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CITY OF MANSFIELD
Mansfield, Louisiana

**General Purpose Financial Statements
With Independent Auditor's Report**

**As of and for the Year Ended
December 31, 2009
With Supplemental Information Schedules**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. This report is available for public inspection at the State Budget Office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

APR 12 2008

Released 09/09

**VERNON R
COON**

STATE AUDITOR

CITY OF MANASSAS
Manassas, Louisiana

General Purpose Financial Statements
With Independent Auditor's Report
As of and for the Year Ended
December 31, 1999
With Supplemental Information Schedules

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Independent Auditor's Report

**MAYOR AND BOARD
OF ALDERMEN
CITY OF MANSFIELD
Mansfield, Louisiana**

**Member, American
Institute of Certified
Public Accountants**

**Member of Louisiana
Certified Public
Accountants**

**Former Lecturer in
Government,
Academy, Business
and Financial, University**

I have audited the general purpose financial statements of the City of Mansfield as of December 31, 1999, 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 Mansfield's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements. 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 financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material aspects, the financial position of the City of Mansfield as of December 31, 1999, and the results of operations and cash flows of its proprietary funds for the year then ended, in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedules listed in the table of contents is presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the City of Mansfield. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

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Moss Bluff,
Louisiana 70456**

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MAYOR AND BOARD OF
ALDERMEN
CITY OF MANSFIELD
Mansfield, Louisiana
Independent Auditor's Report,
December 31, 1999

In accordance with Government Auditing Standards, I have also issued reports dated March 9, 2000 on the City of Mansfield's compliance with laws, regulations, contracts, and grants; and my consideration of the city's internal control structure. These reports are an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.



West Monroe, Louisiana
March 9, 2000

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

CITY OF MARSHFIELD
Marshfield, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, December 31, 1999

ASSETS AND OTHER DEBITS

Current assets:					
Cash	9412,183	5212,996	522,800		5858,009
Investments	318,799	158,472			317,181
Receivables	25,058	122,873	27,833		40,695
Total current assets	1,005,738	498,498	550,633		1,006,885
Noncurrent assets:					
Cash		397,344			397,344
Investments		627,958			627,958
Total restricted assets		1,025,302		50,668	1,033,964
Land, buildings, equipment, and improvements (net of accumulated depreciation)		3,686,494		57,498,718	6,000,212
Deferred local insurance costs (net of accumulated)		181,758			181,758
TOTAL ASSETS AND OTHER DEBITS	11,683,734	35,303,652	572,693	57,498,718	88,608,668

LIABILITIES AND FUND EQUITY

Liabilities:					
Current liabilities:					
Accounts payable	503,894	515,728	527,659		509,142
Sales tax payable		4,484			4,484
Deposits due others			25,080		25,080
Total current liabilities	503,894	518,212	552,739		538,706
Current liabilities (payable from restricted assets)					
Customer deposits		115,785			115,785

Current portion of revenue bonds payable					126,800
Total current liabilities (payable from restricted assets)	\$0,000	240,750	50,000	90,000	340,750
Revenue bonds payable		2,750,000			2,750,000
Total Liabilities	0,000	2,990,750	50,000	90,000	3,080,800
Fund Equity:					
Contributed capital		1,800,400			1,800,400
Investment in general fund assets			51,400,770		51,400,770
Residual earnings:					
Reserved					
Reserved for debt service		661,614			661,614
Unreserved - undesignated		601,070			601,070
Total unreserved earnings	96,684	608,487	50,000	90,000	685,171
Fund balances - unreserved - undesignated	1,081,174	50,000	50,000	90,000	1,681,174
Total Fund Equity	1,081,174	2,258,887	90,000	2,400,770	3,730,831
TOTAL LIABILITIES AND FUND EQUITY	\$1,081,174	\$5,249,637	\$90,000	\$1,490,770	\$8,811,601

The accompanying notes are an integral part of this statement.

CITY OF MANSFIELD
Mansfield, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget
GAAP Basis and Actual
For the Year Ended December 31, 1999

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Taxes:			
All valuation taxes	\$268,500	\$269,445	\$89,938
Sales and use taxes	728,800	753,878	23,878
Other taxes, penalties, and interest	27,800	27,373	573
Licenses and permits	411,250	468,859	57,609
Intra-governmental revenues:			
Federal grant	200	578	520
State grants:			
Fire insurance rebate	8,300	8,573	477
Supplement of pay		58,578	58,578
Other state grants	300,975	40,888	(62,087)
Fees, charges, and commissions for services	28,843	28,466	623
Fines and forfeitures	92,800	75,418	(17,472)
Use of money and property	28,118	33,855	13,745
Other revenues	24,375	28,893	14,184
Total revenues	<u>1,786,180</u>	<u>1,878,883</u>	<u>121,921</u>
EXPENDITURES			
Current:			
General government:			
Judicial	36,848	35,521	1,419
Executive	168,208	175,311	(6,011)
Finance and administration	343,225	391,798	(48,573)
Public safety	505,405	682,156	(22,049)
Public works	458,523	398,288	46,243
Culture and recreation	1,000	3,556	3,444
Capital outlay	373,067	398,553	(182,584)
Total expenditures	<u>2,021,180</u>	<u>1,775,177</u>	<u>285,983</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(235,000)</u>	<u>103,706</u>	<u>417,964</u>
OTHER FINANCING SOURCE			
Sale of fixed assets	\$0.00	4,083	(4,083)
EXCESS OF REVENUES AND OTHER SOURCE OVER EXPENDITURES	<u>235,000</u>	<u>107,789</u>	<u>(421,987)</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>748,170</u>	<u>584,787</u>	<u>236,817</u>
FUND BALANCES AT END OF YEAR	<u>\$183,170</u>	<u>\$1,041,774</u>	<u>\$658,604</u>

The accompanying notes are an integral part of this statement.

