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TOWN OF GRAND ISLE LOUISIANA

FINANCIAL REPORT

For the Fiscal Year Ended June 30, 1998

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Bayou Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date _____

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable David Camarillo, Mayor
and the Board of Aldermen
Town of Grand Isle, Louisiana

I have audited the general purpose financial statements of the Town of Grand Isle, Louisiana, as of and for the fiscal year ended June 30, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures About Year 2000 Issues, requires disclosure of certain matters regarding the year 2000 issue in order for financial statements to be prepared in conformity with generally accepted accounting principles. Such required disclosures include:

any significant amount of resources committed to make computer systems and other electronic equipment year 2000-compliant; a general description of the year 2000 issue, including a description of the stages of work in process or completed as of the end of the reporting period to make computer systems and other electronic equipment critical to conducting operations year 2000-compliant; and the additional stages of work necessary for making the computer systems and other electronic equipment year 2000-compliant.

The Town has omitted such disclosures. I do not provide assurance that the Town is or will be year 2000-ready, that the Town's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Town does business will be year 2000 ready.

In my opinion, except for the omission of the information discussed in the preceding paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town as of June 30, 1998, and the results of its operations and the cash flows of its proprietary fund types for the fiscal year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated November 16, 1998 on my consideration of the Town's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, and grants.

My audit was made for the purpose of forming an opinion on the general purpose financial statements of the Town taken as a whole. The Combining and Individual Fund Statements and Schedules and the Other Supplementary Information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Grand Isle, Louisiana. This information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.



November 16, 1998

GENERAL PURPOSE FINANCIAL STATEMENTS

TOWNS OF GRAND ISLE, LOUISIANA

**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1998**

	<u>ASSETS</u>	
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>
ASSETS		
Cash and equivalents	\$ 47,500	\$ 27,700
Receivables, net	118,750	158,800
Due from other funds	41,000	174,700
Inventories, at cost	0	0
Prepaid items	17,700	10,400
Investment assets		
Cash and equivalents	0	0
Property, plant and equipment, net	0	0
Amounts not reportable		
Statement of general long-term debt	0	0
TOTAL ASSETS	\$ 185,250	\$ 572,600
LIABILITIES, FUND BALANCE AND FUND CREDIT		
Liabilities		
Accounts payable	\$ 1,600	0
Accounts receivable and other liabilities	13,400	800
Due to other funds	13,400	16,400
Appropriation fund deposits	13,400	0
Unearned revenue	13,400	0
Due to leasing entities and others	0	0
Fund/departmental payables	0	0
Payable from restricted assets		
Contractor deposits	0	0
Due to other funds	0	0
Capital expenditures	0	0
TOTAL LIABILITIES	55,200	18,200
Equity and Other Credits		
Investment in general fund assets	0	0
Contributed capital	0	0
Restricted savings		
General	0	0
Fundamental	0	0
Fund Balance		
Assigned	17,700	84,700
Unassigned	44,800	0
Unbudgeted	181,650	187,900
TOTAL EQUITY	185,250	472,600
TOTAL EQUITY AND OTHER CREDIT	185,250	472,600
TOTAL LIABILITIES, FUND BALANCE AND OTHER CREDIT	\$ 185,250	\$ 472,600

PENSION FUND		OTHER FUND		ACTUARY GAIN/LOSS		TOTAL (IN MILLIONS)
2018	2017	2018	2017	2018	2017	
PLACEMENTS AND ACTIVITY		ACTIVITY		GENERAL CASH ACTIVITY	GENERAL CASH TRANS ACTIVITY	
\$	27,000	\$	16,000	\$	\$	1,500,000
	100,000		0		0	100,000
	1,000		0		0	100,000
	20,000		0		0	20,000
	25,000		0		0	25,000
	0		0		0	0
	1,000,000		0	1,000,000	0	1,000,000
	0		0	0	15,000	15,000
\$	1,000,000	\$	16,000	\$	1,000,000	1,000,000
\$	20,000	\$	0	\$	\$	15,000
	1,000		0		0	1,000
	100,000		0		0	100,000
	0		0		0	0
	0		0		0	0
	0		1,000		0	1,000
	0		1,000		0	1,000
	10,000		0		0	10,000
	4,000		0		0	4,000
	20,000		0		15,000	20,000
	10,000		10,000		0	10,000
	0		0	1,000,000	0	1,000,000
	1,000,000		0	0	0	1,000,000
	100,000		0		0	100,000
	100,000		0		0	100,000
	0		0		0	0
	0		0		0	0
	0		0		0	0
	0		0		0	0
	1,000,000		0	1,000,000	0	1,000,000
\$	1,000,000	\$	10,000	\$	1,000,000	1,000,000

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TOWN OF GRAND ISLE, LOUISIANA

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 1998**

	GOVERNMENTAL FUND TYPES		TOTAL (MEMBERSHIP ONLY)
	GENERAL	SPECIAL REVENUE	
REVENUES			
Taxes	\$ 356,877	\$ 49,211	\$ 406,088
Licenses and permits	89,562	0	89,562
Intergovernmental	84,211	248,773	332,984
Funding from other organizations	11,144	271,806	282,950
Fees and balances	154,743	6,411	161,154
Charges for services	271,177	46,363	317,540
Miscellaneous	83,694	14,134	97,828
TOTAL REVENUES	<u>1,447,388</u>	<u>696,798</u>	<u>2,144,186</u>
EXPENDITURES			
Current			
General government	407,482	0	407,482
Public safety	34,719	1,880	36,599
Public works	386,786	226,021	612,807
Health and welfare	0	38,276	38,276
Culture, recreation and tourism	22,698	134,388	157,086
TOTAL EXPENDITURES	<u>1,247,685</u>	<u>399,565</u>	<u>1,647,250</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	200,703	297,233	497,936
OTHER FINANCING SOURCES (USES)			
Operating transfer in	81,462	109,761	191,223
Operating transfer out	(28,641)	(146,772)	(175,413)
TOTAL OTHER FINANCING SOURCES (USES)	<u>52,821</u>	<u>(37,011)</u>	<u>15,810</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	253,524	260,222	513,746
FUND BALANCES			
Beginning of year	220,587	452,963	673,550
End of year	\$ 474,111	\$ 713,185	\$ 1,187,296

TOWN OF GRAND ISLE, LOUISIANA

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ACTUAL AND BUDGET -
GENERAL AND SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1998**

	GENERAL FUND		
	ACTUAL	BUDGET	VARIANCE FAVORABLE
REVENUES			
Fees	\$ 705,677	\$ 671,700	\$ 33,977
Licenses and permits	80,952	75,700	5,252
Intergovernmental	25,074	25,000	(74)
Special district contributions	22,220	22,000	220
Fees and donations	154,560	150,000	4,560
Charges for services	274,127	270,000	4,127
Miscellaneous	52,754	52,000	754
Total revenues	<u>1,065,364</u>	<u>1,048,400</u>	<u>16,964</u>
EXPENDITURES			
Fees			
General government	484,820	486,800	(1,980)
Public safety	264,781	482,000	(217,219)
Public works	200,790	204,000	(3,210)
Health and welfare	0	0	0
Other, insurance activities	20,000	24,000	(4,000)
Total expenditures	<u>970,391</u>	<u>1,196,800</u>	<u>226,409</u>
EXPENSE DEFICIENCY OR EXCESS OVER EXPENDITURES			
	<u>95,000</u>	<u>(122,400)</u>	<u>28,400</u>
CHANGES IN FUND BALANCE			
Operating transfers in	45,400	21,400	(24,000)
Operating transfers out	(24,000)	(24,000)	0
Total change resulting operations	<u>21,400</u>	<u>(2,600)</u>	<u>24,000</u>
EXCESS DEFICIENCY REVENUES AND CHANGES OPERATING TRANSFERS OVER EXPENDITURES AND CHANGES			
	114,700	(2,000)	116,700
FUND BALANCES			
Beginning year	254,000	254,000	0
Total year	<u>\$ 368,700</u>	<u>\$ 252,000</u>	<u>\$ 116,700</u>

SPECIAL INTEREST DIVIDEND			TOTAL (SPECIAL INTEREST DIVIDEND)				
ACCT. NO.	DEBIT	CREDIT		ACCT. NO.	DEBIT	CREDIT	
		AMOUNT	DATE			AMOUNT	DATE
	\$ 40,000	\$ 4,000		\$ 40,000	\$ 4,000		\$ 44,000
	0	0		0	0		0
	200,000	200,000	20,000	200,000	200,000	20,000	220,000
	200,000	200,000	(20,000)	200,000	200,000	(20,000)	200,000
	4,000	0	4,000	4,000	0	4,000	4,000
	40,000	40,000	0	40,000	40,000	0	40,000
	10,000	10,000	1,000	10,000	10,000	1,000	11,000
	<u>400,000</u>	<u>400,000</u>	<u>1,000</u>	<u>400,000</u>	<u>400,000</u>	<u>1,000</u>	<u>401,000</u>
	0	0	0	0	0	0	0
	1,000	0	1,000	1,000	0	1,000	1,000
	200,000	170,000	10,000	200,000	180,000	10,000	190,000
	50,000	0	0	50,000	0	0	50,000
	100,000	100,000	0	100,000	100,000	0	100,000
	<u>350,000</u>	<u>370,000</u>	<u>10,000</u>	<u>350,000</u>	<u>380,000</u>	<u>10,000</u>	<u>360,000</u>
	<u>350,000</u>	<u>370,000</u>	<u>10,000</u>	<u>350,000</u>	<u>380,000</u>	<u>10,000</u>	<u>360,000</u>
	100,000	100,000	(0)	100,000	100,000	(0)	100,000
	100,000	(0)	0	100,000	100,000	0	100,000
	<u>100,000</u>	<u>100,000</u>	<u>(0)</u>	<u>100,000</u>	<u>200,000</u>	<u>(0)</u>	<u>100,000</u>
	10,000	10,000	0	10,000	10,000	0	10,000
	20,000	0	0	20,000	0	0	20,000
	40,000	40,000	0	40,000	40,000	0	40,000
	<u>400,000</u>	<u>400,000</u>	<u>0</u>	<u>400,000</u>	<u>400,000</u>	<u>0</u>	<u>400,000</u>

TOWN OF GRAND ISLE, LOUISIANA

WATERWORKS AND GAS UTILITY FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 1998

	ACTUAL	BUDGET	VARIANCE (FAVORABLE / UNFAVORABLE)
OPERATING REVENUES			
Water sales	\$ 52,600	\$ 59,000	\$ (6,400)
Gas sales	179,787	179,000	787
Rewrite charges	3,480	3,000	480
Insulation charges	3,149	4,000	(851)
Employee payoffs	15,678	20,000	(4,322)
Miscellaneous	487	1,000	(513)
Total Operating Revenues	<u>275,181</u>	<u>276,000</u>	<u>(819)</u>
OPERATING EXPENSES			
Personnel services	196,785	198,200	(1,415)
Contracted services	564,000	552,000	12,000
Materials and supplies	23,473	75,000	(51,527)
Travel and administrative	288,943	217,700	71,243
Depreciation and amortization	57,768	60,000	(2,232)
Depreciation on contributed assets	25,125	25,125	0
Total Operating Expenses	<u>1,156,094</u>	<u>1,228,025</u>	<u>(71,931)</u>
OPERATING INCOME (LOSS)	<u>(180,913)</u>	<u>(151,925)</u>	<u>28,988</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest income	23,029	15,000	8,029
Interest expense	(197)	0	(197)
All other items	94,963	96,000	(1,037)
Intergovernmental			
State - Rural Development Grants	50,000	50,000	0
State - DOT Highway Construction	12,750	12,750	0
Total Non-Operating Revenues (Expenses)	<u>168,625</u>	<u>173,750</u>	<u>(5,125)</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS (ES)	<u>(12,288)</u>	<u>(14,175)</u>	<u>1,887</u>
OPERATING TRANSFERS IN (OPERATING TRANSFERS OUT)	0	0	0
NET INCOME (LOSS)	<u>(12,288)</u>	<u>(14,175)</u>	<u>1,887</u>
All fund - Depreciation on contributed assets	25,125	25,125	0
RETAINED EARNINGS			
Beginning of Year	1,044,000	1,044,000	0
End of Year	<u>\$ 1,031,712</u>	<u>\$ 1,029,825</u>	<u>\$ 1,887</u>

TOWN OF GRAND ISLE, LOUISIANA

**ENTERPRISE FUND
STATEMENT OF CASH FLOWS
WATERWORKS AND GAS UTILITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 1998**

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating loss	\$ _____ (170,183)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation and amortization	63,988
Depreciation on nondepreciable assets	25,127
Increase (decrease) in assets:	
Accounts receivable	10,294
Due from other funds	(2,609)
Inventory	(2,808)
Prepaid	(2,898)
Increase (decrease) in liabilities:	
Accounts payable	26,484
Accrued interest	111
Customer deposits	(294)
Due to other funds	72,982
	<u> </u>
Net adjustments	102,275
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u> </u> (67,908)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Additions:	84,560
Receipts under (over) maintenance contracts	(2,726)
Operating transfers in	0
Operating transfers out	0
	<u> </u>
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u> </u> 81,834
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Receipts under Bond Development grants	89,800
Receipts under State Capitalization program (project no. 50-MB-14784)	142,500
Proceeds from construction in progress	(186,000)
Principal paid on capital leases for equipment	(774)
Interest paid on capital leases for equipment	(2,924)
Purchase of property and equipment	(89,800)
	<u> </u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u> </u> 112,802
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earned	21,200
	<u> </u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u> </u> (63,272)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	88,896
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ <u> </u> 25,624

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

Merely reflect the balance sheet data. In Waterworks and Gas Utilities Fund entered into a capital lease agreement to purchase three heavy equipment costing \$76,000. One payment of \$67,000 was made (54% principal and 46% interest). The balance on the lease is \$6,611.

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TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the TOWN OF GRAND ISLE, LOUISIANA (the "Town") have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Town's significant accounting policies are described below.

1. Reporting Entity

Under GASB's Definition of Governmental Accounting and Financial Reporting Standards (1984) the financial reporting entity consists of the primary government (the "Town") and all component units. Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing body, and 1) the ability of the primary government to impose its will on that organization, or 2) whether the potential exists for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. Additionally, a component unit can be an organization for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The component units discussed below are included in the Town's reporting entity as blended component units because of the significance of their operations or financial relationships with the Town.

