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**TOWN OF LUTCHER, LOUISIANA**  
**FINANCIAL REPORT**  
**APRIL 30, 1997**

**MAJESTY**  
Henry J. Tostant

**MEMBERS**  
Henry B. Mims  
Floyd A. Minkoff  
Travis A. Petic  
Patrick P. St. Pierre  
C. C. Whitley, Jr.

**TOWN CLERK**  
Thomas C. Rapson

**TOWN ATTORNEY**  
Wilbur W. Raymond

**CHIEF OF POLICE**  
Henry Vickman

These financial statements of said law, this report is a public document. A copy of the report has been submitted to be the audited, or reviewed, and to be of 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.

Attest: Date APR 30 1997

**TOWN OF LUTHER, LOUISIANA**

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**INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying general purpose financial statements of the Town of Lusher, Louisiana, as of April 30, 1997, and for the year then ended, as listed in the contents. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In accordance with Government Auditing Standards, we have also issued a report dated June 23, 1997 on our consideration of the Town of Lusher's internal control structure and a report dated June 23, 1997 on its compliance with laws and regulations.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Lusher, Louisiana, as of April 30, 1997, and the results of its operations for its governmental funds for the year then ended and the results of its operations and the cash flows of its proprietary funds type for the year then ended in conformity with generally accepted accounting principles.

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

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial reports for that year in which we expressed an unqualified opinion on the general purpose, individual fund, and account group financial statements of the Town of Lusher, Louisiana.

*James R. Douglas, Ltd.*  
James R. Douglas, Ltd.  
Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF THE GENERAL  
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT  
AUDITING STANDARDS**

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

We have audited the general purpose financial statements of the Town of Latche, Louisiana, as of and for the year ended April 30, 1997, and have issued our report thereon dated June 23, 1997.

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

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

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

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

*James R. Douglas, III.*  
James R. Douglas, Ltd.  
Certified Public Accountant

June 23, 1997

**JAMES R. DOUGLAS, LTD.**  
PROFESSIONAL ACCOUNTING CORPORATION

2020 Coliseum Drive, Suite 200  
Baton Rouge, Louisiana 70802  
(504) 387-1444

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF  
GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

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

We have audited the general purpose financial statements of the Town of Lakeher, Louisiana, as of and for the year ended April 30, 1997, and have issued our report thereon dated June 23, 1997.

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

The management of the Town of Lakeher, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, criticism and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of the general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or misstatements may nevertheless occur and not be detected. Also, projections of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effect of new or altered procedures may deteriorate.

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

We noted a matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions are deficiencies involving the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

The Town is not large enough to permit an adequate segregation of employee duties for effective internal accounting control over the purchasing process approval, processing, and general ledger and financial reporting (journal entry preparation, approval, and reconciliation) cycles.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

This report is intended solely for the information of the Mayor, Board of Aldermen, management, and the City Internal Auditor. However, this report is a matter of public record and its distribution is not limited.

*James R. Douglas, Ltd.*

James R. Douglas, Ltd.  
Certified Public Accountants

June 23, 1997

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)**



## TOWN OF LEVEE, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND  
ACCOUNT GROUPS  
APRIL 30, 1997

ACCOUNT	Governmental Fund Types		Proprietary Fund Types
	General	Debt Service	Enterprise
Cash	\$ 804,235	\$143,183	\$ 45,000
Certificate of deposit	50,000	-	100,000
Receivables (net, when applicable of allowance for uncollectible)			
Taxes	15,210	1,244	-
Accounts	18,041	-	53,750
Intergovernmental	485	-	-
Other	342	-	27,500
Inventory (at market)	-	-	12,000
Prepaid insurance	-	-	14,000
Invested assets:			
Cash	-	-	11,000
Investments, at cost	-	-	41,000
General fund assets	-	-	-
Property and equipment	-	-	2,900,000
Other assets	-	-	10,000
Amount available for debt retirement	-	-	-
Amount to be provided for general long-term debt	-	-	-
<b>Total assets</b>	<b>1,073,091</b>	<b>115,097</b>	<b>3,545,750</b>

Account Groups		
General Fixed Assets	General Long-Term Debt	Total (Reconnection Only)
\$ -	\$ -	\$ 35,813
-	-	214,383
-	-	15,462
-	-	82,843
-	-	489
-	-	38,300
-	-	12,008
-	-	14,363
-	-	49,154
-	-	49,007
149,566	-	738,566
-	-	2,988,218
-	-	8,113
-	113,958	113,958
-	581,798	581,798
<u>149,566</u>	<u>695,756</u>	<u>3,098,031</u>

Continued

## TOWNSHIP LUTHER, LOUISIANA

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

LIABILITIES AND FUND EQUITY	Governmental Fund Type		Fund Type
	General	Debt Service	Capital Projects
<b>Liabilities:</b>			
Accounts payable	\$ 25,202	\$ -	\$ 49,129
Committed advances	-	-	6,150
Accrued payable	5,203	-	6,129
Deferred property tax revenue	634	1,379	-
Payable from restricted assets:			
Revenue bonds payable	-	-	14,792
Accrued interest payable	-	-	1,100
Customer deposits	-	-	41,664
Long-term liabilities:			
Revenue bonds payable	-	-	110,478
General obligation bonds payable	-	-	-
<b>Total liabilities</b>	<u>31,039</u>	<u>1,379</u>	<u>223,292</u>
<b>Fund equity:</b>			
Committed capital	-	-	2,190,410
Investment in general fund assets	-	-	-
Restricted resources:			
Reserved for revenue bond retirement	-	-	82,190
Unreserved	-	-	214,725
Fund balance:			
Reserved for debt service	-	110,098	-
Unreserved - unassigned	<u>180,029</u>	<u>-</u>	<u>-</u>
<b>Total fund equity</b>	<u>180,029</u>	<u>110,098</u>	<u>2,607,325</u>
<b>Total liabilities and fund equity</b>	<u>310,068</u>	<u>111,477</u>	<u>2,830,617</u>

The accompanying notes are an integral part of this statement.