CITY OF MASSFIELD
 Mansfield, Louisiana
 PROPRIETARY FUND TYPE -
 ENTERPRISE FUNDS

Combined Statement of Revenues, Expenses,
 and Changes in Retained Earnings
 For the Year Ended December 31, 1999

OPERATING REVENUES	
Charges for services	\$1,398,778
Fines/fees	32,397
Permits and fees	353
Other operating revenues	<u>20,643</u>
Total revenues	<u>1,452,171</u>
OPERATING EXPENSES	
General and administrative	781,497
Billing office	25,825
Traffic plan	125,394
Water department	406,973
Collection system	92,757
Treatment facility	<u>26,038</u>
Total operating expenses	<u>1,658,484</u>
OPERATING INCOME (Loss)	<u>(206,313)</u>
NON-OPERATING REVENUES (Expenses)	
Interest income	52,111
Road loan cost amortization	(13,485)
Interest expense	<u>(158,393)</u>
Total non-operating revenues (expenses)	<u>(119,667)</u>
NET INCOME (Loss)	<u>(325,980)</u>
Add depreciation on fixed assets acquired with contributed capital	210,139
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>348,300</u>
RETAINED EARNINGS AT END OF YEAR	<u>22,320</u>

The accompanying notes are an integral part of this statement.

CITY OF MANSFIELD
Mansfield, Louisiana
PROPRIETARY FUND TYPE -
ENTERPRISE FUNDS

Combined Schedule of Cash Flows
For the Year Ended December 31, 1999

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Loss	(528,313)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation and amortization	500,388
Decrease in accounts receivable	(11,618)
Decrease in accounts payable	(13,862)
Decrease in salaries payable	(18,116)
Increase in customer deposits	1,534
Total adjustments	<u>460,538</u>
Net cash provided by operating activities	<u>732,325</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(47,948)
Principal paid on revenue bonds	1,280,880
Interest paid on revenue bonds	<u>(128,385)</u>
Net cash used by capital and related financing activities	<u>(376,420)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earnings	52,111
Purchase of investments	(52,885)
Proceeds from maturities of investments	<u>48,714</u>
Net cash used by investing activities	<u>(6,060)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(50,660)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>646,164</u>
CASH AT END OF YEAR	<u>\$610,500</u>

The accompanying notes are an integral part of this statement.

CITY OF MANSFIELD
Mansfield, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Mansfield was incorporated in 1847 under the provisions of Act 128 of the General Assembly of the State of Louisiana. The city operates under a Mayor-Board of Aldermen form of government. The city provides the following services as authorized by its charter: police and fire protection, water and sewerage, streets, sanitation, and general administrative services.

A. REPORTING ENTITY

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

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

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the city to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the city.
2. Organizations for which the city does not appoint a voting majority but are fiscally dependent on the city.

CITY OF MANSFIELD

Mansfield, Louisiana

Notes to the Financial Statements (Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the city has determined that there are no component units that are part of the reporting entity.

B. 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 that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fund assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types." Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The city's current operations require the use of governmental, proprietary, and fiduciary fund types described as follows:

Governmental Funds:

General Fund

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

CITY OF MANFIELD
Manfield, Louisiana
Notes to the Financial Statements (Continued)

Proprietary Fund Type - Enterprise Funds

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

**Plenary Fund Type -
International Paper Agency Fund**

The International Paper Agency Fund is used to account for the reimbursement to the city by International Paper Company, of the cost of operating and maintaining, the company's water intake structure located at Toledo Bend Lake.

C. FIXED ASSETS AND LONG-TERM DEBT

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed asset account group, rather than in the General Fund. All purchased fixed assets are valued at cost where historical records are available and at estimated cost where no historical records are available. Approximately 99 per cent of fixed assets are valued at actual cost, while the remaining 1 per cent are valued at estimated cost based on the actual cost of like items. No depreciation has been provided on general fixed assets.

The cost of normal maintenance and repairs that do not add to the value of fixed assets or materially extend their useful lives are not capitalized. Public domain (infrastructure) general fixed assets consisting of roads, bridges, drainage, parking lots, etc. are not capitalized, as these assets are nonmovable and of value only to the city.

The fixed assets used in the proprietary fund type operations are included on the balance sheet of the fund. Depreciation of all depreciable fixed assets used by the proprietary fund type operations are charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

CITY OF MANSFIELD
Mansfield, Louisiana
Notes to the Financial Statements (Continued)

Water treatment plant	20 years
Automotive equipment	3-7 years
Transmission line	20 years
Pumping station	20 years
Office equipment	5-10 years
Water and sewer system	5-20 years

Long-term liabilities expected to be financed from enterprise fund operations are accounted for in those enterprise funds.

II. BASIS OF ACCOUNTING

The financial and reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental fund types and the fiduciary fund type agency fund. Under the modified accrual basis of accounting, revenues are recognized when measurable 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 city uses the following practices in recognizing and reporting revenues and expenditures:

Revenues

All valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the city in October and are billed to taxpayers in November. Billed taxes become delinquent on January 1 of the following year; however, by precedent, this is normally extended until February 1. Revenues from ad valorem taxes are budgeted in the year billed to the extent collections are expected. The city bills and collects its own property taxes using the assessed values determined by the tax assessors of DeCade Parish.