Flagwood Town No. 10 of Jefferson Parish

The above noted District is a legally separate entity from the Town and is funded primarily by taxes and fees levied by the Parish of Jefferson; however, under agreement with the Parish, the entity is governed by the same elected officials that govern the Town. For financial reporting purposes, this entity is reported as if it were part of the Town's operations.

2. Description of Activities

The Town was incorporated on June 15, 1959, under the provisions of the Louisiana Act (LS 10:311 - 491). The Town is governed by a Mayor-Board of Aldermen form of government. Services provided by the Town include general government activities, public works, public safety, health and welfare and culture and recreation programs. The Town also provides waterworks and gas utilities.

3. Fund Accounting

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

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

The Town's fund types have been 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 all or most of the Town's general activities, including the collection and disbursement of unassigned monies (special revenue funds), and the acquisition or construction of general fixed assets (capital project funds). The general fund is used to account for all activities of the town not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are typically provided to outside parties (enterprise funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governmental, or on behalf of other funds within the government. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent, such as processed taxes or donated emergency relief funds.

4. Basis of Accounting

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

The proprietary fund type is accounted for on a flow of economic resources management basis. With this measurement focus, all assets and liabilities associated with the operations of this fund type are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into a retained earnings component. Proprietary fund type operating statements represent increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

In accordance with GASB Statement No. 35, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, it is the policy of the Town's proprietary funds to apply all applicable GASB pronouncements, as well as all Financial Accounting Standards Board (FASB) statements, interpretations, accounting principles board opinions and accounting research bulletins of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 4 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The modified accrual basis of accounting is used by all governmental fund types 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. Property taxes and sales taxes are considered available if they are collected within 60 days after year-end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred, except for unamortized interest on general long-term debt, which is recognized when due.

Those revenues susceptible to accrual are property taxes, sales taxes, franchise taxes, interest revenue, charges for services, and intergovernmental revenues, such as grants and/or taxes collected by intermediate governments. Fines and permit revenues are not susceptible to accrual because generally they are not measurable until received in-cash.

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

The Town may also report 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. Deferred revenues also arise when revenues are received by the government before it has a legal claim to them, as a loan grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability of deferred revenue is removed from the combined balance sheet and revenue is recognized.

5. Budgetary and Budgetary Accounting

Fiscal budgetary accounting, is employed as a management-control device during the year for the General, Special Revenue Funds, and the Proprietary Fund. Fiscal budgetary accounting for the Capital Project Fund is not used due to the relative insignificance and infrequency of activity. Effective control over expenditures is maintained by requiring state non-appraisal on any expenditures.

Expenditures may not exceed budgeted appropriations at the division or department level. Expenditures may not exceed appropriations until additional appropriations have been provided. All annual appropriations which are not expended are encumbered up to year-end.

Budgets are adopted for the General, Special Revenue, and Proprietary Funds on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons presented in the accompanying financial statements are on this GAAP basis.

6. Encumbrances

Encumbrance accounting is not utilized by the Town.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Cash and Investments

Cash and cash-equivalents shown on the face of the Combined Balance Sheet include amounts in demand deposits, petty cash, certificates of deposit with maturities of less than 90 days, and shares in the Louisiana Asset Management Fund (LAAMP).

Investments are stated at cost or amortized cost. Louisiana Revised Statutes (LSA-RS 33:2855) authorize the Town to invest in (1) direct obligations of the United States Treasury, the principal and interest of which are fully guaranteed by the federal government, (2) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. governmental instrumentalities, (3) direct security repurchase agreements of any federal bank entry only securities, (4) time certificates of deposits of state banks organized under the laws of Louisiana or national banks having their principal offices in the state of Louisiana, savings accounts or shares of savings and loan associations, (5) in mutual or trust fund institutions, which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. government or its agencies, or (6) guaranteed investment contracts issued by a bank, financial institution, insurance company, or other entity having one of the two highest short-term rating categories of either Standard & Poor's Corporation or Moody's Investors Service, provided that no such investment may be made except in connection with a financing program approved by the State Bond Commission.

For the purposes of the statement of cash flows, the Proprietary Fund considers its investment in LAAMP and all highly liquid investments with a maturity of three months or less when purchased, to be cash equivalents.

3. Short-term Interfund Receivables/Payables

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. Short-term interfund loans, if any, are classified as "interfund receivable/payable".

4. Inventories

The cost of material and supplies acquired by governmental funds are recorded as expenditures at the time of purchase. The inventory of such materials and supplies at June 30, 1998 would not be material to the financial statements. The inventory of the Proprietary Fund is stated at the lower of cost or market, determined by a first-in, first-out method.

5. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 1998 are recorded as prepaid items. Prepaid insurance represents the majority of this balance.

6. Restricted Assets

Funds on hand which represent "customer money deposits" are classified as restricted assets on the balance sheet of the enterprise fund since these funds may only be used for the payment of any outstanding water bills when customer disconnection occurs.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

12. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed asset account group. All purchased fixed assets are valued at cost, where historical records are available, and at estimated historical cost where no historical record exists. Donated fixed assets are valued at their estimated fair market value on the date received.

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. Public domain ("infrastructure") general fixed assets consisting of roads, bridges, canals and gutters, streets and sidewalks, such gutters, drainage and lighting systems are not capitalized, as these assets are inseparable and of value only to the government.

Assets in the general fixed asset account group are not depreciated. Depreciation of buildings, equipment and vehicles in the Proprietary Fund type is computed using the straight-line method. Depreciation expense applicable to these fixed assets acquired through capital contributions is charged not to the related contributed capital account rather than retained earnings. It is considered preferable under the matching concept, as receipts of these fixed assets have been recorded as additions to contributed capital.

13. Compensated Absences

In both the governmental and proprietary fund types, annual and sick leave are expensed when claimed by the employee rather than when earned. In the opinion of management, the liability due at June 30, 1998 would not be material in the financial statements.

14. Long-term Obligations

For 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 obligations is reported in the general long-term debt account group.

15. Fund Equity

Reserves represent those portions of fund equity not appropriately or legally segregated for a specific fund use. Designated fund balances represent tentative plans for future use of financial resources. Contributed capital is recorded in the Proprietary Fund for amounts received as capital grants or contributions from developers, customers or other funds.

16. Interfund Transactions

Quasi-control transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except quasi-control transactions and reimbursements, are reported as transfers. Nonreversing or nonreturn-to-purchaser transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

17. Total Columns on Combined Statements

Total columns on the general purpose financial statements are captioned "nonconforming only" to indicate that they are presented only to facilitate financial analysis. Data in those columns do not present financial positions, results of operations or changes in cash flows or conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Intended eliminations, here, has been made in the aggregation of this data.

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGET

In accordance with the Louisiana Local Government Budget Act (LSA-RS 58:1581), the procedures used by the Town in establishing the budgetary data reflected in the financial statements are as follows:

- Not less than 30 days before the end of the fiscal year, the Mayor recommends to the Board of Aldermen a proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- The proposed budget is summarized and advertised and the public notified that the proposed budget is available for inspection and that within 10 days thereafter public hearings are conducted to obtain taxpayer comments.
- The budget is then legally enacted by passage of an ordinance by the Board of Aldermen.
- Any revisions that alter the total expenditures of a department must be approved by the Board of Aldermen. Changes to specific line-items within the departments must also be approved by the Board.

Budgeted amounts presented in the financial statements are as originally adopted or as finally amended by the Board of Aldermen by Ordinance No. 485.

EXPENDITURES IN EXCESS OF APPROPRIATIONS

The following funds had expenditures on a budgetary basis in excess of appropriations for the fiscal year ended June 30, 1999:

	Expenditures	Budget	Excess
General Fund			
Township Department	\$ 26,000	\$ 25,000	(\$ 1,000)
Special Revenue Funds			
Science and Facilities	1,000	0	(\$ 1,000)
Insurance Fund	1,000	0	(\$ 1,000)

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE B - STewardSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Expenditures exceeded appropriations in the Special Revenue Funds for the following reasons:

The Tourism Department exceeded expenditures in the advertising area. The Science and Fisheries Fund incurred expenditures in excess of budget due to an unexpected science providing funds. The Recreation Fund incurred some unanticipated rental expenditures. All of the excesses noted above were absorbed by available fund balances/unrealized earnings.

NOTE C - DEPOSITS AND INVESTMENTS

As June 30, 1998, the carrying amount of the Town's deposits was \$480,569 and the bank balance was \$23,797. Of this amount, \$1,200 was held in a certificate of deposit. The bank balance is categorized as follows:

Category	Bank Balance
Amount insured by FDIC, or collateralized with securities held by the Town's agent in the Town's name	\$ 623,797
Amount collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name	0
Uninsured/un-collateralized balances that is collateralized with securities held by the pledging financial institution but not in the Town's name	0
Total Bank Balance	<u>\$ 623,797</u>

Under GRAB Statement No. 3, the Town's investments at year end are to be categorized to give an indication of the level of risk assumed by the Town at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Town or its agent in the Town's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the municipality's trust department or agent in the Town's name. Category 3 includes uninsured or unregistered investments for which the securities are held by the municipality, or by its trust department or agent but not in the Town's name.

The Town's investments consist of shares in the Louisiana Asset Management Pool (LAAMP). Because of the liquidity of the pool, the investments are shown on the balance sheet as cash equivalents. The balance as of June 30, 1998 for all funds is \$99,119. Because this investment is not evidenced by securities that exist in physical or book-entry form, it is not categorized.

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 1998

NOTE B - RECEIVABLES

Receivables at June 30, 1998 consist of the following:

	General	Special Revenue	Favorites	Total
Receivables:				
<i>Accounts:</i>				
Utilities	\$ 0	\$ 0	\$ 98,000	\$ 98,000
Other bills	0	24,000	0	24,000
Property taxes	0	0	0	0
Franchise fees	35,200	0	0	35,200
<i>Intergovernmental:</i>				
Subsidies	69,200	4,800	0	74,000
Other grants	100	0	0	100
Tuition/fees	3,800	0	0	3,800
Tuition - Am I II	4,200	0	0	4,200
US 90 - highway maintenance	0	0	6,000	6,000
SELT - All 500 equipment grant	3,000	0	0	3,000
Playground Fees/Dist. II	0	100,000	0	100,000
Public Transportation Funds	4,000	0	0	4,000
Earning fee and associations	3,600	13,000	0	16,600
Other	3,000	0	2,000	5,000
Subtotal	110,700	140,754	107,000	358,454
Less allowance for uncollectibles	0	0	0,000	0,000
Total receivables	\$ 110,700	\$ 140,754	\$ 107,000	\$ 358,454

The Town generally considers all receivables to be collectible. However, in the Favorites Fund, an allowance for uncollectibles of approximately 1 percent (\$1,000) of the utility bills receivable has been recorded.

Included within the accounts receivable of the Waterworks and Gas Utilities Enterprise Fund is \$71,500 of unbilled receivables. This amount represents approximately one-half of the July 01, 1998 water and gas bills which are for the actual usage of water and gas in the last half of June 1998.

Also included above is \$100,000 due for Playground District No. II. This amount represents the balance of points dedicated as revenue taxes collected by the Parish on the Town's behalf under a local cooperative agreement.

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 1998

NOTE E - FIXED ASSETS

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

Fixed Category	Balance at Beginning of year		Additions		Deletions		Balance at End of Year	
Land	\$	286,228	0	0	\$	0	0	286,228
Buildings and improvements		1,000,000	1,200			0		1,001,200
Furniture and equipment		264,876	16,000			0		280,876
Heavy equipment		700,000	100,000			0		800,000
Totals		<u>2,051,104</u>	<u>116,200</u>			<u>(14,000)</u>		<u>2,153,304</u>
Total		<u>\$ 2,051,104</u>	<u>116,200</u>			<u>(14,000)</u>		<u>\$ 2,153,304</u>

Below is a summary of fixed assets by source:

Fixed Description	Amount	
Land	0	286,228
Buildings and		1,000,000
furniture and equipment		274,876
Heavy equipment		500,000
Totals		<u>2,061,104</u>
Total	<u>0</u>	<u>2,153,304</u>
Investment Funds		
Capital Fund	0	600,000
Dealing/Debtors No. 1		600,000
Debtors Fund		175,000
Community Capital and Employment Finance Fd No.		600,000
Municipal Capital Fund		600,000
Capital Projects Fund		6,000
Other - Federal/State/Local Source		20,712
Other - Public Source		60,000
Other - Unknown		<u>10,592</u>
TOTAL	<u>0</u>	<u>2,153,304</u>

TOWNSHIP OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
 June 30, 1998

NOTE E - FIXED ASSETS (CONTINUED)

The following is a summary of proprietary fixed property, plant and equipment at June 30, 1998:

Asset Type	Quantity	Amount
Land	2	17,004
Buildings and improvements		223,000
Furniture and fixtures		96,000
Vehicles and heavy equipment		504,000
Utility distribution systems and lines		
Water transmission system		157,000
Water distribution system		250,000
Water tank		1,000,000
Water meters		114,000
Gas distribution system		480,000
Sewer ("") gas line		11,000
Gas meters		58,000
Gas flow computers		70,000
Construction in progress - transfer in project		600,000
		<u>3,648,000</u>
Less accumulated depreciation		(3,014,000)
Net Property, Plant, and Equipment		<u>634,000</u>

Useful lives used for computing depreciation are as follows:

Description	Life in Years
Buildings and improvements	20-30
Furniture and fixtures	5-8
Vehicles and heavy equipment	5-8
Utility distribution systems and lines	50-80

The construction in progress of \$366,000 relates to the Lafitte to Grand Isle Waterline Project. The total estimated cost of this project is approximately \$18,000,000. The Town has obtained \$3,000,000 in financing from the State Capital Outlay Program (\$800,000 available from Priority 1 and \$2,200,000 in Priority 5) to help pay for the design and construction of the waterline (Project No. 90-0831-070-1). In addition, the Town has applied for \$1,000,000 in loans from the USDA Rural Development Division under the Water 2000 Act and \$1,040,000 from the US Environmental Protection Agency under the State and Tribal Assistance Grant program. Additional funding will come from the Town in the form of Waterworks Utilities Revenue Bonds (approximately \$4,000,000).

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 1998

NOTE E - FIXED ASSETS (CONTINUED)

The project is expected to go out to bid sometime in the fall of 1998, with construction to be completed in late 1999. The Town will then purchase its drinking water from the Parish of Iberville.