Account Groups		Total
General Fixed Assets	Goodwill Long-Term Debt	(Millions of \$)
\$ -	\$ -	\$ 79,000
-	3,754	14,168
-	-	10,110
-	-	3,710
-	-	14,300
-	-	3,310
-	-	54,000
-	-	340,000
-	690,000	690,000
-	694,754	1,208,000
-	-	2,598,610
700,500	-	700,500
-	-	10,400
-	-	234,700
-	-	110,000
-	-	100,000
700,500	-	1,000,000
700,500	694,754	1,075,001

## TOWN OF LITCHER, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
 YEAR ENDED APRIL 30, 2017

	General	Debt Service	Total Governmental Funds
<b>Revenues</b>			
Taxes	\$ 198,192	1 92,964	\$ 291,156
Licenses	85,318	-	85,318
Intergovernmental	26,188	-	26,188
Charges for services	183,343	-	183,343
Commodities	62,282	-	62,282
Fees	12,929	-	12,929
Miscellaneous	21,752	2,712	24,464
Total revenues	<u>689,112</u>	<u>195,676</u>	<u>884,788</u>
<b>Expenditures</b>			
General government	183,343	-	183,343
Public safety	89,144	-	89,144
Street and drainage	148,032	-	148,032
Construction	163,967	-	163,967
Debt service -			
Principal	-	38,608	38,608
Interest and fiscal charges	-	58,895	58,895
Total expenditures	<u>584,486</u>	<u>97,503</u>	<u>681,989</u>
Excess of revenues over expenditures	104,626	14,173	118,799
Fund balances, beginning	<u>133,993</u>	<u>99,815</u>	<u>233,808</u>
Fund balances, ending	<u>238,621</u>	<u>113,988</u>	<u>352,609</u>

The accompanying notes are an integral part of this statement.

## TOWN OF LETCHER, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET (GRAP BASIS) AND ACTUAL - GENERAL AND  
 DEBT SERVICE  
 YEAR ENDED APRIL 30, 1997

	General Fund		Variance - Favorable (Unfavorable)
	Budget	Actual	
<b>Revenues:</b>			
Taxes	\$ 187,000	\$ 188,192	\$ 1,192
License	88,000	85,318	(2,682)
Intergovernmental	68,800	86,248	17,448
Charges for services	163,600	163,241	(359)
Commissions	56,000	61,281	5,281
Fees	12,000	11,870	(130)
Miscellaneous	15,218	11,261	(3,957)
Total revenues	<u>792,818</u>	<u>697,811</u>	<u>(95,007)</u>
<b>Expenditures:</b>			
General government	337,215	381,019	43,804
Public safety	90,980	88,144	(2,836)
Health and welfare	177,250	149,872	(27,378)
Sanitation	361,880	341,877	(19,903)
Debt service -			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>1,007,285</u>	<u>961,712</u>	<u>(45,573)</u>
Excess (deficiency) of revenues over expenditures	(214,467)	(163,901)	(50,566)
Fund balance, beginning	<u>133,991</u>	<u>133,991</u>	<u>-</u>
Fund balance, ending	<u>(80,476)</u>	<u>(29,910)</u>	<u>(50,566)</u>

The accompanying notes are an integral part of this statement.

Debt Service Fund			Total		
Budget	Actual	Variance - Favorable (F unfavorable)	Budget	Actual	Variance - Favorable (F unfavorable)
\$ 89,000	\$ 97,904	\$ 8,904	\$ 277,000	\$ 280,156	\$ 3,156
-	-	-	80,000	83,118	3,118
-	-	-	60,000	56,348	44,150
-	-	-	105,000	105,343	(1,657)
-	-	-	50,000	47,282	2,718
-	-	-	10,000	12,993	2,993
1,000	2,776	1,776	34,000	34,186	1,186
<u>89,000</u>	<u>99,680</u>	<u>10,680</u>	<u>476,000</u>	<u>476,455</u>	<u>455</u>
-	-	-	187,215	185,119	2,096
-	-	-	98,000	98,144	1,144
-	-	-	157,300	148,852	8,448
-	-	-	100,000	100,917	917
30,000	30,000	-	30,000	30,000	-
81,700	88,000	7,300	81,700	88,000	7,300
<u>81,700</u>	<u>88,000</u>	<u>7,300</u>	<u>68,215</u>	<u>68,215</u>	<u>-</u>
9,000	14,680	5,680	(9,200)	13,936	23,136
<u>90,915</u>	<u>99,680</u>	<u>8,765</u>	<u>110,900</u>	<u>110,900</u>	<u>-</u>
<u>100,945</u>	<u>113,958</u>	<u>13,013</u>	<u>126,705</u>	<u>126,355</u>	<u>350</u>

## TOWN OF LITCHES, LOUISIANA

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN RETAINED  
EARNINGS - PROPRIETARY FUND TYPE - ENTERPRISE FUND  
YEARS ENDED APRIL 30, 1997 AND 1996

	1997	1996
Operating revenues:		
Charges for service -		
Water sales	\$ 299,265	\$ 297,071
Sewer service charges	345,938	347,339
Use of available good	77,877	(69,083)
Delinquent charges	11,996	31,501
Miscellaneous revenues	14,507	14,284
Total operating revenues	<u>769,583</u>	<u>621,112</u>
Operating expenses:		
Water department	251,588	231,470
Sewer department	134,083	141,185
General and administrative	121,533	178,149
Depreciation	148,470	174,436
Total operating expenses	<u>655,674</u>	<u>725,240</u>
Operating income (loss)	<u>(111,092)</u>	<u>(104)</u>
Nonoperating revenues (expenses):		
Interest income	12,445	16,833
Interest expense	<u>(22,648)</u>	<u>(22,419)</u>
Total nonoperating revenues (expenses)	<u>(10,203)</u>	<u>(5,586)</u>
Income (loss) before operating transfers	<u>(121,295)</u>	<u>(110,130)</u>
Operating transfers:		
Transfers to General Fund	-	(168,733)
Depreciation transferred to contributed capital	54,129	18,265
Total operating transfers	<u>54,129</u>	<u>(150,468)</u>
Net income (loss)	<u>(67,166)</u>	<u>(268,733)</u>
Retained earnings, beginning	<u>314,834</u>	<u>581,870</u>
Retained earnings, ending	<u>247,668</u>	<u>313,137</u>

The accompanying notes are an integral part of this statement.