CITY OF MANSFIELD

Mansfield, Louisiana

Notes to the Financial Statements (Continued)

Sales taxes are recognized in the month received by the city's collection agent, the DeCade Parish Sales and Use Tax Commission.

Franchise taxes and intergovernmental revenues are recorded when the city is entitled to the funds.

Interest income on time deposits is recorded when the interest has been earned and the amount is determinable.

Substantially all other revenues are recorded when they are received by the city.

Based on the above criteria, ad valorem taxes, franchise taxes, and intergovernmental revenues have been treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources

Sale of fixed assets are accounted for as other financing sources and is recognized when the underlying events occur.

Proprietary Fund Type - Enterprise Funds

The Water and Sewer Enterprise Funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

B. BUDGET PRACTICES

A preliminary budget for the coming year is prepared by the mayor and clerk and submitted to the board of aldermen no later than fifteen days prior to the beginning of each fiscal year. The proposed budget is reviewed by the board of aldermen and made available to the public. At least ten days after publication of the call for a public hearing, the city holds a public hearing on the proposed budget in order to receive comments from citizens. Changes are made to the proposed budget based on the public hearing and the desires of

CITY OF MANFIELD

Manfield, Louisiana

Notes to the Financial Statements (Continued)

the board of aldermen as a whole. The budget is then adopted through the passage of an ordinance during the December meeting, and notice is published in the official journal.

During the year, the board of aldermen receives monthly budget comparison statements which are used as a tool to control the operations of the city. The city clerk presents necessary budget amendments to the board when she determines that actual operations are differing materially from those anticipated in the original budget. The board in regular session reviews the proposed amendments, makes necessary changes, and formally adopts the amendments. The adoption of amendments is included in the city's minutes published in the official journal. The budget is established and controlled by the mayor and board of aldermen at the functional level of expenditures. Unexpended appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the mayor and the board of aldermen. The city does not use encumbrance accounting in its accounting system.

F. CASH

Under state law, the city may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The city may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At December 31, 1989 the city has cash (bank balances) totaling \$1,077,603, as follows:

Demand deposits	\$848,818
Time deposits	224,335
Petty cash	<u>550</u>
Total	<u>\$1,077,603</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Demand deposits (bank balances) at December 31, 1989, are secured as follows:

CITY OF MANSFIELD

Mansfield, Louisiana

Notes to the Financial Statements (Continued)

Bank Balances	<u>\$1,780,365</u>
Federal deposit insurance	\$319,081
Pledged securities (unaffiliated)	<u>1,511,690</u>
Total	<u>\$3,611,136</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the city, they are considered unaffiliated (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 30 days of being notified by the city that the fiscal agent bank has failed to pay deposited funds upon demand. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the city's name.

For purposes of the statement of cash flows, the water and sewer enterprise funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

G. INVESTMENTS

Under state law, the city may invest funds in obligations of the United States, in federally insured investments, or in time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. At December 31, 1999, the city had investments in LAMP totaling \$1,139,731, which is stated at cost and approximates market.

In accordance with GASB Codification 190.165 the investment in LAMP at December 31, 1999, is not categorized in the three risk categories provided by GASB Codification 190.149 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities based, guaranteed,

CITY OF MANSFIELD

Mansfield, Louisiana

Notes to the Financial Statements (Continued)

or backed by the U.S. Treasury, U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by these securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

II. VACATION AND SICK LEAVE

City employees earn from 10 to 20-days vacation and from 12 to 20-days sick leave each year. Vacation leave does not accumulate and accrued sick leave does not vest; therefore, no accrual for compensated absences is made as of December 31, 1999.

I. RISK MANAGEMENT

The city is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the city maintains commercial insurance policies covering its automobiles, professional liability, and safety bond coverage. There were no significant reductions in insurance coverage during the year ended December 31, 1999.

**J. TOTAL COLUMN ON THE
BALANCE SHEET**

The total column on the balance sheet is captioned Memorandum Only (review) to indicate that it is presented only to facilitate financial analysis. Data in this column does 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.

J. LEVIED TAXES AND PRINCIPAL TAXPAYERS

For the year ended December 31, 1999, taxes totaling 16.57 mills were levied on property and were dedicated as follows:

CITY OF MANFIELD

Manfield, Louisiana

Notes to the Financial Statements (Continued)

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General corporate purposes:			
Authorized by the State of Louisiana	3.00	8.13	Indefinite
Approved by City of Manfield voters	8.44	8.44	2000

The difference between authorized and levied millages is the result of assessments of taxable property required by article 7, Section 58(j) of the Louisiana Constitution of 1974.

The following are the principal taxpayers for the parish and their 1999 assessed valuation:

	1999 Assessed Valuation	Per cent of Total Assessed Valuation
Hibernia National Bank	\$1,354,280	1.95%
South Central Bell	907,700	1.29%
Community Bank of Louisiana	673,268	1.00%
Hendrix Manufacturing Co., Inc	596,672	1.03%
Central Louisiana Electric Company	572,120	1.31%
Wal Mart, Inc.	443,650	1.58%
Manfield Auto World	363,490	1.10%
Dumas Plaza Associates, LLC	354,708	1.94%
Brookshire Grocery Company	250,000	1.33%
Georgies Company	<u>214,030</u>	<u>1.30%</u>
Total	<u>\$5,980,507</u>	<u>34.14%</u>

3. RECEIVABLES

The following is a summary of receivables at December 31, 1999:

	<u>General Fund</u>	<u>Enterprise Funds</u>	<u>Agency Fund</u>	<u>Total</u>
Taxes:				
Ad valorem	\$189,579			\$189,579
Sales	68,796			68,796
Intergovernmental revenue - state grants	11,673			11,673

