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**TOWN OF CHATELAIN  
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION  
YEARS ENDED JUNE 30, 1997 AND 1996**

Under provisions of state law, this report is a public document. A copy of this report has been authorized to the council, its members, utility and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/23 11 1998

Jimmie Sell, CPA  
of Professional Accounting Corp.  
1208 Cameron Street, Suite C  
Monroe, Louisiana 70131  
Phone: (504) 333-4555 Fax: (504) 388-6714

TOWN OF CHELHAM, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 1991 AND 1996  
WITH SUPPLEMENTAL INFORMATION SCHEDULES

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Virnie Self, CPA  
A Professional Accounting Corporation  
2908 Cameron Street, Suite C  
Monroe, Louisiana 71204  
Phone (504) 333-8854 Fax (518) 348-8794

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Independent Auditor's Report

Board of Directors  
Town of Chatham  
Chatham, Louisiana

I have audited the accompanying general-purpose financial statements of the Town of Chatham, Louisiana, as of and for the years ended June 30, 1997 and 1996, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Town of Chatham's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

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

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Chatham, Louisiana, as of June 30, 1997 and 1996, and the results of its operations and the cash flows of its proprietary fund types and non-spendable trust funds for the years then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 15, 1997, on my consideration of the Town of Chatham's internal control over financial reporting, and my tests of its compliance with certain provisions, regulations, contract and grants.



Virnie Self, CPA  
December 15, 1997

STATE STREET CAPITAL CORPORATION  
 U.S. FORM 990 (2010) WITH SCHEDULES  
 2010-2011 PERIOD

FINANCIAL STATEMENTS

	ASSETS	LIABILITIES	NET ASSETS	
	FORM	FORM	FORM	Total
	1041	990	1041	(Schedule)
	Part	Part	Part	Only
	III	III	III	
<b>ASSETS</b>				
Cash				
Fixed and Floating-Rate	1,000,000	1,000,000		1,000,000
Securities (see notes regarding off-balance sheet assets)	0	1,000,000		1,000,000
Investments		10,000,000		10,000,000
Other Assets				
Capital Gains and Expenses		10,000,000	10,000,000	10,000,000
Other Assets (including off-balance sheet assets)				
<b>Total Assets</b>	<b>1,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>
<b>LIABILITIES</b>				
Accounts Payable	100,000	100,000		100,000
Accounts Receivable		1,000,000		1,000,000
Other Liabilities		10,000,000		10,000,000
Other Liabilities				
<b>Total Liabilities</b>	<b>100,000</b>	<b>10,100,000</b>	<b>10,100,000</b>	<b>10,100,000</b>
<b>NET ASSETS</b>				
Capital Gains			10,000,000	10,000,000
Accounts Payable				
Accounts Receivable				
Other Assets				
Other Liabilities				
<b>Total Net Assets</b>	<b>1,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>

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

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**TOWN OF GREAT BROOK, VERMONT**  
**GOVERNMENTAL FUNDS**  
**STATEMENTS OF REVENUE AND EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**FOR THE FISCAL YEAR ENDED 2007 AND 2006**

	<b>EXHIBIT A</b>	
	<b>FUND</b>	
	<b>2007</b>	<b>2006</b>
<b>REVENUES</b>		
<b>Local Revenue</b>		
Taxes:		
Property	\$400,000	\$700,000
Sales	1,000,000	1,000,000
Misc	1,000,000	1,000,000
Licenses and permits	15,000,000	15,000,000
Fees, charges, and contributions	1,000,000	700,000
Fines and forfeitures	1,000,000	1,000,000
Other revenues	1,000,000	1,000,000
<b>Total Revenues</b>	<b>21,000,000</b>	<b>22,000,000</b>
<b>EXPENDITURES</b>		
General Government	\$1,000,000	\$1,000,000
Public Safety	11,000,000	11,000,000
Public Works	8,000,000	11,000,000
<b>Total Expenditures</b>	<b>20,000,000</b>	<b>23,000,000</b>
Excess (Deficiency) Of Revenues Over Expenditures	(9,000,000)	(1,000,000)
<b>CHANGES IN FUND BALANCES (FUNDS)</b>		
Operating Transfers In	10,000,000	10,000,000
<b>Total Other Financing Sources (Uses)</b>	<b>10,000,000</b>	<b>10,000,000</b>
Excess (Deficiency) Of Revenues and Other Sources Over Expenditures and Other Uses	(9,000,000)	(1,000,000)
<b>Fund Balances (Deficit) at Beginning of Year</b>	<b>11,000,000</b>	<b>12,000,000</b>
<b>Fund Balances (Deficit) at End of Year</b>	<b>2,000,000</b>	<b>11,000,000</b>