## TOWN OF LEITCH, LOUISIANA

STATEMENTS OF CASH FLOWS - PROPRIETARY FUND TYPE -  
ENTERPRISE FUNDS  
YEARS ENDED APRIL 30, 1997 AND 1996

	1997	1996
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$171,042	\$ 479
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities -		
Depreciation	168,477	151,216
Change in assets and liabilities -		
Increase (decrease) in receivables	(18,110)	81,717
Increase (decrease) in accounts payable and other liabilities	33,714	2,579
All other, net	328	49
Net cash provided by operating activities	<u>333,431</u>	<u>336,040</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Operating transfers	-	(139,273)
Net cash used for noncapital financing activities	<u>-</u>	<u>(139,273)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Principal payments on long-term debt	(13,450)	(23,679)
Additions to property and equipment	(732,400)	(295,579)
Contributed capital	700,871	8,171
Interest paid on long-term debt	(22,818)	(27,119)
Net cash used for capital and related financing activities	<u>(108,797)</u>	<u>(348,206)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest income	12,411	16,111
Purchase of investments	(51,649)	-
Proceeds from maturity of investments	780	117,119
Net cash provided (used) by investing activities	<u>(38,458)</u>	<u>132,580</u>
Increase (decrease) in cash	(73,824)	88,424
Cash and cash equivalents at beginning of year, including restricted accounts (1997 - 323,702; 1996 - 128,387)	<u>391,808</u>	<u>302,964</u>
Cash and cash equivalents at end of year, including restricted accounts (1997 - 310,158; 1996 - 323,702)	<u>317,984</u>	<u>391,388</u>

The accompanying notes are an integral part of this statement.

## TOWN OF LUTCHER, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Lusher, Louisiana, (Town) 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. The more significant of the Town's accounting policies are described below.

## A. Reporting Entity -

This report includes all funds and account groups which are controlled by or dependent on the Town executive and legislative branches (the Mayor and the Board of Aldermen). Control by or dependence on the Town was determined on the basis of budget adoption, taxing authority, authority to incur debt, election or appointment of governing body, and other general oversight criteria.

Based on the foregoing criteria, the following organization is excluded from the reporting entity:

Lusher Volunteer Fire Department - This potential component unit provides volunteer fire service to the Town. The Town does not exercise direct control over its operations.

## B. Fund Accounting -

The Town 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 related to certain governmental functions or activities.

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

Funds are classified into two categories: (1) governmental and (2) proprietary. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of a government's general activities, including the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to 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. Services to non-taxpayers are provided to outside parties (enterprise funds).

## 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 generally are included on the balance sheet. Operating statements of these funds present revenues (i.e., revenues and other financing received and decreases) and expenditures and other uses (i.e., net cost of operations).

## TOWN OF LITTLETON, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

## C. Basis of Accounting (continued) -

The proprietary fund is accounted for on a flow of resources resources measurement basis. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues and decreases (e.g., expenses) to net total assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when measurable in amount (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers property taxes as available if they are received within 60 days after year end. A accrual availability point is used for revenue recognition for all other governmental fund resources. Expansions are reversed when the related liability is incurred.

Taxes revenues susceptible to accrual (being held at year end on behalf of the Town) are sales taxes which are collected and held by the Parish and beer and tobacco taxes which are collected and held by the State.

The accrual basis of accounting is utilized by the proprietary fund type. Under this method, revenues are recorded when earned and expenses are recorded as the liabilities are incurred.

## D. Budgets -

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual approved budgets are adopted for the general and debt service funds. All annual appropriations lapse at fiscal year end.

Encumbrance represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of resources are recorded to insure that portions of the applicable appropriation, is not utilized in the governmental funds. Encumbrances outstanding at year end are unliquidated and not reported as encumbrances of fund balances since do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

## E. Cash, Certificates of Deposit, and Investments -

Cash, certificates of deposit, and investments include amounts in demand deposits, certificates of deposit, and Federal obligations.

State statute prohibits the Town to invest in obligations of the U.S. Treasury and U. S. agencies, certificates of deposit in Louisiana banks, or any other federally insured investments.

Investments are stated at cost.

## F. Inventories -

Inventory of supplies in the proprietary fund was estimated.

Purchase of operating supplies by governmental fund types are recorded as expenditures when purchased. Inventories of such supplies are not recorded and are not considered by management to be material.

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

## G. Restricted Assets -

Certain resources set aside for the repayment of unexpended bond revenues bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

## H. Fixed Assets -

## General Fixed Assets:

General fixed assets are not capitalized in the funds used to acquire or construct them. In-kind, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at historical cost.

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 capitalised.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, water and sewer, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the Town.

Depreciation has not been provided on general fixed assets, but has instead been capitalized.

## Property, Plant, Equipment and Depreciation - Proprietary Fund:

Property, plant and equipment used by the proprietary fund are stated at cost. Depreciation has been provided once the estimated useful lives of the assets using the straight-line method. The estimated useful lives are as follows:

Water and sewer facility	5-25 years
Furniture and fixtures	3-20 years
Equipment	5-7 years

## I. Compensated Absences -

Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources of the general fund are reported in the general long-term debt account group. The equivalent is reported for these amounts. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefit accrues to employees.

## J. Long-Term Obligations -

For long-term obligations of a governmental fund, only that portion of the obligation expected to be financed from expendable available financial resources is reported as a fund liability. The remaining portion of such obligation is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

## TOWN OF LUTCHER, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

## K. Fund Equity -

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from individuals or other funds. Revenues represent those portions of fund equity not appropriate for expenditure.

## L. Interfund Transactions -

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various due to and due from accounts.

## M. Bad Debts -

Uncollectible amounts due for customers' utility reimbursements are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

## 2. LEGAL COMPLIANCE - BUDGETS

Once before May 1<sup>st</sup> of each year, the mayor submits to the board of aldermen a proposed operating budget. The budget is adopted by ordinance and once adopted, may be amended by the board of aldermen. Appropriations for budgeted items lapse at year-end. Budget encumbrances are included in the financial statements.