CITY OF MANSFIELD
 Mansfield, Louisiana
 Notes to the Financial Statements (Continued)

	<u>General Fund</u>	<u>Enterprise Fund</u>	<u>Agency Fund</u>	<u>Total</u>
Fees, charges, and commissions for services	38,931	\$127,000		\$165,931
Fines and forfeitures	430			430
Licenses and permits	54,526			54,526
Other	22		\$27,630	27,652
Total	<u>\$154,956</u>	<u>\$127,000</u>	<u>\$27,630</u>	<u>\$309,586</u>

4. **FIXED ASSETS**

The following presents the changes in general fixed assets for the year ended December 31, 1989:

	<u>Balance at January 1,</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at December 31</u>
Land	\$103,904			\$103,904
Buildings	456,368			456,368
Improvements other than buildings	824,677	56,610		881,287
Office furniture and fixtures	132,973	24,401		157,374
Equipment	3,880	62,421		66,301
Vehicles	366,246	97,253		463,499
Police and fire equipment and vehicles	411,940		(263,555)	148,385
Total	<u>\$2,309,588</u>	<u>\$190,685</u>	<u>(263,555)</u>	<u>\$2,436,718</u>

Additions to general fixed assets include a donated asset valued at \$22.

A summary of proprietary fund type property, plant, and equipment at December 31, 1989, follows:

CITY OF MANFIELD:
Manfield, Louisiana
Notes to the Financial Statements (Continued)

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Water:			
Land	\$45,361		\$45,361
Water treatment plant	2,165,429	(\$2,035,287)	130,142
Automotive equipment	200,265	(188,871)	11,394
Transmission line	1,598,822	(1,500,909)	97,913
Pumping station	900,416	(744,595)	155,821
Office equipment	25,440	(19,684)	5,756
Water and sewer system	<u>6,110,718</u>	<u>(785,048)</u>	<u>5,325,670</u>
Total Water Fund	<u>5,908,451</u>	<u>(5,234,594)</u>	<u>673,857</u>
Sewer:			
Buildings	3,095	(1,550)	1,545
Automotive equipment	57,198	(57,014)	184
Sewer collection system	2,215,908	(651,848)	1,564,060
Treatment plant	<u>2,111,444</u>	<u>(245,186)</u>	<u>1,866,258</u>
Total Sewer Fund	<u>4,387,545</u>	<u>(1,495,598)</u>	<u>2,891,947</u>
Total	<u>\$10,296,996</u>	<u>(6,730,192)</u>	<u>\$3,566,804</u>

A. PENSION PLANS

Substantially all employees of the City of Manfield are members of either the Municipal Employees' Retirement System of Louisiana or the Municipal Police Employees' Retirement System of Louisiana. The state retirement systems are cost-sharing, multiple-employer, defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefits provisions. All employees of the municipality are members of Plan A.

All permanent employees working at least thirty-five hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal

CITY OF MANFIELD

Manfield, Louisiana

Notes to the Financial Statements (Continued)

to three per cent of their final average salary for each year of creditable service. Final average salary is the employer's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefits accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (504) 925-4810.

Under Plan A, members are required by state statute to contribute 9.25 per cent of their annual covered salary and the City of Manfield is required to contribute at an actuarially determined rate. The current rate is 6.25 per cent of annual covered payroll. Contributions to the system include one-fourth of one per cent (one per cent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B fiscal proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the City of Manfield are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:105, the employee contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Manfield's contributions to the System under Plan A for the years ending December 31, 1999, 1998, 1997, were \$57,793, \$53,038, and \$57,282, respectively, equal to the required contributions for each year.

MUNICIPAL POLICE EMPLOYEES' RETIREMENT SYSTEM

All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to three and one-third per cent of their final average salary for each year of creditable service. Final average salary is the employer's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefits accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

CITY OF MANFIELD

Manfield, Louisiana

Notes to the Financial Statements (Continued)

The System issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 5401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (504) 629-7411.

Plan members are required by state statute to contribute 2.5 per cent of their annual covered salary and the City of Manfield is required to contribute at an actuarially determined rate. The current rate is 9.0 per cent of annual covered payroll. The contribution requirements of plan members and the City of Manfield are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Manfield's contributions to the System for the years ending December 31, 1999, 1998, 1997, were \$24,796, \$26,837, and \$21,344, respectively, equal to the required contributions for each year.

6. CHANGES IN LONG-TERM DEBT

During 1997, the city did an advanced refunding of their 1999 series Water Revenue Bonds. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$96,730. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2018 using the effective interest method. The city completed the advance refunding to reduce its total debt service payments over the next 20 years by \$322,725 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$147,671.

The long-term liability for Sewer Revenue Bonds represents two bond issues to the Louisiana Department of Environmental Quality. For the 1993 series bonds the city was authorized to issue \$2,750,000; however, advances are made to the city based upon actual expenditures of constructing and acquiring improvements and extensions to the city's sewer system. The project was completed in 1994 resulting in total bonds issued of \$2,067,468. The bonds are payable in annual installments of \$75,000 to \$150,000 through March 1, 2012, with an annual interest rate of 4.98 per cent. The 1995 bond series authorized the city to issue \$347,000 in bonds; however, advances are made to the city based upon actual expenditures of constructing and acquiring improvements and extensions to the city's sewer system. The project was completed in 1997 resulting in total bonds issued of \$345,382. The bonds are payable in annual installments of \$17,000 to \$27,000 through March 1, 2014, with an annual interest rate of 2.98 per cent.

