$ 128,430
Operating expenses:		
Personal services	85,485	38,433
Supplies and other expenses	17,897	38,700
Heat, light and power	7,288	8,781
Depreciation and amortization	58,534	25,865
Total operating expenses	<u>129,204</u>	<u>88,181</u>
Operating income	<u>128,321</u>	<u>25,324</u>
Nonoperating revenues (expenses):		
Interest	<u>12,800</u>	<u>8,843</u>
Net income	<u>119,791</u>	<u>38,846</u>
Retained earnings at beginning of year	<u>209,713</u>	<u>138,167</u>
Retained earnings at end of year	<u>\$ 329,584</u>	<u>\$ 209,713</u>

See accompanying notes to financial statements

CITY OF WESTLARK, LOUISIANA
DATA PROCESSING FUND

COMPARATIVE STATEMENT OF CASH FLOW
Years Ended June 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
CASH FLOW FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 128,418	\$ 111,347
Cash payments to suppliers for goods and services	(78,478)	(55,188)
Cash payments to employees for services	<u>(25,825)</u>	<u>(20,812)</u>
Net cash provided by operating activities	<u>24,115</u>	<u>35,347</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal received from other funds	88,842	8,327
Fixed asset acquisitions	<u>(158,618)</u>	<u>(11,318)</u>
Net cash provided by (used in) capital and related financing activities	<u>(69,776)</u>	<u>(2,991)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest and dividends on investments	<u>12,322</u>	<u>8,812</u>
Net increase (decrease) in cash and cash equivalents	(24,339)	30,168
Cash and cash equivalents:		
Beginning of year	<u>238,323</u>	<u>182,322</u>
End of year	<u>\$ 213,984</u>	<u>\$ 212,490</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 128,703	\$ 38,728
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	88,834	35,865
Changes in assets and liabilities:		
Increase/Decrease in accounts receivable, prepaid	(88)	8,129
Increase (decrease) in accounts payable	<u>(1,352)</u>	<u>488</u>
Net cash provided by operating activities	<u>\$ 24,115</u>	<u>\$ 35,347</u>

See accompanying notes to financial statements

**GENERAL FIXED ASSETS
ACCOUNT GROUP**

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

CITY OF METLAK, LOUISIANA

COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
BY SOURCE

June 30, 1992 and 1991

	<u>1992</u>	<u>1991</u>
General fixed assets, at cost:		
Land, land improvements	\$ 482,568	\$ 280,248
Building	3,498,708	1,555,890
Equipment	<u>2,589,846</u>	<u>1,548,846</u>
Total general fixed assets	<u>\$ 6,571,122</u>	<u>\$ 5,384,984</u>
Investment in general fixed assets:		
General Fund revenues	\$ 2,374,370	\$ 1,879,871
Special Revenue Fund revenues	787,348	544,820
Special Assessments	88,820	88,820
Grant proceeds	1,528	1,528
Public donation	<u>288,422</u>	<u>288,422</u>
Total investment in general fixed assets	<u>\$ 3,620,422</u>	<u>\$ 2,792,422</u>

See accompanying notes to financial statements

CITY OF MONROE, LOUISIANA

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS
YEAR ENDED JUNE 30, 1997

	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>
General fixed assets, beginning of year	\$ 1,950,642	\$ 190,240	\$ 1,380,800	\$ 380,602
Additions:				
General fund revenue	182,324	-	342,714	139,600
Special revenue fund	<u>182,324</u>	<u>182,324</u>	<u>-</u>	<u>-</u>
General fixed assets, end of year	<u>\$ 2,435,290</u>	<u>\$ 432,564</u>	<u>\$ 1,723,514</u>	<u>\$ 2,680,206</u>

See accompanying notes to financial statements

SUPPORTING SCHEDULE

CITY OF MONROE, LOUISIANA

SCHEDULE OF COMPENSATION PAID TO MAYOR AND BOARD OF ALDERMEN
YEARS ENDED JUNE 30, 1991 and 1990

Name and Title	Compensation	
	1991	1990
Dudley S. Dixon, Mayor	\$ 40,214	\$ 38,383
Mr. Robert S. LeFard, Alderman	3,575	3,600
Mr. Percy Nebo, Alderman, Mayor Pro-Tem	5,350	5,350
Mr. Gerald Washington, Alderman	4,783	4,800
Mr. Carl Chisholm, Alderman	4,783	4,800
Mr. Charles Harold Fortin, Alderman	4,783	4,800
Mr. John Cardaro, Alderman	1,000	-