## 3. CASH, CERTIFICATES OF DEPOSIT, AND INVESTMENTS

As of April 30, 1997, the carrying amount of the Town's deposits (including cash and certificates of deposit) was \$544,170. The bank balances of these deposits totaled \$246,817, of which \$200,000 was covered by Federal depository insurance, and \$248,817 was collateralized with securities held by the pledging bank in the bank's name. There was \$4,989 in a money market account.

The investments, which are held by a broker, consist of \$48,000 in Federal Home Ln. Mfg. Corp. Bonds, with a market value of \$39,708 (cost \$41,000).

## 4. RECEIVABLES

Receivables at April 30, 1997 consist of the following:

	General	Idem Section	Enterprise	Total
Taxes	\$173,328	\$1,944	\$ -	\$175,272
Accounts	18,631	-	64,652	83,283
Intergovernmental	483	-	-	483
Other	142	-	32,680	32,822
	<u>202,584</u>	<u>1,944</u>	<u>102,332</u>	<u>306,860</u>
Less allowance for uncollectible accounts	-	-	1,513	1,513
Net receivables	<u>\$202,584</u>	<u>\$1,944</u>	<u>\$100,819</u>	<u>\$305,347</u>

## TOWN OF LUTCHER, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

## 4. RECEIVABLES (CONTINUED)

Property tax bills are mailed during October and November. The billings are due on or before January 1<sup>st</sup>. The taxes accrue as an uncollectible item on property values listed.

## 5. PROPERTY, PLANT, AND EQUIPMENT

The following is a summary of changes in the general fixed assets account group during the fiscal year:

	Balance April 30, 1996	Additions	Deletions	Balance April 30, 1997
Land	\$ 4,885	\$ -	\$ -	\$ 4,885
Landscaping	245,294	-	-	245,294
Building	251,819	-	-	251,819
Furniture and equipment	173,444	2,825	3,401	172,868
Assets under capital lease	3,828	-	-	3,828
Total	721,270	2,825	3,401	719,794

The following is summary of proprietary land type, enterprise fixed property, plant, and equipment at April 30, 1997:

Land	\$ 34,285
Land improvements	10,080
Furniture and fixtures	5,134
Equipment	72,832
Water and sewer facility	4,365,756
	4,898,087
Less accumulated depreciation	2,804,755
Total	2,093,332

## 6. LONG-TERM DEBT

The following is a summary of the bond transactions of the Town for the year ended April 30, 1997:

	General Obligation Bonds	Revenue Bonds	Total
Amounts payable, April 30, 1996	\$178,800	\$189,793	\$368,593
Bonds retired	38,800	43,436	82,236
Amounts payable, April 30, 1997	140,000	146,357	286,357

## TOWN OF LITCHER, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

## 6. LONG-TERM DEBT (CONTINUED)

General obligation bonds payable at April 30, 1997 are comprised of the following:

Series 1990 - Authorized and issued - \$400,000; dated November 1, 1990	\$ 325,000
Series 1992 - Authorized and issued - \$400,000; dated October 1, 1992	250,000
	\$ 575,000

Revenue bonds payable at April 30, 1997 are comprised of the following:

Series Revenue Bonds - Authorized and issued - \$400,000; dated October 5, 1992	\$ 295,117
------------------------------------------------------------------------------------	------------

The bonds were issued to provide funds for the acquisition and construction of the Town's sewer system.

The annual requirements to amortize all debt outstanding as of April 30, 1997, including interest, are as follows:

Year Ending April 30 <sup>th</sup>	General Obligation Bonds	Revenue Bonds	Total
1998	\$ 71,954	\$ 33,712	\$ 113,760
1999	75,295	33,712	114,800
2000	77,585	33,712	108,300
2001	74,970	33,712	118,682
2002	75,130	33,712	107,842
Thereafter	734,830	372,641	1,108,471
	1,095,714	452,284	1,548,006

## 7. FLOW OF FUNDS, RESTRICTION ON USE - UTILITY REVENUES

Under the terms of the contracts pertaining to the Series Revenue Bonds, the following special funds have been created:

**Sinking Fund** - a sum of \$1,976 must be deposited into this account monthly to pay the principal and interest on the outstanding bonds.

**Reserve Fund** - a sum of \$189 must be deposited into this account monthly until \$25,712 has been accumulated therein.

**Contingency Fund** - a sum of \$289 must be deposited into this account monthly.

## TOWN OF LITCHER, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

## B. PENSION PLAN

Substantially all full-time general employees of the Town of Litcher are members of the Municipal Employees' Retirement System of Louisiana, a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All Town full-time general employees are eligible to participate in the System. Employees who retire on or after 55 with 30 years of credited service and at or after age 60 with 18 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to two percent of their final compensation for each year of creditable service. Final compensation is the employee's average highest compensation for 36 consecutive months. Benefits fully vest on reaching 10 years of service. Vesting employees may retire before age 60 and receive reduced retirement benefits. The System also provides death and disability benefits. Benefits are established by State statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees' Retirement System of Louisiana, 707-DIXIE Park Boulevard, Baton Rouge, Louisiana 70809 or by calling (504) 383-4810.

Plan members are required by State statute to contribute 0.75% (May 1, 1996 through June 30, 1996) and 0.25% (July 1, 1996 through April 30, 1997) of their annual covered salary and employers are required to contribute at an actuarially determined rate. The current employer rate is 5% of annual covered payroll. The contribution requirements of plan members and the Town are established and may be amended by State statute. The Town's contributions to the System for the years ended April 30, 1995 and 1996, were \$8,810 and \$9,604 respectively. The employees' contributions for the corresponding two-year period were \$13,368 and \$13,581, respectively. These amounts were equal to the required contributions for each year.



**SUPPLEMENTARY INFORMATION**

**FINANCIAL STATEMENTS OF  
INDUSTRIAL FUNDS**

**GENERAL FUND**

The General Fund is used to account for revenues conditionally associated with governments which are not required to be accounted for in another fund.