See accompanying Notes to Financial Statements.

2007

STATE OF VERMONT CONTINGENT  
 LIABILITIES FROM DEFERRED FUND  
 BALANCE SHEET INFORMATION FOR FISCAL YEAR ENDING 2006  
 AS OF 6/30/06 (UNAUDITED) (IN THOUSANDS OF DOLLARS)

	DEFERRED FUND BALANCE SHEET					
	2006			2005		
	UNFUNDED	FUNDED	TOTAL	UNFUNDED	FUNDED	TOTAL
<b>LIABILITIES</b>						
<b>Contingent</b>						
<b>Liabilities</b>						
<b>Unfunded</b>						
<b>Contingent</b>	1,000.00	4,000.00	5,000.00	1,000.00	4,000.00	5,000.00
<b>Other</b>	1,000.00	1,000.00	2,000.00	1,000.00	1,000.00	2,000.00
<b>Total</b>	2,000.00	5,000.00	7,000.00	2,000.00	5,000.00	7,000.00
<b>Funded</b>	1,000.00	1,000.00	2,000.00	1,000.00	1,000.00	2,000.00
<b>Contingent</b>	1,000.00	1,000.00	2,000.00	1,000.00	1,000.00	2,000.00
<b>Other</b>	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	1,000.00	1,000.00	2,000.00	1,000.00	1,000.00	2,000.00
<b>Total</b>	3,000.00	6,000.00	9,000.00	3,000.00	6,000.00	9,000.00
<b>Total</b>	3,000.00	6,000.00	9,000.00	3,000.00	6,000.00	9,000.00
<b>Other</b>						
<b>Unfunded</b>						
<b>Contingent</b>	1,000.00	1,000.00	2,000.00	1,000.00	1,000.00	2,000.00
<b>Other</b>	1,000.00	1,000.00	2,000.00	1,000.00	1,000.00	2,000.00
<b>Total</b>	2,000.00	2,000.00	4,000.00	2,000.00	2,000.00	4,000.00
<b>Funded</b>						
<b>Contingent</b>	1,000.00	1,000.00	2,000.00	1,000.00	1,000.00	2,000.00
<b>Other</b>	1,000.00	1,000.00	2,000.00	1,000.00	1,000.00	2,000.00
<b>Total</b>	2,000.00	2,000.00	4,000.00	2,000.00	2,000.00	4,000.00
<b>Total</b>	2,000.00	2,000.00	4,000.00	2,000.00	2,000.00	4,000.00
<b>Total</b>	4,000.00	4,000.00	8,000.00	4,000.00	4,000.00	8,000.00
<b>Total</b>	7,000.00	10,000.00	17,000.00	7,000.00	10,000.00	17,000.00
<b>Total</b>	7,000.00	10,000.00	17,000.00	7,000.00	10,000.00	17,000.00

See accompanying notes to financial statements.

