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CITY OF FRANKLIN, LOUISIANA
ANNUAL FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT
and
INDEPENDENT AUDITORS' REPORT ON INTERNAL ACCOUNTING CONTROL
AND COMPLIANCE
FOR THE YEAR ENDED APRIL 30, 1988

Under provisions of state law, this report is a public document. A copy of this report for transmission to the auditor, or to another party, may be made by public request. This report is available for public inspection at the Public Hearing Room of the Franklin Parish Board of Supervisors, at the office of the parish clerk of court.

Release Date NOV 13 1988

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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the City Council
Franklin, Louisiana

We have audited the accompanying general purpose financial statements of the City of Franklin, Louisiana as of April 30, 1993, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Franklin, Louisiana's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of one of the City's component units (Marshall's Fund of the City Court). These financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Marshall's Fund of the City Court, is based solely on the report of the other auditors.

We conducted our 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 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 statements presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

As noted in Note 14, pension costs do not include a provision for past service costs related to certain employees, and the related actuarially computed value of vested benefits. Generally accepted accounting principles require that pension expenses include a provision for amortization of past service costs and that the excess, if any, of actuarially computed vested benefits over the total of the pension funds be disclosed. The effect of this departure from generally accepted accounting principles on the financial statements of the General Fund account cannot be reasonably determined.

In our opinion, except for the effects of not providing for the proper amount of pension expense and related required disclosures as discussed in the preceding paragraph, based on our audit and the report of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Franklin, Louisiana as April 30, 1998, and the results of its operations and cash flows of its proprietary fund for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated October 8, 1998 on our consideration of the City of Franklin's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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 account group financial statements and other accompanying information listed as Supplementary Information in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the City of Franklin, Louisiana. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, except for the effects of not properly accounting for certain pension costs as discussed in the third paragraph, is fairly stated 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 report for that year in which we expressed a qualified opinion on the general purpose, combining, individual fund, and account group financial statements of the City of Franklin, Louisiana, because pension expense does not include a provision for past service costs and the actuarially computed value of vested benefits for certain employees.



CERTIFIED PUBLIC ACCOUNTANTS

October 8, 1998

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

	Accounts Payable		Accounts Receivable	Prepaid Expenses		Inventory	Property, Plant and Equipment		Accumulated Depreciation	Total Assets	Total Liabilities and Equity
	Current	Long-Term		Current	Long-Term		Land	Buildings			
Accounts payable	\$17,500		\$1,000							\$18,500	\$18,500
Accounts receivable			10,000							10,000	10,000
Prepaid expenses											
Inventory											
Land											
Buildings											
Equipment											
Accumulated depreciation											
Total	\$17,500		\$11,000							\$28,500	\$28,500
Equity and Other Credits											
Common stock											
Retained earnings											
Total											
Equity and Other Credits											
Common stock											
Retained earnings											
Total											

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

CITY OF PHOENIX

CONDENSED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUNDS (FASB GASB) FOR THE YEAR ENDED JUNE 30, 2018

	Governmental Fund Types		Primary Fund Type	Total	Comprehensive	Total
	General	Special				
Revenues:						
Taxes	\$1,280,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$2,500,000
License and permits	50,000		50,000	50,000	50,000	100,000
Intergovernmental	1,110,000	75,000	1,185,000	1,185,000	1,185,000	2,370,000
Charges for services		780,000	780,000	780,000	780,000	1,560,000
Fees	60,000		60,000	60,000	60,000	120,000
Donations	17,000		17,000	17,000	17,000	34,000
Miscellaneous	10,000	30,000	40,000	40,000	40,000	80,000
Total revenues	2,037,000	2,135,000	4,172,000	4,172,000	4,172,000	8,344,000
Expenditures:						
General government	302,000		302,000	302,000	302,000	604,000
Police and administration	1,000,000		1,000,000	1,000,000	1,000,000	2,000,000
Public safety	44,000		44,000	44,000	44,000	88,000
Fire	1,200,000		1,200,000	1,200,000	1,200,000	2,400,000
Public works	170,000		170,000	170,000	170,000	340,000
Street and drainage	1,100,000		1,100,000	1,100,000	1,100,000	2,200,000
Sanitation	50,000		50,000	50,000	50,000	100,000
Health and welfare	200,000		200,000	200,000	200,000	400,000
Culture and recreation	10,000		10,000	10,000	10,000	20,000
Urban development	30,000		30,000	30,000	30,000	60,000
Public utility	10,000		10,000	10,000	10,000	20,000
Other	15,000		15,000	15,000	15,000	30,000
Capital outlay		100,000	100,000	100,000	100,000	200,000
Debt service		200,000	200,000	200,000	200,000	400,000
Debt interest		200,000	200,000	200,000	200,000	400,000
Other non-current assets		1,100,000	1,100,000	1,100,000	1,100,000	2,200,000
Debt service		1,100,000	1,100,000	1,100,000	1,100,000	2,200,000
Procure		200,000	200,000	200,000	200,000	400,000
Interest and fiscal charges		200,000	200,000	200,000	200,000	400,000
Total expenditures	3,007,000	2,500,000	5,507,000	5,507,000	5,507,000	11,014,000
Change in fund balances	30,000	635,000	665,000	665,000	665,000	1,330,000
Beginning fund balances	1,970,000	1,495,000	3,465,000	3,465,000	3,465,000	6,930,000
Ending fund balances	2,000,000	2,130,000	4,130,000	4,130,000	4,130,000	8,260,000

Energy (including oil revenue)

See regulations

Other financing sources

(total)

Proceeds from bonds
 Operating transfers to
 County funds out
 Transfers financing
 sources (total)

Balance (including oil
 revenue) over
 expenditures and other
 financing sources
 (total)

Fund balances, beginning
 of year

Residual equity transfer

Fund balances, end of year

	Revenues (500) Total		County Fund Out Expenditures Total	Total (Memorandum Only) Financing Sources	Commissary Units	Total Dispositions/Equity 2002
	General	Special				
	58,638	643,114	(1,120,278)	602	(750,000)	(781,871)
	204,809	22,825	50,871	58,871	1,720,000	1,720,000
	(187,163)	(756,525)	(760,000)	(1,800,000)	(1,800,000)	(1,800,000)
	87,444	669,414	87,100	87,100	—	87,100
	71,814	656,589	(1,120,278)	602	(750,000)	(781,871)
	328,757	689,640	1,070,145	11,878	3,200,000	3,440,000
	175,000	—	12,000	—	—	175
	838,781	1,346,229	870,000	11,878	3,200,000	3,440,000

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

CITY OF FRANKLIN
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended April 30, 1989

	Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:			
Taxes	\$1,280,000	\$1,208,084	\$71,916
Licenses and permits	582,558	504,053	78,505
Intra-governmental	1,827,360	1,118,248	709,112
Fees	87,980	88,158	1,228
Miscellaneous royalties	9,880	9,880	0
Miscellaneous	184,540	118,373	66,167
Donations	18,480	17,808	672
Interest earned	3,580	2,853	627
Total revenues	<u>3,215,380</u>	<u>3,008,579</u>	<u>206,801</u>
Expenditures:			
Current:			
General government:			
Finance and administrative	271,280	283,841	12,561
Judicial	780,000	145,248	634,752
Public safety:			
Police and fire department	1,280,580	1,282,762	(2,182)
Inspection	41,080	41,800	(720)
Tax collector	31,080	30,738	342
Public works	735,080	779,822	(44,742)
Recreation	254,580	282,828	(28,248)
Small animal warden	24,080	22,340	1,740
Economic development	88,217	91,258	(3,041)
Purchasing	38,280	35,865	2,415
Other	148,080	148,288	(208)
Total expenditures	<u>3,588,217</u>	<u>3,028,208</u>	<u>560,009</u>
Excess (deficiency) of revenues over expenditures	<u>(372,837)</u>	<u>(219,629)</u>	<u>153,208</u>
Other financing sources (uses):			
Operating transfers in	254,180	254,600	(420)
Operating transfers out	(184,788)	(157,157)	27,631
Total other financing sources (uses)	<u>69,392</u>	<u>97,443</u>	<u>(28,051)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(303,445)</u>	<u>(122,186)</u>	<u>181,259</u>
Fund balance, beginning of year		<u>138,787</u>	<u>138,787</u>
Fund balance (deficit), end of year	<u>\$6,000</u>	<u>\$206,781</u>	<u>\$200,781</u>

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

**CITY OF FRANKLIN
SPECIAL REVENUE FUNDS**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL,
Year Ended April 30, 1998**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Taxes:			
Sales	\$1,075,000	\$1,163,078	\$88,078
Ad valorem	71,200	32,617	1,117
Charges for service	687,608	762,718	(20,898)
State grant	73,034	73,148	14
Miscellaneous	4,708	27,108	22,408
Interest	8,308	9,548	1,248
Total revenue	<u>2,048,234</u>	<u>2,128,199</u>	<u>68,962</u>
Expenditures:			
Salaries	1,158,078	1,164,370	(5,292)
Urban redevelopment	28,808	7,258	12,744
Other	56,687	58,254	4,633
Total expenditures	<u>1,273,685</u>	<u>1,251,085</u>	<u>13,079</u>
Excess of revenues over expenditures	<u>764,549</u>	<u>867,114</u>	<u>102,541</u>
Other financing sources (uses)			
Operating transfers in	22,280	22,670	370
Operating transfers out	(789,125)	(793,522)	290
Total other financing sources (uses)	<u>(687,622)</u>	<u>(689,952)</u>	<u>(670)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>77,447</u>	<u>180,558</u>	<u>103,111</u>
Fund balances, beginning of year	<u>585,111</u>	<u>449,806</u>	<u>(135,298)</u>
Residual equip transfer		<u>(20,888)</u>	<u>(20,888)</u>
Fund balances, end of year	<u>\$662,458</u>	<u>\$670,504</u>	<u>(\$42,704)</u>

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

**CITY OF FRANKLIN
DEBT SERVICE FUNDS**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE 8 - BUDGET AND ACTUAL
Year Ended April 30, 1998**

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Special assessments	\$13,162	\$9,239	(\$3,923)
Interest	37,434	42,389	4,955
Miscellaneous		836	836
Total revenues	<u>50,596</u>	<u>52,564</u>	<u>1,968</u>
Expenditures:			
Debt Service	694,649	629,725	(19,678)
Miscellaneous		637	(137)
Total expenditures	<u>694,649</u>	<u>630,362</u>	<u>(19,613)</u>
Excess of revenues over expenditures	<u>(450,473)</u>	<u>(471,299)</u>	<u>(17,626)</u>
Other financing sources (uses)			
Operating transfers in	678,085	799,171	110,086
Operating transfers out	(68,112)	(193,862)	(127,750)
Proceeds from bonds		50,871	50,871
Total other financing sources (uses)	<u>609,973</u>	<u>656,180</u>	<u>53,207</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>159,500</u>	<u>184,882</u>	<u>15,382</u>
Fund balance, beginning of year	<u>703,130</u>	<u>671,646</u>	<u>167,316</u>
Fund balance, end of year	<u>\$862,630</u>	<u>\$1,043,929</u>	<u>\$183,299</u>

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

CITY OF RAWLIN
CAPITAL PROJECTS FUND

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
Year Ended April 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental-			
St. Mary Parish Council	\$67,404	\$68,873	\$669
St. Mary Parish School Board	82,853	78,931	(3,922)
State grant	890,578	536,844	(353,734)
Interest earned	34,648	68,749	34,101
Total revenues	<u>1,075,583</u>	<u>743,397</u>	<u>(332,186)</u>
Expenditures:			
Capital outlay			
Sanitation			
Construction	1,328,682	283,421	1,045,261
Engineering	203,468	40,892	162,576
Culture and recreation		790	(790)
Highways and streets		1,154,755	(1,154,755)
Drainage		376,910	(376,910)
Other costs	28,083	6,796	19,287
Total expenditures	<u>1,588,181</u>	<u>1,869,624</u>	<u>(311,443)</u>
Excess of revenues over expenditures	<u>(482,898)</u>	<u>(1,126,227)</u>	<u>(643,329)</u>
Other financing sources (uses)			
Operating transfers in	170,800		(170,800)
Operating transfers out			
Total other financing sources (uses)	<u>170,800</u>	<u>0</u>	<u>(170,800)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(312,098)</u>	<u>(1,126,227)</u>	<u>(814,129)</u>
Fund balance, beginning of year	1,894,215	1,918,445	244,230
Residual equity transfer		10,689	10,689
Fund balance, end of year	<u>\$1,582,117</u>	<u>\$799,885</u>	<u>(882,232)</u>

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

CITY OF FRANKLIN

FIDUCIARY FUND
 MAUSOLEUM ENDOWED CARE
 The Government's Only Expendable Trust Fund

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 Year Ended April 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest income	\$475	\$542	(\$133)
Miscellaneous		49	49
Mausoleum sales	829	329	(500)
Total revenues	<u>1,304</u>	<u>719</u>	<u>(585)</u>
Expenditures:			
Repairs and maintenance	76	76	(1)
Total expenditures	<u>76</u>	<u>76</u>	<u>(1)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	1,228	643	(585)
Fund balance, beginning of year	13,755	13,609	53
Fund balance, end of year	<u>\$14,984</u>	<u>\$14,451</u>	<u>(\$533)</u>

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

CITY OF FRANKLIN

COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS - UTILITY ENTERPRISE FUND
The Government's Only Proprietary Fund
Year Ended April 30, 1998
With Comparative Totals from Year Ended April 30, 1997

	1998	1997
Operating revenues:		
Charges for services -		
Water sales	\$852,132	\$709,894
Delinquent penalties	8,141	8,058
Street light fees	93,364	97,806
Miscellaneous revenues	8,878	5,853
Total operating revenues	<u>762,515</u>	<u>821,611</u>
Operating expenses:		
Administrative and finance	18,824	32,438
Tax collector	14,000	18,305
Inspection	21,917	26,898
Purchasing	17,895	33,498
Water production	265,368	250,349
Water distribution	208,258	198,236
Billings and collections	175,391	134,824
Water department	25,875	34,879
Depreciation	76,806	75,821
Facilities	4,351	7,341
Street light fees	108,804	93,409
Total operating expenses	<u>910,382</u>	<u>880,572</u>
Operating income (loss)	<u>(147,867)</u>	<u>(58,961)</u>
Non-operating revenues (expenses):		
Interest income	7,505	8,845
Interest expense (and fiscal charges)		(282)
Total non-operating revenues	<u>7,505</u>	<u>8,563</u>
Income (loss) before operating transfers	<u>(140,362)</u>	<u>(50,398)</u>
Other financing sources (uses):		
Operating transfers out	(1,800)	(1,000)
Total other financing sources (uses)	<u>(1,800)</u>	<u>(1,000)</u>
Net income (loss)	<u>(142,162)</u>	<u>(51,398)</u>
Retained earnings, beginning of year	734,368	780,981
Residual equity transfer		273
Retained earnings, end of year	<u>\$592,206</u>	<u>\$735,556</u>