**TOWNS OF LEITCHER, LOUISIANA  
GENERAL FUNDS**

**BALANCE SHEETS  
APRIL 30, 1997 AND 1996**

	<u>1997</u>	<u>1996</u>
<b>ASSETS</b>		
Cash	\$ 184,203	\$ 18,409
Certificate of deposit	88,080	58,800
Receivables:		
Taxes	13,608	14,550
Interest	243	312
Accounts	18,681	13,819
Intergovernmental	481	8,100
	<u>187,091</u>	<u>115,989</u>
Total assets		
	<u>374,184</u>	<u>231,978</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	25,802	26,875
Accrued payrolls	8,363	3,860
Deferred property tax revenue	850	681
Total liabilities	<u>35,015</u>	<u>31,416</u>
<b>Fund balance:</b>		
Unreserved - undesignated	<u>149,079</u>	<u>171,692</u>
Total liabilities and fund balance	<u>327,899</u>	<u>203,108</u>

The accompanying notes are an integral part of this statement.

TOWNSHIP LITCHFIELD, LOUISIANA  
GENERAL FUND

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED APRIL 30, 1997  
(1997 Comparative Actual Amounts for Year Ended April 30, 1996)

	1997		Variance - Favorable (Unfavorable)	1996 Actual
	Budget	Actual		
<b>Revenues:</b>				
Taxes	\$ 180,000	\$ 188,190	\$ 8,190	\$ 184,479
Licenses	30,000	35,114	5,114	35,366
Intergovernmental	68,300	58,348	(9,952)	58,344
Charges for services	100,000	105,910	5,910	107,404
Commissions	50,300	62,382	12,082	44,800
Fees	10,000	12,979	2,979	12,479
Miscellaneous	28,200	50,762	22,562	29,414
<b>Total revenues</b>	<u>564,800</u>	<u>608,115</u>	<u>43,315</u>	<u>572,774</u>
<b>Expenditures:</b>				
General government	187,212	185,319	1,896	187,724
Public safety	98,500	88,144	10,356	127,758
Street and drainage	157,150	148,852	8,298	244,796
Sanitation	100,000	100,917	(917)	101,914
<b>Total expend items</b>	<u>542,912</u>	<u>523,232</u>	<u>19,680</u>	<u>663,192</u>
Excess (deficiency) of revenues over expenditures	(18,112)	18,883	36,995	(21,418)
Other financing sources:				
Operating transfers in	-	-	-	18,750
Excess (deficiency) of revenues and other sources over expenditures	(18,112)	18,883	36,995	(2,668)
Fund balance, beginning	155,990	155,990	-	89,641
Fund balance, ending	<u>117,756</u>	<u>155,873</u>	<u>38,117</u>	<u>137,973</u>

The accompanying notes are an integral part of this statement.

TOWN OF LUTHER, LOUISIANA  
GENERAL FUND

STATEMENTS OF REVENUES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED APRIL 30, 1997

(With Comparative Actual Amounts for Year Ended April 30, 1996)

	1997		Variance - Favorable (Unfavorable)	1996 Actual
	Budget	Actual		
<b>Taxes:</b>				
Ad valorem	\$ 41,000	\$ 41,721	\$ 721	\$ 41,000
Sales tax	110,000	114,471	4,471	111,411
	<u>151,000</u>	<u>156,192</u>	<u>5,192</u>	<u>152,411</u>
<b>License:</b>				
Corporate bond license	37,000	37,448	448	36,461
Insurance license	45,000	47,870	2,870	44,000
	<u>82,000</u>	<u>85,318</u>	<u>3,318</u>	<u>80,461</u>
<b>Intergovernmental:</b>				
Value-pulse revenue	21,000	21,508	508	21,291
Tobacco tax	20,000	19,978	(22)	19,791
Grant	10,000	11,106	1,106	1,000
Beer tax	1,000	1,086	86	1,000
	<u>52,000</u>	<u>53,678</u>	<u>1,678</u>	<u>43,082</u>
<b>Charges for services:</b>				
Refuse collection	101,000	101,541	541	101,411
<b>Commissions:</b>				
Electric franchise fee	41,000	41,022	22	41,241
Gas franchise fee	4,000	3,762	(238)	4,811
Cable franchise fee	8,000	9,484	1,484	8,000
	<u>53,000</u>	<u>54,268</u>	<u>1,268</u>	<u>54,052</u>
<b>Fees:</b>	<u>11,000</u>	<u>11,078</u>	<u>78</u>	<u>11,078</u>
<b>Miscellaneous:</b>				
Interest earned	1,000	1,614	614	1,000
Miscellaneous	4,000	6,180	2,180	4,000
Flow	2,100	2,100	-	2,100
Insurance reimbursement	1,500	384	(1,116)	1,711
All other	13,420	18,680	5,260	13,000
	<u>22,020</u>	<u>30,858</u>	<u>8,838</u>	<u>26,711</u>

The accompanying notes are an integral part of this statement.

TOWN OF LECHER, LOUISIANA  
GENERAL FUND

RELATIONSHIP OF EXPENDITURES COMPARED TO BUDGET QUART BARS  
YEAR ENDED APRIL 30, 1997  
(With Comparative Actual Amounts for Year Ended April 30, 1996)

	1997		Variance - Favorable/ Unfavorable	1996 Actual
	Budget	Actual		
<b>General government:</b>				
Salaries -				
Mayor	\$ 4,800	\$ 4,800	\$ -	\$ 4,800
Aldermen	11,800	11,800	-	11,800
Office office	11,800	11,799	100	11,801
Printing administration	400	400	-	400
Planning and zoning	2,800	1,900	900	1,700
Supplies and maintenance	12,900	9,200	3,700	10,700
Newspapers	2,800	2,470	1,230	4,000
Insurance - property and liability	20,000	21,000	(1,000)	20,000
Legal expense	2,500	6,700	(1,200)	6,100
Office supplies	2,800	1,800	1,000	1,700
Dues and subscriptions	2,800	900	1,900	1,000
Telephone	2,500	2,700	(200)	2,900
Electricity	2,800	6,670	300	7,100
General publishing	6,000	4,700	1,300	5,000
Printing	2,800	900	1,900	2,200
Payroll tax	13,000	10,800	2,200	10,700
Health insurance	16,500	15,000	1,500	15,000
Retirement	2,000	2,600	100	2,100
Wastewater compensation	15,500	15,000	500	15,500
Auditing	4,500	4,210	290	4,200
Education and innovation	9,000	3,100	5,900	3,000
Per diem	600	470	130	500
Expense account - mayor	2,400	2,400	-	2,400
Postage	1,800	2,110	(310)	2,000
Engineering services	1,800	-	1,800	1,700
Computer expense	1,800	1,000	800	-
Capital outlay	-	400	(400)	500
Utilities	200	-	200	-
Low cost groceries administration	11,000	11,000	-	-
	<u>107,210</u>	<u>103,500</u>	<u>3,710</u>	<u>105,700</u>
<b>Public policy:</b>				
Payroll	22,000	20,000	2,000	20,000
Supplies and maintenance	2,800	2,500	300	2,700
Police - miscellaneous	4,500	2,400	2,100	2,700
Police - graduate and all	2,000	2,700	(700)	2,400
Police - non emergency	6,000	4,000	2,000	6,100
Police - uniforms	600	200	400	500
Telephone	1,200	1,100	1,000	1,000
Capital outlay	-	1,200	(1,200)	2,100
	<u>39,500</u>	<u>35,100</u>	<u>4,400</u>	<u>37,500</u>