NOTE F - TAXES PAID UNDER PROTEST

The essential balances due to taxing bodies and others as June 30, 1998 include \$3,366 of taxes paid under protest plus interest earned to date on the investment of these funds. These funds are held in the Property Tax Protest Agency Fund pending resolution of the protest.

NOTE G - LONG-TERM DEBT

1. Capital Leases

The Town has entered into lease agreements as lessee for financing the acquisition of a garbage truck and a dock with transfer. These lease agreements qualify as capital leases for accounting purposes through purchase options and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The following is an analysis of equipment leased under capital leases as of June 30, 1998:

	General Fund (Book) Account Group		Waterworks & Gas Utilities Enterprise Fund	
Garbage Truck	\$	62,000	\$	0
With Wheel Transfer vehicle		0		24,000
Total	\$	62,000	\$	24,000

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 1998.

	General Fund (Book) Account Group		Waterworks & Gas Utilities Enterprise Fund	
1999	\$	11,028	\$	3,860
2000		0		3,860
2001		0		3,860
2002		0		3,860
2003	\$	0	\$	7,388
Total minimum lease payments		11,028		24,628
Less: interest (discounting interest)		(4,828)		(6,993)
Present value of future minimum lease payments	\$	6,200	\$	17,635

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 1998

NOTE C - LONG-TERM DEBT (CONTINUED)

2. **Installment Purchases**

The Town purchased two police cars in 1995 through the Jefferson Parish Sheriff's Office. The Town was reimbursing the Sheriff's Office for the cars on an installment basis. During 97-98, the Town made good the final installment of \$12,689.

3. **Changes in Long-Term Liabilities**

The following is a summary of the changes in general long-term obligations for the fiscal year ending June 30, 1998:

Type of Debt	Balance, July 1, 1997		Addition/ Reductions		Balance, June 30, 1998	
Capital bonds	1	26,404	0	0.000%	1	26,404
Installment purchase		12,689	0	0.000%		0
Total		39,093		0.000%		26,404

NOTE D - RESERVATION AND DESIGNATIONS OF FUND BALANCE/RETAINED EARNINGS

The following reserves and designations of fund balance/retained earnings have been provided for in the financial statements:

1. **Retained Earnings - Reserved for Depreciation and Contingencies**

A "depreciation and contingencies fund" and a "reserve to cover fund" were established under the 1962 Waterworks and Gas Utilities Revenue Bond Indenture. Amounts equaling at least 3-7% of gross revenues of the system are to be transferred to this fund for extensions, additions, improvements, renewals and replacements. In accordance with Town Resolution No. 165, the transfers continue to be made even though the bonds have been refunded.

2. **Fund Balance - Reserved for Prepaid Items**

This reserve was established as an offset against the assets, prepaid items, because it does not constitute an available, spendable resource of the fund even though it is a component of current assets.

3. **Fund Balance - Reserved for Drainage Pumps**

This reserve represents the balance of a construction contract to purchase and install pumps and related machinery in connection with the Grand Isle Drainage Project II - Hazard Mitigation Grant Program.

4. **Fund Balance - Designated for Subsequent Year's Expenditures**

This designation represents the budgeted deficiency of revenues over expenditures in the 98-99 budget.

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
 June 30, 1998

NOTE 1 - CONTRIBUTED CAPITAL

Enterprise fund contributed capital decreased by the following amounts:

	Majority Ownership	Non-Ownership	Partial Ownership	Fund					
Balance at June 30, 1996	L	\$	0	L	\$	426,000	L	\$	426,000
Self contributions from debt capital repay program		0	(47,500)		0	0		0	(47,500)
Less: amortization of cost of water storage tank (operational lease)		0	0		0	(24,000)		0	(24,000)
Balance at June 30, 1998	L	\$	0	L	\$	402,000	L	\$	374,500

NOTE 2 - TAXES

1. Sales Tax

The total sales tax levied on purchases within the Town limits during the fiscal year ended June 30, 1998 was 8.334 percent. Of this, 8.334 percent, 4 percent is levied by the State, 1 1/2 percent is levied by the Jefferson Parish Public School System (a separate entity), 3 percent is levied by the Parish of Jefferson (a separate entity), and 1/4 percent is levied by the Jefferson Parish Sheriff's Office.

Of the 3 percent levied by the Parish, 1/2 percent is retained in the Jefferson Parish Public School System and 2 1/2 percent is retained in the Town (as its incorporated municipality). Of the 2 1/2 percent received by the Town, 100 percent is assigned in the Delinquent District No. 1 Special Revenue Fund. The balance goes in the Town's General Fund.

The 1/4 percent levied by the Sheriff's Office is retained directly to the Town for law enforcement purposes and is recognized in the General Fund.

2. Ad Valorem Tax

The Town levies an ad valorem tax on real property within the city limits. Ad valorem taxes are recognized in the fiscal year in which the taxes are levied. The levy is generally made on or November 15 of each year. The tax is due, and becomes an enforceable lien on the property, on the first day of the month following the filing of the tax roll by the Parish Assessor with the Louisiana Tax Commission usually December 31. The tax is considered delinquent on March 1 in the year after the levy. The taxes are billed and collected by the Town.

Ad valorem taxes are levied based on property values determined by the Jefferson Parish Assessor's Office (a separate entity). All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Ad valorem taxes are levied upon \$1,000 assessed value in varying amounts for maintenance and operation of the Town. A homestead exemption is in effect which essentially makes the first \$1,000 of assessed value exempt from taxes.

The number of mills levied on the 1997 tax rolls was 7.00 for the General Fund and 5.00 for the Waterworks and Gas Utilities fund.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 6. INTERFUND TRANSACTIONS

RECEIVABLES/PAYABLES

Individual balances due from/to other funds as June 30, 1998 are as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 18,542	\$ 18,542
Special Revenue Funds:		
Drainage District No. 1	\$6,678	0
Tribune Contribution	0	1,200
Wastewater Fund	433	30
Community Center and Recreational Service No. 10	1,142	800
Wastewater Treatment Administration Fee	<u>114,122</u>	<u>114,122</u>
	<u>122,305</u>	<u>116,192</u>
Enterprise Funds:		
Unexpended	11,600	100,000
Encumbered	0	4,200
	<u>11,600</u>	<u>104,200</u>
Total	\$ 132,207	\$ 132,207

OPERATING TRANSFERS

A summary of operating transfers by fund type for the fiscal year ended June 30, 1998 is as follows:

Fund Type	Transfer To or From	Operating Transfers to	Operating Transfers from
General Fund	Various Funds	0	45,402
Special Revenue Fund Drainage District No. 1	General Fund	16,040	0
Special Revenue Fund Drainage District No. 2	Wastewater Treatment and Administration Fee	114,122	0
Special Revenue Fund Wastewater Treatment and Administration Fee	General Fund	0	15,400
Special Revenue Fund Wastewater Treatment and Administration Fee	Drainage District No. 1	0	114,122
		<u>130,162</u>	<u>174,924</u>

TOWNSHIP OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 1 - RISK MANAGEMENT

The Town is exposed to various risks of loss from personal injury, auto, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. To protect itself from these losses, the Town purchases various types of commercial insurance. The Town pays premiums for coverage on general liability, auto, and excess liability. Coverage limits per occurrence is \$1,000,000, with an aggregate limit of \$1,000,000 on general liability claims and \$1,000,000 on excess liability claims.

The Town also carries commercial insurance for other risks of loss, including law enforcement officer's liability, public officials errors and omissions, workers' compensation, employee health and accident insurance, fire damage, etc. In each policy, the Town is responsible for the applicable deductible.

Unfiled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

NOTE 2 - COMMITMENTS AND CONTINGENCIES

1. Commitment - Delisle French Gas Line

On August 11, 1992, the Town entered into a lease agreement with Delisle Fishing and Royal Tools, Inc. whereby Delisle leased its interest in a 6" gas line to the Town for a period of 50 years. Under the lease agreement, the Town agreed to pay Delisle \$200 per year as compensation for administrative and other expenses incurred in connection with the lease agreement. In addition, the Town agreed to reimburse Delisle for any and all amounts which Delisle may have to pay for operation, maintenance and repair of the gas line.

As June 30, 1998, a liability of \$40,000 was recorded in the Waterworks and Gas Utilities Expendable Fund for the amounts due under this lease agreement through that date. Through June 30, 1998, the Town made one payment of \$24,000, leaving a balance due of \$16,000. While the lease term officially expired on August 11, 1992, the Town has continued using the gas line pending the formulation of a new lease agreement and would therefore still be responsible for payments under the lease.

2. Federal Financial Assistance

The Town participates in certain federal financial assistance programs. While the programs fall beyond the scope of a Single Audit in accordance with OMB Circular A-133, the grantor agencies may provide for further examinations. The Town believes that further examinations would not result in any material disallowances.

3. Civil Penalties - Landfill

On November 4, 1993 and again on August 14, 1995, the DEQ issued penalty notices (SI-97-01-007) and SE-P-97-0219 against the Town in connection with violations of the Solid Waste Piles and Proliferation and the Louisiana Environmental Quality Act in relation to the Town's dumpsite (i.e., landfill). Penalties of \$51,454 and \$75,000 have been levied. Administrative appeals were filed by the Town and accepted by the State. A verbal agreement had been reached whereby the State will waive the penalties if the Town provides for a proper closure (i.e., capping) of the dumpsite.

TOWN OF GRAND ISLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 6 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

GAAP Codification Section 1.10 requires a government who owns or operates a municipal landfill to recognize the closure and postclosure care costs over the expected life of the landfill rather than after closure takes place. Since the Town's dump site was effectively closed as of June 30, 1998, a liability for closure costs should have been accrued. It is management's assertion that the liability is immaterial to the financial statements and has therefore not been accrued.

To minimize the cost to the Town, a cooperative easement agreement has been entered into with the Parish of Jefferson, whereby costs and revenues from the area's drilling and/or water wells would be used to cover the landfill. DEQ has approved the plan with certain conditions and restrictions. During 1998, the Town incurred costs of \$28,178 in connection with capping the dump site and installing a fence around the property. DEQ has issued a monitoring report on March 1998 which indicated that the Town is complying with all of the conditions agreed to in closing the landfill. Because the ultimate cost to the Town should be minimal, the financial statements do not include a provision for these closure or postclosure costs.

NOTE 7 - SUBSEQUENT EVENTS

On July 7, 1998, the USDA Rural Development Division approved the Town's application for a \$7,000,000 loan to finance the Laffite to Grand Isle Waterline Project. The loan will carry an interest rate of 4.75 percent. On September 8, 1998, the Town passed Ordinance No. 1204 authorizing the incurrence of indebtedness of up to \$11,000,000 (\$7,000,000 from USDA and \$4,000,000 in Waterworks Revenue Bonds) for the Waterline Project. Additionally, on October 21, 1998, House Resolution No. 8794 was signed by the President of the United States. This resolution appropriates \$1,045,000 for the Town's Waterline Project.

**COMBINING STATEMENTS AND INDIVIDUAL
FUND AND ACCOUNT GROUP SCHEDULES**

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GENERAL FUND

The General Fund is the principal operating fund of the Town of Grand Isle, and is used to account for the financial resources and expenditures not accounted for in any other fund.

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
BALANCE SHEET
JUNE 30, 1998

ASSETS

Cash and cash equivalents	\$	582,033
Receivables, net		
Franchise taxes		15,579
Intergovernmental		
Sales tax		58,793
Beer tax		940
Tobacco tax		1,893
Fees/rents - Act 19		4,279
Outstanding fees and commissions		5,600
Grants		2,270
Funds (cash fund)		4,853
Other		5,880
Due from other funds		18,887
Prepaid items		22,744
TOTAL ASSETS	\$	<u>693,529</u>

LIABILITIES AND FUND BALANCE

LIABILITIES		
Accounts payable	\$	3,600
Accrued salaries and related liabilities		31,000
Due to other funds		52,678
Appropriations (cash deposits)		12,045
Unfilled reserves		13,673
TOTAL LIABILITIES		<u>113,006</u>
FUND BALANCE		
Reserved for prepaid items		22,744
Unreserved		
Designated for subsequent year's expenditures		58,865
Undesignated		595,671
TOTAL FUND BALANCE		<u>680,277</u>
TOTAL LIABILITIES AND FUND BALANCE	\$	<u>693,283</u>

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 1998

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Taxes	\$ 93,827	\$ 92,500	\$ 1,327
Fees and payments	89,582	76,000	13,582
Intergovernmental	84,830	83,000	1,830
Grants for special activities	32,544	30,000	2,544
Interest on investments	114,743	150,000	(35,257)
Charges for services	271,137	270,000	1,137
Miscellaneous	83,654	82,000	1,654
TOTAL REVENUES	<u>1,645,947</u>	<u>1,113,500</u>	<u>532,447</u>
EXPENDITURES			
Current			
General government	403,482	496,000	(92,518)
Public safety	264,713	402,000	(137,287)
Public works	296,796	504,000	(207,204)
Culture, recreation and tourism	23,676	21,000	2,676
TOTAL EXPENDITURES	<u>1,248,667</u>	<u>1,443,000</u>	<u>194,333</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>397,280</u>	<u>(329,500)</u>	<u>726,780</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	45,482	31,000	14,482
Operating transfers out	(28,482)	(28,000)	(482)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,999)</u>	<u>(3,000)</u>	<u>1,001</u>
EFFECT OF ACCOUNTING CHANGES ON REVENUES AND OTHER SOURCES OF REVENUES AND OTHER SOURCES			
OTHER CHANGES	284,776	32,000	252,776
FUND BALANCES			
Beginning of year	233,381	233,381	-
Fiscal year	<u>\$ 618,273</u>	<u>\$ 162,481</u>	<u>\$ 455,792</u>

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
 SCHEDULE OF REVENUES - ACTUAL AND BUDGET
 FOR THE FISCAL YEAR ENDING JUNE 30, 1998