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**TRIPLEX CAPITAL CORPORATION**  
**FINANCIAL STATEMENTS**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE YEARS ENDED 2002, 2001 AND 2000**

	<b>STATEMENTS OF OPERATIONS</b>	
	<b>2002</b>	<b>2001</b>
<b>OPERATING REVENUES</b>		
Change in net fee	184,054.00	144,000.00
Other income	(6,000.00)	3,333.00
<b>Total Operating Revenues</b>	<b>178,054.00</b>	<b>147,333.00</b>
<b>OPERATING EXPENSES</b>		
Personnel	66,073.33	49,900.00
Repairs and Maintenance	15,000.00	13,750.00
Operational	19,000.00	19,000.00
Depreciation	58,000.00	54,700.00
<b>Total Operating Expenses</b>	<b>158,073.33</b>	<b>137,350.00</b>
<b>FOR THE DIFFERENCE IN OPERATING OVER EXPENDITURE</b>	<b>20,000.00</b>	<b>10,000.00</b>
<b>Non-Operating Revenues/Expenses</b>		
Interest Income	4,000.00	2,000.00
Interest Expense	(8,000.00)	(6,000.00)
<b>Operating Income/(Loss)</b>	<b>(4,000.00)</b>	<b>(4,000.00)</b>
Net Income (Loss)	(4,000.00)	(4,000.00)
Increase in Retained Earnings at beginning of year	40,000.00	60,000.00
Dividend Payout at end of year	(32,000.00)	(60,000.00)

See Accompanying Notes to Financial Statements.

TRIPLEX 2002

**TOWN OF CHATELAIN, LOUISIANA**  
**FINANCIAL STATEMENTS**  
**STATEMENTS OF CASH AND CASH EQUIVALENTS FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2007 AND 2006**

	Balance Fund 2007	2006
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net Income	(25,224.67)	(27,267.69)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	49,829.00	52,790.00
Changes in assets and liabilities:		
(Increase) (Decrease) in accounts receivable	(2,475.24)	(888.23)
(Increase) (Decrease) in accounts payable	(2,668.64)	6,882.88
(Increase) (Decrease) in net asset interest	(778.22)	(662.88)
Total adjustments	43,917.90	(4,856.93)
Net Cash Provided (Used) by Operating Activities	17,692.23	(8,329.74)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Capital Expenditures		(4,683.00)
Net Cash Used in Investing Activities		(4,683.00)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Principal payments on long-term debt	(21,298.00)	(1,822.00)
Net Cash Provided by Financing Activities	(21,298.00)	(18,222.00)
Net Increase/(Decrease) in Cash and Cash Equivalents	(4,003.77)	(23,234.74)
Cash and Cash Equivalents at Beginning of Year	282,712.28	305,947.02
Cash and Cash Equivalents at End of Year	278,708.51	282,712.28
Supplemental disclosures of cash flow information:		
Cash paid during the year for:		
Interest	6,882.88	6,882.88

See Accompanying Notes to Financial Statements.

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

The Town of Chauhan was incorporated under the provisions of the Louisiana Act and operates under a Mayor-Board-of-Aldermen form of government. The Town provides the following services to its 684 residents: public safety (police), highways and streets, gas, water, sewer, and sanitation facilities through the utility fund, infrastructure, and general administrative services.

The accounting and reporting policies of the municipality 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 industry audit guide, *Standards of State and Local Governmental Units*.

The accompanying financial statements of the Town of Chauhan have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. Reporting Entity**

As the municipal governing authority, for reporting purposes, the Town of Chauhan, Louisiana is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Town of Chauhan, Louisiana for the financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria include:

1. Appointing a voting majority of an organization's governing body.
  - A. The ability of the municipality to impose its will on that organization and/or
  - B. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.
2. Organizations for which the municipality does not appoint a voting majority but are fiscally dependent on the municipality.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

No component units are included in this report, since there are none.

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

The Town of Chatham was incorporated under the provision of the Louisiana Act and operates under a Mayor-Board of Aldermen form of government. The Town provides the following services to its 664 residents: public safety (police), highways and streets, gas, water, sewer, and sanitation facilities through the utility fund, cultural/recreation, and general administrative services.

The accounting and reporting policies of the municipality 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 rules by audit guide, Analysis of State and Local Governmental Units.