SUPPLEMENTARY INFORMATION

CITY OF METLACE, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL GRANTS

Year Ended June 30, 1997

Federal grantor/pass-through grantor program title	Pass-through Louisiana Community Development Block Grant Program--Water Collection System Improvements: U.S. Department of Housing and Urban Development Block Grant Program
Federal CFDA number	14.018
Program or award amount	\$ 583,890
City matching requirement	____124,800
Total project costs	\$ 707,890
Grant revenue recognized	\$ 186,383
Grant expenditures recognized	\$ 227,048
Federal grantor/pass-through grantor program title	Federal emergency management administration/ State of Louisiana Office of Emergency Preparedness
Federal AFPA number	Not available
Reference number	FEMA 1148 DR-84/Applicant Number DR-84015
Grant revenue recognized:	
*Federal	\$ 180,077
State	50,717
Administrative	____11,283
Total	\$ 442,207
Grant expenditures recognized	\$ 187,121

* Major Program

COMPLIANCE, INTERNAL CONTROL REPORTS

McELROY, QUIRK & BUNCH

AN PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

MEMPHIS
JAMES M. McELROY, President
CERTIFIED PUBLIC ACCOUNTANTS

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CERTIFIED PUBLIC ACCOUNTANTS

MEMPHIS
JAMES M. McELROY, President
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable Budley K. Dixon, Mayor
and Board of Aldermen
Westlake, Louisiana

We have audited the financial statements of the City of Westlake, Louisiana as of and for the year ended June 30, 1997, and have issued our report thereon dated December 3, 1997. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Audit Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City of Westlake's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions

involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City of Washlake's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described below.

Reportable conditions:

FF-1 - Because of the entity's size and the limited number of accounting personnel, it is not feasible to maintain a complete segregation of duties to achieve effective internal control. Management of the City has considered this weakness and determined that it would not be cost effective to employ sufficient personnel to obtain adequate segregation of duties. To every extent possible segregation of duties has been achieved. This combined with supervision and review procedures have all been used to mitigate this inherent weakness in this very small accounting staff.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a reasonably low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe some of the reportable conditions described above is a material weakness.

We also noted other matters involving internal control and its operation that we have reported to the City in our Schedule of Management Comments and Suggestions.

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

Mr. Elroy David + Burch

Leola Charles, Louisiana
December 5, 1997

MCELROY, QUIRK & BAUGH

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH GSA CIRCULAR 8-113

Honorable Rufey E. Egan, Mayor
and Board of Aldermen
Monroe, Louisiana

Compliance

We have audited the compliance of the City of Monroe, Louisiana with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular 8-113 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1997. The City of Monroe's major federal programs are identified in the schedule of expenditures of federal awards. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Monroe's management. Our responsibility is to express an opinion on the City of Monroe's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and OMB Circular 8-113, *Audit of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular 8-113 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Monroe's compliance with these requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Monroe's compliance with these requirements.

In our opinion, the City of Westlake, Louisiana, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1997.

Internal Control Over Compliance

The management of the City of Westlake is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Westlake's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to design our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with GAO Circular A-110.

Our consideration of the internal control over compliance could not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

We also noted other matters involving internal control and its operation that we have reported to the City in our Schedule of Management Comments and Suggestions.

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

M. Elroy, Quast & Beach

Lake Charles, Louisiana
December 5, 1997

CITY OF WESTLAK, LOUISIANA

SCHEMULE OF MANAGEMENT CONCERNS AND RECOMMENDATIONS

June 18, 1997

POLICE TICKET ACCOUNTABILITY

During our review of the control log for police tickets issued, it was noted that when tickets are lost or voided, entries are not always made in the control log to indicate the status of the tickets. It is recommended that all ticket books be issued sequentially and that a log be maintained by one person to identify who is responsible for each ticket book. Unissued ticket books should be stored in a secure location. All tickets need to be accounted for in the control log regardless of their status.

FIXED ASSET ACCOUNTABILITY

Over the years the City has acquired a substantial amount of fixed assets. However, there is no specific detailed listing of individual assets. It is recommended that a complete inventory of all City owned property, buildings, equipment and vehicles be conducted to specifically identify all fixed assets of the City. This procedure would require an inventory process, as well as tagging and identifying fixed assets by type and location. Management would need to adopt a capitalization policy to determine what dollar level of assets are to be accounted for. This procedure would be important for two reasons: first for insurance purposes to insure that in the event of a loss, assets can be specifically identified and second to improve controls over accountability of all City owned assets. Additionally, once the inventory process is complete, it is recommended that a procedure be implemented to tag and identify new fixed assets as they are acquired to insure that the inventory process will not have to be repeated.