	ACTUAL	BUDGET	PERCENT BUDGET TO ACTUAL
TAXES			
All values	\$ 14,085	\$ 13,000	107%
Sales			
General	40,582	40,000	101.45%
License/permits	75,000	45,000	166.67%
Real estate	6,000	5,000	120.00%
Transfer fee			
Energy	40,000	45,000	88.89%
Local Code	15,000	10,000	150.00%
Total	55,000	55,000	100.00%
FEES AND PERMITS			
Fees			
Complaint	45,000	40,000	112.50%
Special use	5,000	4,000	125.00%
Miscellaneous			
Building	10,000	10,000	100.00%
Zoning and enforcement	400	500	80.00%
Total	55,400	54,500	101.65%
CONTRIBUTIONS			
Contrib			
Contrib of Citizens - Housing Proj	1,000	0	0.00%
Citizen's Inv. & Eng./Env. Related Issues	2,000	2,000	100.00%
Don			
Religious org	1,500	1,500	100.00%
Home Inv	4,500	3,500	128.57%
Family and friends	10,000	10,000	100.00%
Various funds	1,000	1,000	100.00%
1997 Lottery (state)	1,000	1,000	100.00%
Total	19,000	17,000	111.76%
CONTRIBUTIONS AND TRANSFERS			
Value added activities	10,000	10,000	100.00%
FINES AND PENALTIES			
Fines and court costs	10,000	10,000	100.00%
Interest fee	1,000	0	0.00%
Total	11,000	10,000	110.00%
GRANTS AND OTHER FUNDS			
Donation	4,000	10,000	40.00%
Tax credits and rebates	1,000	0	0.00%
Total	5,000	10,000	50.00%
GRANTS - OTHERS			
Miscellaneous	10,000	10,000	100.00%
Miscellaneous organizations for	10,000	10,000	100.00%
10% fee reduction charge	1,000	1,000	100.00%
Education - Institute	400	1,000	40.00%
Other	1,000	1,000	100.00%
Total	22,400	23,000	97.39%
TOTAL REVENUES	\$ 143,085	\$ 143,000	100.00%

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT -
 ACTUAL AND BUDGET - GENERAL GOVERNMENT FUNCTION
 FOR THE FISCAL YEAR ENDED JUNE 30, 1998

	ACTUAL	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
GENERAL AND ADMINISTRATIVE			
Office salaries	\$ 46,000	\$ 46,000	\$ 0
Payroll taxes	46,000	46,000	0
Entertainment	400	1,000	500
Insurance - hospitalization	50,781	50,000	7,781
Insurance - medical malpractice	50,100	40,000	10,100
Address - post office	19,764	17,000	2,764
Telephone expense	9,004	10,000	1,000
Audit	4,276	10,000	5,724
Legal and professional fees	24,911	20,000	4,911
Office supplies	1,018	1,000	18
Public supplies	1,076	1,000	76
Industrial supplies	200	400	200
Advertising	1,700	6,000	4,300
Sign and message	0	1,000	1,000
USA - dues	0	100	100
USA - expense	4,764	5,000	236
Auto maintenance	0	400	400
Auto lease - general and administrative	48,570	10,000	38,570
Utilities	13,180	10,000	3,180
Printing	4,624	6,000	1,376
Post charges	10	400	390
Telephone	11,000	10,000	1,000
Repairs - other equipment	4,371	1,000	3,371
Repairs - building	1,076	10,000	8,924
Repairs - vehicle	1,711	2,000	289
Gas and oil	1,676	1,000	676
Public accounts	4,404	10,000	5,596
Phonics	1,488	1,000	488
Notes - printing	0	200	200
Travel and other	200	200	0
Computer consulting	100	600	500
Safety equipment	500	400	100
Electric expense	2,733	1,000	1,733
Insurance expense	3,981	1,000	2,981
Miscellaneous	1,800	1,000	800
Interest - Youth Trust - Parish	4,000	4,000	0
Improvements - St. Peter's Parish School Commission	10,000	10,000	0
Capital outlay			
Office fixtures and equipment	1,076	1,000	76
Vehicles	6,100	10,000	3,900
Furniture and other	0	1,000	1,000
Total General Fund	\$ 396,000	\$ 412,700	\$ 16,700

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND

SCHEDULE OF EXPENDITURES BY DEPARTMENT -

ACTUAL AND BUDGET - GENERAL GOVERNMENT FUNCTION (CONTINUED)

FOR THE FISCAL YEAR ENDED JUNE 30, 1998

	ACTUAL	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
MAINTENANCE DEPARTMENT			
Salaries	\$ 46,666	\$ 46,677	\$ 11
Fuel and oil expenses	173	200	27
Office supplies	1,286	1,282	4
Repairs - vehicles	471	1,000	529
Contract oil	459	1,000	541
Tire and auto air	4,822	3,600	1,222
Miscellaneous	41	100	59
Capital outlay			
Office furniture and equipment	50	50	0
TOTAL DEPARTMENT	\$ 54,028	\$ 53,759	\$ 269
PLANNING COMMISSION AND TOUR DEPARTMENT			
Salaries	\$ 26,400	\$ 26,400	\$ 0
Office supplies	97	100	3
Printing - for title	2,970	3,000	30
Printing	1,870	1,800	70
Advertising	(400)	500	900
Recreation	(400.0)	0.00	400.0
Tire and auto air	1,200	1,400	200
Miscellaneous	(2,754)	100	2,854
Capital outlay			
Office furniture and equipment	10	50	40
TOTAL DEPARTMENT	\$ 26,326	\$ 33,650	\$ 7,324
TOTAL GENERAL GOVERNMENT	\$ 80,354	\$ 87,409	\$ 7,055

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT -
 ACTUAL AND BUDGET - PUBLIC SAFETY FUNCTION
 FOR THE FISCAL YEAR ENDED JUNE 30, 1998

	ACTUAL	BUDGET	YEAR-END FUNDING COMPARISON
POLICE DEPARTMENT			
Salaries	\$ 266,400	\$ 26,000	\$ 240,400
Incentives - merit/step/retention	14,000	10,000	4,000
Incentives - voluntary separation	22,000	22,000	0,000
Retirement - police	4,444	5,000	(556)
Donation/charity items	270	500	(230)
Food and lodging - expense	1,674	1,400	274
Food - prisoners	240	400	(160)
Legal and professional fees	0	1,000	1,000
Travel and other	1,711	1,400	311
Office supplies	1,674	1,400	274
Office supplies	1,100	1,400	(300)
Personal supplies	411	800	(389)
Telephone	3,007	10,000	(6,993)
Utilities	411	1,000	(589)
Amusement	411	800	(389)
Repairs - building	1,174	2,000	(826)
Repairs - equipment	4,417	4,000	417
Repairs - vehicles	11,500	10,000	1,500
Chemicals	0	500	500
Printing	10	50	40
Subcontracting	411	500	(89)
EMM program expense	800	4,000	(3,200)
Drug Test Fees participation	1,774	1,000	774
Incentives - general and retirement	4,000	2,000	2,000
Utilities	2,444	2,000	444
Gas and oil	14,417	10,000	4,417
Small motor- and equipment	411	400	11
Maintenance	374	800	(426)
Capital outlay			
- Office furniture and equipment	4,417	10,000	(5,583)
- Vehicles and equipment	14,417	14,000	417
- Tools and equipment	411	500	(89)
TOTAL DEPARTMENT	\$ 444,000	\$ 80,000	\$ 364,000
FFYD - INDEMNITY			
Emergency fund	\$ 0	\$ 1,000	\$ 1,000
TOTAL DEPARTMENT	\$ 0	\$ 1,000	\$ 1,000
TOTAL PUBLIC SAFETY	\$ 444,000	\$ 81,000	\$ 363,000

TOWN OF GRAND ISLE, LOUISIANA

**GENERAL FUND
SCHEDULE OF EXPENDITURES BY DEPARTMENT -
ACTUAL AND BUDGET - PUBLIC WORKS FUNCTION
FOR THE FISCAL YEAR ENDING JUNE 30, 1998**

	ACTUAL	BUDGET	VARIANCE (FAVORABLE / UNFAVORABLE)
PAVING DEPARTMENT			
Salaries	\$ 14,764	\$ 15,000	\$ 236
Travel expense	1,362	1,500	138
Plant exp.	1,000	1,000	0
Small tools and equipment	485	500	15
Repairs - vehicles	1,488	1,500	112
Gas and oil	4,395	5,000	605
Materials	1,700	1,000	700
Miscellaneous	70	50	20
Capital outlay			
Vehicles and equipment	1,400	1,500	100
Road construction	0	10,000	10,000
TOTAL DEPARTMENT	\$ 27,924	\$ 38,500	\$ 10,576
ROAD WORK DEPARTMENT			
Salaries	\$ 36,633	\$ 38,000	\$ 1,367
Travel expense	1,500	1,500	0
Repairs - vehicles	700	1,000	300
Capital outlay/equipment	700	500	200
Small tools	14,070	12,000	2,070
Gas and oil	4,700	7,000	2,300
Repairs - vehicles	25,738	20,000	5,738
Small tools and equipment	175	500	325
Materials	2,400	2,400	0
Contracted services/leasing	10,410	10,000	410
Miscellaneous	100	50	50
Capital outlay			
Vehicles and equipment	1,400	10,000	8,600
Road Work			
Paved	11,000	0	(11,000)
Other	1,000	0	(1,000)
TOTAL DEPARTMENT	\$ 77,349	\$ 72,500	\$ 4,849
TOTAL PUBLIC WORKS FUNCTION	\$ 105,273	\$ 111,000	\$ 5,727

TOWN OF GRAND ISLE, LOUISIANA

GENERAL FUND

**SCHEDULE OF EXPENDITURES BY DEPARTMENT -
ACTUAL AND BUDGET - CULTURE, RECREATION AND TOURISM
FOR THE FISCAL YEAR ENDED JUNE 30, 1999**

	ACTUAL	BUDGET	VARIANCE (EXCESS/ DEFICIENCY)
PERSONNEL			
Salaries	\$ 11,861	\$ 12,600	\$ 739
Allowance	000	1,000	(1,000)
Travel and subscriptions	88	100	12
Office supplies	13	400	387
Telephone	1,010	1,000	10
Postage	176	100	76
Travel vehicles	107	500	393
TOTAL DEPARTMENT	\$ <u>13,265</u>	\$ <u>15,600</u>	\$ <u>(2,335)</u>
TOTAL CULTURE, RECREATION AND TOURISM	\$ <u>13,265</u>	\$ <u>15,600</u>	\$ <u>(2,335)</u>

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SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenues that are legally restricted to expenditures for specific purposes.

SECURE AND FURNITURE

Used to account for the proceeds of funds raised during drug enforcement activities. These proceeds are to be used exclusively for drug enforcement.

SEWAGE DISTRICT NO. 1

Used to account for the proceeds of a surcharge of the 1982 1/2 cent sales tax to be used for operations, maintenance, and improvements of the Town's drainage system.

WILDFIRE CONTROL FUND

Used to account for intergovernmental revenues and donations received to be used for wildfire control projects within the Town limits.

BRIDGE REPAIR

Used to account for the proceeds of a grant from Louisiana Senator Katoil. These proceeds are to be used to repair the Highway 1 fishing bridge due to damage caused by Hurricane Andrew in August 1992.

MOSQUITO CONTROL FUND

Used to account for the proceeds of a mosquito fee assessed on all residential and commercial property to be used to control the mosquito population within the community.

RECREATION FUND

Used to account for the proceeds of an expired State racing tax to be used for recreational activities and facilities.

COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 16

Used to account for the proceeds of an ad valorem tax levied by the Parish of Jefferson and committed to the Town for the construction, operations, and debt service costs of the Grand Isle Community Center and Playground District.

BRIDGE LIGHTING FUND

Used to account for a grant from Jefferson Parish to be used to repair and maintain the lights on the fishing bridge.

INTERGOVT. GAMBLING AND MEMBERSHIP FUND

Used to account for the Town's 5 percent share of bonding fees received by Jefferson Parish from the Bossman Gulf Casino.

TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1998

	SEWER AND WASTEWATER	WATER UTILITY	INDUSTRIAL WASTEWATER	SEWER AND WASTEWATER
	11,000,000	100,000	11,000	100,000
ASSETS				
Cash and cash equivalents	\$ 3,341	\$ 4,156	\$ 41,000	\$ 518
Receivables				
Accounts receivable	0	0	0	0
Intergovernmental				
Sales tax	0	4,000	0	0
Proposed District No. 16 fees	0	0	0	0
Franchise fees and commissions	0	0	0	0
Due from other funds	0	11,000	0	0
Prepaid items	0	0	0	0
TOTAL ASSETS	\$ 3,341	\$ 15,256	\$ 41,000	\$ 518
LIABILITIES AND FUND EQUITY				
Liabilities				
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued payroll and deductions	0	0	0	0
Due to other funds	0	0	11,000	0
Total Liabilities	0	0	11,000	0
Fund Equity				
Fund Balances				
Reserved for prepaid items	0	0	0	0
Reserved for drainage permits	0	41,000	0	0
Unreserved				
Designated	0	0	0	0
Undesignated	3,341	0	31,000	518
Total Fund Equity	3,341	41,000	31,000	518
TOTAL LIABILITIES AND FUND EQUITY	\$ 3,341	\$ 46,256	\$ 72,000	\$ 518

MICHIGAN COUNCIL FUND	BUDGET/09 FUND	COMMUNITY CENTER AND PLAYGROUND PROJECT NO. 16	BUSIN. LEASING FUND	REVENUE TRANSFER FUND	TOTAL
\$ 31,758	\$ 21,654	\$ 109,819	\$ 111	\$ 21,881	\$ 185,023
24,000	0	0	0	0	24,000
0	0	0	0	0	0,000
0	0	100,000	0	0	100,000
0	0	0	0	11,000	11,000
658	0	6,142	0	14,841	15,599
0	0	38,487	0	0	38,487
<u>\$ 31,758</u>	<u>\$ 21,654</u>	<u>\$ 109,819</u>	<u>\$ 111</u>	<u>\$ 21,881</u>	<u>\$ 185,023</u>

\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	833	0	0	833
38	0	899	0	11,056	12,093
<u>38</u>	<u>0</u>	<u>1,732</u>	<u>0</u>	<u>11,056</u>	<u>12,866</u>
0	0	38,488	0	0	38,488
0	0	0	0	0	0,000
0	0	0	0	0	0
31,428	21,654	242,119	111	23,441	299,753
<u>31,428</u>	<u>21,654</u>	<u>242,119</u>	<u>111</u>	<u>23,441</u>	<u>299,753</u>
<u>\$ 31,428</u>	<u>\$ 21,654</u>	<u>\$ 242,119</u>	<u>\$ 111</u>	<u>\$ 23,441</u>	<u>\$ 299,753</u>

TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDING JUNE 30, 2020

	REVENUE AND EXPENDITURE	DEBARGE- MENT FUND	INDEMNITY FUND	TRAIL BLAZE
REVENUES				
Taxes	\$ 0	\$ 40,311	\$ 0	\$ 0
Intergovernmental	0	31,050	0	0
Gambling fees and commissions	0	0	0	0
Fees and inhibitors	5,405	0	0	0
Change for services	0	0	0	0
Miscellaneous	0	115	3,126	14
TOTAL REVENUES	<u>5,405</u>	<u>71,481</u>	<u>3,126</u>	<u>14</u>
EXPENDITURES				
Current				
Public safety	1,988	0	0	0
Public works	0	29,611	0	0
Health and welfare	0	0	0	0
Culture and recreation	0	0	0	0
TOTAL CURRENT EXPENDITURES	<u>1,988</u>	<u>29,611</u>	<u>0</u>	<u>0</u>
DEBARGEMENT (DEPOSIT) OR REVENUE OTHER EXPENDITURES				
	5,405	(144,305)	3,126	14
OTHER FINANCING SOURCES (USES)				
Operating transfer in	0	19,711	0	0
Operating transfer out	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>0</u>	<u>19,711</u>	<u>0</u>	<u>0</u>
DEBARGEMENT (DEPOSIT) OR REVENUE OTHER USES (RESOURCES) AND OTHER SOURCES (USES)				
	5,405	3,406	3,126	14
FUND BALANCE				
Beginning of year	0	36,075	0,246	64
End of year	<u>\$ 5,405</u>	<u>\$ 42,887</u>	<u>\$ 3,372</u>	<u>\$ 78</u>

MUNICIPAL CONTRIB. FUND	MUNICIPAL FUND	COMMUNITY CENTER AND PLANNED DEVELOP. DISTRICT	BRIDGE DEVELOP. FUND	RYERSON GARDENS ADDITION	TOTAL
		NO. 16	FUND	FUND	
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	25,500	0	0	25,500
0	0	0	0	200,000	200,000
0	0	0	0	0	0
46,340	0	2,420	0	0	48,760
880	1,240	7,000	2	4,700	14,324
<u>47,220</u>	<u>1,240</u>	<u>22,500</u>	<u>2</u>	<u>204,700</u>	<u>235,662</u>
0	0	0	0	0	0
0	0	0	0	0	0
30,276	0	0	0	0	30,276
0	3,340	130,668	0	0	134,008
<u>30,276</u>	<u>3,340</u>	<u>130,668</u>	<u>0</u>	<u>0</u>	<u>164,284</u>
<u>77,944</u>	<u>(1,091)</u>	<u>88,887</u>	<u>2</u>	<u>249,404</u>	<u>365,146</u>
0	0	0	0	0	0
0	0	0	0	(146,570)	(146,570)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(146,570)</u>	<u>(146,570)</u>
<u>77,944</u>	<u>(1,091)</u>	<u>88,887</u>	<u>2</u>	<u>102,834</u>	<u>268,576</u>
46,344	24,346	214,800	108	104,880	486,378
<u>\$ 27,488</u>	<u>\$ 21,255</u>	<u>\$ 200,300</u>	<u>\$ 110</u>	<u>\$ 208,400</u>	<u>\$ 457,553</u>

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TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - ACTUAL AND BUDGET
 FOR THE FISCAL YEAR ENDED JUNE 30, 1998

	TOTALS BY FUNCTION		
	ACTUAL	BUDGET	VARIANCE PAYABLE (UNAVAILABLE)
REVENUES			
Taxes	\$ 49,711	\$ 45,000	\$ 4,711
Intergovernmental	248,973	222,200	26,773
Grants (fee) and commissions	235,886	280,000	(44,114)
Fees and distributions	6,415	0	6,415
Change in reserves	49,769	48,500	1,269
Miscellaneous	14,204	11,200	3,004
TOTAL REVENUES	<u>614,959</u>	<u>617,900</u>	<u>(2,941)</u>
EXPENDITURES			
Current			
Public safety	1,888	0	(1,888)
Public works	228,671	227,100	1,571
Health and welfare	38,276	49,400	(11,124)
Culture and recreation	158,588	208,500	(49,912)
TOTAL EXPENDITURES	<u>427,323</u>	<u>503,100</u>	<u>(75,777)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<u>187,636</u>	<u>(85,200)</u>	<u>272,836</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	159,700	176,000	(16,300)
Operating transfers out	(146,200)	(121,400)	24,800
TOTAL OTHER FINANCING SOURCES (USES)	<u>13,500</u>	<u>54,600</u>	<u>(41,100)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)			
	201,136	(30,600)	231,736
FUND BALANCE			
Beginning of year	482,941	492,500	0
End of year	<u>\$ 684,077</u>	<u>\$ 461,900</u>	<u>\$ 222,177</u>

TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS
 COMPARING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
 FOR THE FISCAL YEAR ENDED JUNE 30, 1999

	REVENUES AND EXPENDITURES		
	ACTUAL	BUDGET	VARIANCE PAYABLE (FAVORABLE)
REVENUES			
Fees and Inclusions: Licenses and Refunds	\$ 6,415	\$ 0	\$ 0
TOTAL REVENUES	<u>6,415</u>	<u>0</u>	<u>0</u>
EXPENDITURES			
Public Safety: Supplies	79	0	(79)
Training	1,809	0	(1,809)
TOTAL EXPENDITURES	<u>1,888</u>	<u>0</u>	<u>(1,888)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>4,527</u>	<u>0</u>	<u>4,527</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	0	0	0
Operating transfers out	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>4,527</u>	<u>0</u>	<u>4,527</u>
FUND BALANCE			
Beginning of year	0	0	0
End of year	<u>\$ 4,527</u>	<u>\$ 0</u>	<u>\$ 4,527</u>

TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED) FOR THE FISCAL YEAR ENDING JUNE 30, 2008

	DRAINAGE DISTRICT NO. 1		
	ACTUAL	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Taxes			
Sales taxes	\$ 49,291	\$ 45,000	\$ 4,291
Intergovernmental			
Federal			
Hazard Mitigation Grant	16,058	34,000	9,942
Miscellaneous			
Interest income	113	0	113
TOTAL REVENUES	<u>65,462</u>	<u>79,000</u>	<u>13,542</u>
EXPENDITURES			
Public Works			
Utilities	8,076	10,000	1,924
Professional fees	5,542	4,000	(1,542)
Repairs and maintenance - Pump Station No. 1	7,521	10,000	2,479
Salaries and wages	2,484	5,000	2,516
Loans payments	1,289	1,200	(89)
Grant Accounting	118	1,200	1,082
Miscellaneous	291	600	309
Capital outlays			
Pump station	20,807	211,000	190,193
TOTAL EXPENDITURES	<u>56,838</u>	<u>248,000</u>	<u>191,162</u>
EXCESS (OR DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>8,624</u>	<u>(169,000)</u>	<u>177,624</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	119,701	178,000	(58,299)
Operating transfers out	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>119,701</u>	<u>178,000</u>	<u>(58,299)</u>
EXCESS (OR DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING (USES)	<u>18,325</u>	<u>0</u>	<u>18,325</u>
FUND BALANCE			
Beginning of year	26,487	26,487	0
End of year	<u>\$ 44,812</u>	<u>\$ 26,487</u>	<u>\$ 18,325</u>

TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
 FOR THE FISCAL YEAR ENDED 6/30/1998

	FINANCIAL CONTROL FUND		
	ACTUAL	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Miscellaneous			
Interest income	\$ 1,136	\$ 0	\$ 1,136
TOTAL REVENUES	<u>1,136</u>	<u>0</u>	<u>1,136</u>
EXPENDITURES			
Public Works			
Miscellaneous	0	0	0
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>
EXTERNAL FINANCING (OR REVENUES OVER EXPENDITURES)	<u>1,136</u>	<u>0</u>	<u>1,136</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	0	0	0
Operating transfers out	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>0</u>	<u>0</u>	<u>0</u>
EXTERNAL FINANCING (OR REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES))	<u>1,136</u>	<u>0</u>	<u>1,136</u>
FUND BALANCE			
Beginning of year	0,000	0,000	0
End of year	\$ <u>1,136</u>	\$ <u>0,000</u>	\$ <u>1,136</u>

TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 1998

	FISCAL YEAR		VARIANCE (FAVORABLE /UNFAVORABLE)
	ACTUAL	BUDGET	
REVENUES			
Miscellaneous			
Interest income	\$ 14	\$ 0	\$ 14
TOTAL REVENUES	<u>14</u>	<u>0</u>	<u>14</u>
EXPENDITURES			
Public Works			
Bridge repairs	0	0	0
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>
(EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES)			
	<u>14</u>	<u>0</u>	<u>14</u>
(FUND FINANCING SOURCES (USES))			
Operating transfers in	0	0	0
Operating transfers out	0	0	0
TOTAL (OTHER) FINANCING SOURCES (USES)	<u>0</u>	<u>0</u>	<u>0</u>
(EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES))			
	<u>14</u>	<u>0</u>	<u>14</u>
FUND BALANCE			
Beginning of year	00	00	0
End of year	\$ <u>14</u>	\$ <u>00</u>	\$ <u>14</u>

TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
 FOR THE FISCAL YEAR ENDING JUNE 30, 1998

	MONETARY CONTROL FUND		
	ACTUAL	BUDGET	VARIABLE FUNDABLE DIFFERENCE(S)
REVENUES			
Charges for services			
Intergovt fees	\$ 41,000	\$ 41,000	\$ (0.00)
Grant writing fees	4,672	1,800	2,872
Miscellaneous			
Interest income	980	500	(480)
TOTAL REVENUES	<u>46,652</u>	<u>43,300</u>	<u>3,352</u>
EXPENDITURES			
Health and Welfare			
Repairs and maintenance - vehicles and equipment	0	1,000	1,000
Gas and oil	0	800	800
Chemicals	4,650	20,000	15,350
Facilities opening	10,271	10,000	2,271
House calling	2,010	2,000	10
Fuel	1,567	900	(667)
Insurance - general	210	300	(90)
Schools and training	30	1,000	970
Interdepartmental administrative fee	2,400	2,400	0
TOTAL EXPENDITURES	<u>21,738</u>	<u>40,400</u>	<u>18,338</u>
EXCESS (DEFICIENCY) OF REVENUES (OVER EXPENDITURES)	<u>24,914</u>	<u>(2,100)</u>	<u>27,014</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	0	0	0
Operating transfers out	0	0	0
TOTAL OTHER FINANCING (SOURCE(S) (USE(S))	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES (OVER EXPENDITURES) AND OTHER FINANCING (SOURCE(S) (USE(S))	<u>24,914</u>	<u>(2,100)</u>	<u>27,014</u>
FUND BALANCE:			
beginning of year	40,400	40,400	0
end of year	<u>\$ 65,314</u>	<u>\$ 38,300</u>	<u>\$ 27,014</u>

TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

	RECREATION FUND		VARIANCE FAVORABLE (UNFAVORABLE)
	ACTUAL	BUDGET	
REVENUES			
Miscellaneous			
Interest Income	\$ 1,245	\$ 0	\$ 1,245
TOTAL REVENUES	<u>1,245</u>	<u>0</u>	<u>1,245</u>
EXPENDITURES			
Culture and Recreation			
Part-time	2,440	0	(2,440)
TOTAL EXPENDITURES	<u>2,440</u>	<u>0</u>	<u>(2,440)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,195)</u>	<u>0</u>	<u>(1,195)</u>
OTHER FINANCING-SOURCES (USES)			
Operating transfers in	0	0	0
Operating transfers out	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>(1,195)</u>	<u>0</u>	<u>(1,195)</u>
FUND BALANCE			
Beginning of year	24,746	24,746	0
End of year	\$ <u>23,551</u>	\$ <u>24,746</u>	\$ <u>(1,195)</u>

TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - ACTUAL AND BUDGET
 FOR THE FISCAL YEAR ENDED JUNE 30, 1998

	COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 14		
	ACTUAL	BUDGET	VARIANCE (FAVORABLE)
REVENUES			
Intergovernmental			
Funds-allocated of other-agency	\$ 110,000	\$ 110,000	\$ 0
Office of State Parks - Beach cleaning	50,000	50,000	0
Charges for services			
Rental income	2,000	3,000	(1,000)
Miscellaneous			
Interest income	2,000	3,000	80
Funds sweep-operations	1,200	1,500	300
Other	100	500	10
TOTAL REVENUES	165,300	218,000	(52,700)
EXPENDITURES			
Culture and Recreation			
Salaries	19,200	20,000	700
Salaries - beach cleanup	2,500	3,000	2,470
Payroll taxes	1,470	2,000	500
Unemployment taxes	195	500	305
Insurance			
Hospitalization	2,870	3,000	130
Workmen's compensation	1,570	2,000	430
General	30,220	30,000	(2,220)
Aids	2,620	4,500	1,880
Accounting supplies	2,100	3,000	900
Office supplies	800	1,800	200
Supplies - beach cleaning	0	3,000	3,000
Supplies and maintenance -			
Building	6,500	10,000	3,500
Office equipment	200	700	400
Vehicles and equipment	3,800	3,000	1,000
Beach cleaning equipment	470	1,000	4,530
Tennis courts	0	300	300
Parks and playgrounds	1,300	3,000	1,700
Travel and out	1,200	1,800	600
Recreational assistance	41,000	70,000	29,000
Funds sweep-expenses	2,200	1,500	(700)
Small tool-and-equipment	0	500	500

TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
 FOR THE FISCAL YEAR ENDED JUNE 30, 1998

	COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 10		
	ACTUAL	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
Telephone	600	600	150
Utilities	20,499	20,000	1,500
Interdepartmental administrative fee	10,800	10,000	0
Miscellaneous	400	600	500
Capital outlays			
Office furniture and equipment	600	4,000	3,800
Vehicles	2,500	5,000	2,500
Beach cleaning equipment	3,677	40,000	34,000
Playground equipment	1,500	1,500	170
TOTAL EXPENDITURES	<u>39,976</u>	<u>28,100</u>	<u>11,270</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>60,807</u>	<u>0</u>	<u>60,807</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	0	0	0
Operating transfers out	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>60,807</u>	<u>0</u>	<u>60,807</u>
FUND BALANCE			
Beginning of year	200,000	200,000	0
End of year	<u>\$ 260,707</u>	<u>\$ 200,000</u>	<u>\$ 60,807</u>

TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 1998

	BRIDGE LIGHTING FUND		
	ACTUAL	BUDGET	VARIANCE (FAVORABLE/ UNFAVORABLE)
REVENUES			
Miscellaneous			
Interest income	\$ 1	\$ 0	\$ 1
TOTAL REVENUES	<u>1</u>	<u>0</u>	<u>1</u>
EXPENDITURES			
Culture and Recreation			
Light repairs	0	0	0
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1</u>	<u>0</u>	<u>1</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	0	0	0
Operating transfers out	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>1</u>	<u>0</u>	<u>1</u>
FUND BALANCE			
Beginning of year	100	100	0
End of year	\$ <u>101</u>	\$ <u>100</u>	\$ <u>1</u>

TOWN OF GRAND ISLE, LOUISIANA

SPECIAL REVENUE FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 1998

	REVENUE CARRIED OVER FROM PRIOR YEAR		
	ACTUAL	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Gaming fees and commissions			
Street and administrative fees	\$ 25,800	\$ 26,000	\$ (1,900)
Miscellaneous			
Interest income	4,000	4,000	0
TOTAL REVENUES	<u>29,800</u>	<u>30,000</u>	<u>(2,000)</u>
EXPENDITURES			
Public Works			
Capital improvements	0	64,000	64,000
Other special projects	0	28,000	28,000
TOTAL EXPENDITURES	<u>0</u>	<u>92,000</u>	<u>92,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<u>29,800</u>	<u>(62,000)</u>	<u>32,200</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	0	0	0
Operating transfers out	(146,072)	(146,000)	4,992
TOTAL OTHER FINANCING SOURCES (USES)	<u>(146,072)</u>	<u>(146,000)</u>	<u>4,992</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)			
	<u>93,128</u>	<u>0</u>	<u>93,128</u>
FUND BALANCE			
Beginning of year	0	0	0
End of year	<u>\$ 93,128</u>	<u>\$ 0</u>	<u>\$ 93,128</u>

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ENTERPRISE FUNDS

Enterprise funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises (i.e., where the intent of the governing body is that the costs of providing goods or services to the general public be financed or recovered primarily through user charges).