The accompanying financial statements of the Town of Chatham have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

#### **1. Reporting Entity**

As the municipal governing authority, for reporting purposes, the Town of Chatham, Louisiana is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Town of Chatham, Louisiana, for the financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria include:

1. Appointing a voting majority of an organization's governing body.
  - A. The ability of the municipality to impose its will on that organization and/or
  - B. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.
2. Organizations for which the municipality does not appoint a voting majority but are fiscally dependent on the municipality.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

No component units are included in this report, since there are none.

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

**B. Fund Accounting**

The Town of Clarks uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separately accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the Town of Clarks are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

**Governmental Funds**

Governmental funds account for all or most of the Town of Clarks's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

**General Fund** - the general operating fund of the Town of Clarks and accounts for all financial resources, except those required to be accounted for in other funds.

**Proprietary Funds**

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

**Enterprise Fund** - accounts for operations that are financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be incurred or recovered primarily through user fees, or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**C. Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified

Town of Chatham  
Chatham, Louisiana  
Notes To The Financial Statements  
June 30, 1997 and 1996

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annual basis of accounting is used by all governmental funds and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

1. Revenues

- A. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied by the Town in September or October and are actually billed on October 1, and are mailed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from all various taxes are budgeted in the year billed.

The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of Jackson Parish.

The year ended June 30, 1997, taxes of \$ 21 mills were levied on property with assessed valuations totaling 233,000 and were dedicated as follows:

General corporate purposes	\$ .20 mills
----------------------------	--------------

Property tax revenues are recognized when they become available. Available includes those property tax receivables stated to be collected within sixty days after year end. Delinquent taxes are considered fully collectible and therefore an allowance for uncollectible taxes is not provided.

Fines, bond forfeitures, and fees are recognized when collected by the Town. Interest income is recorded when it is credited to accounts by the Bank.

- B. Sales Taxes are also accrued.

2. Expenditures

Salaries are recorded as expenditures when earned by employees.

Purchases of various operating supplies, etc. are recorded as expenditures when the related fund liability is incurred.

Principal and interest on general long - term debt and installment purchase payments are recognized when due.

3. Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (and any other financing sources/uses) are accounted for as other financing sources (uses). These transfers were recorded in September & October, 1995.

All proprietary funds are accounted for on a flow of economic resources measurement basis and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The proprietary funds use the annual basis of accounting. Revenues are recognized when earned, and expenses are recognized as the time liabilities are incurred.

## **B. Budgets**

The Town of Chatham (Mayor and Council) uses the following budget practices:

- (1) Prior to June 30, the town Clerk submits to the Mayor and Council Members 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 for the upcoming year. The budget is submitted in summary form. In addition, more detailed line item budgets are included for administrative control. The level of control for the detailed budgets is at the department head/division level.
- (2) Public hearings are conducted to obtain taxpayer comment.
- (3) During the month of July the budget is legally enacted through passage of an ordinance.
- (4) Formal budgetary integration is employed as a management control device during the year for the General Fund and Capital Projects Fund, (when applicable).
- (5) Budgets for the General and Capital Projects Fund, are adopted on the GAAP basis.
- (6) Appropriations lapse at the end of each fiscal year.
- (7) The Mayor and Council Members authorize supplemental appropriations during the year. Supplemental appropriations were made during the fiscal year.

## **C. Encumbrances**

Encumbrance accounting is not used.

## **D. Cash and Cash Equivalents**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Town of Chatham may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Town of Chatham may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

## **K. Fund Equity**

### **Contributed Capital**

Contributed capital is recorded in the Enterprise Fund for capital grants allocated for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation on that portion of the assets acquired or constructed from such resources.

### **Reserves**

Reserves represent those portions of fund equity not appropriate for expenditure or legally segregated for a specific future use.

### **Designated Fund Balances**

Designated fund balances represent tentative plans for future use of financial resources.