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

CITY OF FRANKLIN
COMPARATIVE STATEMENT OF CASH FLOWS
UTILITY ENTERPRISE FUNDS
The Government's Only Proprietary Fund
For the year ended April 30, 1990
Increase (Decrease) in Cash and Cash Equivalents

	1989	1987
Cash flows from operating activities:		
Cash received from customers	\$751,007	\$685,158
Cash payments to employees for services	(328,216)	(381,458)
Cash payments to suppliers for goods & services	(478,794)	(488,770)
Other cash received	<u>8,070</u>	<u>5,803</u>
Net cash provided (used) operating activities	<u>(30,585)</u>	<u>(29,414)</u>
Cash flows from investing activities:		
Cash received from interest earned	<u>7,505</u>	<u>8,845</u>
Net cash provided by investing activities	<u>7,505</u>	<u>8,845</u>
Cash flows from noncapital financing activities:		
Advances to other funds		(58,180)
Repayment of advances to other funds	74,818	
Advances from other funds	183,847	
Repayment of advances from other funds		(96,270)
Operating transfers to other funds	(1,808)	(2,080)
Other		<u>(27)</u>
Net cash provided (used) by noncapital financing activities	<u>177,762</u>	<u>(102,120)</u>
Cash flows from capital and related financing activities:		
Cash payments for principal on revenue bond indebtedness	(15,050)	(15,050)
Cash payments for interest on bonds	(37,862)	(388)
Cash payments made on lease obligations	(7,265)	(13,489)
Cash payments for acquisition of capital assets	<u>(8,570)</u>	<u>(113,000)</u>
Net cash provided (used) by capital and related financing activities	<u>(68,747)</u>	<u>(142,027)</u>
Net increase or (decrease) in cash and cash equivalents	77,740	(260,581)
Cash and cash equivalents beginning of year	<u>360,232</u>	<u>640,710</u>
Cash and cash equivalents end of year	<u>\$437,972</u>	<u>\$380,129</u>

	2020	2019
Reconciliation of operating income to net cash provided by operating activities:		
Operating loss	<u>(\$158,267)</u>	<u>(\$84,261)</u>
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation	78,607	75,681
Change in assets and liabilities:		
(Increase) Decrease in accounts receivable	20,125	(18,879)
Decrease in interest receivable	146	1,781
Decrease in prepaid expenses	1,254	11,525
Increase in accounts payable and accrued expenses	8,081	8,261
Increase (Decrease) in accrued wages payable	(12,618)	3,944
Increase in customer deposits	<u>33,618</u>	<u>11,782</u>
Total adjustments	<u>111,302</u>	<u>62,785</u>
Net cash provided (used) by operating activities	<u>(\$46,965)</u>	<u>\$21,474</u>
Cash and cash equivalents at the end of the year are reported on the combined balance sheet as follows:		
Current assets		
Cash and cash equivalents	\$284,473	\$244,433
Restricted assets		
Revenue Bond Sinking Account	12,208	18,120
Revenue Bond Reserve Account	22,208	22,208
Construction trust account	<u>182,655</u>	<u>73,479</u>
	<u>\$499,544</u>	<u>\$358,240</u>

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

CITY OF FRANKLIN

NOTES TO THE FINANCIAL STATEMENTS

April 30, 1988

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Franklin was incorporated April 15, 1876 under provisions of a special charter. The City operates under a Mayor - Council form of government.

The accounting and reporting policies of the City of Franklin conform to generally accepted accounting principles as applicable to governments.

The following is a summary of certain significant accounting policies:

A. Reporting Units:

This report includes all funds, account groups, and component entities for which the City has financial accountability. Financial accountability is determined by the City by applying the following criteria established by the GASB:

- a. Financial benefit or burden
- b. Appointment of a voting majority
- c. Imposition of will
- d. Fiscally dependent

Based on the foregoing criteria, the City Court and City Marshal, are considered to be component entities.

B. Individual Component Unit Disclosures:

Discretely Presented Component Units - The component unit columns in the combined financial statement include the financial data of the City's component units. They are reported in a separate column to emphasize that they are legally separate from the City.

1. The City Court of the City of Franklin establishes a court for the City of Franklin and the territorial jurisdiction throughout West Thru of St. Mary Parish, Louisiana. The purpose of the City Court is to collect all fines, forfeitures, penalties, and costs assessed. The judge and marshal are elected to six year terms. The fiscal year of the City Court of the City of Franklin ends on June 30, which is different from that of the primary government. The amounts shown in this report reflect information as of June 30, 1987, the most recent information available at this time. The City provides the facilities in which the Court operates and has approval authority over certain expenditures made by the Court.

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

2. The Marshal's Fund of the City Court of the City of Franklin accounts for the activities of the Marshal in carrying out the duties of the Court. The expenses of carrying out those duties are defrayed by court costs collected through the City Court. The fiscal year of the Marshal's Fund of the City Court of the City of Franklin ends on June 30, which is different from that of the primary government. The amounts shown in this report reflect information as of June 30, 1997, the most recent information available at this time. The City provides the facilities in which the Marshal operates and has approval authority over certain expenditures made by the Marshal.

Complete financial statements of the individual component units can be obtained from their respective offices located at 519 Willow Street, Franklin, Louisiana, 70538. Condensed financial statements are presented below for both of the discretely presented component units.

**City Court of the City of Franklin
Marshal's Fund of the City Court
Franklin, Louisiana**

**Condensed Financial Statements
- Discretely Presented Component Units
Balance Sheets**

	City Court of the City of Franklin	Marshal's Fund of the City Court	Total
Assets:			
Cash	\$62,986	\$2,535	\$65,521
Receivables—other	15,600		15,600
Due from other funds	13,597		13,597
Due from other governments		3,377	3,377
Fixed assets	33,369	28,395	61,764
	<u>\$125,962</u>	<u>\$33,727</u>	<u>\$159,689</u>
Liabilities:			
Accounts payable	\$25,988		\$25,988
Due to other funds	13,597		13,597
Due to other governments	(3,068)		(3,068)
	<u>46,617</u>		<u>46,617</u>
Fund equity			
Investment in general fund assets	37,169	36,146	73,315
Fund balance	(21,522)	6,133	(15,389)
	<u>20,881</u>	<u>36,725</u>	<u>116,606</u>
Total	<u>\$129,442</u>	<u>\$36,725</u>	<u>\$166,167</u>

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

Statements of Revenues, Expenses, and Changes in Equity

	City Court of the City of Franklin	Mayor's Fund of the City Court	Total
Revenues:			
Charges for services	\$18,336	\$18,203	\$36,539
Intergovernmental	<u>42,322</u>	<u>42,322</u>	<u>84,644</u>
Total revenues	<u>60,658</u>	<u>60,525</u>	<u>121,183</u>
Expenses:			
Current:			
General and admin.		31,522	31,522
Judicial	<u>33,214</u>	<u>31,288</u>	<u>64,502</u>
Total expenditures	<u>33,214</u>	<u>62,810</u>	<u>96,024</u>
Excess (deficiency) of revenues over expenses	27,444	(2,285)	25,159
Fund balance—beginning	57,480	14,326	71,806
Fund balance—ending	<u>84,884</u>	<u>9,041</u>	<u>93,925</u>

C. Fund Accounting

The City 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 government 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 recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

GOVERNMENTAL FUNDS

General Fund

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs.

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds or trust funds).

PROPRIETARY FUND

Enterprise Fund

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of the net income is necessary or useful to sound financial administration.

TRUST AND AGENCY FUNDS

Fiduciary Funds

Fiduciary funds are used to account for assets held on behalf of outside parties or on behalf of other funds within the City. The terms "nonresponsible" and "responsible" refers to whether or not the City is under an obligation to maintain the trust principal. Assets held by the City under the terms of its trust agreements, are expendable. Agency funds generally are used to account for assets that the City holds on behalf of others as their agent.

D. Basis of Accounting

1. Primary Government

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust 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 increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All proprietary funds are accounted for as a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is aggregated 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, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (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 following is a summary of the City's revenue recognition policies for its major revenue sources:

Revenues:

All salaries taxes and the related State revenue sharing (which is based on population and households in the City) are recorded in the year the taxes are assessed.

Federal, State and Parish aid and grants are recorded when the City is entitled to the funds.

Interest income on investments is recorded when the investments have matured and the income is available.

Sales and use tax revenues are recorded in the month collected by the sales tax collection department of St. Mary parish.

Substantially all other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except principal and interest on general long-term debt which is not recognized until due.

Transfers between funds which are not expected to be repaid and proceeds from the sale of bonds are accounted for as other financing sources (uses).

The Proprietary Fund is reported in the accompanying financial statements on the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the City before it has a legal claim. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

D. Basis of Accounting – Discretely Presented Component Units

The City Court and City Marshall use the current financial resources measurement focus and modified accrual accounting.

E. Budgetary Accounting

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

1. The Mayor and City Clerk prepare a proposed budget and submit the same to the City Council no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one fund, department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the City Council.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). All governmental funds have adopted budgets.
8. Budgetary comparisons include all budget amendments for the year.
9. No budgetary data is presented for Discretely Presented Component Units.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

For financial statement purposes, cash and cash equivalents include demand deposits, money market accounts, and certificates of deposit and other investments with original maturities of less than three months.

Cash and cash equivalents are stated at cost, which approximates market.

G. Due From/To Other Funds

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

H. Investments

Investments include certificates of deposit with original maturities of greater than three months.

Investments are stated at cost.

I. Receivables

Receivables are stated at net realizable value after provision for estimated uncollectible accounts, which are immaterial to the primary government. Provisions for uncollectible accounts in the City Court total approximately \$14,800.

J. Prepaid Expenses

Payments made to suppliers for services that will benefit periods beyond April 30, 1998 are recorded as prepaid expenses in the Enterprise Fund.

K. Restricted Assets

Certain assets of the Enterprise Fund are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

L. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Substantially all purchased fixed assets are valued at cost. Where historical records do not exist purchased fixed assets are valued at estimated cost at date of acquisition. Donated fixed assets are valued at their estimated fair market value on the date received.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City has elected not to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements.

Assets in the general fixed assets account group are not depreciated.

Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations. Depreciation has been provided over the estimated useful lives of the fixed assets using the straight-line method. The estimated useful lives are as follows:

Water utility -	
Water plant	20 years
Lines and meters	6 - 20 years
Other equipment	3 - 10 years
Motorized equipment	3 years
Furniture and fixtures	5 - 20 years

M. Capitalization of Interest Expense

It is the policy of the City to capitalize material amounts of interest resulting from borrowings in the course of the construction of fixed assets. For the year ended April 30, 1998, approximately \$77,000 of interest was capitalized in the Utility Fund.

N. Encumbrances

Funds are encumbered when purchase orders are issued. The City intends to honor any commitments entered into at year end even though all appropriations, except for capital projects under contract, lapse at year end.

The City does not reserve its fund balances for encumbrances outstanding. Encumbrances outstanding at April 30, 1998 are immaterial.

O. Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation and sick leave.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

No accrual is made for compensated absences because they are not significant.

P. Long-term Obligations

Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligation is reported in the general long-term debt account group.

Q. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

R. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

S. Total Columns on Combined Statements - Overview

The total columns on the combined statements - overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations 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.

T. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand or of no use to intended users due to inactivity in the fund for the prior year.

NOTE 2 - FUND DEFICITS

The following individual funds of the City had deficit fund balances/retained earnings at April 30, 1998:

Fund	Deficit Amount
Capital Projects Funds:	
ISTEA-Framling Bishop/Protestant Park	\$ (158)
LCDBQ Sewer Rehab Fund	(82)

Management plans to eliminate these deficits with transfers from other funds in the future.

NOTE 3 - EXPENDITURES - (EXCESS OF ACTUAL OVER BUDGETED)

The following individual funds had significant actual expenditures in excess of appropriated expenditures for the year ended April 30, 1998:

Fund	Budget	Actual	Variance
Debt Service Fund			
Sales Tax Bond Sinking Fund 1986	\$125,010	\$152,512	\$ (19,502)
Capital Projects Funds			
Sales Tax Bond Construction 1996	955,915	1,168,468	(204,553)
LCDBQ Sewer Rehab	147,004	331,456	(184,452)

NOTE 4 - AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The City bills and collects its own property taxes using the assessed values determined by the tax assessor of St. Mary Parish.

For the year ended April 30, 1998, taxes of 19.36 mills were levied on property with assessed valuations totaling approximately \$22,500,000 and were dedicated as follows:

General corporate purposes	16.13 mills
Sewerage system maintenance	3.23 mills

NOTE 5 - CASH AND CASH EQUIVALENTS

The City may deposit funds with a fiscal agent bank and certain other financial institutions. The City may also invest in time deposits or certificates of deposit.

Under state law, these deposits 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 bank. These pledged securities are held in the name of the pledging bank in a custodial bank that is mutually acceptable to the parties involved.

Under the provision of the Governmental Accounting Standards Board (GASB) codification, accounts secured by pledged securities which are not in the name of the governmental unit are considered uncollateralized.

The following is a summary of the cash and cash equivalents and the related federal deposit insurance and pledged securities at year end:

	Primary Government	Discretely Presented Component Units
Cash and cash equivalents-stated value	<u>\$1,479,413</u>	<u>\$45,513</u>
Cash and cash equivalents-bank balance	1,683,848	94,968
Portions insured by federal deposit insurance	<u>163,443</u>	<u>94,968</u>
Balance uninsured and uncollateralized under GASB codification	1,320,397	NONE
Remaining portions of deposits secured under Louisiana Law	1,320,397	NONE
Amount secured under Louisiana law	<u>NONE</u>	<u>NONE</u>

NOTE 6 - INVESTMENTS

Under state law, the City may invest in certain federally guaranteed securities. The City has investments in certificates of deposit with original maturities of greater than three months.

The City's investments are categorized as either 1) insured or registered or for which the securities are held by the City or its agent in the City's name, 2) uninsured and unregistered for which the securities are held by the broker's or dealer's trust department or agent in the City's name or 3) uninsured and unregistered for which the securities are held by the broker or dealer, or by its trust department or agent but not in the City's name.