UTILITY BILLING ADJUSTMENTS

During our review of the utility billing procedures it was noted that many personnel have the authority to make credit or debit adjustments to utility billings. It is recommended that all adjustments be reviewed by a manager independent of the personnel making the adjustments. A policy should be developed to document the adjustment process as well as detailing authority levels and review procedures.

ACCOUNTS RECEIVABLE BALANCES

During our review of accounts receivable for the utility funds, it was noted that a significant portion of the utility receivables were not current. It is recommended that a formal policy for delinquent accounts receivable be adopted and enforced. The policy should address collection, cutoff procedures, and opening and closing accounts. It is further recommended that a review of all accounts be made on a monthly basis and that proper actions be taken on delinquent accounts.

EXPENSE PROCEDURES

It is recommended that the City Clerk and City Attorney develop a matrix and time line to identify all ordinance expiration dates in order to identify expiring items and thereby allowing enough lead time for the Council to act on such issues prior to their expiration.

ACCOUNTING MANUAL

We noted that the City does not have an accounting procedures manual. Written procedures, instructions, and assignments of duties will prevent or reduce misunderstandings, errors, inefficient or wasted efforts, duplicated or omitted procedures, and other situations that can result in inaccurate or untimely accounting records. A well devised accounting manual can also help to ensure that all similar transactions are treated consistently, that accounting principles used are proper, and that records are produced in the form desired by management. A good accounting manual should aid in the training of new employees and possibly allow for delegation to other employees of some accounting functions management performs. It will take some time and effort for management to develop a manual; however, we believe this time will be more than offset by time saved later in training and supervising accounting personnel. Also, in the process of the comprehensive review of existing accounting procedures for the purpose of developing the manual, management might discover procedures that can be eliminated or improved to make the system more efficient and effective.

BANK RECONCILIATIONS

As an enhancement to the existing control system, we recommend that bank statements and reconciliations be reviewed by management independent of personnel preparing the reconciliations. Procedures would need to be developed to document the review process and identify key controls.

INTERFUND RECEIVABLES AND PAYABLES

During our review of the various intercompany payments and receivables, it was noted that several funds had large receivables and payables. It is recommended that the interfund payables and receivables be reviewed on a regular basis and that those payables and receivables be liquidated in a timely manner.

FINANCIAL CONDITION OF THE CITY

The following information will present a comparison of several areas of importance to the City. For the fiscal year under review, the City experienced an outstanding year of operations. All enterprise funds were profitable and the general fund experienced excess revenues. This has taken many years to achieve and management is to be commended. There were no overdrawn bank accounts nor was there any bonded debt, except for one revenue bond issue. The balance of this issue is \$100,000 and will be retired in 1979.

The City is very strong financially and should be able to continue this success for many years to come.

SUMMARY OF REVENUE AND EXPENSE
Six Years Ended June 30, 1967, 1968, 1969, 1970, 1971 and 1972

	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
WATER FUND						
Revenues	\$ 1,542,259	\$ 1,875,287	\$ 1,181,584	\$ 1,719,283	\$ 1,471,716	\$ 1,791,888
Expenses	<u>1,079,736</u>	<u>1,276,207</u>	<u>896,831</u>	<u>1,144,738</u>	<u>1,129,380</u>	<u>136,842</u>
Operating Income	462,523	599,080	284,753	574,545	342,336	1,655,046
Operating revenue (expense)	<u>56,322</u>	<u>25,141</u>	<u>17,640</u>	<u>34,579</u>	<u>66,885</u>	<u>1,171</u>
Net Income before transfers	180,871	624,728	144,140	136,577	410,137	826,746
Transfers	<u>1224,200</u>	<u>2376,224</u>	<u>17,200,000</u>	<u>1447,800</u>	<u>1796,220</u>	<u>1280,200</u>
Net Income (Loss)	\$ <u>1,405,071</u>	\$ <u>2,926,972</u>	\$ <u>1,661,340</u>	\$ <u>1,530,856</u>	\$ <u>1,206,357</u>	\$ <u>2,106,946</u>
SEWER FUND						
Revenues	\$ 713,071	\$ 787,264	\$ 441,401	\$ 511,878	\$ 542,506	\$ 579,877
Expenses	<u>1,211,883</u>	<u>876,184</u>	<u>241,071</u>	<u>891,201</u>	<u>811,502</u>	<u>886,125</u>
Operating (Loss)	498,812	911,080	199,330	384,677	731,004	293,752
Operating revenue	<u>224,476</u>	<u>386,211</u>	<u>21,876</u>	<u>41,601</u>	<u>11,672</u>	<u>46,112</u>
Net Loss before transfers	144,802	524,869	177,454	343,076	719,332	247,640
Transfers	<u>185,601</u>	<u>391,151</u>	<u>269,220</u>	<u>389,542</u>	<u>471,220</u>	<u>309,116</u>
Net Income (Loss)	\$ <u>111,600</u>	\$ <u>132,712</u>	\$ <u>47,774</u>	\$ <u>46,524</u>	\$ <u>247,892</u>	\$ <u>548,526</u>