CITY OF MANSFIELD
Mansfield, Louisiana
Notes to the Financial Statements (Continued)

The following is a summary of revenue bond transactions of the enterprise funds for the year ended December 31, 1999:

	Water <u>Fund</u>	Sewer <u>Fund</u>	<u>Total</u>
Revenue bonds payable at January 1, 1999	\$1,058,086	\$1,903,000	\$3,001,086
Additions			80886
Retirements	<u>(21,086)</u>	<u>(97,000)</u>	<u>(120,086)</u>
Revenue bonds payable	1,079,000	1,806,000	2,881,000
Less current maturities	<u>(25,000)</u>	<u>(101,000)</u>	<u>(126,000)</u>
Long-term debt payable at December 31, 1999	<u>\$1,054,000</u>	<u>\$1,705,000</u>	<u>\$2,755,000</u>

The annual requirements to amortize all revenue bonds outstanding as of December 31, 1999, including interest payments of \$1,577,799, are as follows:

<u>Year</u>	Water <u>Fund</u>	Sewer <u>Fund</u>	<u>Total</u>
2000	\$405,219	\$181,837	\$287,056
2001	405,351	182,034	288,385
2002	401,444	181,983	283,427
2003	404,368	181,685	286,053
2004-2008	501,690	966,631	1,437,321
2009-2013	937,825	749,579	1,287,404
2014-2018	<u>366,275</u>	<u>22,288</u>	<u>388,563</u>
Total	<u>\$2,047,252</u>	<u>\$2,411,567</u>	<u>\$4,458,799</u>

7. CONTRIBUTED CAPITAL

The city has received grants from various federal, state, and local agencies to finance the acquisition and construction of the enterprise fund fixed assets. The amount, shown as contributed capital on the balance sheet, is reduced each year by the amount of depreciation expense recognized on fixed assets constructed or acquired with the grant funds. At December 31, 1999, accumulated amortization on these assets is \$1,668,465.

CITY OF MANSHFIELD

Manfield, Louisiana

Notes to the Financial Statements (Continued)

B. RESERVE/RETAINED EARNINGS

The bond covenants for the long-term revenue bonds discussed in note 6 above, require the city to establish the following reserve accounts:

- A. A "Waterworks Revenue Bond and Interest Sinking Fund" - The city must transfer into this fund, each month, one-twelfth of the principal and one-sixth of the interest due on the next principal and interest payment date. Such transfers will 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.
- B. A "Waterworks Revenue Bond Reserve Fund" - The city must transfer into this fund, each month, an amount equal to 5 per cent of the amount to be paid into the Sinking Fund until there will have been accumulated in the Reserve Fund an amount equal to the maximum principal and interest requirements in any succeeding maturity year. The maximum amount is \$125,000. Such amounts may be used only for the payment of maturing bonds and interest for which sufficient funds are not on deposit in the Waterworks Revenue Bond and Interest Sinking Fund and as to which there would otherwise be default.
- C. A "Waterworks Depreciation and Contingency Fund" - The city must transfer an amount equal to 5 per cent of the amount to be paid into the Sinking Fund. These funds may be used for extensions, additions, improvements, and replacements necessary to operate properly the water system. These funds may also be used to pay principal and interest on the bonds falling due at any time there is not sufficient money for the payment in the other bond funds. However such funds shall be replaced as soon as possible after making the required payments into the other bond funds.
- D. A "Sewer Revenue Bond Sinking Fund" - The city must transfer into this fund, each month, an amount equal to the principal and interest accruing on the outstanding principal amount of the bonds for each calendar month. Such transfers will 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.
- E. A "Sewer Revenue Bond Debt Service Reserve Fund" - The city must transfer into this fund, each month, an amount equal to 25 per cent of the

CITY OF MANSFIELD

Mansfield, Louisiana

Notes to the Financial Statements (Continued)

amount required to be paid into the Sinking Fund until such time as there has been accumulated a sum equal to the maximum principal and interest requirements in any one maturity year. The maximum amount is \$184,138. Such amounts may be used only for the payment of maturing bonds and interest for which sufficient funds are not on deposit in the Sewer Revenue Bond Sinking Fund and as to which there would otherwise be default.

- F. A "Sewer System Renewal and Replacement Fund" - The city must transfer, each month, an amount equal to 5 per cent of the net revenues of the sewer system collected in the prior month until a balance of \$75,000 has been established. Money in this fund may be used for extensions, additions, improvements, and replacements necessary to operate properly the sewer system. These funds may also be used to pay principal and interest on the bonds falling due at any time there is not sufficient money for the payment in the other bond funds. However, such funds shall be replaced as soon as possible after making the required payments into the other bond funds.

At December 31, 1999, the city has set aside \$387,614 to meet the reserve requirements. Of that amount, \$461,614, is offset by the current portion of long-term debt, with the remaining \$126,000 reported as a reserve of retained earnings on Statement A.

9. CHANGES IN DEPOSITS DUE OTHERS

A summary of changes of deposits due others in the International Paper Agency Fund follows:

Balance at January 1, 1999	882,162
Additions	338,308
Reductions	<u>(1,052,670)</u>
Balance at December 31, 1999	<u>\$167,799</u>

10. SEGMENT INFORMATION

The city's enterprise funds provide various services to the public. As provided by GASB Codification 2500-107, the following segment information is presented for the city's enterprise funds.