Continued

TOWN OF LETCHER, LOUISIANA  
GENERAL FUND

STATEMENTS OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) - CONTINUED  
YEAR ENDED APRIL 30, 1977  
(With Comparative Actual Amounts for Year Ended April 30, 1980)

	1977		Variance - Favorable (Unfavorable)	1976 Actual
	Budget	Actual		
Salaries and salaries				
Payroll	\$ 48,000	\$ 46,500	\$ (1,500)	\$ 50,100
Supplies and maintenance	10,000	17,700	(7,700)	13,700
Coal, oil, and diesel	4,000	3,700	300	7,800
Electricity	43,000	50,000	(7,000)	49,000
Street - drainage and drinking	3,000	3,062	(62)	8,400
Street - signs	1,000	471	529	300
Travel and travel expense	10,000	11,497	(1,497)	7,100
Miscellaneous	3,000	2,400	600	2,400
Damage and street improvements	10,000	3,200	6,800	17,700
Uniforms	600	400	200	100
Printing	400	500	100	-
	<u>157,000</u>	<u>146,830</u>	<u>10,170</u>	<u>211,700</u>

The accompanying notes are an integral part of this statement.



**DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources and payment of general long-term debt principal and interest from governmental resources.

TOWN OF LITCHIE, LOUISIANA  
WASTEWATER SERVICE FUND

BALANCE SHEETS  
APRIL 30, 1997 AND 1996

	ASSETS	1997	1996
Cash		\$ 113,053	\$ 97,667
Receivables - taxes		<u>1,841</u>	<u>3,815</u>
Total assets		<u>114,894</u>	<u>101,482</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Deferred property tax revenue		1,179	1,865
Fund balance:			
Reserved for debt service		<u>113,808</u>	<u>99,611</u>
Total liabilities and fund balance		<u>115,007</u>	<u>101,482</u>

The accompanying notes are an integral part of this statement.

TOWN OF LITCHFIELD, LOUISIANA  
DEBT SERVICE FUND

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE  
YEARS ENDED APRIL 30, 1997 AND 1996

	<u>1997</u>	<u>1996</u>
Revenues:		
Taxes -		
Ad valorem taxes	\$ 81,364	\$ 80,337
Other -		
Interest	2,711	2,691
Total revenues	<u>\$84,075</u>	<u>\$83,028</u>
Expenditures:		
Debt service -		
Principal	58,000	58,000
Interest and fiscal charges	58,800	53,187
Total expenditures	<u>\$116,800</u>	<u>\$111,187</u>
Costs of investment-net expenditures	14,043	18,183
Fund balance, beginning	<u>\$5,212</u>	<u>\$1,657</u>
Fund balance, ending:	<u>\$10,525</u>	<u>\$9,557</u>

TOWN OF LITCHIEU, LOUISIANA  
DEBT SERVICE FUND

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE - BUDGET (PLAN BARS) AND ACTUAL  
YEAR ENDED APRIL 30, 1997  
(With Comparative Actual Amounts for Year Ended April 30, 1996)

	1997		Variance - Favorable (Unfavorable)	1996 Actual
	Budget	Actual		
Revenues:				
Taxes -				
Ad valorem tax	\$ 85,000	\$ 85,568	\$ 568	\$ 85,567
Other -				
Interest	1,700	2,774	1,074	2,774
Total revenues	<u>86,700</u>	<u>88,342</u>	<u>1,642</u>	<u>88,341</u>
Expenditures:				
Debt service -				
Principal	78,000	78,000	-	78,000
Interest and fiscal charges	5,170	50,895	45,725	50,110
Total expenditures	<u>83,170</u>	<u>128,895</u>	<u>45,725</u>	<u>128,110</u>
Excess of revenues over expenditures	3,530	(40,553)	(37,023)	(39,769)
Fund balance, beginning	<u>80,215</u>	<u>80,215</u>	<u>-</u>	<u>80,215</u>
Fund balance, ending	<u>83,745</u>	<u>39,662</u>	<u>(44,083)</u>	<u>40,446</u>

The accompanying notes are an integral part of this statement.

**ENTERPRISE FUND**

The Enterprise Fund is used to account for the provisions of water and sewer services to the residents of the Town.

	1997	1996
<b>LIABILITIES AND FUND EQUITY</b>		
<b>Liabilities</b>		
Current liabilities (payable from current assets) -		
Accounts payable	\$ 41,679	\$ 47,711
Compensated absences	8,434	9,599
Accrued payables	6,073	6,189
Total current liabilities (payable from current assets)	<u>56,186</u>	<u>63,499</u>
Current liabilities (payable from restricted assets) -		
Federal bond payable	14,182	17,447
Accrued interest payable	1,518	2,777
Customers' deposits	91,881	91,811
Total current liabilities (payable from restricted assets)	<u>107,581</u>	<u>112,035</u>
Long-term liabilities - revenue bonds payable	<u>340,000</u>	<u>356,156</u>
Total liabilities	<u>493,867</u>	<u>531,690</u>
<b>Fund equity</b>		
Contributed capital	<u>2,588,648</u>	<u>2,618,917</u>
Retained earnings:		
Reserved for revenue bond retirement	12,488	2,079
Unreserved	<u>354,267</u>	<u>326,675</u>
Total retained earnings	<u>366,755</u>	<u>328,754</u>
Total fund equity	<u>2,955,403</u>	<u>2,947,671</u>
Total liabilities and fund equity	<u>3,318,713</u>	<u>3,279,361</u>