## **L. Total Columns on Combined Statements**

Total columns on the combined statements are captioned *Monorandum 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.

### **NOTE 2 - EXPENDITURES/EXPENSE ACTUAL AND BUDGET**

The following individual funds have actual expenditures/expenses over budgeted expenditures/expenses for the year following June 30, 1997.

Fund	Budget	Actual	(Unfavorable Variance)
General	76,892	83,302	+6,410
Total	76,892	83,302	+6,410

### **NOTE 3 - LEVIED TAXES**

Authorized Millage 0.4 (c); Levied Millage 0.30

### **NOTE 4 - CASH AND CASH EQUIVALENTS**

The following is a summary of cash and cash equivalents (book balances) at June 30, 1997.

Town of Chatham  
 Chatham, Louisiana  
 Notes To The Financial Statements  
 June 30, 1997 and 1996

At June 30, 1996 and 1997, the Town had cash totaling 218,850 and 217,632.78 as follows:

	1996	1997
Demand Deposits	121,343.00	94,180.25
Certificates	2,535.00	2,861.00
Restricted Assets (Cash)	108,872.00	120,678.53
Total	218,850.00	217,819.78

These deposits are stated at cost, which approximately market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 1995 are shown as follows:

	1996	1997
Bank Balances	218,850	217,632.78
Federal Deposit Insurance	100,000	100,000
Pledge Securities	100,000	100,000
Total	418,850	417,632.78

The remaining balance of \$18,850 and 17,632.78, respectively, is not secured by the pledge of securities and is a violation of state law. Even though the pledged securities are considered uncollateralized (Category 7) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1279 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 30 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 5 - RECEIVABLES**

The receivables of 17,119.25 at June 30, 1996 and 1997, respectively are as follows:

	1996	1997
General Fund	857.00	55.00
Enterprise Fund	16,262.25	17,078.00
	17,119.25	17,133.00

The allowance for bad debts is figured at .5% of receivables at year end.

Town of Chatham  
Chatham, Louisiana  
Notes To The Financial Statements  
June 30, 1997 and 1996

**NOTE 6 - CHANGES IN FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Land and Improvements	Buildings	Equipment	Total
Balance, June 30, 1995	812,780	598,486	515,520	926,786
Additions:	-	-	-	-
Balance, June 30, 1996	812,780	598,486	515,520	926,786
Balance, June 30, 1997	812,780	598,486	515,125	926,391

A summary of the changes in Proprietary - Enterprise Fixed Asset assets follows:

	Balance June 30, 1995	Additions or Deprecials	Balance June 30, 1996	Additions or Deprecials	Balance June 30, 1997
Land	4,085	-	4,085	-	4,085
Natural gas system	588,186	-	588,186	-	588,186
Waterworks system	664,215	-	664,215	4,683	668,898
Sewerage system	798,074	-	798,074	-	798,074
Equipment	31,941	-	31,941	-	31,941
Sewer System	-	-	-	-	-
Total	1,876,499	-	1,777,395	4,683	1,681,999
Less Accum. Dep't.	151,586	54,799	603,684	(52,865)	654,447
Total, at cost, net of accum. dep't.	879,991	(54,799)	878,282	52,185	827,552

**NOTE 7 - ACCOUNTS, SALARIES, AND OTHER PAYABLES OF \$98,994 ARE AS FOLLOWS:**

	General Fund	Proprietary Fund	6-30-96 Total	General Fund	Enterprise Fund	6-30-97 Total
Accounts Payable	854	8,235	9,089	710	4,374	5,084
Accrued Interest Payable	-	2,476	2,476	-	1,686	1,686
Customers Deposits	-	97,640	97,640	-	42,144	42,144
Total	854	108,351	109,205	710	58,204	58,914



Town of Chatham  
 Chatham, Louisiana  
 Notes To The Financial Statements  
 June 30, 1997 and 1996

**NOTE 8 - CHANGES IN GENERAL LONG - TERM OBLIGATIONS**

The following is a summary of bond transactions for the year ended June 30, 1996:

Bonds payable at July 1, 1995	154,000
Principal Paid	<u>11,000</u>
Bonds payable at June 30, 1996	171,000
Principal	<u>11,000</u>
Bonds payable at 6-30-97	<u>112,000</u>

**Revenue Bonds:**

\$134,000 Water Refunding Bonds, Series 1994 due in annual installments of \$1,000 to \$6,000 through September 3, 2004, interest at 6.00% - Enterprise Fund

**Total Water Revenue Refunding:**

On 8-17-94, the Town of Chatham adopted a resolution to issue \$134,000 Water revenue refunding bonds, series 1994, with an interest rate of 6.00%. The proceeds were used to refund outstanding Water Revenue Bonds dated September 21, 1983. The refunded bonds were refunded pursuant to the order of the USA, Eastern District Administration, the registrarial owner of the refunded bonds.

Annual requirements to amortize long-term debt (the new debt outstanding at June 30, 1995 follows (including interest):

Year Ending June 30,	Debt Issue	1994 Revenue Refunding
1997	01-SEP-97	14,392.00
1998-1999	01-MAR-98	1,858.28
2000-2001	01-SEP-98	19,898.78
2002-2003	01-MAR-99	2,687.88
2004	01-SEP-99	14,687.88
	01-MAR-2000	2,325.48
	01-SEP-2000	15,325.48
	01-MAR-2001	1,932.88
	01-SEP-2001	14,932.88
	01-MAR-2002	1,540.28
	01-SEP-2002	17,540.28
	01-MAR-2003	1,937.68
	01-SEP-2003	18,937.68
	01-MAR-2004	543.62
	01-SEP-2004	18,543.62
	<b>Totals</b>	<b>101,696.02</b>

**Other Restrictions:**

Town of Chatham  
 Chatham, Louisiana  
 Notes To The Financial Statements  
 June 30, 1997 and 1996

**MONTHLY PAYMENT SCHEDULE**  
 Town of Chatham, State of Louisiana

5134,800 Water Revenue Refunding Bonds, Series 1994

PERIOD	SINKING FUND	RESERVE FUND	CONTINGENCY FUND
20-SEP-95 TO 20-AUG-96	1,335.71	On October 14, 1994, all monies remaining in the existing reserve fund for the Water Revenue Bonds, dated 9-21-93 (\$4,386.00) should be transferred to the Reserve Fund, and, thereafter, on the 20 <sup>th</sup> day of each month, commencing October, 1994, a sum at least equal to 5% of the monthly sinking fund payment is to deposited in the reserve fund until \$13,400 is on deposit	On October 14, 1994, all monies remaining in the existing contingency fund created in connection with the issuance of the Water Revenue Bonds, dated 9-21-93 (\$19,139.16) should be transferred to the Contingency Fund, and, thereafter, on the 30 <sup>th</sup> day of each month, commencing October, 1994 \$125 is to deposited therein over the life of the bonds.
20-SEP-96 TO 20-AUG-97	1,488.48		
20-SEP-97 TO 20-AUG-98	1,508.37		
20-SEP-98 TO 20-AUG-99	1,447.97		
20-SEP-99 TO 20-AUG-2000	1,470.60		
20-SEP-2000 TO 20-AUG-2001	1,465.47		
20-SEP-2001 TO 20-AUG-2002	1,599.03		
20-SEP-2002 TO 20-AUG-2003	1,582.83		
20-SEP-2003 TO 20-AUG-2004	1,589.68		

**NOTE 9 - RELATED PARTY TRANSACTIONS**

None

**NOTE 10 - LITIGATION & CLAIMS**

None

**NOTE 11 - RESTRICTIONS ON USE OF UTILITIES REVENUES**

Funds provided by utilities revenues are to be used in the following manner before they are available for other lawful purposes:

1. Operating expense of utility systems
2. Revenue bond debt service funds
3. Revenue bonds reserve funds
4. Revenue bond depreciation and contingency funds

**NOTE 12 - PENSION PLANS**

Town of Chatham  
Chatham, Vermont  
Notes To The Financial Statements  
June 30, 1997 and 1996

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All employees of the Town of Chatham are members of the Federal Social Security System, no other plans exist.