NOTE 6 - INVESTMENTS (continued)

	Categories			Carrying Amount	Market Value
	1	2	3		
Certificates of deposit	\$1,188,973	—	—	\$1,188,973	\$1,189,973
Total investments	<u>\$1,188,973</u>	<u>—</u>	<u>—</u>	<u>\$1,188,973</u>	<u>\$1,189,973</u>

NOTE 7 - DUE FROM/OOTHER FUNDS

The following is a listing of due from/to other funds by individual fund as of April 30, 1998:

	Due from Other funds	Due to Other funds
General Fund	334,937	\$120,787
Special Revenue Funds -		
Liquid & Solid Waste	391,217	32,325
Summer Feeding Program	22	
Revolving Loan Fund		900
Public Safety Fund		6,075
Debt Service Funds -		
Consolidated Sewerage District No. 1 - 1999	787	6,080
Sales Tax Bond Sinking - 1987	34,769	48,249
Consolidated Sewer Sinking Fund - 1993	285	
Sales Tax Bond Reserve - 1998	1,823	
Capital Projects Funds -		
Consolidated Sewerage Project - 1993		285
IS(T)LA - Franklin Landscape		658
Professional/Bicycle Park		1,308
LC DBC Sewer Rehab		
Enterprise Fund -		
Utility Fund	74,407	248,519
Facility Fund -		
Expendable Trust		
Miscellaneous Endowed Care	33	
Agency		
Payroll Fund	941	10,370
Accounts Payable Clearing Self - Funded	32,252	118,142
	<u>\$221,283</u>	<u>\$321,282</u>

NOTE 8 - DUE FROM/TO OTHER GOVERNMENTAL UNITS

Accounts due from/to other governmental units by fund at April 30, 1988 consisted of the following:

	General Liquid & Solid		LCTDRG
	Fund	Miscellaneous	Sewer Rehabilitation Reconstruction
Due from			
St. Mary Parish Council		\$23,720	
St. Mary Parish School Board	\$4,887		
Sewer District #7		4,800	
State of Louisiana			\$126,451

NOTE 9 - FIXED ASSETS

Primary Government

A summary of changes in general fixed assets for the year ended April 30, 1988 follows:

	Balance 5/31/87	Additions	Deletions	Reclassi- fications	Balance 4/30/88
Land	\$435,255			\$113,740	\$549,004
Buildings	1,234,581			310,545	1,545,136
Improvements other than buildings	8,515,867	\$1,020,886		1,707	9,541,660
Movable equipment	1,317,356	408,762	\$695,870	(338,376)	1,729,690
Construction in progress	89,325	3,550,812		183,325	3,799,812
Total	\$11,595,184	\$1,988,662	\$695,870	\$	\$14,525,718

A summary of proprietary fund type property, plant and equipment at April 30, 1988 follows:

	1988
Land	\$10,000
Building, improvements and equipment	3,328,355
Automotive equipment	124,370
Furniture and fixtures	113,852
Total	3,575,977
Less: Accumulated depreciation	2,691,141
	<u>\$884,836</u>

Depreciation and amortization expense for 1988 is approximately \$79,000.

NOTE 9 - FIXED ASSETS (continued)

Discretely Presented Component Units

A summary of changes in general fixed assets for the year ended June 30, 1997 follows:

	Balance July 1, 1996	Additions	Deletions	Balance June 30, 1997
Equipment	<u>\$36,465</u>	<u>\$13,588</u>	<u>\$2,306</u>	<u>\$47,747</u>

NOTE 10 - LEASE OBLIGATIONS

The City's Enterprise Fund has acquired one piece of equipment with a basis of approximately \$27,000 under a capital lease. The Liquid and Solid Waste fund has acquired one piece of equipment with a basis of approximately \$25,000 under capital lease. No other governmental funds have any significant leases. The City does rent various equipment from time to time on a short-term basis.

The following is a schedule by years of future minimum lease payments under a capital lease together with the present value of the net minimum lease payments as of April 30, 1998:

	Utility Fund	Liquid & Solid Waste
April 1999	\$9,157	\$9,877
April 2000		9,877
April 2001		9,592
Total minimum lease payments	<u>9,157</u>	<u>29,346</u>
Less: Amount representing interest	(2,124)	(2,185)
Present value of net minimum lease payments	<u>\$7,033</u>	<u>\$27,161</u>

NOTE 11 - LONG-TERM DEBT

The following is a summary of the City's long-term debt transactions for the year ended April 30, 1998:

	General Long-Term Debt Account Gross	Utility Revenue Bonds	Total
Balance at May 1, 1997	\$4,168,108	\$275,900	\$4,444,008
Additions			
Deductions	(285,012)	(15,000)	(300,012)
Balance at April 30, 1998	<u>\$4,083,096</u>	<u>\$260,900</u>	<u>\$4,344,006</u>

NOTE 11 - LONG-TERM DEBT (continued)

Bonds and Notes payable at April 30, 1998 are comprised of the following individual issues:

General Obligation Bonds

\$1,679,000 Sales Tax Bonds - Series 5T-1996 dated November 1, 1996, due in annual installments of \$20,000 to \$135,000 through November 1, 2016 interest at 8.0 percent, secured by a pledge of the City's portion of the 1% of the parish wide sales and use tax payable from the Sales Tax Bond Sinking Fund 1996

\$1,625,000

\$1,425,000 Public Improvements Sales Tax Refinancing Bonds, Series 1996, dated April 11, 1996, due in annual installments of \$20,000 to \$250,000 through December 1, 2004, interest at 3.8 to 4.6 per cent, secured by a pledge of the City's portion of the three-fourths of one percent (3/4%) parish wide sales and use tax, payable from the Sales Tax Bond Sinking Fund

1,375,000

Public Improvement Sales Tax Note, Series 1990 (DEQ Loan) for a loan amount of \$750,000. A subsequent series of \$100,000 was issued in 1994. The amount funded as of April 30, 1998, is \$650,000; due in annual installments of \$5,000 to \$95,000 through December 2005, interest at 5.9% payable from Liquid & Solid Waste Fund

625,000

\$40,000 Certificates of Indebtedness, Series 1995, dated September 1, 1995, due in annual installments of \$1,000 to \$5,000 through September 1, 2005; interest at 6% payable from a pledge and dedication of the excess of annual revenues of the issuer above statutory, necessary and usual charges in each of the fiscal years during which the Certificates are outstanding.

30,000

Revenue Bonds

1995 Water and Sewer Revenue Bonds, series A, dated June 23, 1995, due in annual installments of \$16,000 to \$23,000 through March 1, 2015, interest at 2.990%, secured by a pledge of Utility and Liquid and Solid Waste revenues after reasonable and necessary operating expenses

268,000

NOTE 11 - LONG-TERM DEBT (continued)

Special Assessment:

208,024 Sewerage Certificates, Series 1995, dated July 1, 1995, due in annual installments of \$5,012 through July 1, 2005; interest at 6.375% payable from Consolidated Sewerage Project 1993 Fund

40,000

Other: \$35,000 of estimated claims payable
(See Note 16)

35,000

Total General Long-term Debt

\$4,180,000

Utility Revenue Bonds

1995 Water and Sewer Revenue Bonds, series B, dated August 1, 1995, due in annual installments of \$10,000 to \$35,000 through March 1, 2015, interest at 4.65% to 6.7%, secured by a pledge of Utility and Liquid and Solid Waste revenues after reasonable and necessary operating expenses

\$268,000

Total Utility Bonds

\$,268,000

The City is subject to certain affirmative and negative covenants pursuant to its bond and debt agreements. These covenants include but are not limited to:

1. Establishment and funding of certain debt service funds
2. Preparation and adoption of budgets
3. Preparation and independent audit of financial statements
4. Restriction as to additional debt issuance
5. Restriction as to types of investments
6. Establishment and adherence to certain operational and collection practices in the operation of the City's utility and sewer systems.

NOTE 11 - LONG-TERM DEBT (cont'd)

The following is a schedule of future debt requirements including interest of approximately \$1,615,000 on General Obligations debt and \$185,000 on Utility Revenue Bonds for debt outstanding at April 30, 1998:

	General Obligation	Utility Revenue	Total
1998	\$819,000	\$21,000	\$840,000
2000	523,000	20,000	543,000
2001	520,000	30,000	550,000
2002	\$17,000	29,000	46,000
2003	518,000	33,000	551,000
2004-2017	<u>3,881,000</u>	<u>202,000</u>	<u>4,083,000</u>
Total	<u>\$5,878,000</u>	<u>\$665,000</u>	<u>\$6,543,000</u>

The above schedule does not include an estimated claim payable amount of \$35,000 included in the general long-term debt account group.

At April 30, 1998, a total of \$1,255,000 of outstanding general obligation bonds are considered delinquent.

**NOTE 12 - FUND OF FUNDS, RESTRICTIONS ON USE - UTILITIES REVENUES
AND LIQUID AND SOLID WASTE REVENUES**

Under the terms of the bond indentures on outstanding 1995 Water and Sewer Revenue Bonds series A and B, all income and revenues (hereinafter referred to as revenues) of every nature, earned or derived from the operation of the Utility System (Proprietary) and Sewer System (Governmental - Liquid and Solid Waste) after reasonable and necessary operating expenses are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

Revenues earned from the operation of the Utility System and the Sewer System shall be deposited daily into a Utility Fund and Liquid and Solid Waste Fund, respectively. This fund will pay all reasonable and necessary expenses of administering, operating and maintaining the Utility Systems.

Each month, there will be set aside into a fund called the "1995 Water and Sewer Revenue Bond Sinking Fund" an amount ranging from \$2,852 to \$4,650 per month on or before the 30th of each month in the Utility and Liquid and Solid Waste Funds in proportion to their respective interest and principal payments. Such transfers shall be made by the 30th of each month and shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due, and may be used only for such payments.

**NOTE 12 - FLOW OF FUNDS, RESTRICTIONS ON USE - UTILITIES REVENUES
AND LIQUID AND SOLID WASTE REVENUES (continued)**

There shall also be set aside into a "Revenue Bond Reserve Fund" \$58,685 of the Series B Bonds (Utility Fund) and an amount equal to 2% of the sinking fund payment for the 1995 A Bonds (Liquid and Solid Waste Fund) until the Reserve Fund equals \$84,682. Such amounts may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not on deposit in the Revenue Bond Sinking Fund and as to which there would otherwise be default.

Funds in an amount equivalent to five percent (5%) of the net revenue of the Sycamore of the preceding month will also be set aside into a "Capital Additions and Contingencies Fund" on the Utility Fund. Money in this fund may be used to pay the principal of and interest on the bonds falling due at any time there is not sufficient money for payments in the other bond funds. If the balance in this fund should ever be reduced below \$80,000, payments shall resume until \$80,000 is on deposit.

**NOTE 13 - INDICATION OF PROCEEDS AND FLOW OF FUNDS -
SALES AND USE TAXES**

The City of Franklin collects sales taxes under three sales tax levies as follows:

1. Proceeds of a 1% sales and use tax levied by the City in 1996 (1998 collections are \$1,008,944) are accounted for in the General Fund and are dedicated to the following purposes:

Construction, acquisition, maintenance, and repair of streets, capital improvements, public works and buildings including fixtures and equipment, payment of all obligations which have been or may be issued, paying or supplementing salaries of all municipal employees, operation of recreational facilities, and acquisition, maintenance and operating expenses of equipment.

2. Proceeds of a .64% sales and use tax levied by the City in 1973 (1998 collections are \$813,133) are accounted for in the Liquid and Solid Waste Fund - a special revenue fund - and are authorized for the following usage:

Construction, acquisition, extension, improvement, operation and maintenance of solid waste collection and disposal facilities, sewers and sewage disposal works and other facilities for pollution control and abatement, and to pay debt service requirements on bonds issued for sewerage or solid waste collection purposes.

3. Proceeds of a .210% sales and use tax levied by the City in 1985 (1998 collections are \$259,845) are accounted for in the Public Safety Fund - a special revenue fund - and are authorized for the following usage:

**NOTE 13 - DEDICATION OF PROCEEDS AND FLOW OF FUNDS -
SALES AND USE TAXES (continued)**

Operating and maintaining the municipal police department, the municipal fire department and the volunteer fire department, including paying or supplementing the salaries of municipal employees and personnel of these respective departments, and for the purpose of purchasing, constructing, acquiring, improving and maintaining any public works or capital improvements, utilized or occupied by said departments.

NOTE 14 - PENSION PLAN AND OTHER RETIREMENT BENEFITS

Substantially all of the City's full-time employees except for police and firefighters participate in the Municipal Employees' Retirement System of Louisiana (Plan A), a multiple employer cost sharing public employee retirement system. The City's police officers and firefighters are eligible to participate in two other multiple employer cost sharing public employee retirement systems. The retirement system for police officers is the Municipal Police Employees Retirement System. Approximately 45% of police officers have elected to participate in this plan. The retirement system for firefighters is the Firefighters' Retirement System. One firefighter was enrolled in the plan. The judge for the City Court participates in the Louisiana State Employees' Retirement System; the payment amounts made by the City are not significant and the city is not responsible for the benefits.

The total payroll for the City for the year ended April 30, 1998, is approximately \$2,406,000. The payroll for City employees covered by the retirement systems are approximately as follows:

Municipal Employees' Retirement System of Louisiana	\$1,600,000
Municipal Police Employees Retirement System	257,000
Firefighters' Retirement System	11,000
	<u>\$1,868,000</u>

Employees are entitled to retirement benefits when the combination of attained age and years of service meet certain specified requirements. The minimum years of service for receiving retirement benefits range from two to twelve years. Benefits vest based on a similar method of combination of minimum years of service and attained age. Each system also provides death and disability benefits. The Louisiana State Legislature established the plans and has determined the benefits and required contributions. As long as the City makes the required contributions it is not responsible for adequacy of the fund to provide the payment for employee benefits.

NOTE 14 - (PENSION PLAN AND OTHER RETIREMENT BENEFITS) (continued)

The City's and employees' required contribution rates and approximate contribution under each system are as follows for the year ended April 30, 1998:

Retirement System	Contribution for		Required Contribution Rate	
	City	Employee	City	Employee
Municipal Employees' Retirement System of Louisiana	\$94,000	\$140,000	5.75%	9.25%
Municipal Police Employees Retirement System	21,000	18,000	9.00%	7.50%
Firefighters' Retirement System	1,800	990	9.00%	8.00%

The City's actuarially determined contribution requirement has not been individually calculated. However, the annual contribution rate for each plan as a whole has been determined to be approximately as follows:

	Annual Contribution Required	Actual Contributions For The Year Ended June 30, 1995	City's Percent of Actual Contribution
Municipal Employees' Retirement System of Louisiana	\$9.1 million	\$18.9 million	90%
Municipal Police Employees Retirement System	14.3 million	20.0 million	80%
Firefighters Retirement System	16.4 million	16.1 million	91%

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems and employees. These systems do not make separate measurements of assets and pension benefit obligations for individual employees.