CITY OF MANSHFIELD
Manfield, Louisiana
Notes to the Financial Statements (Continued)

	Water Fund	Sewer Fund	Total
Operating revenue:	\$1,057,994	\$381,177	\$1,449,171
Depreciation and amortization	287,180	218,408	505,588
Operating income (loss)	(167,960)	(71,350)	(239,310)
Nonoperating revenues/expenses:			
Interest earned	35,858	18,175	54,033
Interest expense	(82,260)	(78,135)	(160,395)
Net Income (loss)	(277,350)	(131,270)	(408,620)
Property, plant, and equipment:			
Additions	(20,504)	(27,446)	(47,950)
Deletions	NONE	NONE	NONE
Net Working Capital	208,448	81,075	289,523
Total assets	1,740,854	1,740,834	3,481,688
Long-term debt	1,680,000	1,705,000	3,385,000
Total equity	544,212	1,734,690	2,278,902

11. LITIGATION AND CLAIMS

The city is not involved in any litigation at December 31, 1999, nor is it aware of any unasserted claims.

SUPPLEMENTAL INFORMATION SCHEDULES

CITY OF MANSFIELD
Mansfield, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended December 31, 1999

PROPRIETARY FUND TYPE - ENTERPRISE FUNDS

WATER FUND

The Water Enterprise Fund accounts for the operations of the city's water department. Financing is provided primarily by fees from water sales. Major expenses of the fund are personnel services and depreciation.

SEWER FUND

The Sewer Enterprise Fund accounts for the operations of the city's sewer system. Financing is provided primarily by user fees. Major expenses of the fund are personnel services and depreciation.

CITY OF MANSFIELD
Mansfield, Louisiana
ENTERPRISE FUNDS

Combining Balance Sheet, December 31, 2009

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash	\$1 14,732	\$98,214	\$212,946
Investments	178,477		178,477
Receivables	<u>91,873</u>	<u>35,192</u>	<u>127,065</u>
Total current assets	<u>385,082</u>	<u>133,411</u>	<u>518,493</u>
Restricted assets:			
Cash	158,512	267,832	426,344
Investments	<u>455,401</u>	<u>187,148</u>	<u>642,549</u>
Total restricted assets	<u>613,913</u>	<u>454,980</u>	<u>1,068,893</u>
Property, plant and equipment (net of accumulated depreciation)	674,547	2,831,847	3,506,394
Deferred bond issuance cost (net of amortization)	<u>155,903</u>	<u>77,489</u>	<u>233,392</u>
TOTAL ASSETS	<u>\$1,790,834</u>	<u>\$3,543,698</u>	<u>\$5,334,532</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Current liabilities (payable from current assets):			
Accounts payable	\$11,480	\$2,598	\$13,978
Taxes tax payable	<u>4,494</u>		<u>4,494</u>
Total current liabilities (payable from current assets)	<u>15,974</u>	<u>2,598</u>	<u>18,572</u>
Current liabilities (payable from restricted assets):			
Customer deposits	115,768		115,768
Current portions of long-term debt	<u>25,000</u>	<u>101,000</u>	<u>126,000</u>
Total current liabilities (payable from restricted assets)	<u>140,768</u>	<u>101,000</u>	<u>241,768</u>
Long-term debt - sewerage bonds payable	<u>1,050,000</u>	<u>1,705,000</u>	<u>2,755,000</u>
Total Liabilities	<u>1,206,622</u>	<u>1,808,598</u>	<u>3,015,220</u>
Fund equity:			
Contributed capital	426,864	1,241,804	1,668,668
Retained earnings:			
Reserved for debt service	207,433	454,181	661,614
Unreserved - unassigned	<u>(100,852)</u>	<u>58,905</u>	<u>(41,947)</u>
Total Retained Earnings	<u>106,581</u>	<u>513,086</u>	<u>619,667</u>
Total Fund Equity	<u>534,212</u>	<u>1,754,890</u>	<u>2,289,102</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$1,790,834</u>	<u>\$3,543,698</u>	<u>\$5,334,532</u>

CITY OF MANSFIELD
Mansfield, Louisiana
INTERFUND FUNDS

Combining Schedule of Revenues, Expenses,
and Changes in Retained Earnings
For the Year Ended December 31, 1999

	Water Fund	Sewer Fund	Total
OPERATING REVENUES			
Charges for services	\$1,843,158	\$388,623	\$2,231,781
Fines	21,843	10,594	32,437
Permits and fees	353		353
Other operating revenue	<u>28,643</u>		<u>28,643</u>
Total operating revenues	<u>1,903,997</u>	<u>409,217</u>	<u>2,313,214</u>
OPERATING EXPENSES			
General and administrative	409,099	342,398	751,497
Billing office	24,488	1,337	25,825
Truck/plant	375,364		375,364
Water department	408,973		408,973
Collection system		92,797	92,797
Treatment facility		<u>28,038</u>	<u>28,038</u>
Total operating expenses	<u>1,225,924</u>	<u>464,530</u>	<u>1,690,454</u>
OPERATING INCOME (Loss)	<u>(167,968)</u>	<u>(75,313)</u>	<u>(243,281)</u>
NON-OPERATING REVENUES (Expenses)			
Interest income	33,938	18,173	52,111
Bond issue net amortization	(11,448)	(1,597)	(13,045)
Interest expense	<u>(82,268)</u>	<u>(78,135)</u>	<u>(160,403)</u>
Total non-operating revenues (expenses)	<u>(59,778)</u>	<u>(61,559)</u>	<u>(121,337)</u>
NET INCOME (Loss)	<u>(227,746)</u>	<u>(136,872)</u>	<u>(364,618)</u>
Add depreciation on fixed assets acquired with contributed capital	119,282	98,897	218,179
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>213,788</u>	<u>513,368</u>	<u>727,156</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$307,324</u>	<u>\$485,395</u>	<u>\$792,719</u>