SEWERWORKS AND GAS UTILITIES FUND

Used to account for the provision of water and natural gas services to the residents of the Town. All activities necessary to provide such services are accounted for in this fund, including, but not limited to operations, maintenance, administration, financing, and related debt service, and billing and collection.

TOWN OF GRAND ISLE, LOUISIANA

WATERWORKS FUND CAPITAL FUND FUND
BALANCE SHEET
JUNE 30, 1998

ASSETS

Current Assets		
Cash and cash equivalents	\$	274,689
Receivables		
Accounts receivable		14,470
Property taxes		0
Due from other governments		1,378
Other		1,000
Due from other funds		41,681
Inventory		28,411
Prepaid expenses		28,171
Total Current Assets		<u>349,210</u>
Restricted assets		
Cash and cash equivalents		10,730
Total Restricted Assets		<u>10,730</u>
Property, plant and equipment (net of accumulated depreciation and accumulations of \$1,314,814)		1,054,449
TOTAL ASSETS	\$	<u>1,414,389</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Current liabilities		
Accounts payable	\$	14,477
Accrued salaries		1,218
Due to other funds		10,000
Total Current Liabilities		<u>25,695</u>
Current Liabilities Payable From Restricted Assets		
Customer deposits		10,730
Due to other funds		4,000
Total Current Liabilities Payable From Restricted Assets		<u>14,730</u>
Long-term liabilities		
Capital leases payable		75,114
Total Long-term Liabilities		<u>75,114</u>
TOTAL LIABILITIES		<u>115,539</u>

FUND EQUITY

Contributed capital		
Contributions from intergovernmental		20,000
Contributions from other capital sources		247,500
Contributions from retained fund		779,834
Total Contributed Capital		<u>1,047,334</u>
Retained Earnings		
Reserve for depreciation and contingencies		100,177
Reserve for		107,500
Total Retained Earnings		<u>207,677</u>
TOTAL FUND EQUITY		<u>1,255,011</u>

TOTAL LIABILITIES AND FUND EQUITY **\$** **1,414,389**

TOWN OF GRAND ISLE, LOUISIANA

**WATERWORKS AND GAS UTILITY FUND
 SCHEDULE OF REVENUES, EXPENSES, AND
 CHANGES IN RETAINED EARNINGS - ACTUAL AND BUDGET
 FOR THE FISCAL YEAR ENDED JUNE 30, 1998**

	ACTUAL		BUDGET		VARIANCE (FAVORABLE / UNFAVORABLE)
OPERATING REVENUES					
Water sales	\$	204,600	\$	200,000	\$ 4,600
Gas sales		154,787		150,000	4,787
Service charges		7,000		7,000	0
Installation charges		3,149		3,000	149
Unexpended proceeds		10,620		10,000	620
Miscellaneous		497		1,000	(503)
Total Operating Revenues		<u>376,653</u>		<u>371,000</u>	<u>5,653</u>
OPERATING EXPENSES					
Personnel services		166,804		164,000	2,804
Contracted services		564,633		552,000	12,633
Material and supplies		24,474		26,000	(1,526)
Travel and subsistence		100,144		117,700	(17,556)
Depreciation and amortization		24,308		20,000	4,308
Depreciation unaccounted assets		24,227		24,227	0
Total Operating Expenses		<u>944,586</u>		<u>1,003,927</u>	<u>(59,341)</u>
OPERATING INCOME (LOSS)		<u>(167,933)</u>		<u>(292,927)</u>	<u>124,994</u>
NON-OPERATING REVENUES (EXPENSES)					
Interest income		24,700		20,000	4,700
Interest expense		(107)		0	(107)
Net contribution from government		94,700		90,000	4,700
State - Rural Development grants		10,000		10,000	0
State - DOT Highway maintenance		12,757		12,757	0
Total Non-Operating Revenues (Expenses)		<u>142,150</u>		<u>132,757</u>	<u>9,393</u>
INCOME (LOSS) BEFORE OPERATING TRANSFER		<u>(25,783)</u>		<u>(160,170)</u>	<u>134,387</u>
OPERATING TRANSFER IN OPERATING TRANSFER OUT		0		0	0
NET INCOME (LOSS)		<u>(25,783)</u>		<u>(160,170)</u>	<u>134,387</u>
Add Back: Depreciation unaccounted assets		24,227		24,227	0
RETAINED EARNINGS					
Beginning of Year		1,364,805		1,364,805	0
End of Year	\$	<u>1,339,022</u>	\$	<u>1,204,635</u>	<u>\$ 134,387</u>

TOWN OF GRAND ISLE, LOUISIANA

WATERWORKS AND GAS UTILITY FUND
SCHEDULE OF OPERATING EXPENSES - ACTUAL AND BUDGET
FOR THE FISCAL YEAR ENDING JUNE 30, 1998

	ACTUAL	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
PERSONAL SERVICES			
Salaries	\$ 71,989	\$ 71,000	\$(989)
Payroll taxes	1,634	1,700	66
Incentive (workman's compensation)	8,809	8,800	9
Incentive - hospitalization and other	11,913	11,000	\$(913)
Total Personal Services	\$94,345	\$92,500	\$(1,845)
CONTRACTED SERVICES			
Water purchases	\$86,742	\$86,000	\$(742)
Gas purchases	\$68,048	\$68,000	\$(48)
Printing expenses	\$11,342	\$11,000	\$(342)
Total Contracted Services	\$166,132	\$165,000	\$(1,132)
MATERIALS AND SUPPLIES			
Installation material and labor	1,071	1,000	\$(71)
Gas and oil	1,711	1,500	\$(211)
Chemicals	1,109	1,200	91
Small tools and supplies	2,141	2,000	\$(141)
Total Material and Supplies	\$6,032	\$5,700	\$(332)
GENERAL AND ADMINISTRATIVE			
Audit	4,004	4,000	\$(4)
Bank charges	199	0	199
Books and subscriptions	50	0	50
Insurance - general and auto	28,250	28,500	250
Interdepartmental administration fee	28,200	28,500	300
Legal services	2,411	-(500)	2,911
Legal and professional	1,111	1,000	111
Miscellaneous	5,240	5,000	\$(240)
Office and janitorial supplies	2,250	2,000	\$(250)
Physicals and drug testing	1,051	1,000	\$(51)
Printing	5,111	5,000	\$(111)
Reprints and maintenance			
Buildings	3,950	4,000	200
Equipment and supplies	1,200	4,000	2,800
Fuel (motor)	18,100	18,000	\$(100)
Gas distribution	18,700	12,000	6,700
Office equipment	2,700	4,500	1,800
Telephone	2,400	2,500	1,000
Utilities	2,800	4,000	1,200
Water tank	200	3,000	2,800
Water distribution system	26,820	26,800	2,000
Water transmission	4,700	4,000	1,000
Water and gas meters	4,000	7,000	3,000
Two collection containers	5,400	5,000	\$(400)
Telephones	4,800	2,500	600
Training school	100	700	600
Traffic and other	0	500	500
Utilities	26,667	26,000	667
Total General and Administrative	\$202,541	\$218,700	\$16,159
DEPRECIATION			
Depreciation and amortization	11,500	10,000	\$(1,500)
Depreciation on unaffiliated assets	27,020	27,020	0
Total Depreciation	\$38,520	\$37,020	\$(1,500)
TOTAL OPERATING EXPENSES	\$ 398,997	\$ 398,220	\$(777)

AGENCY FUNDS

Agency funds are used to account for assets held by the Town as an agent for individuals, private organizations, other governments and/or other funds.

PROPERTY TAX PROTEST

Used to account for ad valorem taxes collected under protest. The funds are held in this account pending resolution of the protest.

GRAND ISLE RELIEF FUND

Used to account for contributions held on behalf of the victims of the April 1993 tornado. The funds will be disbursed to families in need pending approval of relief applications.

TOWNSHIP OF IRVING ISLE, LOUISIANA

**AGENCY FUNDS
COMBINED BALANCE SHEET
JUNE 30, 2020**

	<u>PROPERTY TAX REVENUE</u>	<u>GRAND TOTAL REVENUE</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 1,200	\$ 1,200	\$ 0,000
TOTAL ASSETS	<u>\$ 1,200</u>	<u>\$ 1,200</u>	<u>\$ 0,000</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Fund to buying bodies and others	\$ 1,200	\$ 0	\$ 1,200
Unpaid funds payable	0	1,200	1,200
Total Liabilities	<u>1,200</u>	<u>1,200</u>	<u>0,000</u>
FUND BALANCES			
	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,200</u>	<u>\$ 1,200</u>	<u>\$ 0,000</u>

TOWNSHIP OF GRAND ISLE, LOUISIANA

**AGENCY FUNDS
COMBINED SCHEDULE OF CHANGES IN DEPOSIT BALANCES
DUE TO OTHERS
FOR THE FISCAL YEAR ENDED JUNE 30, 1998**

	PROPERTY TAX PAYMENT	GRAND ISLE RELIEF	TOTAL
DEPOSIT BALANCES DUE TO OTHERS AT JUNE 30, 1997	\$ 1,081	\$ 2,079	\$ 3,160
COLLECTIONS			
Deposits:			
Interest Income	74	64	138
Total Collections	<u>74</u>	<u>64</u>	<u>138</u>
DISTRIBUTIONS			
Deposits utilized to:			
Disaster victims and victims	0	0	0
Capital outlay - radio tower furniture	0	0	0
Total Distributions	<u>0</u>	<u>0</u>	<u>0</u>
DEPOSIT BALANCES DUE TO OTHERS AT JUNE 30, 1998	\$ <u>1,155</u>	\$ <u>2,143</u>	\$ <u>3,298</u>

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SUPPLEMENTARY INFORMATION

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TOWN OF GRAND ISLE, LOUISIANA

SCHEDULE OF PAYMENTS TO ALDERMEN

For the Fiscal Year Ended June 30, 1998

<u>ALDERMEN</u>	<u>AMOUNT</u>
Ray Sawing	\$ 5,007
Erin Dubois	5,007
Roger Camardelle	5,007
David Camardelle	1,574
Arthur Bellanger	2,867
Lacota Bladushok	596
Robert Collins, Jr.	2,204
Dudley Gaspard, Jr.	1,818
Carroll Albrand	596
TOTAL	<u>\$ 24,706</u>

TRYS OF QUANTILE
SCHEDULE OF FUND AND FUND BALANCE
As of 12/31/2008

DESCRIPTION	FUND	2008	
		BUDGET	BALANCE
GENERAL FUND			
FUND MAINTENANCE			
Auto Ins		0	0
Security	Bank of America Bank	13,140	13,140
Account Equity	Bank of America Bank	124,700	1,700
Payroll	Bank of America Bank	1,000	800
Appropriation	Commerce Bank	1,880	11,000
		<u>160,720</u>	<u>16,640</u>
EXTRACURRICULAR MANAGEMENT FUND			
General Fund-Transfer		<u>81,100</u>	<u>81,100</u>
TOTAL GENERAL FUND	0	241,820	97,740
OFFICE SERVICES			
FUND MAINTENANCE			
Energy (Electricity No. 1)	Bank of America Bank	4,800	4,800
Insurance/Lease	Bank	1,000	100
Communications	Bank of America Bank	11,000	11,000
Workshop/Printing	Bank of America Bank	17,000	14,000
Miscellaneous	Bank of America Bank	30,000	30,000
Architect/Contract No. 1	Bank of America Bank	0	0
Books/Printing	Bank of America Bank	100	100
Internet and Website	Bank of America Bank	1,000	1,000
Filing/Copier	Bank of America Bank	100	100
Printer/Printer	Bank of America Bank	13,000	13,000
		<u>83,000</u>	<u>83,000</u>
EXTRACURRICULAR MANAGEMENT FUND			
Miscellaneous		2,500	2,500
Insurance		11,000	11,000
Communications		101,000	101,000
Workshop/Printing/Website Fee		10,000	10,000
		<u>124,500</u>	<u>124,500</u>
TOTAL OFFICE SERVICES FUND	0	148,500	148,500

(Continued)