NOTE 14 - PENSION PLAN AND OTHER RETIREMENT BENEFITS (cont'd)

The pension benefit obligation at June 30, 1997, the latest available evaluation for each system as a whole, determined through an actuarial valuation performed as of that date, along with each system's net assets available for benefits and unfunded pension benefit obligations are as follows:

	<u>Pension Benefit Obligation</u>	<u>Net Assets Available for Benefits</u>	<u>Unfunded (Over funded) Pension Benefit Obligation</u>
Municipal Employees' Retirement System of Louisiana	\$372.8 million	\$358.8 million	\$14.0 million
Municipal Police Employee Retirement System	\$933.4 million	\$923.8 million	\$9.6 million
Firefighters' Retirement System	\$496.1 million	\$475.3 million	\$20.8 million

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's June 30, 1996, comprehensive annual financial report. The City does not guarantee the benefits granted by the Systems.

Employees of the City are also covered under the Federal Insurance Contributions Act (Social Security). The City makes the required contributions to the fund and is not responsible for the benefits.

In 1978 the Franklin policeman joined the Municipal Police Employees' Retirement System. The City is still responsible for paying retirement benefits from City funds to eligible retired members, in accordance with the policies, terms, and rates of the Franklin police retirement system which was in effect prior to joining the state system. The City is funding the pension costs when benefits are paid to retired employees. An actuarial study has not been performed to determine the City's liability for vested benefits and past service costs. Generally accepted accounting principles required that the provision for pension expense include a provision for amortization of past service costs. Expenditures by the City to fund the costs related to this prior retirement plan for year ended April 30, 1998 totaled approximately \$18,000.

The City funds no other material post retirement benefits for its former employees.

NOTE 15 - COMMITMENTS

The City has entered into three agreements with the St. Mary Parish Council as follows:

Under one agreement, the City has agreed to provide fire protection to areas outside of the city limits. The City receives a monthly fee for this service of approximately \$2,700.

NOTE 15 - COMMITMENTS (continued)

Under a second agreement, the City has agreed to provide maintenance on the St. Joseph-Grandpoint, Chauvenot sewerage collection system. The City receives a monthly fee for this service of approximately \$2,400.

The third agreement states that the City will operate and maintain the newly constructed sewerage facility. Under this agreement, the Council reimburses the City for 30% of these costs on a monthly basis.

The City has also entered into an agreement with the Louisiana Department of Transportation and Development for a flood control improvement project at the Bayou Vachely Pump Station. The total estimated cost of this project is approximately \$5,530,000. The project is to be funded 30% by the Department of Transportation and Development and 30% by the City. The City also entered into an intergovernmental agreement with the parish of St. Mary and Consolidated Gravity Drainage District No. 1 stating that each entity will jointly provide the 30% of funds required to accomplish the project in accordance with the Department of Transportation and Development as well as to provide jointly any funds required to complete the project which are not covered by the Department of Transportation and Development. Approximately \$100,000 in engineering and construction costs were incurred for this project through April 30, 1996.

During the audit period, the City entered into a cooperative endeavor agreement with the State of Louisiana for the renovation of the Teche and Center Theaters. According to the agreement, the City will receive funding in the amount of \$299,000. The City is required to provide \$100,000 in matching funds for the project. The \$100,000 match was met through renovations made to the theaters in prior years.

NOTE 16 - RISK MANAGEMENT AND CONTINGENCIES

The City is exposed to various risks of loss related to torts, theft or damage to assets, errors and omissions, injuries to employees and natural disasters. In addition, the City provides certain medical and health insurance benefits to its employees and their dependents.

The City has purchased commercial insurance to protect against loss from most of these perils. However, it is the policy of the City to retain the risk of losses related to: action of its police officers, general public liability (excluding vehicles and buildings), and a portion of employee medical and health benefits.

During the year ended April 30, 1996, the City adopted the provisions of GASB Statement No. 19, which establishes accounting and reporting standards for risk and insurance related activities of governmental entities. In accordance with the provisions of this statement, the City is reporting its risk retention activities in its General Fund, except for claims to be paid with the future revenues, which are reported within the General Long-term Debt Account Group.

Suites in the prior three years have not exceeded insurance coverage.

NOTE 16 - RISK MANAGEMENT AND CONTINGENCIES (continued)

The City uses a combination of past history and specific claim analysis to estimate its liability for unpaid claims. The City does not disclose the amount of claims to present value, nor has the City purchased any annuity contracts to settle estimated liabilities.

Changes in the City's estimated claims liabilities for the years ended April 30, 1997 and 1998 were:

Liability balance, May 1, 1996	370,000
Claims and changes in estimates	271,000
Claims paid	(240,000)
Liability balance, April 30, 1997	381,000
Claims and changes in estimates	269,000
Claims paid	(255,000)
Liability balance, April 30, 1998	<u>395,000</u>

Estimated claims liability at April 30, 1998 includes \$40,000 related to the medical and health plan for which \$57,000 in cash is available to pay claims, which is reported in the General Fund. The remaining \$35,000 in estimated liability is to be paid with future revenues and is reported in the General Long-term Debt Account Group.

The total expenditures reported by the City for claims related to retained risk for the year ended April 30, 1998 is \$263,000.

There is a claim against the City which management and their legal counsel believe will result in probable liability to the City. The ultimate amount of this liability cannot presently be determined. It is estimated that the minimum amount of this liability will be \$55,000 and accordingly a provision for this amount is included in these financial statements. It is possible that up to an additional \$35,000 in liability could be incurred, however, no provision for this possible additional liability is made in these financial statements.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

NOTE 17 - RESIDUAL EQUITY TRANSFER

During the year under audit, the activities of one Capital Project Fund was consolidated into the activities of one Special Revenue Fund. The residual equity deficit balances and related assets and liabilities at April 30, 1998, went into the following funds:

Fund Receiving Residual	
<u>Equity Transfer</u>	Amount
Special Revenue Fund -	
Liquid & Solid Waste Fund	\$100,000

SUPPLEMENTARY INFORMATION

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

GENERAL FUND

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

CITY OF FRANKLIN
GENERAL FUND

COMPARATIVE BALANCE SHEET
April 30,

ASSETS	1998	1997
Cash and cash equivalents	\$105,943	\$208,400
Investments	93,045	
Receivable:		
Taxes	135,931	90,725
Other	165,385	83,619
Due from other governmental units	4,889	4,888
Due from other funds	54,937	5,773
Prepaid salaries		3,473
Refundable deposit	20,579	20,579
Total assets	<u>\$497,974</u>	<u>\$514,448</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$100,548	\$57,501
Accrued liabilities	26,457	68,436
Estimated claims payable	40,000	54,000
Due to other funds	120,788	155,744
Total liabilities	<u>287,793</u>	<u>335,681</u>
Fund balance:		
Unassigned, undesignated	209,781	178,767
Total fund balance	<u>209,781</u>	<u>178,767</u>
Total liabilities and fund balance	<u>\$497,574</u>	<u>\$514,448</u>

CITY OF FRANKLIN
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended April 30, 1999
With Comparative Actual Amounts for Year Ended April 30, 1997

	1999		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Sales	\$1,000,000	\$1,015,844	\$15,844	\$999,700
Ad valorem	560,000	562,840	2,840	558,000
Licenses and permits:				
Occupational licenses	250,000	250,000	0	242,774
Chain store licenses	4,000	3,841	(159)	3,775
Liquor licenses	7,850	7,880	30	8,000
Franchise	318,000	316,700	(1,300)	318,750
Games of chance license	200	210	10	300
Building and electrical permits	15,000	15,279	279	14,347
Intergovernmental -				
Interest on development fee	1,000	3,400	2,400	3,004
Statewide tax	40,700	42,700	200	40,700
Base tax	14,000	10,811	(3,189)	17,007
Sales (other)	261,600	260,200	(1,400)	254,000
Earning reserve taxes	300,000	310,000	10,000	292,000
Federal alcohol	257,000	261,400	4,400	194,007
State grant	43,900	43,100	(800)	20,000
Federal grant	20,350	60,300	4,000	18,100
Law enforcement fee	55,000	70,000	1,000	
Fees	47,000	60,100	1,200	50,000
Miscellaneous	8,000	0	(8,000)	37,000
Miscellaneous	104,540	110,273	5,800	100,000
Donations	10,400	17,000	600	3,000
Interest earned	3,000	2,000	(800)	4,000
Total revenues	<u>3,271,000</u>	<u>3,302,470</u>	<u>31,470</u>	<u>3,098,000</u>
Expenditures:				
Current:				
General government:				
Finance and administrative	275,000	283,841	7,200	170,000
Judicial	100,000	140,000	3,000	100,000
Public safety -				
Police and fire department	1,380,000	1,280,707	(99,293)	1,200,000
Inspector	87,000	44,000	(43,000)	20,000
Tax collector	21,000	30,000	800	21,000
Public works	100,000	210,000	110,000	790,000
Recreation	200,000	200,000	0	200,000
Small business market	24,000	20,000	(4,000)	24,000
Economic development	80,217	91,000	3,700	60,000
Purchasing	38,000	35,000	(3,000)	20,000
Other	140,000	140,000	0	0
Data services				
Total expenditures	<u>\$2,308,217</u>	<u>\$2,329,210</u>	<u>210,993</u>	<u>\$2,087,000</u>

	1997		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Excess (deficiency) of revenues over expenditures	<u>266,217</u>	<u>(26,029)</u>	<u>89,088</u>	<u>(221,286)</u>
Other financing sources (uses):				
Operating transfers in:				
LDC/DC Revenue Funds:				
Public Safety	6,300		(6,300)	297,419
Consolidated Senior Pt				1,364
1990 Sales Tax (used) Sinking	4,000	4,000		
Tobacco Proceed				13,020
Lobby Fund		1,000	1,000	(1,000)
Liquid and Solid Waste		1,800	1,800	27,350
Operating Transfers out:				
Sales Tax '96 Working Fund	(151,688)	(151,688)		(28,664)
Sales Tax '96 Reserve Fund				(20)
Sunbelt Funding				(4,025)
Liquid & Solid Waste				(2,088)
Police Academy		(800)	(800)	
Certificate of Redevelopment				
Working Fund	(5,000)	(5,000)	(5)	(6,055)
Total other financing sources (uses)	<u>180,312</u>	<u>97,612</u>	<u>(82,678)</u>	<u>320,458</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses):	<u>85,905</u>	<u>71,614</u>	<u>65,614</u>	<u>1,280</u>
Fund balance, beginning		<u>138,767</u>	<u>138,767</u>	<u>181,028</u>
Residual equity balance				<u>(14,000)</u>
Fund balance, ending	<u>85,905</u>	<u>209,781</u>	<u>209,781</u>	<u>218,767</u>

SPECIAL REVENUE FUNDS

Liquid and Solid Waste Fund - To account for the receipt and use of proceeds of the City's share of the three-fourths of one percent sales and use tax. These taxes are dedicated for the construction, acquisition, extension, improvements, operation and maintenance of solid waste collection and disposal streets and sewerage disposal works, and other facilities for pollution control and abatement and to pay debt service requirements on bonds issued for such purposes.

Summer Feeding Program - To account for the receipt and use of funds reimbursed under the National School Lunch Act.

Public Safety Fund - To account for the receipt and use of proceeds of the City's share of three-tenths of one percent (3/10%) sales and use tax. These taxes are dedicated for the purpose of operating and maintaining the municipal police department, the municipal fire department and the volunteer fire department, and for the purpose of purchasing, constructing, acquiring, improving and maintaining any public works or capital improvements utilized or operated by said departments.

Revolving Loan Fund - To account for a revolving loan fund set up to loan funds to area small businesses or prospective small businesses. The fund was initially financed through a federal loan. Funds received from loan repayments are used for additional loans.

Shell Housing Fund - To account for the receipt and disbursement of a private grant from Shell Oil Company for the purpose of rehabilitating homes in the City of Franklin.

Narcotic Aid - To account for the receipt and disbursement of funds from the District Attorney's office for drug enforcement.

CITY OF PEABODY
SPECIAL REVENUE FUNDS

COMBINED BALANCE SHEET

April 30, 1999

With Comparative Totals for April 30, 1998

	Liquid and Total Assets		Public Safety		Fire/Rescue		Housing		Miscellaneous		Totals	
	Fund	Balance	Fund	Balance	Fund	Balance	Fund	Balance	Fund	Balance	1998	1999
ASSETS												
Cash and cash equivalents	\$20,874	\$5,329	\$6,075	\$23,163	\$5,478				\$9,425		\$62,454	\$117,187
Investments				28,283							28,283	
Loans receivable				74,485	66,464						143,979	119,640
Taxes receivable	66,563		20,527								109,610	93,119
Prepaid expense												2,299
Due from other governmental units	29,528										29,528	12,895
Due from other funds	391,217	929									391,209	400,189
Total assets	\$528,089	\$5,411	\$29,602	\$118,936	\$71,972				\$9,425		\$273,282	\$843,305
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts payable and accrued expense	\$117,524	594	66,075	6669							\$117,668	\$94,177
Due to other funds	28,283										28,283	573
Total liabilities	145,807	594	66,075	7000							145,951	94,750
Fund Balances												
Unassigned - undesignated	397,095	5,327	23,527	119,936	\$24,972				\$9,425		414,644	469,659
Total fund balances	397,095	5,327	23,527	119,936	24,972				9,425		414,644	469,659
Total liabilities and fund balances	\$542,902	\$5,411	\$29,602	\$118,936	\$24,972				\$9,425		\$273,282	\$843,305

CITY OF HOUSTON
SPECIAL REVENUE FUNDS

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended April 30, 1989
With Comparative Totals for the Year Ended April 30, 1987

	Liquid and Solid Assets FACB	Sumner Funding Program	Public Safety Fund	Firefighting Fund	Police Fund	Police Acq Fund	Total 1988	Total 1987
Revenues:								
Taxes - sales	\$113,125		\$295,545				\$1,182,875	\$1,059,855
Taxes - ad valorem	72,617						72,617	71,758
Charges for services	262,315						782,740	789,526
Federal grant		171,875					71,875	7,059
State grant						81,289	1,289	483
Miscellaneous	279			305		28,533	21,116	11,844
Interest on investments	635			4,827		8,249	8,249	11,768
Total revenues	1,789,276	31,875	238,045	4,862	4,117	78,172	2,128,186	1,953,355
Expenditures:								
Salaries	1,194,275						1,194,275	1,054,625
Urban maintenance		65,487		798		23,719	72,904	51,549
Other	1,194,276	65,487	-	128	1,348	23,719	1,284,858	1,133,855
Total expenditures	3,582,827	131,374	138,045	4,124	3,259	8,280	3,867,519	3,375,329
Excess (deficiency) of revenues over expenditures	20,449	18,501	2,045	4,124	3,259	6,152	108,888	577,740
Other financing sources (used)								
Operating transfers in	20,200					275	20,475	81,192
Operating transfers out	(665,725)						(178,822)	(812,204)
Total other financing sources (used)	(645,525)					275	(645,525)	(731,012)
Excess (deficiency) of revenues over expenditures and other financing sources (used)	166,474	18,501	2,045	4,124	3,259	6,152	108,888	577,740
Fund balances, beginning of year	201,238	92	21,492	115,344	19,874	3,752	458,828	481,982
Residual equity transfer	(15,589)						(15,589)	(2,442)
Fund balances, end of year	237,945	23,593	23,537	119,368	19,874	3,695	507,829	479,540