CITY OF MANFIELD
Manfield, Louisiana
WATER ENTERPRISE FUND

Schedule of Revenues, Expenses, and Changes
 in Retained Earnings - Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
OPERATING REVENUES			
Charges for services	\$1,084,000	\$1,045,155	\$14,855
Fees	28,800	21,894	1,840
Permits and fees	300	353	53
Other operating revenues	17,320	20,645	6,328
Total revenues	<u>1,033,620</u>	<u>1,075,997</u>	<u>24,389</u>
OPERATING EXPENSES			
General and administrative:			
Education and certification	4,898	4,031	27
Drug test expenses	1,800	966	76
Benefits	14,669	15,742	347
Bonuses	91,580	51,334	166
Group insurance	17,080	16,328	680
Liability insurance	5,870	3,870	
Multiple loans	5,157	5,078	79
Vehicles and property insurance	22,800	21,185	884
Workman's compensation insurance	22,900	22,373	127
Retirement	1,580	1,245	295
Uniforms	3,280	3,863	137
Medicare	500	382	218
Social security	9,500	7,189	355
Travel and freight	1,342	1,352	68
Other expenses	208,898	282,180	(87,180)
Depreciation and amortization	<u>335,416</u>	<u>319,894</u>	<u>(85,683)</u>
Total general and administrative			
Billing office:			
Salaries	28,264	18,288	605
Oil and gas	150	156	(6)
Maintenance of equipment	1,900	1,688	302
Toll and supplies	9,386	4,345	958
Total billing office	<u>39,700</u>	<u>24,477</u>	<u>1,762</u>
Tobacco plant:			
Salaries	185,080	175,318	9,490
Chemicals	83,080	86,623	(3,672)
Oil and gas	3,000	3,534	428
Maintenance of equipment and vehicles	1,000	7,893	247

(Continued)

CITY OF MANASSAS

Manassas, Loudoun

WATER ENTERPRISE FUND

Schedule of Revenues, Expenses, and Changes

in Retained Earnings - Budget (GAAP Basis) and Actual, etc.

	Budget	Actual	Variance Favorable (Unfavorable)
OPERATING EXPENSES (Cont'd.)			
Totals plant (Cont'd.)			
Tools and supplies	\$8,500	\$8,802	\$302
Utilities	41,000	35,738	4,870
Water purchased	58,000	40,107	17,893
Equipment purchase	3,211		3,211
Other expenses	5,700	1,755	3,945
Repairs and maintenance to plant	19,300	48,761	(27,461)
Total Totals plant	<u>145,711</u>	<u>175,263</u>	<u>(29,552)</u>
Water department			
Salaries	249,000	258,358	(7,844)
Oil and gas	7,000	7,844	(444)
Maintenance of equipment	19,483	18,992	1,270
Water purchases	7,000	4,933	2,067
Tools and supplies	60,000	56,868	3,131
Utilities	22,000	17,363	4,637
Equipment purchase	1,183		1,183
Other expenses	1,900	1,666	234
Repairs and maintenance to plant	149,875	64,752	81,123
Total water department	<u>588,641</u>	<u>489,874</u>	<u>99,767</u>
Total operating expenses	<u>1,235,352</u>	<u>1,225,854</u>	<u>9,998</u>
OPERATING INCOME (Loss)	<u>(282,252)</u>	<u>(167,968)</u>	<u>114,284</u>
NON-OPERATING REVENUES (Expenses)			
Interest income	36,000	33,898	2,102
Road issue cost amortization		(11,448)	(11,448)
Interest expense		(82,200)	(82,200)
Total non-operating revenues (expenses)	<u>36,000</u>	<u>(59,750)</u>	<u>95,750</u>
NET INCOME (Loss)	<u>(176,252)</u>	<u>(277,758)</u>	<u>101,506</u>
Add depreciation on fixed assets acquired with contributed capital	None	118,282	118,282
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>372,968</u>	<u>315,798</u>	<u>(157,168)</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$196,716</u>	<u>\$107,351</u>	<u>(89,365)</u>

CITY OF MANFIELD
Manfield, Louisiana
SEWER ENTERPRISE FUNDS

Schedule of Revenues, Expenses, and Changes
 in Retained Earnings - Budget (UNAP Basis) and Actual

	Budget	Actual	Variance
OPERATING REVENUES			
Charges for services	\$365,000	\$388,629	\$15,629
Fees/in	10,000	18,554	854
Other income	50	-	(50)
Total revenues	<u>375,050</u>	<u>407,177</u>	<u>16,177</u>
OPERATING EXPENSES			
General and administrative:			
Education and certification	1,500	1,869	401
Dry test expense	200	131	69
Group insurance	8,300	8,000	180
Liability insurance	5,800	6,714	786
Vehicle and property insurance	2,800	1,535	1,275
Workman's compensation insurance	4,600	5,747	853
Retirement	5,800	4,615	785
Uniforms	700	326	174
Medical	1,000	1,310	310
Salaries	92,000	97,000	4,900
Other expenses	5,800	13,685	(8,685)
Depreciation and amortization	80,000	70,418	19,582
Total general and administrative	<u>175,000</u>	<u>188,398</u>	<u>(13,398)</u>
Billing office expense	2,000	1,337	663
Collection system:			
Lift station expense	6,000	5,291	709
Oil and gas	1,500	1,420	80
Maintenance of equipment	3,400	2,700	699
Tools and supplies	9,000	8,924	76
Utilities	7,500	6,717	783
Collection system improvements	89,000	67,254	17,746
Other expenses	500	449	51
Total Collection system	<u>112,900</u>	<u>92,757</u>	<u>20,143</u>
Treatment facility:			
Oil and gas	750	797	(7)
Maintenance of equipment	2,200	1,800	2,280
Tool and supplies	2,000	628	1,372
Utilities	17,800	14,945	6,857
Sewer monitoring expense	2,900	5,167	513
Other expenses	900	490	450
Repairs and maintenance to plant	36,404	7,993	28,511
Total treatment facility	<u>68,754</u>	<u>26,033</u>	<u>42,721</u>
Total operating expenses	<u>356,954</u>	<u>367,530</u>	<u>(10,576)</u>

(Continued)

CITY OF MANHATTEN

Manfield, Louisiana

SEWER ENTERPRISE FUND

Schedule of Revenues, Expenses, and Changes

in Retained Earnings - Budget (GAAP Basis) and Actual, etc.