**TOWN OF SLITCHER, LOUISIANA  
UTILITY FUND****STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN RECEIVED LIABILITIES  
YEARS-ENDED APRIL 30, 1997 AND 1996**

Presented on Page 18

**STATEMENTS OF CASH FLOWS  
YEARS-ENDED APRIL 30, 1997 AND 1996**

Presented on Page 19

TOWN OF LEBLANC, LOUISIANA  
UTILITY FUND

STATEMENTS OF EXPENSES EXPONDED BY DEPARTMENT  
YEARS ENDED APRIL 30, 1997 AND 1996

	<u>1997</u>	<u>1996</u>
<b>Water department</b>		
Salaries	\$ 174,411	\$ 171,980
Electricity, telephone, and fuel	19,058	17,768
Materials, supplies, and repairs	73,980	74,497
Analysis - water plant	2,240	1,800
Treatment expense	18,583	18,748
Gasoline, oil, and other	1,848	1,431
Insurance	34,082	31,417
Travel and travel expense	1,453	2,411
Other	2,346	1,880
	<u>315,301</u>	<u>313,427</u>
<b>Power department</b>		
Salaries	14,379	14,371
Electricity and fuel	53,718	47,889
Materials, supplies, and repairs	18,733	25,213
Analysis - radiation panel	8,642	4,838
Treatment expense	3,217	6,433
Gasoline, oil, and other	1,864	1,891
Other	342	1,646
	<u>119,285</u>	<u>141,281</u>
<b>General and administrative</b>		
Salaries	34,344	34,899
Insurance	45,194	45,183
Payroll taxes	14,319	14,397
Professional services	8,433	11,873
Office supplies and postage	3,082	6,897
Computer expense	1,138	3,883
Retirement	6,149	6,711
Utilities	1,276	3,288
Other	5,866	5,879
	<u>111,357</u>	<u>138,138</u>
<b>Depreciation</b>	<u>168,472</u>	<u>154,996</u>
<b>Total operating expenses</b>	<u>\$ 695,315</u>	<u>\$ 652,073</u>

The accompanying notes are an integral part of this statement.



**OTHER SUPPLEMENTARY INFORMATIONS**

## TOWN OF LITCHER, ILLINOIS

## SCHEDULE OF GENERAL OBLIGATION BONDS PAYABLE

## SERIES 1999

(AUTHORIZED AND ISSUED - \$68,000, DATED NOVEMBER 1, 1999)  
APRIL 30, 1997

Year to End April 30	Bond Maturity	Interest Rate	Beginning Principal Balance	Cash Requirements			
				Interest		Principal	
				May 1	Nov 1	Nov 1	Total
1998		9.00%	\$ 103,000	\$ 12,370	\$ 12,370	\$ 15,000	\$ 39,740
1999		9.00	128,000	11,995	11,995	15,000	38,990
2000		9.00	163,000	11,620	11,620	15,000	38,240
2001		8.50	198,000	10,245	10,245	15,000	35,490
2002		7.80	278,000	8,450	8,450	15,000	31,900
2003		7.80	358,000	6,550	6,750	15,000	28,300
2004		7.80	438,000	4,650	5,000	15,000	24,650
2005		7.80	518,000	2,750	3,100	15,000	20,850
2006		7.80	598,000	845	6,475	15,000	17,320
2007		7.80	678,000	5,600	5,600	15,000	16,200
2008		7.80	758,000	4,500	4,150	15,000	14,650
2009		7.80	838,000	3,400	3,300	15,000	13,700
2010		7.80	918,000	2,400	2,450	15,000	12,850
2011		7.80	998,000	1,400	1,415	15,000	12,015
				<u>110,400</u>	<u>100,810</u>	<u>150,000</u>	<u>461,210</u>

## SERIES 1991

(AUTHORIZED AND ISSUED - \$60,000, DATED OCTOBER 1, 1991)  
APRIL 30, 1997

Year to End April 30	Bond Maturity	Interest Rate	Beginning Principal Balance	Cash Requirements			
				Interest		Principal	
				Oct 1	Apr 1	Oct 1	Total
1998		9.0%	\$ 115,000	\$ 11,360	\$ 11,360	\$ 15,000	\$ 37,720
1999		9.0	140,000	11,390	10,815	15,000	37,205
2000		9.0	165,000	10,840	9,940	15,000	35,780
2001		8.0	190,000	9,790	9,240	15,000	34,270
2002		6.0	215,000	8,140	8,890	15,000	31,230
2003		6.1	240,000	6,890	8,280	15,000	29,170
2004		6.2	265,000	5,790	7,680	15,000	28,470
2005		6.3	290,000	7,060	7,930	15,000	29,990
2006		6.3	315,000	7,000	6,480	15,000	28,480
2007		6.4	340,000	6,400	5,680	15,000	27,080
2008		6.4	365,000	5,600	4,680	15,000	25,280
2009		6.4	390,000	4,800	4,080	15,000	23,880
2010		6.4	415,000	4,000	3,080	15,000	22,080
2011		6.4	440,000	3,040	2,080	15,000	20,120
2012		6.4	465,000	2,080	1,120	15,000	18,200
2013		6.4	490,000	1,120	-	15,000	16,120
				<u>110,400</u>	<u>100,810</u>	<u>150,000</u>	<u>461,210</u>