CITY OF FRANKLIN
SPECIAL REVENUE FUNDS
LIQUID AND SOLID WASTE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended April 30, 1988

With Comparative Actual Amounts for the year Ended April 30, 1987

	1988		Variance - Favorable - (Adverse)	1987 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Sales	\$825,000	\$913,150	188,150	\$814,000
Ad valorem	71,000	52,617	(18,383)	71,768
Special use fees	380,000	375,889	(4,111)	369,221
Garbage and other	600,000	606,871	6,871	612,583
Other	200	279	79	194
Interest on investments	1,000	895	(105)	948
Total revenues	<u>1,878,000</u>	<u>1,766,354</u>	<u>(111,646)</u>	<u>1,880,544</u>
Expenditures:				
Operation:				
General and Administrative	174,000	174,188	188	168,924
Solid Waste Department	509,178	563,853	(54,675)	521,753
Street collection	240,040	221,821	18,219	171,948
Street plant	382,000	383,388	(1,388)	363,622
Tax collector	18,000	14,871	3,129	18,498
Inspection	21,000	32,963	(11,963)	21,354
Motor department	29,400	32,908	(3,508)	29,690
Purchasing	17,000	15,678	1,322	22,843
Total expenditures	<u>1,596,818</u>	<u>1,754,379</u>	<u>(157,561)</u>	<u>1,796,430</u>
Excess (deficiency) of revenues over expenditures	<u>281,182</u>	<u>101,975</u>	<u>179,207</u>	<u>84,114</u>
Other financing sources (uses):				
Operating transfers in:				
1987 Sales Tax Bond Sinking fund	1,000	1,000		
SIC Sinking fund 1989	1,000	1,000		
SIC Reserve fund 1989	5,200	5,200		
Water & Sewer Reserve fund 1989	4,000	4,000		
Consolidated Sewerage Project 1989				42,411
Sales Tax Bond Reserve	12,000	12,000		12,000
Operating transfers out:				
1987 Sales Tax Bond Sinking Fund	(211,100)	(217,450)	6,350	(242,470)
1988 Sales Tax Bond Sinking Fund	(99,000)	(99,000)		(99,000)
Capital fund		(1,000)	(1,000)	(27,280)
Hardware fund				14,380
Water & Sewer Sinking Fund	(27,410)	(27,410)		(27,721)
SIC Sinking Fund	(165,570)	(116,570)		(96,870)
SIC Reserve Fund				(22,817)
Total other financing sources (uses)	<u>(407,080)</u>	<u>(428,820)</u>	<u>21,740</u>	<u>(166,270)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>84,102</u>	<u>101,475</u>	<u>17,373</u>	<u>(82,156)</u>
Fund balance, beginning of year	<u>221,228</u>	<u>221,228</u>	<u>0</u>	<u>226,280</u>
Residual equity transfer		(10,000)	(10,000)	(2,000)
Fund balance, end of year	<u>305,330</u>	<u>321,473</u>	<u>16,143</u>	<u>224,280</u>

CITY OF FRANKLIN
SPECIAL REVENUE FUND
SUMMER FEEDING PROGRAM

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

Year Ended April 30, 1998

With Comparative Actual Amounts for Year Ended April 30, 1997

	1998		Variances Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Federal grant	\$71,876	\$71,876		
Interest on investments				\$10
Total revenues	71,876	71,876		10
Expenditures:				
Salaries	25,627	25,627		
Supplies		4,271	(4,271)	
Food purchases	40,668	38,089	4,571	
Miscellaneous		300	(300)	5,204
Total expenditures	66,487	66,487		5,204
Excess (deficiency) of revenues over expenditures	5,389	5,389		(5,194)
Other financing sources				
Operating transfers in General fund				4,623
Total other financing sources	---	---	---	4,623
Excess (deficiency) of revenues over expenditures and other financing sources	5,389	5,389		(560)
Fund balance, beginning		(62)	(62)	504
Fund balance, ending	\$5,389	\$5,327	(62)	(562)

CITY OF FRANKLIN
SPECIAL REVENUE FUNDS
PUBLIC SAFETY FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended April 30, 1998

With Comparative Actual Amounts for Year Ended April 30, 1997

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Sales taxes	\$250,000	\$250,045	\$45	\$255,852
Total revenues	<u>250,000</u>	<u>250,045</u>	<u>45</u>	<u>255,852</u>
Expenditures	---	---	---	---
Excess of revenues over expenditures	<u>250,000</u>	<u>250,045</u>	<u>45</u>	<u>255,852</u>
Other financing (uses) :				
Operating transfers out				
General fund	(250,000)	(248,800)	1,200	(257,415)
Total other (uses)	<u>(250,000)</u>	<u>(248,800)</u>	<u>1,200</u>	<u>(257,415)</u>
Excess of revenues over expenditures and other financing (uses)	--	2,045	2,045	(1,563)
Fund balance, beginning of year	--	21,482	21,482	22,049
Fund balance, end of year	--	<u>\$23,527</u>	<u>\$23,527</u>	<u>\$21,482</u>

CITY OF FRANKLIN
SPECIAL REVENUE FUNDS
REVOLVING LOAN FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
Year Ended April 30, 1998

With Comparative Actual Amounts for the Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Federal grants				\$7,000
Application fees		850	850	715
Interest income	\$4,500	4,832	332	4,918
Total revenues	<u>4,500</u>	<u>4,682</u>	<u>382</u>	<u>12,033</u>
Expenditures:				
Processing fees	600	783	237	
Miscellaneous	600	595	(95)	
Total expenditures	<u>1,000</u>	<u>758</u>	<u>242</u>	---
Excess of revenues over expenditures	3,500	4,124	624	12,033
Fund balance, beginning of year	117,068	115,244	(1,760)	108,211
Fund balance, end of year	<u>\$120,568</u>	<u>\$119,368</u>	<u>(\$1,000)</u>	<u>\$115,244</u>

CITY OF FRANKLIN
SPECIAL REVENUE FUNDS
SHELL HOUSING FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended April 30, 1998

With Comparative Actual Amounts for the Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Interest on investments	\$3,000	\$4,001	\$1,001	\$5,901
Miscellaneous		36	36	
Total revenues	<u>3,000</u>	<u>4,117</u>	<u>1,117</u>	<u>5,901</u>
Expenditures:				
Urban redevelopment				
Processing fees	500		500	
Miscellaneous	500	90	410	733
Housing	20,000	7,254	12,744	15,228
Total expenditures	<u>21,000</u>	<u>7,344</u>	<u>13,654</u>	<u>15,961</u>
Excess of revenues over expenditures	(18,000)	(3,227)	14,771	(19,060)
Fund balance, beginning of year	78,000	78,201	2,201	88,261
Fund balance, end of year	<u>\$59,999</u>	<u>\$74,974</u>	<u>\$14,975</u>	<u>\$79,201</u>

CITY OF FRANKLIN
SPECIAL REVENUE FUNDS
NARCOTIC AID FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
Year Ended April 30, 1997

With Comparative Actual Amounts for the Year Ended April 30, 1997

	1996		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Police fines	\$2,800	\$1,700	(\$270)	\$1,550
Drug seizures	25,000	25,100	100	2,900
Dare grant	1,200	1,200	11	
Miscellaneous	4,500	1	(4,499)	
Total revenues	<u>33,700</u>	<u>38,102</u>	<u>(4,898)</u>	<u>11,017</u>
Expenditures:				
Investigations	10,000	7,548	2,451	5,505
Equipment	12,000	9,728	2,266	
Miscellaneous	6,000	6,455	765	4,598
Total expenditures	<u>28,000</u>	<u>23,719</u>	<u>5,481</u>	<u>60,091</u>
Excess of revenues over expenditures	4,558	5,383	825	507
Other financing sources:				
Operating transfer in - General fund		370	370	
Total other financing sources		<u>370</u>	<u>370</u>	
Excess of revenues over expenditures and other financing sources	4,558	5,753	1,185	
Fund balance, beginning of year	3,702	3,702		2,775
Fund balance, end of year	<u>\$8,260</u>	<u>\$9,455</u>	<u>\$1,195</u>	<u>\$3,732</u>

DUST SERVICE FUNDS

Consolidated Sewerage District No. 1 - 1988 - To account for funds received from special assessments used to pay a portion of the acquisition and construction of sewerage improvements and extensions to the sewerage system to serve properties located in certain areas within the City.

Consolidated Sewerage District No. 1 Sinking Fund - To account for funds received from special assessments used to pay a portion of the cost of the acquisition and construction of sewerage improvements and extensions to the sewerage system to service properties located in Consolidated Sewerage District.

Sales Tax Bond Sinking Fund 1987 - To accumulate money for payment of the 1987 \$1,970,000 Public Improvement Sales Tax bonds, which are serial bonds due in annual installments, plus interest, through maturity in 2004. Debt service is financed from proceeds of the City's 3.4% sales and use tax.

Sales Tax Bond Reserve Fund 1987 - The Sales Tax Bond Reserve Fund is a reserve required by the \$1,970,000 1987 bond issue indenture.

Public Improvements Sales Tax Note, Series 1990 Sinking Fund - To accumulate money for payment of the DDQ loan in the amount of \$835,000 due in annual installments plus interest through maturity in 2005. Debt service is financed with Liquid and Solid Waste revenues.

Public Improvements Sales Tax Note, Series 1990 Reserve Fund - a reserve required by the \$835,000 due in annual installments plus interest through maturity in 2005. Debt service is financed with Liquid and Solid Waste revenues.

1995 Water and Sewer Revenue Bond Sinking Fund - To accumulate money for the payment of the 1995 \$400,000 (Series A) and \$600,000 (Series B) Water and Sewer Revenue bonds, which are serial bonds due in annual installments, plus interest through maturity due in annual installments, plus interest through maturity in 2013. Debt service is financed with revenues from Utility and Liquid and Solid Waste Funds.

1995 Water and Sewer Revenue Bond Reserve - The 1995 Water and Sewer Revenue bond reserve fund is required by the 1995 \$400,000 (Series A) bonds.

1996 Public Improvement Sales Tax Bonds Sinking Fund and Reserve Fund - To accumulate revenues for payment of the 1996 \$1,425,000 Sales Tax Refunding Bonds, which are serial bonds due in annual installments plus interest through maturity in 2004. Debt service is financed with proceeds of the City's 3.4% sales and use tax.

DEBT SERVICE FUNDS (cont'd)

Certificate of Indebtedness Series 1995 - To accumulate monies for payment of the 1995 Certificate of Indebtedness Series 1995 in the amount of \$50,124.

Sales Tax Bond Sinking Fund 1996 - To accumulate monies for payment of the 1996 \$1,675,000 Sales Tax Bonds, which are serial bonds due in annual installments plus interest through maturity in 2013. Debt service is financed with proceeds of the City's 1% sales and use tax.

Sales Tax Bond Reserve Fund 1996 - The Sales Tax Bond Reserve Fund is a reserve required by the \$1,675,000 1996 bond issue indenture.

COPIES DESTROYED

CONFIDENTIAL

MEMORANDUM FOR THE DIRECTOR

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STATE OF TEXAS
 DEPARTMENT OF TRANSPORTATION

STATEMENT OF REVENUES AND EXPENDITURES - HIGHWAYS

ACCOUNT	FISCAL YEAR 1967											
	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
REVENUES												
Tolls	100	100	100	100	100	100	100	100	100	100	100	100
License fees	200	200	200	200	200	200	200	200	200	200	200	200
Sales tax	300	300	300	300	300	300	300	300	300	300	300	300
Federal aid	400	400	400	400	400	400	400	400	400	400	400	400
State aid	500	500	500	500	500	500	500	500	500	500	500	500
Interest	600	600	600	600	600	600	600	600	600	600	600	600
Miscellaneous	700	700	700	700	700	700	700	700	700	700	700	700
Total	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
EXPENDITURES												
Construction	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Maintenance	800	800	800	800	800	800	800	800	800	800	800	800
Administration	400	400	400	400	400	400	400	400	400	400	400	400
Interest	200	200	200	200	200	200	200	200	200	200	200	200
Miscellaneous	100	100	100	100	100	100	100	100	100	100	100	100
Total	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
EXCESS (DEFICIENCY)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)

CITY OF FRANKLIN
DEBT SERVICE FUND
CONSOLIDATED SEWERAGE DISTRICT NO. 1 - 1997

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL
Year Ended April 30, 1998
With Comparative Actual Amounts for Year Ended April 30, 1997

	1998		Variances Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Special assessments	\$7,800	\$1,467	(\$6,333)	\$4,487
Interest on investments	600	1,464	864	826
Total revenues	<u>8,400</u>	<u>2,931</u>	<u>(5,469)</u>	<u>5,313</u>
Expenditures:				
Miscellaneous				353
Total expenditures				<u>353</u>
Excess (deficiency) of revenues over expenditures	<u>8,400</u>	<u>2,931</u>	<u>(5,469)</u>	<u>4,960</u>
Other financing sources (uses):				
Operating transfers out				
General fund				(1,945)
Total other financing sources (uses)				<u>(1,945)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>8,400</u>	<u>2,931</u>	<u>(5,469)</u>	<u>3,015</u>
Fund balance, beginning	<u>19,516</u>	<u>18,107</u>	<u>(3,509)</u>	<u>19,311</u>
Fund balance, ending	<u>\$28,136</u>	<u>\$19,038</u>	<u>(\$9,098)</u>	<u>\$16,107</u>

CITY OF FRANKLIN
DEBT SERVICE FUND
CONSOLIDATED SEWERAGE DISTRICT NO. 1
SINKING FUND - 1993

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL

Year Ended April 30, 1998

With Comparative Actual Amounts for Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Special assessments	\$5,229	\$7,842	\$2,613	\$8,654
Interest on investments	120	2,015	1,895	2,901
Total revenues	<u>5,349</u>	<u>9,857</u>	<u>4,508</u>	<u>11,555</u>
Expenditures:				
Debt service				
Bond payments	5,012	5,012		5,012
Interest & bank charges	2,876	2,876		3,195
Total expenditures	<u>7,888</u>	<u>7,888</u>	<u>--</u>	<u>8,207</u>
Excess (deficiency) of revenues over expenditures	(2,539)	1,969	4,508	3,348
Fund balance, beginning	11,666	15,637	3,971	12,499
Fund balance, ending	<u>\$11,666</u>	<u>\$15,637</u>	<u>\$3,971</u>	<u>\$15,637</u>