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
OPERATING INCOME (Loss)	<u>\$18,858</u>	<u>(\$71,353)</u>	<u>\$121,683</u>
NON-OPERATING REVENUES (Expenses)			
Interest income	13,000	18,175	5,073
Bond issue cost amortization		(1,997)	(1,997)
Interest expense		(76,135)	(76,135)
Total nonoperating revenues (expenses)	<u>13,000</u>	<u>(59,957)</u>	<u>(73,019)</u>
NET INCOME (Loss)	<u>31,158</u>	<u>(131,275)</u>	<u>(162,428)</u>
Add depreciation on fixed assets acquired with contributed capital	90,000	90,000	90,000
RETAINED EARNINGS AT BEGINNING OF YEAR	<u>152,366</u>	<u>513,384</u>	<u>360,939</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$183,722</u>	<u>\$472,095</u>	<u>\$288,364</u>

CITY OF MANSFIELD
Mansfield, Louisiana
ENTERPRISE FUNDS

Continuing Schedule of Cash Flows
 For the Year Ended December 31, 1999

	Water Fund	Sewer Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Income (Loss)	(6,667,868)	(371,353)	(7,039,221)
Adjustments to Reconcile operating Income (Loss) to Net cash Provided (Used) by operating activities:			
Depreciation and amortization	287,188	216,418	503,606
Decrease (Increase) in accounts receivable	(18,318)	(1,258)	(19,576)
Increase (decrease) in accounts payable	(13,897)	58	(13,839)
Increase (decrease) in salaries payable	(14,864)	(3,245)	(18,109)
Increase in customer deposits	1,534		1,534
Total adjustments	248,633	211,873	460,506
Net cash provided by operating activities	81,665	148,526	230,191
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisitions and construction of capital assets	(26,584)	(21,444)	(48,028)
Principal paid on revenue bonds	(24,084)	(97,088)	(121,172)
Interest paid on revenue bonds	(82,780)	(76,133)	(158,913)
Net cash used by capital and related financing activities	(133,448)	(194,665)	(328,113)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest earnings	35,938	88,174	124,112
Purchase of investments	(21,887)	(31,038)	(52,925)
Proceeds from maturities of investments	49,534	49,534	99,068
Net cash used by investing activities	(2,321)	96,670	94,349
NET CHANGE IN CASH AND CASH EQUIVALENTS	(52,084)	(49,469)	(101,553)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	272,284	368,883	641,167
CASH AT END OF YEAR	220,200	319,414	539,614

CITY OF MANSFIELD
Mansfield, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
As of and For the Year Ended December 31, 1999

COMPENSATION PAID ALDERMEN

The schedule of compensation paid aldermen is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of aldermen has been set by city council resolution at \$6,000 annually and is included in executive expenditures of the General Fund.

CITY OF MANSFIELD
Mansfield, LouisianaSchedule of Compensation Paid Aldermen
For the Year Ended December 31, 1999

J. Dudley Kemper	\$5,400
Michael L. Lewis	5,400
John Mayweather, Sr.	5,400
Robert McAllen	5,400
Dwight Sadeh	<u>5,400</u>
Total	<u>\$27,000</u>

**Independent Auditor's Reports
on Compliance with
Laws, Regulations, Contracts, and Grants,
and Internal Control**

The following independent auditor's reports on compliance with laws, regulations, contracts, and grants and internal control are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**Independent Auditor's Report on Compliance and
Internal Control Over Financial Reporting**

**MAYOR AND BOARD
OF ALDERMEN
CITY OF MANSHFIELD
Mansfield, Louisiana**

Mayor/President

Mayor or Chairman

For a Government

Mayor of Louisiana

Director/Partner

Accountant

President/Liaison to

Government

Accounting Assistant

and Financial Reporting

I have audited the general purpose financial statements of the City of Mansfield as of and for the year ended December 31, 1999, and have issued my report thereon dated March 9, 2000. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing my audit, I considered City of Mansfield's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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 misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

114 PROCEEDINGS, ETC.

What Happens

Learned how

Requirements

Learned how

Learned how

Learned how

CITY OF MANSFIELD

Mansfield, Louisiana

**Independent Auditor's Report on Compliance
And Internal Control Over Financial Reporting, etc.
December 31, 1999**

This report is intended for the information of the mayor and members of the City of Mansfield city council, management of the city, and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.



West Monroe, Louisiana

March 9, 2000

CITY OF MANSFIELD
Mansfield, Louisiana

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 1999

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the primary government financial statements of the City of Mansfield.
2. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control Over Financial Reporting.
3. No instance of noncompliance material to the financial statements of the City of Mansfield was disclosed during the audit.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

No findings resulted from the financial statement audit.

CITY OF MANFIELD
Manfield, Louisiana

Summary Schedule of Price Audit Findings
For the Year Ended December 31, 1998

There were no findings reported in the audit report for the year ended December 31, 1998.