**NOTE 13 - INTERFUND TRANSACTION**

During the course of normal operations, the Town has numerous transactions between funds including expenditures and transfers of resources, primarily to provide services. The governmental funds financial statements generally reflect such transactions as transfers.

**NOTE 14 - SUBSEQUENT EVENTS**

There were no subsequent events noted which would affect the financial statements.

### Supplementary Information

**James S&K, CPA**  
*A Professional Accounting Corporation*  
2988 Cameron Street, Suite C  
Monroe, Louisiana 71201  
Phone (504) 329-4656 Fax (504) 384-0324

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**Town of Chauhan**  
**Chauhan, Louisiana**

**Town Council Board Members:**

	1996	1997
Marvin Davis	\$400.00	\$600.00
Francis Mowbrak	\$400.00	\$600.00
Stanley Henderson	\$400.00	\$600.00
Larry Mack	\$400.00	\$600.00
Ray Profile	\$400.00	\$600.00

Elinco S&C, CPA,  
A Professional Accounting Corporation  
2908 Cameron Street, Suite C  
Monroe, Louisiana 71209  
Phone (504) 333-0656, Fax (504) 389-0034

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**Report On Compliance And On Internal Control Over Financial  
Reporting Based On An Audit Of Financial Statements Performed In  
Accordance With Government Auditing Standards**

Board of Directors  
Town of Chatham  
Chatham, Louisiana

I have audited the financial statements of Town of Chatham as of and for the years ended June 30, 1997 and 1996, and have issued my report thereon dated December 15, 1997. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining assurance about whether Town of Chatham's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs.

**Internal Control Over Financial Reporting**

In planning and performing my audit, I considered Town of Chatham's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect Town of Chatham's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My 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 considered to be material weaknesses. However, I believe none of the reportable conditions described above is a material weakness.

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



Thomas Solt, CPA  
December 15, 1997

Nirima Solt, CPA  
A Professional Accounting Corporation  
2808 Clarence Street, Suite C  
Metairie, Louisiana 70001  
Phone (504) 722-4695 Fax (504) 788-0724

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**Schedule of Findings and Questioned Costs**

The Town of Clatcham was not in compliance with the state law which requires for adequate provisions of pledge of securities for its cash and cash equivalents.

This failure was due to:

The mayor not being aware of this inadequacy. It is being corrected.

In 1997, the Town of Clatcham was in violation of the law which requires an unfavorable budget variance to be no more than 5%.

This occurred due to repairs to the street, which were not included in the budget. This is being corrected.

*Nirima Solt, CPA*

Nirima Solt, CPA  
December 15, 1997



Jimmie Self, CPA  
A Professional Accounting Corporation  
2988 Cameron Street, Suite C  
Bossier, Louisiana 71201  
Phone (504) 337-0636 Fax (518) 388-8724

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Management Recommendations

To the Mayor and Council Members  
Town of Chatham  
Chatham, Louisiana

The prior year audit findings:

Corrected, except for findings #2 – inadequate segregation of duties, which has been noted as not cost-beneficial to correct.

During my audit, the following came to my attention:

- (1) The Town, because it is cost-prohibitive can not solve the problem of inadequate segregation of duties.
- (2) The Town was not in compliance with the law pertaining to adequate security deposits. When the mayor was advised of this, immediately it was corrected. This is not a financial statement effect, but a compliance violation.
- (3) The Town's actual expenditures exceeded its budgeted expenditures more than 5%, which is a compliance violation. In the future the Town should review the budget and expenditures more frequently, and provide for all expenditures to be budgeted.
- (4) The Town needs to more efficiently account for fixed assets. Some of the assets need to be tagged and inventoried.