STATE OF CALIFORNIA
DEPARTMENT OF REVENUE
June 30, 1998

ACCOUNT NUMBER	CLASS	1998 STATE BALANCE	1998 LOCAL BALANCE
STATE DEPOSITS			
Statewide and the Cities - Deposited			
COUNTY AND CITY FUNDS			
Water and Sewer	Invest/Infrastructure Fund	10,000	10,000
Operating (O&M)	Electric	6,700	6,700
City Park System		0	0
Capital Revenue	Water	1,200	1,200
Departmental Contingency	Water	70,000	70,000
		<u>88,900</u>	<u>88,900</u>
CITY AND COUNTY FUNDS			
Capital Revenue Fund	Water	1,000	1,000
REGULATORY, ADMIN. MANAGEMENT FUND			
Water and Sewer		16,000	16,000
Water and Sewer - related		6,600	6,600
Departmental Contingency		19,600	19,600
		<u>42,200</u>	<u>42,200</u>
Total Deposited		<u>131,100</u>	<u>131,100</u>
Statewide and the Cities - Forward			
CARLAND ACQUISITIONS			
Motor Vehicle	Motor Veh	16,000	16,000
REGULATORY, ADMIN. MANAGEMENT FUND			
Motor Vehicle		16,000	16,000
Total Forward		<u>32,000</u>	<u>32,000</u>
STATE DEPOSITARY FUNDS		<u>163,100</u>	<u>163,100</u>
Other Accounts			
CARLAND ACQUISITIONS			
Property Tax System	System Fund	1,000	1,000
State Job Incentives	State Job Incentives	1,000	1,000
TOTAL STATE ACCOUNTS		<u>165,100</u>	<u>165,100</u>
GRAND TOTAL		<u>328,200</u>	<u>328,200</u>

TOWN OF GRAND ISLE

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 1998**

<u>FEDERAL AGENCY/DEPARTMENT/PROGRAM/PROJECT TITLE</u>	<u>FEDERAL TITLE NUMBER</u>	<u>ACCOUNT NUMBER/ PROGRAM</u>	<u>CLASS OF PROGRAM TITLE</u>	<u>PROJECT NUMBER</u>	<u>FY98 AMOUNT</u>
FEDERAL AGENCY/DEPARTMENT/PROJECT					
Award through the Department of Energy Office of the Offshore Operations					
Research/Development - Coastal Energy Project, P 2	404000	7788000000 (200-00-0000)	Project completion	2	10000 01
TOTAL FEDERAL AGENCY/DEPARTMENT					
EXPENSES OF THE OPERATIONS					
Award through the Department of Wildlife and Game					
Coastal Eelgrass/Fer - Phase 1	7400	14000000	Project completion		14000 03
TOTAL EXPENSES OF THE OPERATIONS					
EXPENSES OF THE RESEARCH					
Award through the Department of the Interior Offshore					
Coastal Eelgrass/Fer - Phase 1 and Cooperation (4)	140000	24000000	01-0000	00-00-00	14000
TOTAL EXPENSES OF THE RESEARCH					
EXPENSES OF THE OTHERS					
Award through the Department of the Interior					
Coastal Eelgrass/Fer - Phase 1 and Cooperation (4)	1400	60000000	00-0000	00-00-00	14000 04
TOTAL EXPENSES OF THE OTHERS					
TOTAL					
REMARKS/OTHER INFORMATION					
EXPENSES OF THE RESEARCH					
(1) Salary and related benefits; (2) Capital equipment					
TOTAL FEDERAL AWARDS					
REMARKS/OTHER INFORMATION					
This schedule was prepared in the normal form of accounts and covers the period from July 1, 1997 to June 30, 1998.					
(1) Amount reported related there only. Total reported to provide a 50 percent match.					
(2) Amount reported related there only. Total is equal to provide a 25 percent match.					
(3) Amount reported the value of the cost provided under the program. 66,000 reported there. See Item 4, page 2, 2000-00-00-00-00 for a full detail.					
(4) Amount reported related there only. Total reported to provide a 50 percent match.					

	ASSETS		LIABILITIES		EQUITY		TOTAL	
	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
1	100	100						
	<u>100</u>	<u>100</u>						
2	200	200						
	<u>200</u>	<u>200</u>						
3	300	300						
	<u>300</u>	<u>300</u>						
4	400	400						
	<u>400</u>	<u>400</u>						
5	500	500						
	<u>500</u>	<u>500</u>						
6	600	600						
	<u>600</u>	<u>600</u>						
7	700	700						
	<u>700</u>	<u>700</u>						
8	800	800						
	<u>800</u>	<u>800</u>						
9	900	900						
	<u>900</u>	<u>900</u>						
10	1000	1000						
	<u>1000</u>	<u>1000</u>						
11	1100	1100						
	<u>1100</u>	<u>1100</u>						
12	1200	1200						
	<u>1200</u>	<u>1200</u>						
13	1300	1300						
	<u>1300</u>	<u>1300</u>						
14	1400	1400						
	<u>1400</u>	<u>1400</u>						
15	1500	1500						
	<u>1500</u>	<u>1500</u>						
16	1600	1600						
	<u>1600</u>	<u>1600</u>						
17	1700	1700						
	<u>1700</u>	<u>1700</u>						
18	1800	1800						
	<u>1800</u>	<u>1800</u>						
19	1900	1900						
	<u>1900</u>	<u>1900</u>						
20	2000	2000						
	<u>2000</u>	<u>2000</u>						

TOWN OF GRAND ISLE

**SCHEDULE OF STATE FUNDING
FOR THE FISCAL YEAR ENDED JUNE 30, 1998**

<u>DESCRIPTION OF FUNDING:</u>	<u>AMOUNT</u>
Department of Treasury - Tax Allocations	
Tobacco Tax	\$ 7,569
Beer Tax	4,268
Florida Transportation Funds	50,000
Grand Isle Tourism Commission (Enterprise Tax)	8,544
	<u>60,381</u>
Louisiana Contribution to Live Ballroomed Grants	
Act 563 - Equipment Grant (FWS-7-001)	7,276
DA&E (2/97-7-004)	489
DA&E (2/98-7-014)	1,828
	<u>9,593</u>
Department of Culture, Recreation & Tourism	
Beach Clean-up Appropriation	<u>50,000</u>
Office of Rural Development	
Water Department - Computer Upgrade (6057-RFA-6100)	24,000
Water Distribution Repairs (6794-RFA-6100)	24,000
	<u>48,000</u>
Department of Transportation and Development	
Highway 1 - Maintenance Agreement	<u>31,750</u>
State Capital Outlay Program	
Ladies to Grand Isle Waterline (Project No. 50-6800-070-1)	<u>247,500</u>
TOTAL	\$ 440,298

COMPLIANCE SECTION

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

The Honorable David Camarillo, Mayor
and the Board of Aldermen
Town of Grand Isle, Louisiana

I have audited the general purpose financial statements of the Town of Grand Isle, Louisiana, as of and for the fiscal year ended June 30, 1998, and have issued my report thereon dated November 16, 1998. In my report, my opinion was qualified due to the omission of the year 2000 disclosures that are required by Governmental Accounting Standards Technical Bulletin 98-1, Disclosures About Year 2000 Issues. I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion.

The results of my tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards and is described in the accompanying Schedule of Findings and Reportable Conditions at item no. 98-1.

I also noted immaterial instances of non-compliance that I have reported to the management of the Town in a separate letter entitled "Memorandum of Advisory Comments", dated November 16, 1998.

Internal Control Over Financial Reporting

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

The reportable condition is described in the accompanying *Schedule of Findings and Reportable Conditions* as item no. 58-2.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal controls over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I believe that item 58-2 described on the following schedule is a material weakness as defined above.

I also noted other matters involving the internal control over financial reporting that I have reported to the management of the Town in a separate letter entitled "Memorandum of Advisory Comments", dated November 16, 1998.

This report is intended for the information of the Town's, management, all applicable Federal and State awarding agencies and pass-through entities, and the Legislative Auditor of the State of Louisiana and should not be used for any other purpose. However, this report is a matter of public record, and its distribution is not limited.



November 16, 1998

TOWN OF GRAND ISLE, LOUISIANA

SCHEDULE OF FINDINGS AND REPORTABLE CONDITIONS For the Fiscal Year Ended June 30, 1998

Summary of Auditor's Results

I have audited the general purpose financial statements of the Town of Grand Isle, Louisiana, as of and for the fiscal year ended June 30, 1998, and have issued my report thereon dated November 16, 1998. In my report, my opinion was qualified due to the omission of the year 2000 disclosures that are required by Governmental Accounting Standards Technical Bulletin 98-1, *Disclosures About Year 2000 Issues*. I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. The Town's expenditures of Federal awards fall below the scope which would require a Single Audit in accordance with OMB Circular A-133. Accordingly, no audit procedures were performed under the requirements of the Single Audit Act.

In my report, my opinion was qualified due to the omission of the year 2000 disclosures that are required by Governmental Accounting Standards Technical Bulletin 98-1, *Disclosures About Year 2000 Issues*.

Findings Relating to the Financial Statements

The results of my tests disclosed the following instance of noncompliance described in item 98-1 and the reportable condition described in item 98-2. My consideration of the internal controls over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined by the American Institute of Certified Public Accountants. However, I believe that item 98-2 described below is a material weakness.

COMPLIANCE WITH LAWS AND REGULATIONS

98-1. FINDING

While not specifically spelled out in the Public Bid Laws, Attorney General (AG) Opinion 81-452 and other AG Opinions state that lease-purchases are, in reality, installment sales and must be publicly bid. During my testwork, I noted that the Town entered into such an agreement to purchase a Ditch Witch Transfer for the Waterworks Department. The total cost of the equipment was \$34,000. The purchase was not let out on public bid.

RESPONSE

This was an oversight on our part and will not happen again.

TOWN OF GRAND ISLE, LOUISIANA

SCHEDULE OF FINDINGS AND REPORTABLE CONDITIONS
(CONTINUED)

For the Fiscal Year Ended June 30, 1996

REPORTABLE CONDITIONS

66-2. CONDITION

During my review of the Water and Gas fund, I noted that the accounts receivable amount per the "Utility Billing Summary Trial Balance" report did not agree to the amount recorded on the fund's general ledger. While there were several mispostings noted, the main reason for the difference was the \$25,000 in bad debt which was written off at June 30, 1996. It was first thought that the accounts were not written off in the computer system, however, when the clerk pulled up the accounts on the computer, they were "blank". Thus, it appears that an attempt was made to write the accounts off, but it does not appear that this was done properly. This was noted in the prior year, but has not yet been corrected.

RECOMMENDATION

The Town should contact its computer consultant to review the accounts written off. It should be determined why the balances show up "blank", yet the amounts are included in the summary trial balance total. Once in balance, the ledger and the summary trial balance should be compared on a monthly basis.

RESPONSE

We contacted our computer consultant about this problem during the year. He is still looking into the problem. We will contact him again.

State of Prior Year Findings and Conditions

Prior Year Comment No.	Prior Year Comment	Status
67-1	The Town was not making it's payroll tax deposits in a timely manner.	Comment Debated - No exceptions noted in C.E.
67-2	The Town could not provide sufficient records to support it's fines revenues and appearance bond deposits.	Comment Debated - Sufficient records provided to conduct audit.

TOWN OF GRAND ISLE, LOUISIANA

SCHEDULE OF FINDINGS AND REPORTABLE CONDITIONS
(CONTINUED)

For the Fiscal Year Ended June 30, 1998

91-3	Cash accounts were not being reconciled timely.	Comment Deleted - All accounts are now reconciled.
91-4	ODS journal was not being posted timely.	Comment Deleted - All ODS accounts are posted.
91-5	LAMP accounts not being posted properly.	Comment Deleted - All LAMP accounts are posted properly.
91-6	Tax Roll not being listed.	Comment Deleted - Tax Roll for 1997 was listed.
91-7	Occupational licenses not mailed out in timely manner.	Comment Deleted - Licenses mailed out in time FY 91-98.
91-8	Invoices to State Parks for garbage pick-up were not being recorded properly.	Comment Deleted - Invoices recorded properly in CY.
91-9	Mispostings to Dec. offset accounts.	Comment Deleted - Accounts balance in CY.
91-10	Utility Billing Summary did not agree to the receivable in the general ledger. Appears to be a computer glitch.	See CY Comment No. 98-2
91-11	Computerized general ledger not being closed out properly.	Comment Deleted - Ledger closed out correctly in CY.
91-12	The Town was not depositing checks related to the sponsorship of a Circus in it's accounts. Instead, several checks were cashed and retained by the town.	Comment Deleted - No exceptions noted in CY.
91-13	Checks were being issued out of sequence.	Comment Deleted - No exceptions noted in CY.
91-14	Deposits were not being recorded.	Comment Deleted - No exceptions noted in CY.
91-15	NSP checks were not being recorded properly.	Comment Deleted - No exceptions noted in CY.

TOWN OF GRAND ISLE, LOUISIANA

Management Letter Comments

Comment No.	Comment	Status
Comment 1	The Town should close its dormant Special Revenue Funds.	Resolved
Comment 2	Appearance bond account still not fully reconciled.	Resolved
Comment 3	Fixed asset ledger needs to be reconciled in tagged time list.	Not yet resolved
Comment 4	Natural Gas inventory should be adjusted monthly.	Resolved
Comment 5	Lease payments are being misrecorded.	Resolved
Comment 6	Grant item receivable - coding of receipts and receivables need to be reviewed.	Not yet resolved
Comment 7	Water deposit receipt needs to be reconciled to the budget.	Resolved
Comment 8	Payable to Detroit Fishing on gas line lease needs to be resolved.	Not yet resolved
Comment 9	The Town should close its property tax protest account.	Resolved
Comment 10	Operating transfers not being posted properly.	Resolved
Comment 11	Grant ledger need to be set up.	Resolved
Comment 12	Year 2000 issue.	Not yet resolved
Finding 1	Actual expenditures/obligations exceeded budgeted amounts by 5 percent or more (ARS 10:1417)	No longer applicable
Finding 2	Solid Waste Rates were violated in prior years (ARS 10:2823). The Town has an agreement with DEQ and is monitoring the situation.	Not yet resolved

TOWN OF GRAND ISLE, LOUISIANA

State of Prior Year Findings and Conditions

Prior Year Comment No.	Prior Year Comment	Status
97-1	The Town was not making it's payroll tax deposits in a timely manner.	Comment Deleted - No exceptions noted in CY.
97-2	The Town could not provide sufficient records to support it's fire revenues and appearance bond deposits.	Comment Deleted - Sufficient records provided to conduct audit.
97-3	Card accounts were not being reconciled timely.	Comment Deleted - All accounts are now reconciled.
97-4	ORCA journal was not being posted timely.	Comment Deleted - All ORCA accounts are posted.
97-5	LAMP accounts not being posted properly.	Comment Deleted - All LAMP accounts are posted properly.
97-6	Tax Roll not being footed.	Comment Deleted - Tax Roll for 1997 was footed.
97-7	Occupational licenses not mailed-out in timely manner.	Comment Deleted - Licenses mailed-out on time FY 97-98.
97-8	Invoices to State Park for garbage pick-up were not being recorded properly.	Comment Deleted - Invoices recorded properly in CY.
97-9	Mispayments to Due to/from accounts.	Comment Deleted - Accounts balance in CY.
97-10	Utility Billing Summary did not agree to the receivables in the general ledger. Appears to be a computer glitch.	See CY Comment No. 98-2
97-11	Computerized general ledger not being closed out properly.	Comment Deleted - Ledger closed-out correctly in CY.
97-12	The Town was not depositing checks related to the sponsorship of a Circus in it's accounts. Instead, several checks were cashed and credited to the circus.	Comment Deleted - No exceptions noted in CY.
97-13	Checks were being issued out of sequence.	Comment Deleted - No exceptions noted in CY.
97-14	Deposits were not being recorded.	Comment Deleted - No exceptions noted in CY.
97-15	NSF checks were not being recorded properly.	Comment Deleted - No exceptions noted in CY.