CITY OF FRANKLIN
DEBT SERVICE FUND
SALES TAX BOND SINKING FUND 1997

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended April 30, 1998
With Comparative Actual Amounts for Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Miscellaneous				\$51,888
Interest on investments	\$18,500	\$5,691	(\$12,809)	1,187
Total revenues	<u>18,500</u>	<u>5,691</u>	<u>(\$12,809)</u>	<u>63,075</u>
Expenditures:				
Administrative				1,537
Miscellaneous				95
Debt service				
Interest and bank charges	11,140	11,140		112,390
Bond payments	120,000	120,000		120,000
Total expenditures	<u>141,140</u>	<u>141,140</u>		<u>234,390</u>
Excess (deficiency) of revenues over expenditures	(122,640)	(135,449)	(12,809)	(169,315)
Other financing sources (uses):				
Proceeds from refunding bonds		50,871	50,871	
Operating transfers in				
Liquid and Solid Waste Fund	292,645	217,133	(75,512)	243,472
1997 Reserve fund		93,735	93,735	
Operating transfers out				
1995 MFL Sinking fund		(120,125)	(120,125)	
1997 Reserve fund		(29,350)	(29,350)	(19,820)
Liquid & Solid Waste fund	(18,500)	(1,900)	17,600	
Total other financing sources (uses)	<u>274,145</u>	<u>128,294</u>	<u>(145,891)</u>	<u>223,652</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	151,505	(7,155)	(158,700)	43,669
Fund balance, beginning	65,489	68,760	3,271	46,061
Fund balance, ending	<u>\$203,014</u>	<u>\$61,605</u>	<u>(\$141,409)</u>	<u>\$92,721</u>

CITY OF FRANKLIN
DEBT SERVICE FUND
SALES TAX BOND RESERVE FUND 1997

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

Year Ended April 30, 1998

With Comparative Actual Amounts for Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Interest on investments	\$000	\$13,747	\$13,847	\$14,217
Total revenues	000	13,747	13,847	14,217
Expenditures:				
Debt service				
Miscellaneous				30
Total expenditures	—			30
Excess (deficiency) of revenues over expenditures	900	13,747	13,847	14,187
Other financing sources (uses):				
Operating transfers in				
Sales Tax Sinking Fund 1997		28,358	28,358	19,825
Operating transfers out				
Liquid and Solid Waste Fund Sinking fund 1997	(21,787)	(12,080) (19,735)	9,787 (19,735)	(13,156)
Total other financing sources (uses)	(21,787)	6,815	28,432	6,669
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(20,887)	20,362	41,249	20,856
Fund balance, beginning	268,807	269,049	242	248,133
Fund balance, ending	\$247,920	\$289,411	\$41,491	\$269,049

CITY OF FRANKLIN
DEBT SERVICE FUND
D.E.C. LOAN SINKING FUND 1999

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL
Year Ended April 30, 1998
With Comparative Actual Amounts for Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Interest on investments	\$1,500	\$1,433	(\$67)	\$1,433
Total revenues	<u>1,500</u>	<u>1,433</u>	<u>(67)</u>	<u>1,433</u>
Expenditures:				
Debt service:				
Bond payments	59,800	61,900	(2,100)	59,800
Interest and bank charges	40,820	37,620	3,200	39,916
Total expenditures	<u>99,620</u>	<u>99,520</u>	<u>100</u>	<u>97,916</u>
Excess (deficiency) of revenues over expenditures	<u>(97,120)</u>	<u>(97,107)</u>	<u>100</u>	<u>(95,581)</u>
Other financing sources (uses):				
Operating transfers in:				
Liquid and Solid Waste Fund	99,800	99,800		99,800
Operating transfers out:				
Liquid and Solid Waste Fund	(1,900)	(1,900)		
Total other financing sources (uses)	<u>99,900</u>	<u>98,900</u>		<u>99,800</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>280</u>	<u>913</u>	<u>(67)</u>	<u>4,019</u>
Fund balance, beginning	<u>63,626</u>	<u>63,666</u>	<u>(40)</u>	<u>59,767</u>
Fund balance, ending	<u>\$64,906</u>	<u>\$64,719</u>	<u>(187)</u>	<u>\$63,906</u>

CITY OF FRANKLIN
DEBT SERVICE FUND
D.E.C. LOAN RESERVE FUND 1989

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL,
Year Ended April 30, 1989
With Comparative Actual Amounts for Year Ended April 30, 1987

	1989		Variance Favorable (Unfavorable)	1987 Actual
	Budget	Actual		
Revenues:				
Interest on investments	\$0,586	\$2,503	(\$60)	2,614
Miscellaneous		343	343	128
Total revenues	<u>5,586</u>	<u>2,846</u>	<u>281</u>	<u>2,742</u>
Expenditures:				
Total expenditures	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Excess (deficiency) of revenues over expenditures	<u>2,585</u>	<u>2,846</u>	<u>261</u>	<u>2,742</u>
Other financing sources (uses):				
Operating transfers out Liquid and Solid Waste Fund Sales tax reserve 1987	(3,585)	(3,200)	(3,200)	2,686
Total other financing sources (uses)	<u>(2,585)</u>	<u>(3,200)</u>	<u>(615)</u>	<u>---</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)		<u>(334)</u>	<u>(334)</u>	<u>2,742</u>
Fund balance, beginning	102,878	102,878	---	102,136
Fund balance, ending	<u>\$102,878</u>	<u>\$102,544</u>	<u>(\$334)</u>	<u>\$102,878</u>

CITY OF FRANKLIN
DEBT SERVICE FUND
1996 PUBLIC IMPROVEMENT SALES TAX BOND SINKING FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL
Year Ended April 30, 1997
With Comparative Actual Amounts for Year Ended April 30, 1997

	1996		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Miscellaneous		\$241	\$241	\$11
Interest on investments	\$800	822	22	483
Total revenues	<u>800</u>	<u>1,063</u>	<u>263</u>	<u>494</u>
Expenditures:				
Debt service				
Bond payments	30,000	30,000		30,000
Interest & bank charges	60,503	61,107	(174)	30,264
Miscellaneous		85	(85)	12
Total expenditures	<u>90,503</u>	<u>91,172</u>	<u>(279)</u>	<u>92,276</u>
Excess (deficiency) of revenues over expenditures	<u>(90,133)</u>	<u>(90,109)</u>	<u>24</u>	<u>(51,782)</u>
Other financing sources				
Operating transfers in				
Liquid and Solid Waste Fund	90,932	116,573	24,641	96,629
1997 Sales Tax Sinking Fund		120,126	120,126	
Total other financing sources	<u>90,932</u>	<u>236,699</u>	<u>144,767</u>	<u>96,629</u>
Excess (deficiency) of revenues over expenditures and other financing sources	<u>799</u>	<u>145,590</u>	<u>144,790</u>	<u>40,847</u>
Fund balance, beginning	48,901	48,900	(1)	53
Fund balance, ending	<u>\$47,700</u>	<u>\$194,489</u>	<u>\$144,789</u>	<u>\$46,900</u>

CITY OF FRANKLIN
DEBT SERVICE FUND
1996 PUBLIC IMPROVEMENT SALES TAX BOND RESERVE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

Year Ended April 30, 1998

With Comparative Actual Amounts for Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Miscellaneous		\$116	\$116	\$27
Interest on Investments	\$221	\$41	(\$20)	\$26
Total revenues	<u>\$221</u>	<u>\$27</u>	<u>\$6</u>	<u>\$53</u>
Expenditures:				
Debt service				
Miscellaneous				\$3
Total expenditures	<u>---</u>	<u>---</u>	<u>---</u>	<u>\$3</u>
Excess (deficiency) of revenues over expenditures	<u>\$221</u>	<u>\$27</u>	<u>\$6</u>	<u>\$50</u>
Other financing sources (uses):				
Operating transfers in:				
Liquid and Solid Waste Fund				\$3,007
Operating transfers out:				
Liquid and Solid Waste Fund	(1,008)		1,008	
Total other financing sources (uses)	<u>(1,008)</u>		<u>1,008</u>	<u>\$3,007</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(\$78)</u>	<u>\$27</u>	<u>1,006</u>	<u>\$4,557</u>
Fund balance, beginning	\$4,283	\$4,283		\$1
Fund balance, ending	<u>\$3,394</u>	<u>\$3,310</u>	<u>\$1,836</u>	<u>\$34,283</u>

CITY OF FRANKLIN
DEBT SERVICE FUND
SS WATER & SEWER REVENUE BOND-SINKING FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended April 30, 1998
With Comparative Actual Amounts for Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Interest on investments	\$400	\$393	(\$7)	\$279
Miscellaneous		33	33	
Total revenues		426	26	
Expenditures:				
Debt service				
Bond payments	16,000	16,000		4,988
Interest and bank charges	11,308	11,308		
Miscellaneous		20	(20)	61
Total expenditures	27,308	27,348	(40)	5,029
Excess (deficiency) of revenues over expenditures	(27,308)	(26,922)	6	(5,029)
Other financing sources				
Operating transfers in				
Liquid and Solid Waste Fund	27,418	27,418		12,762
Total other financing sources	27,418	27,418		12,762
Excess (deficiency) of revenues over expenditures and other financing sources	60	604	6	7,733
Fund balance, beginning	0,747	0,747		
Fund balance, ending	\$0,807	\$0,241	\$6	\$7,733

CITY OF FRANKLIN
 DEBT SERVICE FUND
 '99 WATER & SEWER REVENUE BOND RESERVE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

Year Ended April 30, 1999

With Comparative Actual Amounts for Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Interest on Investments	\$1,050	\$947	(\$103)	\$1,891
Miscellaneous		153	153	\$114
Total revenues	1,050	1,100		2,005
Expenditures:				
Total expenditures				
Excess (deficiency) of revenues over expenditures	1,050	1,100		2,005
Other financing sources (uses)				
Operating transfers out Liquid and Solid Waste Fund	(4,500)	(4,500)		
Total other financing sources (uses)	(4,500)	(4,500)		
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(3,450)	(3,400)		2,005
Fund balance, beginning	38,290	38,261	(29)	36,190
Fund balance, ending	\$34,840	\$34,751	(89)	\$38,195

CITY OF FRANKLIN
 DEBT SERVICE FUND
 CERTIFICATES OF INDEBTEDNESS SERIES 1995

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
 BUDGET AND ACTUAL

Year Ended April 30, 1996

With Comparative Actual Amounts for Year Ended April 30, 1997

	1996		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Interest on investments	\$0	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:				
Debt service				
Bond payments	4,110	3,900	1,110	3,000
Interest & bank charges	1,000	2,100	(1,100)	3,510
Miscellaneous		50	(50)	44
Total expenditures	<u>5,110</u>	<u>5,150</u>	<u>(50)</u>	<u>6,554</u>
Excess (deficiency) of revenues over expenditures	<u>(5,110)</u>	<u>(5,150)</u>	<u>(10)</u>	<u>(6,487)</u>
Other financing sources				
Operating transfers in General Fund	5,995	5,100	15	5,355
Total other financing sources	<u>5,995</u>	<u>5,100</u>	<u>15</u>	<u>5,355</u>
Excess (deficiency) of revenues over expenditures and other financing sources	<u>(25)</u>	<u>(20)</u>	<u>5</u>	<u>(1,132)</u>
Fund balance, beginning	3,219	2,868	(442)	4,000
Fund balance, ending	<u>\$3,285</u>	<u>\$2,848</u>	<u>(\$437)</u>	<u>\$2,868</u>

CITY OF FRANKLIN
DEBT SERVICE FUND
SALES TAX BOND SINKING FUND 1988

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

Year Ended April 30, 1988

With Comparative Actual Amounts for Year Ended April 30, 1987

	1988		Variance Favorable (Unfavorable)	1987 Actual
	Budget	Actual		
Revenues:				
Miscellaneous				\$1,157
Interest on investments	\$1,305	\$2,185	\$880	393
Total revenues	<u>1,305</u>	<u>2,185</u>	<u>880</u>	<u>1,550</u>
Expenditures:				
Debt service:				
Interest and bank charges	83,010	102,512	(19,502)	52,144
Bond payments	50,000	52,800		
Miscellaneous				108
Total expenditures	<u>133,010</u>	<u>155,312</u>	<u>(22,302)</u>	<u>52,252</u>
Excess (deficiency) of revenues over expenditures	<u>(121,705)</u>	<u>(153,127)</u>	<u>(31,422)</u>	<u>(50,698)</u>
Other financing sources (uses):				
Operating transfers in:				
General Fund	151,687	151,687		76,844
1984 ST Bond Reserve Fund	8,720	5,452	3,268	2,983
Operating transfers out:				
General Fund	(8,720)	(4,080)	4,640	
Total other financing sources (uses)	<u>151,687</u>	<u>153,059</u>	<u>1,372</u>	<u>79,827</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>30,000</u>	<u>8,932</u>	<u>(21,068)</u>	<u>29,131</u>
Fund balance, beginning	29,131	29,131		
Fund balance, ending	<u>\$45,115</u>	<u>\$35,955</u>	<u>(\$9,160)</u>	<u>\$29,131</u>

CITY OF FRANKLIN
DEBT SERVICE FUND
SALES TAX BOND RESERVE FUND 1996

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL
Year Ended April 30, 1998

With Comparative Actual Amounts for Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Interest on Investments	\$8,720	\$10,260	\$1,540	\$3,794
Total revenues	<u>8,720</u>	<u>10,260</u>	<u>1,540</u>	<u>3,794</u>
Expenditures:				
Miscellaneous				20
Total expenditures				<u>20</u>
Excess (deficiency) of revenues over expenditures	<u>8,720</u>	<u>10,260</u>	<u>1,540</u>	<u>3,774</u>
Other financing sources (uses):				
Operating transfers in General Fund				20
1996 S/T Construction Fund				153,685
Operating transfers out 1996 S/T Sewing Fund	(8,720)	(8,452)	(268)	(2,983)
Total other financing sources (uses)	<u>(8,720)</u>	<u>(8,452)</u>	<u>(728)</u>	<u>150,722</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)		\$11	\$11	\$4,496
Fund balance, beginning	153,800	154,489	1,489	
Fund balance, ending	<u>\$153,800</u>	<u>\$155,310</u>	<u>\$2,310</u>	<u>\$154,496</u>

CAPITAL PROJECTS FUNDS

Consolidated Sewerage Project 1993 - To account for the receipt and use of funds to install sewer lines along the streets of Trout, Tweedie, Hamer and Millow.