SUMMARY OF REVENUES AND EXPENSES
 For Years Ended June 30, 1997, 1996, 1995, 1994, 1993 and 1992

	1997	1996	1995	1994	1993	1992
GENERAL FUND						
Revenues	\$ 1,417,939	\$ 1,552,951	\$ 1,696,144	\$ 1,682,606	\$ 1,649,679	\$ 1,611,795
Expenses	<u>2,173,588</u>	<u>1,989,528</u>	<u>1,928,840</u>	<u>1,897,908</u>	<u>1,734,432</u>	<u>1,831,570</u>
Excess (Deficiency)	(755,649)	(436,577)	(232,696)	(215,302)	(84,753)	(219,775)
Transfers In	1,417,939	1,552,957	1,676,100	161,438	549,809	887,328
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency)	<u>\$ 662,290</u>	<u>\$ 1,116,380</u>	<u>\$ 1,443,404</u>	<u>\$ 1,006,136</u>	<u>\$ 704,056</u>	<u>\$ 667,553</u>
WATER FUND	<u>\$ 1,305,000</u>	<u>\$ 1,444,381</u>	<u>\$ 1,371,440</u>	<u>\$ 1,355,113</u>	<u>\$ 1,331,128</u>	<u>\$ 1,334,000</u>

SUMMARY OF INVESTMENTS BY FUND (continued from page 1)
 For Years Ended June 30, 1997, 1996, 1995, 1994, 1993 and 1992

	1997	1996	1995	1994	1993	1992
GEN FUND	\$ 126,004	\$ 166,337	\$ 283,710	\$ 446,717	\$ 731,100	\$ 801,759
WATER FUND	\$ 1,058,114	\$ 1,085,000	\$ 855,800	\$ 657,979	\$ 651,693	\$ 575,174
GENERAL FUND	\$ 811,324	\$ 747,044	\$ 761,686	\$ 610,864	\$ 480,807	\$ 296,048

SUMMARY OF DEBT AND INVESTMENTS
 For Years Ended June 30, 1997, 1996, 1995, 1994, 1993 and 1992

	1997	1996	1995	1994	1993	1992
GEN FUND						
Cash	\$ 145,488	\$ 136,487	\$ 11,760	\$ 106,850	\$ 197,143	\$ 37,417
Investments	<u>6,492</u>	<u>2,727</u>	<u>144,840</u>	<u>756,239</u>	<u>144,115</u>	<u>700,000</u>
Total	<u>\$ 151,980</u>	<u>\$ 139,214</u>	<u>\$ 156,600</u>	<u>\$ 863,089</u>	<u>\$ 341,258</u>	<u>\$ 737,417</u>
WATER FUND						
Cash	\$ 16,200	\$ 103,300	\$ 11,788	\$ 89,544	\$ 101,458	\$ 719,491
Investments	<u>2,039,472</u>	<u>1,982,817</u>	<u>1,444,720</u>	<u>1,457,742</u>	<u>1,499,110</u>	<u>1,067,410</u>
Total	<u>\$ 2,055,672</u>	<u>\$ 2,086,117</u>	<u>\$ 1,456,508</u>	<u>\$ 1,547,286</u>	<u>\$ 1,600,568</u>	<u>\$ 1,786,901</u>
GENERAL FUND						
Cash	\$ 16,200	\$ 204,541	\$ 144,000	\$ 710,456	\$ 102,447	\$ 89,144
Investments	<u>81,000</u>	<u>81,180</u>	<u>14,710</u>	<u>50,200</u>	<u>190,000</u>	<u>70,104</u>
Total	<u>\$ 97,200</u>	<u>\$ 285,721</u>	<u>\$ 158,710</u>	<u>\$ 760,656</u>	<u>\$ 292,447</u>	<u>\$ 159,248</u>