## TOWN OF LITCHER, LOUISIANA

## SCHEDULE OF REVENUE BONDS PAYABLE

## SEWER REVENUE BONDS

UNREGISTERED AND INSURED - \$40,000, DATED OCTOBER 5, 1992

APRIL 30, 1997

Year to End Apr. 30	Interest Rate	Beginning Principal Balance	Cash Requirements		
			Interest	Principal	Total
1998	6.125%	1,186,208	\$ 31,430	\$ 14,282	\$ 45,712
1999	6.125	742,876	26,311	15,181	41,492
2000	6.125	326,892	19,274	14,178	33,452
2001	6.125	149,747	14,238	11,154	25,392
2002	6.125	29,605	17,177	10,233	27,410
2003	6.125	275,368	16,239	16,584	32,823
2004	6.125	249,984	15,897	20,682	36,579
2005	6.125	216,779	15,869	21,881	37,750
2006	6.125	213,476	15,439	21,281	36,720
2007	6.125	198,190	14,962	24,250	39,212
2008	6.125	165,442	9,400	26,889	36,289
2009	6.125	158,110	7,746	27,966	35,712
2010	6.125	115,358	9,984	29,228	39,212
2011	6.125	86,439	4,111	31,681	35,792
2012	6.125	49,828	2,128	33,202	35,330
2013	6.125	16,346	123	35,246	35,369
			<u>105,022</u>	<u>326,227</u>	<u>431,249</u>

**SINGLE AUDIT REPORTS OF INDEPENDENT AUDITORS**

# JAMES R. DOUGLAS, LTD.

PROFESSIONAL ACCOUNTING CORPORATION

10500 CONTINENTAL DRIVE  
BAYTOWN SQUARE, LEBLANCHE, LOUISIANA  
70342-8170-0000

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

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

We have audited the general purpose financial statements of the Town of Latcher, Louisiana, as of and for the year ended April 30, 1991, and have issued our report thereon dated June 13, 1991.

We have applied procedures to test the Town's compliance with the following requirements applicable to its Federal financial assistance program which is identified in the Schedule of Federal Financial Assistance, for the year ended April 30, 1987:

1. Political activity
2. Davis-Bacon Act
3. Civil rights
4. Cash management
5. Federal financial reports
6. Allowable cost
7. Drug-free workplace
8. Administrative requirements

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

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the Town of Latcher had not complied, in all material respects, with these requirements.

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

*James R. Douglas, Sr.*  
James R. Douglas, Ltd.  
Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE SPECIFIC REQUIREMENTS  
APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

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

We have audited for general purpose financial statements of the Town of Lakechar, Louisiana, as stated for the year ended April 30, 1997, and have issued our report thereon dated June 23, 1997.

We have also audited the Town of Lakechar's compliance with the requirements governing eligibility, reporting, and special requirements that are applicable to its major federal financial assistance programs, which is identified in the accompanying Schedule of Federal Financial Assistance, for the year ended April 30, 1997. The management of the Town of Lakechar is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, *Audit of State and Local Governments*. These standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance exists in the requirements referred to in the second paragraph above. A audit includes examining, on a test basis, evidence from the Town's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed no intentional instances of noncompliance with the requirements referred to above.

In our opinion, the Town of Lakechar complied, in all material respects, with the requirements governing eligibility and reporting that are applicable to its major federal financial assistance programs for the year ended April 30, 1997.

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

June 23, 1997

*James R. Douglas, Ltd.*  
James R. Douglas, Ltd.  
Certified Public Accountants

**JAMES R. DOUGLAS, LTD.**  
PROFESSIONAL ACCOUNTING CORPORATION

2000 Central Ex. Blvd.  
Baton Rouge, Louisiana 70802  
(504) 387-2300

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURES USED IN ADMINISTRATION  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

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

We have audited the general purpose financial statements of the Town of Lusher, Louisiana, as of and for the year ended April 30, 1997 and have issued our report thereon dated June 23, 1997. We have also audited the Town of Lusher's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated June 23, 1997.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, *Audit of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether the Town of Lusher complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audit for the year ended April 30, 1996, we considered the Town's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the Town's general purpose financial statements and on its compliance with requirements applicable to major federal financial assistance programs, and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated June 23, 1997.

The management of the Town of Lusher, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are recorded in accordance with management's authorizations and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, perception of any evaluation of the structure to some periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

**Accounting controls -**

1. Cash receipts
2. Cash disbursement

**Administrative controls -**

1. Specific requirements
  - a. Eligibility
  - b. Special
2. General
  - a. Political activity
  - b. Davis - Bacon Act
  - c. Civil rights
  - d. Cash management
  - e. Federal financial experts
  - f. Allowable costs
  - g. Drug-free workplace
  - h. Administrative requirements

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

During the visit ended April 30, 1993, the Town of Larher, Louisiana reported 100% of its total federal financial assistance under the major federal financial assistance program.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements and requirements generating claims for allowances and reimbursements and amounts claimed or used for matching that are applicable to each of the Town's major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance. The procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions are matters—ranging in severity—from significant deficiencies in the design or operation of the internal control structure that, in our judgment, would adversely affect the Town's ability to administer federal financial assistance programs in accordance with applicable laws and regulations. The matters that we consider to be reportable conditions are described in the following paragraph.

**The Town is not large enough to permit an adequate segregation of employee duties for effective internal accounting control over the financial reporting (journal entry preparation, approval, and reconciliation) cycles.**

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering federal assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, even despite,



would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the lack of segregation of duties is a material weakness.

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

*James R. Douglas, Sr.*

James R. Douglas, Ltd.  
Certified Public Accountants

June 23, 1999

**JAMES R. DOUGLAS, LTD.**  
PROFESSIONAL ACCOUNTING CORPORATION

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BATON ROUGE, LOUISIANA 70801  
PHONE: 847-7140

**INDEPENDENT AUDITORS' REPORT  
ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

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

We have audited the general purpose financial statements of the Town of Lusher, Louisiana, for the year ended April 30, 1997 and have issued our report thereon dated June 23, 1997. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, *Audit of State and Local Governments*. These standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Town of Lusher, taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in this Schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

*James R. Douglas, Ltd.*  
James R. Douglas, Ltd.  
Certified Public Accountants

June 23, 1997

STATE OF LOUISIANA

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

YEAR ENDED APRIL 30, 1997

Federal Grant / Program Title	Federal CFDA Number	Fiscal Year	Program or Fund Amount	Program (Believed) Revised as of Mar. 1, 2005	Cash Received	Revenues Recognized	Expenditures	(Believed) Accrual Revenues as of April 30, 1997
U.S. Department of HUD Louisiana Community Development Block Grant Program	14.219	1996-97	\$11,219,500	\$ -	\$296,076	\$ 796,076	\$ -	\$ -

\* Major Programs