Northwest Blvd. Project - To account for the receipt and expenditure of funds used to install sewer lines along Northwest Boulevard.

Volody Project - To account for the receipt and expenditure of funds used to relieve drainage problems during floods.

Sales Tax Bond Construction Fund 1996 - To account for the receipt and expenditure of funds used to construct and improve public streets, drainage facilities, public parks, recreational facilities, paving public parking lots and acquiring equipment.

LCDBG Sewer Rehabilitation Fund - To account for the receipt and expenditure of federal grants awarded for the purpose of sewer rehabilitation.

ISTEA-Franklin Pedestrian/Bicycle Path - To account for the receipt and expenditure of funds related to landscaping the pedestrian/bicycle path.

**CITY OF SEASIDE
CAPITAL PROJECTS FUND**

COMPARATIVE BALANCE SHEET

April 30, 1999

With Comparative Totals for April 30, 1997

	Consolidated General Fund 1999	Variance Favorable	1999 Prior Bond Construction 1999	1999 Bond Funds Reconciliation	1997A Special Levies/Other Funds/Other Misc. Funds	Totals	
						1999	1997
ASSETS							
Cash and cash equivalents	\$95,814	\$26,612	\$42,728	\$682	\$500	\$166,036	\$166,036
Investments		\$71,054	199,800			270,854	270,854
Due from governmental units				138,401		138,401	138,401
Total assets	<u>\$95,814</u>	<u>\$97,666</u>	<u>\$242,528</u>	<u>\$139,083</u>	<u>\$500</u>	<u>\$675,899</u>	<u>\$675,899</u>
LIABILITIES AND FUND EQUITY							
Liabilities							
Accounts payable			\$15,660			\$15,660	\$15,660
Accounts payable due to other funds	\$200		48,237	\$420,792		569,229	569,229
Total liabilities	<u>\$200</u>	<u>---</u>	<u>\$63,897</u>	<u>\$466,482</u>	<u>\$---</u>	<u>\$629,608</u>	<u>\$629,608</u>
Fund equity							
Fund balance							
Unassigned, unencumbered	\$6,629					\$6,629	\$6,629
Total fund balance	<u>\$6,629</u>	<u>\$6,629</u>	<u>\$13,001</u>	<u>\$62</u>	<u>\$---</u>	<u>\$20,321</u>	<u>\$20,321</u>
Total liabilities and fund balance	<u>\$6,829</u>	<u>\$6,629</u>	<u>\$76,898</u>	<u>\$466,544</u>	<u>\$---</u>	<u>\$650,029</u>	<u>\$650,029</u>

CITY OF WASHINGTON
CAPITAL PROJECTS FUNDS

COMPARISON OF BUDGET OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended April 30, 1989
With Comparison Month to the Year Ended April 30, 1987

Revenue	Fiscal Year 1988		Fiscal Year 1987		FTEA Funds	FTEA Projects
	Amount	% of Total	Amount	% of Total		
Operating:						
State grant	555,000		557,075		555	52,852
U. S. Navy Public-Private	148,070		148,070			14,807
B. V. Neff Public-Private Board	18,000		18,000			18,000
Administrative	30,750		30,750			30,750
Miscellaneous						4,981
Reserve funds						3,311
Total revenues	<u>831,820</u>		<u>873,970</u>		<u>555</u>	<u>124,763</u>
Expenditures:						
Capital						250,425
Operating						276,870
Maintenance						48,000
Construction						750
Design						1,114,700
Engineering						8,170
Culture and Recreation						58,318
Highways and streets						3,790
Other (misc)						1,000,000
Total expenditures	<u>276,870</u>		<u>1,982,483</u>		<u>750</u>	<u>43,788</u>
Excess (deficiency) of revenues over expenditures	<u>554,950</u>		<u>(1,108,513)</u>		<u>(195)</u>	<u>80,975</u>
Other financing sources (uses):						
Bond proceeds						1,074,000
Miscellaneous						82,000
Debt retirement						(281,170)
Operating transfers						(689,370)
Operating transfers						1,000,000
Total other sources (uses)						<u>1,185,560</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>554,950</u>		<u>(1,108,513)</u>		<u>(195)</u>	<u>(2,813)</u>
Operating revenues (uses)						
Fund balance beginning	14,800		14,800		14,800	14,800
Budget policy transfer	10,000		10,000			10,000
Fund balance ending	<u>248,150</u>		<u>248,150</u>		<u>248,150</u>	<u>(17,913)</u>

CITY OF FRANKLIN
 CAPITAL PROJECTS FUNDS
 CONSOLIDATED SEWERAGE PROJECT 1993

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 Year Ended April 30, 1993
 With Comparative Totals for the Year Ended April 30, 1992

	1993		Variance Favorable (Unfavorable)	1992 Actual
	Budget	Actual		
Revenues:				
Interest earned	\$2,200	\$2,574	\$374	\$3,584
Miscellaneous				3,959
Total revenues	<u>2,200</u>	<u>2,574</u>	<u>374</u>	<u>7,543</u>
Expenditures:				
Capital outlay				
Sanitation				
Construction	53,000		53,000	29,257
Engineering	4,521		4,521	3,523
Other costs				2,014
Total expenditures	<u>57,521</u>		<u>57,521</u>	<u>34,794</u>
Excess (deficiency) of revenues over expenditures	<u>(55,321)</u>	<u>2,574</u>	<u>57,895</u>	<u>(27,251)</u>
Other financing sources (uses):				
Operating transfers out				
Liquid & Solid Waste				(43,411)
Return of overpayment				62,680
Total other financing sources (uses)				<u>19,269</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(55,321)</u>	<u>2,574</u>	<u>57,895</u>	<u>(7,982)</u>
Fund balance, beginning	54,055	54,055		62,007
Fund balance, ending	<u>\$1,734</u>	<u>\$56,629</u>	<u>\$57,895</u>	<u>\$54,025</u>

CITY OF FRANKLIN
CAPITAL PROJECTS FUNDS
NORTHWEST BLVD. PROJECT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
Year Ended April 30, 1998
With Comparative Totals for the Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Assessments				\$3,781
Total revenues				3,781
Expenditures:				
Capital outlay				
Sanitation				
Engineering				13,515
Other costs				52
Total expenditures				13,567
Excess (deficiency) of revenues over expenditures				(9,786)
Other financing sources:				
Operating transfers in				
Liquid and Solid Waste				14,318
Total other financing sources				14,318
Excess (deficiency) of revenues over expenditures and other financing sources				4,532
Fund balance, beginning		(\$10,669)	(\$10,669)	(15,199)
Residual equity transfer		10,669	10,669	
Fund balance, ending		--	--	(\$10,669)

CITY OF FRANKLIN
CAPITAL PROJECTS FUNDS
YORKLY PROJECT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
Year Ended April 30, 1998
With Comparative Totals for the Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997
	Budget	Actual		Actual
Revenues:				
Intragovernmental:				
St. Mary Parish Council				570,000
Consolidated Drainage				
District No. 1				98,000
Interest	\$0,730	\$0,449	\$13,738	21,151
State grant	204,838	204,830		
Total revenues	<u>214,358</u>	<u>220,099</u>	<u>13,738</u>	<u>181,151</u>
Expenditures:				
Capital outlay				
Drainage				
Construction	292,340	292,340		
Engineering	64,870	64,870		25,267
Property acquisition	29,000		20,900	
Total expenditures	<u>386,210</u>	<u>357,210</u>	<u>20,900</u>	<u>25,267</u>
Excess (deficiency) of revenues over expenditures	<u>(182,552)</u>	<u>(148,824)</u>	<u>33,728</u>	<u>955,884</u>
Other financing sources (uses):				
Operating transfer in				
Sales Tax Construction 1998				270,000
Operating transfer out				
General fund				(12,020)
Total other sources (uses)				<u>258,980</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(182,552)</u>	<u>(148,824)</u>	<u>33,728</u>	<u>412,384</u>
Fund balance, beginning	755,269	755,269		348,995
Fund balance, ending	<u>\$572,717</u>	<u>\$606,445</u>	<u>\$33,728</u>	<u>\$755,989</u>

CITY OF FRANKLIN
CAPITAL PROJECTS FUNDS
SALES TAX BOND CONSTRUCTION FUND 1996

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL

Year Ended April 30, 1996

With Comparative Totals for the Year Ended April 30, 1997
1996

	Budget	Actual	Variance Favorable (Unfavorable)	1997 Actual
Revenues:				
Interest earned	\$22,726	\$22,726	\$7,666	\$7,419
Intergovernmental				
St. Mary Parish Council	57,404	58,572	668	15
St. Mary Parish School Board	82,653	78,831	(3,822)	
Total revenues	172,783	177,729	4,744	7,434
Expenditures:				
Capital outlay				
Highways and streets				
Construction	578,522	1,277,853	(198,531)	24,852
Engineering	32,684	77,702	(5,018)	72,879
Attorney fees	127	127	127	5,350
Bond counsel				32,492
Inspectors	600	600	600	1,505
Printing				1,022
Miscellaneous	3,823	5,713	(1,791)	178
Total expenditures	615,156	1,160,465	(294,553)	108,948
Excess (deficiency) of revenues over expenditures	(782,303)	(982,736)	(199,809)	(121,514)
Other financing sources (uses):				
Bond proceeds				1,674,965
Operating transfers out				
Sales Tax Bond Reserve				
Fund 1996				(153,687)
Vocacy Project				(276,680)
Total other financing sources (uses)				1,244,598
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(782,303)	(982,736)	(199,809)	1,119,700
Fund balance, beginning	1,179,793	1,119,700		
Fund balance, ending	\$396,880	\$137,964	\$(199,809)	\$1,119,700

CITY OF FRANKLIN
CAPITAL PROJECTS FUNDS
LEADS BEMER REHABIL/RECONSTRUCTION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL

Year Ended April 30, 1998

With Comparative Totals for the Year Ended April 30, 1997

	1998		Variance Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
State grant	\$572,448	\$531,374	(\$241,098)	\$2,898
Total revenues	<u>572,448</u>	<u>531,374</u>	<u>(241,098)</u>	<u>2,898</u>
Expenditures:				
Capital outlay				
Construction	194,000	283,421	(179,412)	
Engineering	41,691	46,858	(5,267)	
Administration	1,248		1,248	
Miscellaneous	14	1,069	(1,069)	
Total expenditures	<u>147,054</u>	<u>331,458</u>	<u>(184,468)</u>	
Excess (deficiency) of revenues over expenditures	<u>425,394</u>	<u>(82)</u>	<u>(425,468)</u>	<u>2,898</u>
Other financing sources:				
Operating transfers in				
Sales Tax Bond Construction Fund 1998	170,000		(170,000)	
Total other financing sources	<u>170,000</u>		<u>(170,000)</u>	
Excess (deficiency) of revenues over expenditures and other financing sources	<u>255,394</u>	<u>(82)</u>	<u>(255,468)</u>	<u>2,898</u>
Fund balance, beginning				(2,473)
Residual equity transfer				(377)
Fund balance, ending	<u>\$255,394</u>	<u>(82)</u>	<u>(255,468)</u>	

CITY OF FRANKLIN
 CAPITAL PROJECTS FUNDS
 ISTEA-FRANKLIN LANDSCAPING & PEDESTRIAN/BICYCLE PATH

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 Year Ended April 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
State grant	\$113,600	900	(\$112,668)
Total revenues	<u>113,600</u>	<u>900</u>	<u>(112,668)</u>
Expenditures:			
Construction	791	790	1
Total expenditures	<u>791</u>	<u>790</u>	<u>1</u>
Excess (deficiency) of revenues over expenditures	112,809	(190)	(112,907)
Fund balance, beginning			
Fund balance, ending	<u>\$112,809</u>	<u>(\$190)</u>	<u>\$112,907</u>

ENTERPRISE FUND

Utility Fund - To account for providing water service to residents of the City. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operation, maintenance, financing and related debt service, and billing and collection.

CITY OF FRANKLIN
ENTERPRISE FUND
UTILITY FUND

COMPARATIVE BALANCE SHEET
April 30,

	1996	1997
ASSETS		
Current assets		
Cash and cash equivalents	\$294,473	\$244,453
Receivables		
Accounts	188,112	208,257
Interest	79	219
Due from other funds	74,407	149,222
Prepaid expenses		1,264
Total current assets	\$447,069	\$603,415
Restricted assets, cash and investments		
55 Water & Sewer Bond Sinking	12,209	10,120
Revenue Bond Reserve Account	52,200	52,200
Capital Additions and Contingency	100,095	73,479
Total restricted assets, cash and investments	164,504	135,799
Property, plant, and equipment		
Land	10,000	10,000
Building, improvements and equipment	3,326,566	3,283,991
Automotive equipment	124,370	121,303
Furniture and fixtures	115,052	115,052
	3,575,977	3,590,346
Less: Accumulated depreciation	2,691,141	2,612,234
Net property, plant and equipment	884,836	978,111
Total assets	\$1,603,405	\$1,657,275

LIABILITIES AND FUND EQUITY	1998	1997
Liabilities:		
Current liabilities (payable from current assets):		
Accounts payable and accrued expenses	\$65,254	\$57,200
Accrued wages payable	4,780	17,389
Customer deposits	127,500	114,041
Due to other funds	248,513	142,673
Current portion of obligation under capital lease	3,357	15,242
Total current liabilities (payable from current assets)	<u>450,404</u>	<u>346,552</u>
Current liabilities (payable from restricted assets):		
Current portion of revenue bonds	20,000	15,000
Total current liabilities (payable from restricted assets)	<u>20,000</u>	<u>15,000</u>
Long-term liabilities:		
Revenue bonds (net of current portion)	540,000	560,000
Obligation under capital leases (net of current portion)		1,330
Total long-term liabilities	<u>540,000</u>	<u>561,330</u>
Total liabilities	<u>1,010,404</u>	<u>922,877</u>
Fund equity:		
Retained earnings		
Reserved for revenue bond retirement	52,000	52,512
Unreserved	537,674	681,686
Total fund equity	<u>589,674</u>	<u>734,198</u>
Total liabilities and fund equity	<u>\$1,600,078</u>	<u>\$1,657,075</u>

FIDUCIARY FUNDS

Expendable Trusts:

Museum Endowed Care - The Museum Endowed Care Fund was established to account for the receipt and expenditure of the portion of crop sales dedicated to the upkeep and maintenance of the museum.

Agency:

Three agency accounts handle the payroll, accounts payable, and retired employees' insurance program transactions for the various funds and departments of the City.

CITY OF FRANKLIN
EDUCARY FUNDS

COMPARING BALANCE SHEET

Year Ended April 30, 1998

With Comparative Totals for Year Ended April 30, 1997

	Expendable Trust		Agency		Retired Employees' Insurance	Totals	1998	1997
	Maintenance Engineered Costs	Payroll Fund	Accounts Payable	Clearing				
Cash and cash equivalents	\$14,376	\$53,894	\$88,865		\$3,825	\$157,960	\$82,204	
Due from other funds	73	543	36,252			37,068	54,709	
Total assets	\$14,451	\$54,437	\$125,117		\$3,825	\$191,258	\$136,913	
LIABILITIES AND FUND EQUITY								
Liabilities:								
Accounts payable					\$3,825	\$3,825	\$2,859	
Due to other funds		\$10,379	\$118,147			128,517	82,419	
Payroll deductions payable		64,465				64,465	37,227	
Total liabilities		74,844	118,147		3,825	196,817	122,505	
Fund Equity:								
Fund balances	\$14,451					14,451	13,699	
Total liabilities and Fund balances	\$14,451	\$54,437	\$118,147		\$3,825	\$191,258	\$136,913	

CITY OF TYLER, TX

COMBINED STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
Year Ended April 30, 1988

	Capital Fund	Accounts Payable - Cleaning	Retired Employees' Insurance	Total All-Agency Funds
Cash - beginning	\$47,709	\$18,304	\$7,809	\$83,459
Additions	2,881,288	3,173,905	42,549	5,107,943
Deductions	(2,174,820)	(3,058,355)	(41,788)	(5,274,963)
Cash - ending	<u>\$3,177</u>	<u>\$6,854</u>	<u>2,570</u>	<u>\$12,601</u>
Due from other funds - beginning	\$0	\$5,890		\$5,890
Additions		3,826,434		3,826,434
Deductions		(3,827,877)		(3,827,877)
Due from other funds - ending	<u>\$0</u>	<u>\$4,447</u>	<u>--</u>	<u>\$4,447</u>
Total assets	<u>\$54,886</u>	<u>\$116,147</u>	<u>\$3,070</u>	<u>\$174,103</u>
Accounts payable - beginning			\$2,000	\$2,000
Additions			42,549	42,549
Deductions			(43,789)	(43,789)
Accounts payable - ending	<u>--</u>	<u>--</u>	<u>\$870</u>	<u>\$870</u>
Accrued salaries payable - beginning				--
Additions	\$2,783,278			2,783,278
Deductions	(2,783,278)			(2,783,278)
Accrued salaries payable - ending	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Due to other funds - beginning	\$8,378	\$72,649		\$81,027
Additions		700,000		700,000
Deductions		(824,497)		(824,497)
Due to other funds - ending	<u>\$8,378</u>	<u>\$18,152</u>	<u>--</u>	<u>\$26,530</u>
Payroll deductions payable - beginning	\$2,727			\$2,727
Additions	1,272,848			1,272,848
Deductions	(1,288,170)			(1,288,170)
Payroll deductions payable - ending	<u>\$4,405</u>	<u>--</u>	<u>--</u>	<u>\$4,405</u>
Total liabilities	<u>\$54,886</u>	<u>\$116,147</u>	<u>\$3,070</u>	<u>\$174,103</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

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

CITY OF FRANKLIN

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS
Year Ended April 30, 1999

	Land	Buildings	Improvements Other Than Buildings	Movable Equipment	Construction in Progress	Total
General Fixed Assets, beginning of year	\$405,255	\$1,234,567	\$8,217,867	\$1,217,799	\$69,935	\$11,935,364
Additions:						
General Fund			48,838	105,884	911	155,343
Liquidated Bond Issues Fund				84,739		84,739
1996 S/T Bond Construction Yieldy Project			871,349		473,646	1,444,994
Landscaping Pops/Bike Path				288,349	84,570	372,919
			1,320,096	419,282	929,817	1,999,645
Reductions				(68,839)		(68,839)
Reclassification	113,769	910,645	3,707	(208,276)	(69,035)	-
General Fixed Assets end of year	\$549,034	\$1,345,120	\$9,541,660	\$1,229,659	\$929,817	\$13,525,290

CITY OF FRANKLIN

Schedule of Changes in Assets Related to
1993 Water and Revenue Bond Debt Service
For the Year Ended April 30, 1994

	Revenue Funds:			
	95 Water & Sewer Renewal & Replacement Fund	96 Sewing Fund Utility Fund	97 Water & Sewer Revenue Bonds	Total Revenue Funds
Cash, May 1, 1993	\$23,477	\$19,129	\$38,261	\$80,867
Cash receipts:				
Interest earned on cash account	1,371	430	1,050	1,050
Transfers from operating account	96,310	53,721		
Total cash receipts	97,681	54,151	1,050	1,050
Total cash available	121,158	73,279	39,311	91,461
Cash disbursements:				
Interest and bank charges		37,962		
Principal payments		16,000		
Transfers to operating account	2,062		4,500	4,500
Total cash disbursements	2,062	53,962	4,500	4,500
Cash, April 30, 1993	\$195,096	\$12,309	\$34,751	\$242,156

CITY OF FRANKLIN

**Analysis of Additions, Replacements, and Improvements
Water and Sewer Systems
For the Year Ended April 30, 1999**

	<u>Additions</u>	<u>Improvements</u>	<u>Total</u>
Sewer System		\$7,052	\$7,052
Water System	\$259,029	414,943	714,772
	<u>\$259,029</u>	<u>\$422,005</u>	<u>\$721,834</u>

CITY OF FRANKLIN

Schedule of Sewerage Rates and Billings
For the Year Ended April 30, 1998

		Billing Amounts
May 1997	Fee based upon consumption	\$32,400
June 1997		30,404
July 1997		27,000
August 1997		29,500
September 1997		26,000
October 1997		32,500
November 1997		36,040
December 1997		29,071
January 1998		27,766
February 1998		40,464
March 1998		33,290
April 1998		31,848
		<hr/>
		\$379,673

*The number of system users at the end of the fiscal year was 3,184.

*The average monthly billing per user was approximately \$9.91.

*The fee is based on water consumption set at:

- a. \$2.00 minimum up to 2000 gallons
- b. \$1.40 per 1,000 gallons thereafter

CITY OF FRANKLIN

**Schedule of Water Rates and Billings
For the Year Ended April 30, 1998**

	Billing Amounts
May 1997	Fee based upon consumption
June 1997	\$56,839
July 1997	53,577
August 1997	64,533
September 1997	67,919
October 1997	49,966
November 1997	59,921
December 1997	74,902
January 1998	67,109
February 1998	60,622
March 1998	76,700
April 1998	40,107
	<hr/>
	\$713,647
	<hr/>

*The number of system users at the end of the fiscal year was 3,194.

*The average monthly billing per user was approximately \$10.61.

*The fee is based on water consumption set at:

- a. \$4.10 minimum up to 2000 gallons
- b. \$2.31 per 1,000 gallons from 2001 to 13,000 gallons
- c. \$2.17 per 1,000 gallons from 13,001 to 50,000 gallons
- d. \$2.09 per 1,000 gallons thereafter

CITY OF PRIMAVERA
Schedule of Insurance Policies in Force
As of April 30, 1998

Coverage	Amounts or Limits	Expires	Company
Workers' Compensation	Statutory Louisiana Benefits \$100,000 - each accident \$100,000 - each employee \$200,000 - each policy	01/01/98	LA Safety Assoc. of Terrebonne
Business Automobile	auto liability - \$800,000 collision - \$500 (deductible) - \$0,000 to \$0,000 specified causes of loss - \$200 (deductible) 42,000 to \$2,000	01/08/98	Clearwater National Insurance Co.
Fidelity Bond	\$80,000 - Mayor \$80,000 - City Clerk \$70,000 - other employees \$68,000 - Tax collector \$45,000 - Bell South \$0,000 - City Marshal \$1,000 - Court Clerk \$0,000 - City Deputy Marshal \$0,000 - City Deputy Marshal	03/28/98 05/29/98 08/29/98 08/29/98 09/30/98 09/30/98 10/01/98 05/01/98 08/01/98	Western Surety
Tools & Machinery	\$7,000,000	04/05/98	Hartford
Fire & Extended Coverage	All city buildings - \$4,405,434 Beverly Street - \$420,000	03/11/98 05/01/98	Fireweaver Specialty Group Bostwick Inc.
Mobile Machinery Floater	\$981,170	07/02/98	Continental Casualty Co.
Premises Liability	bodily injury & damage - \$1,000,000	06/01/98	Evans Insurance Co.
Computer Coverage	\$711,000	11/20/98	Metford
Health Dental Plan	\$1,000,000 - maximum individual Medical benefit \$70,000 - individual medical & services \$2,000 - individual accident & sub- stance abuse \$25,000 - Medical nursing care	4/01/98	Guaranteed Insurance Resources

Unaudited

CITY OF FRANKLIN**Compensation Paid to Members of Governing Board
For the Year Ended April 30, 1998**

	Salary	Expense Allowance	Car Allowance
Mayor			
Sam Jones	\$38,400	\$3,600	\$5,600
Council Members			
Carl Foulcard	3,600	1,800	
Sarah Belle Minor	3,600	1,800	
John O'Neill	3,600	1,800	
Craig Pellerin	3,600	1,800	
Ronny Scott	3,600	1,800	
	<u>\$56,400</u>	<u>\$12,000</u>	<u>\$5,600</u>

Unaudited

INTERNAL ACCOUNTING CONTROL AND COMPLIANCE SECTION

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

To Mayor and Members of the City Council
City of Franklin, Louisiana

We have audited the general purpose financial statements of the City of Franklin, Louisiana, as of and for the year ended April 30, 1998, and have issued our report thereon dated October 8, 1998, which was qualified due to lack of proper reporting of certain pension related costs. Separate auditors' reports have been issued for the financial statements of the City's component units (City Court of the City of Franklin and Marshall's Fund of the City Court). Reports similar to these have been issued on these component units. Therefore, this report does not include any information related to these component units.

Compliance

As part of obtaining reasonable assurance about whether the City of Franklin, Louisiana's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying item of noncompliance schedule as item no. 98-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Franklin, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatement 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the use of management, funding agencies, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



CERTIFIED PUBLIC ACCOUNTANTS

October 8, 1968

ITEM OF NONCOMPLIANCE

BUDGET AMENDMENT COMPLIANCE

Condition: We noted during our review of budget to actual comparisons that several funds had expenditures in excess of appropriations and revenues which were less than the budgeted amounts.

Criteria: Louisiana statutes require that the chief executive or administrative officer advise the governing authority or independently elected official in writing when:

1. Total actual revenues within a fund are falling to meet budgeted revenues by five percent or more.
2. Total expenditures in a fund are exceeding the estimated budgeted expenditures by five percent or more.

Effect: Noncompliance with State law.

Cause: Failure of the system for amending budgets to capture all adjustments within the 5% range.

Notification was not made and the following budgets were not amended although actual revenues failed to come within five percent of budgeted revenues:

Fund	Budget	Actual	Variance
Debt Service Fund			
Consolidated Sewerage District No. 1 - 1989	\$8,503	\$2,961	\$(5,562)
Capital Projects:			
ISTEA-Franklin Landscaping			
Pedestrian/Bicycle Path	113,600	633	(112,968)
LCDBO Server Rehab	572,440	351,270	(241,000)
Special Revenue Fund			
Narcotic Aid Fund	32,758	28,102	(4,656)

Notification was not made and the following budgets were not amended although actual expenditures exceeded budgeted expenditures by five percent or more.

Fund	Budget	Actual	Variance
Debt Service Fund:			
Sales Tax Bond Sinking Fund 1996	\$133,810	\$152,302	\$18,492
Capital Projects Funds:			
Sales Tax Bond Construction 1996	935,915	1,168,468	(232,553)
LCDMG Sewer Rehab	147,034	331,456	(184,422)

Management Comments:

Due to fluctuations in the volume of anticipated activity relative to on-going projects, it became difficult to accurately project revenues (many of which were based on shoredowns) and expenditures. This creates budget variances but we will continue to make every effort to monitor these projects and the related funds closely.

SUMMARY OF PRIOR YEAR FINANCES AND RELATED CORRECTIVE ACTION
PREPARED BY CITY OF FRANKLIN

Reportable Condition and Item of Noncompliance

1997 Internal Control Audit Finding (page 77)

1997 Compliance Audit Finding (page 82)

Preparation of Payroll Tax Report

Condition: During our testing of payroll, we noted significant, although not material, differences between amounts reported on the quarterly payroll tax returns as compared to the general ledger.

Corrective Action: During fiscal year 1997-1998, our Chief Financial Officer reviewed all payroll reports reconciling such reports to the underlying payroll records and to the general ledger.

Item of Noncompliance

1997 Compliance Audit Finding (page 86)

Budget Administration Compliance

Condition: We noted during our review of budget to actual comparison that several funds had expenditures in excess of appropriations and revenues which were less than the budgeted amounts.

Corrective Action: Due to timing differences regarding proposed projects it is difficult to project accurately proposed expenditures and revenues. We feel we will always have some budget deviations. However, we are making every effort to monitor these deviations and to provide a report to the Council on a monthly basis of operating revenues and expenditures and any deviations resulting thereon.



City of Franklin
Louisiana

815 PINE ST. 815-2202-1000
FRANKLIN, LOUISIANA 70531

October 30, 1988

Dr. Daniel G. Eyle
Office of Legislative Auditors
State of Louisiana
P.O. Box 94390
Baton Rouge, La. 70804-0390

Dear Dr. Eyle:

The City of Franklin respectfully submits the following corrective action plan for this year ended April 30, 1988.

CORRECTIVE ACTION:

Person Responsible: Raymond Harris, Jr., Chief Financial Officer
City of Franklin, LA
308 Thibode St. - P.O. Box 560
Franklin, La. 70538-0560
5040 828-6309

Time for Completion: April, 1989

TYPE OF NON-COMPLIANCE: NE: Item No. 98-1

Budget Amendment Compliance: We noted during our review of budget to actual comparison that several funds had expenditures in excess of appropriations and revenues which were less than the budgeted amounts.

Corrective Action: Due to timing differences regarding proposed projects it is difficult to project accurately proposed expenditures and revenues. We feel we will always have some budget deviations. However, we are making every effort to monitor these deviations and to provide a report to the Council as a monthly basis of operating revenues and expenditures and any deviations resulting therefrom. And we will propose an adjustment to the budget if it appears that the deviation will exceed NE.

This plan of action is being submitted in accordance with legislative requirements. If you have any questions concerning this action plan, contact the undersigned.

CITY OF FRANKLIN, LA.

Raymond Harris, Jr.
Raymond Harris, Jr.
Chief Financial Officer

RR,jm/iv