David J. Camardelle - MAYOR

GRAND ISLE

POST OFFICE BOX 200 - LUDWIG LANE - GRAND ISLE, LOUISIANA 70304 • PHONE (504) 837-1346

CORRECTIVE ACTION PLAN

December 4, 1998

Dr. David G. Kyle, CPA
Legislative Auditor's Office
1680 North Third Street
PO Box 94993
Baton Rouge, LA 70804-5993

Dear Dr. Kyle:

The Town of Grand Isle respectfully submits the following corrective action plan for the fiscal year ended June 30, 1998.

Name and Address of Auditing Firm:

Paul C. Rizzo, CPA, 2612 Crewey Road, Marrero, LA 70072

Audit Period:

July 1, 1997 to June 30, 1998

The findings and conditions noted during the audit are discussed below. The findings and conditions are numbered consistently with the numbers assigned in the schedule.

FINDINGS - FINANCIAL STATEMENT AUDIT

Compliance With Laws and Regulations

98-1 Public Bid Law not followed in purchase of equipment via a capital lease.

Recommendation: None

Response: We concur with the finding noted and pledge that it will not happen again. It was an oversight on our part in not understanding this part of the law.

Reportable Conditions

98-2 Utility Billing Summary does not reconcile to general ledger due to computer error.

Recommendation: The Town should contact it's computer consultant to correct the report balance.

Response: We concur with this comment and will contact our computer consultant regarding this matter. We anticipate having this corrected prior to the end of the current fiscal year.

FINDINGS - FEDERAL AWARD PROGRAM AUDITS

None were noted.

If you have any questions regarding this plan, please do not hesitate to contact me at (504) 387-3106.

Sincerely,



David Casarillo, Mayor
Town of Grand Isle

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JUN 20 1968

MEMORANDUM OF ADVISORY COMMENTS
TOWN OF GRAND ISLE, LOUISIANA

For the Fiscal Year Ended June 30, 1968

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date _____

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**INTERNAL CONTROL
AND RELATED MATTERS**

Paul C. Rivera, CPA

The Honorable David Camardelle, Mayor
and the Board of Aldermen
Town of Grand Isle, Louisiana

I have audited the financial statements of the Town of Grand Isle, Louisiana, for the fiscal year ended June 30, 1998, and have issued my reports thereon dated November 16, 1998. As part of my audit, I considered the Town's internal control over financial reporting in order to determine the nature, timing, and extent of my auditing procedures for the purpose of expressing an opinion on the financial statements, and not to provide assurance on the internal control.

Reportable conditions which may have been noted during my consideration of the internal control over financial reporting have been reported on in a separately issued report, entitled "Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting Based on an Audit Performed in Accordance with Government Auditing Standards".

This memorandum summarizes various other matters which have come to my attention. While not involving reportable conditions, these matters do present opportunities for strengthening the internal control structure and improving the operating efficiency of the Town.

I have already discussed these comments and suggestions with the Town's administrative personnel and have included their responses. I will be pleased to discuss these comments and suggestions with you in further detail at your convenience, perform an additional study of these matters, or assist you in implementing the recommendations.

Paul Rivera, CPA

November 16, 1998

TOWN OF GRAND ISLE, LOUISIANA

COMMENTS AND SUGGESTIONS For the Fiscal Year Ended June 30, 1998

IMPROVING EFFICIENCY OF OPERATIONS

1. COMMENT

As noted in the prior year, it appears that there are several Special Revenue Funds which appear to be inactive and which could possibly be closed. One of the primary rules of fund accounting is the "minimum funds rule". This rule basically states that a government should provide for a proper accounting of its activities with the least number of funds possible. The number of Funds proves to be a burden to the Accounting Department, in that each separate account requires a monthly reconciliation. A lot of time and paperwork could be cut if these funds were consolidated or closed into the General Fund.

RECOMMENDATION

It appears that the following Special Revenue Funds can be closed due to the length of time since the last activity and, in some cases, because the primary purpose of the Fund has already been met.

Fund	Cash Balance at June 30, 1998
Wrecker Repair Fund	\$ 5.05
Recreation Fund	21,621
Bridge Lighting Fund	111

In the case of the Recreation Fund, these monies could be transferred to the Community Center and Playground (District No. 1) Fund.

RESPONSE:

As of this date, these accounts are closed.

TOWN OF GRAND ISLE, LOUISIANA

**COMMENTS AND SUGGESTIONS (CONTINUED)
For the Fiscal Year Ended June 30, 1998**

INCREASING REVENUES AND CASH FLOWS

2. COMMENT

Over the past year and a half, the Town had lost control over the amount of appearance bond deposits on hand and the amount of fines revenues to be recorded. As of June 30, 1998, this situation is nearly corrected. The only differences remaining are in the appearance bond deposit account. The amount of bonds on deposit is \$6,973 per the listing, while the general ledger shows \$12,947.

RECOMMENDATION

The difference should be investigated and the amounts transferred to the General Fund. From this point forward, the listing should be reconciled to the fine-item on the ledger each month.

RESPONSE

The remaining balance was transferred in October 1998.

TOWN OF GRAND ISLE, LOUISIANA

COMMENTS AND SUGGESTIONS (CONTINUED)

For the Fiscal Year Ended June 30, 1998

PROTECTING THE ASSETS OF THE TOWN

3. COMMENT

As noted in the prior year, the Town does not maintain a formal in-house general ledger on its fixed assets. Instead, they have relied on the listing maintained by the Town CPA. While this listing can be assumed to be reliable, it is not maintained on a timely basis. It is updated annually during the audit. The Town does maintain an informal listing of items with tag numbers, however, this listing does not agree to the amounts recorded in the general fixed asset account group.

RECOMMENDATION

The Town should reconcile the figures from the audit worksheets and the tagged item listing and establish a true fixed asset ledger. This would include taking an inventory of all assets. This ledger should include the purchase date of the asset, the cost, the funding source, a brief description of the asset, a serial number if available, and the location/department to which the asset is assigned. This ledger should be updated periodically during the year to account for additions and deletions.

RESPONSE

We will review this with our CPA to determine when this can be accomplished. We anticipate having it done before the end of the June 30, 1999 fiscal year.

TOWN OF GRAND ISLE, LOUISIANA

COMMENTS AND SUGGESTIONS (CONTINUED)
For the Fiscal Year Ended June 30, 1998

IMPROVING FINANCIAL REPORTING

4. COMMENT

As noted in the prior year, the Town now records inventory for natural gas held in storage with the Louisiana Municipal Gas Authority. Each month, a bill is presented to the Town showing the purchases and uses of gas for the period, as well as the end of month inventory. During my testwork on inventory, I noted that the inventory amounts was not being adjusted on a monthly basis for changes noted on the bill. Thus, inventory at June 30, 1998 was overstated until adjustments were made.

RECOMMENDATION

The Town should adjust its inventory account to reflect the proper balance at the end of each month.

RESPONSE

We will review this with our CPA to determine what steps need to be taken. We anticipate having this done prior to the end of the June 30, 1999 fiscal year.

5. COMMENT

During my testwork on fixed assets, I noted a number of mispayments in the capital outlay expenditure accounts, particularly in the lease payments. These items were not being consistently posted to a single account. For example, payments 2, 3, and 4 would be posted to one account and then the next 2 payments would go against another account.

RECOMMENDATION

Greater care should be given to the coding of expenditures, particularly the lease payments.

RESPONSE

The Town Clerk will be notified to review the codings on leases and installment purchases more carefully.

TOWN OF GRAND ISLE, LOUISIANA

COMMENTS AND SUGGESTIONS (CONTINUED)
For the Fiscal Year Ended June 30, 1998

IMPROVING FINANCIAL REPORTING (CONTINUED)

6. COMMENT

The Town currently bills residents for cutting grass on private property. These bills come in the form of an invoice and/or a lien on the property. While the receivable has been recorded upon issuance of an invoice or lien, the receipts have not been posted against the receivable. As such, there is a potential for a misstatement of the balance due.

RECOMMENDATION

The Town should reconcile the list of grass liens outstanding to the general ledger. Any collections should be monitored to determine whether the receivable or revenue account should be credited.

RESPONSE

The Town Treasurer will review the grass liens-out standing, and make any adjustments necessary. We anticipate having this corrected prior to the end of the June 30, 1999 fiscal year.

7. COMMENT

The Town currently keeps a receipt meter deposits on hand on the monthly receipt sheet. During my audit, I noted that the amount on the receipt did not agree to the amount in the general ledger. It appears that the clerk preparing the receipt is not reconciling the monthly activity prior to posting the receipt.

RECOMMENDATION

The activity per the Water and Gas worksheets should be reconciled to the activity appearing in the general ledger each month. The receipt should be posted accordingly.

RESPONSE

The Town Treasurer and the Town CPA have already met with the clerk responsible for this and instructed her in what needs to be done. We do not anticipate this recurring in the next fiscal year.

TOWN OF GRAND ISLE, LOUISIANA
COMMENTS AND SUGGESTIONS (CONTINUED)
For the Fiscal Year Ended June 30, 1998

GENERAL COMMENTS

8. COMMENT

At June 30, 1996, a liability to Deblite Fishing and Baited Tools, Inc. was discovered in the amount of \$49,205. This amount represents several year's worth of administrative and maintenance payments due under a 25-year old lease agreement for access to a 6-inch natural gas line. Apparently, the Town was contacted several times within the past five years regarding the amounts due, however, no payments were made and no liability was recorded. During my tourwork on the Water & Gas fund, I noted that the Town only paid 1/3 of the amount due. The remainder continues to be carried as a liability. This was noted in the prior year.

RECOMMENDATION

Recognizing how payments due on a 25-year old lease could fall through the cracks, the Town should still be alert to such agreements and/or contracts and should properly account for the amounts due. A resolution of some type should be made on the balance due.

RESPONSE

This matter is under negotiation. Any amounts proven to be owed by the Town will be paid, however, we are looking to set up payments over time.

9. COMMENT

The Town currently maintains a passbook account with \$3,200 in it which represents an ad valorem tax paid back in the 1980's under protest. While state statutes provide for protested taxes to be held pending resolution of the protest, there are statutory limitations on the amount of time allowed the taxpayer to file suit. Absent a properly filed suit, the money should be distributed. There is nothing in the file to indicate that a suit has been filed on this matter. This was noted in the prior year.

RECOMMENDATION

The Town should close the protested taxes fund out and transfer the monies to the General Fund.

RESPONSE

As of this date, this passbook account has been closed.

TOWN OF GRAND ISLE, LOUISIANA

COMMENTS AND SUGGESTIONS (CONTINUED) For the Fiscal Year Ended June 30, 1998

GENERAL COMMENTS (CONTINUED)

10. COMMENT

The Town is currently utilizing it's Riverboat Gambling proceeds to supplement certain expenditures in the General Fund, the Drainage Fund, and the Wastewater Fund. In posting these transactions, there have been several instances whereby one fund records the transaction as a loan or advance and the Riverboat Gambling Fund records the transaction as a transfer.

RECOMMENDATION

The Town Treasurer should be notified of the intent of these transactions so that she can properly record them in the general ledger. When these loans and/or transfers are approved, the resolution should specifically state whether the money is expected to be repaid.

RESPONSE

This will be monitored more closely in the future. The Town Clerk and Town Treasurer are aware of it and do not anticipate this happening again.

11. COMMENT

The Town receives a number of small grants from the federal and state governments. During my tourwork, I noted that the grant files are not being maintained properly. While all documentation was eventually located, the documentation was not kept in one place.

RECOMMENDATION

The Town Clerk or the Town Treasurer should maintain a grant file on each grant received. The file should contain the following documents:

1. Grant Award Letter
2. Grant Application/Budget
3. Expenditure Reports and supporting invoices
4. Receipts (copies of checks)
5. Progress or Status Reports

TOWN OF GRAND ISLE, LOUISIANA

COMMENTS AND SUGGESTIONS (CONTINUED) For the Fiscal Year Ended June 30, 1998

RESPONSE

The majority of the grants are handled by the Town's Police Department. The clerk handling the grants has already been instructed on how to set the files up and what documents should be maintained. We do not anticipate this recurring in the next fiscal year.

12. COMMENT

Based on my discussions with the Town Treasurer and the Town's computer consultant, the Year 2000 Issue ("Y2K") has been looked into and, most likely, will not have a material effect on the Town's operations. This is because the majority of the programs used by the Town do not contain "date-sensitive" calculations or processes. Additionally, there are a number of funds which are still accounted for manually. There are, however, a few things that need to be addressed.

RECOMMENDATION

The operating system on the Town's AS400 needs to be upgraded, as well as the print drivers. The Town Treasurer should consult with the Town's computer vendor and the Town's computer consultant to see that this is done in a timely manner. Some testing should be performed to ensure that all is working well.

RESPONSE

The Town Treasurer has already ordered the upgrade to the operating system and print drivers, at a minimal cost. Upon receipt, the Town's computer consultant will upgrade the system and test for Y2K compliance. It is anticipated that this will be done sometime within the next 90 days.

**COMPLIANCE WITH LAWS
AND REGULATIONS**

Paul C. Rivera, CPA

The Honorable David Casardelle, Mayor
and the Board of Aldermen
Town of Grand Isle, Louisiana

I have audited the financial statements of the Town of Grand Isle, Louisiana, for the fiscal year ended June 30, 1998, and have issued my reports thereon dated November 16, 1998. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, I performed tests of the Town's compliance with certain provisions of laws, regulations, contracts, and grants. However, my objective was not to provide an opinion on overall compliance with such provisions.

Material instances of noncompliance have already been reported on in a separately issued report, entitled "Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting Based on an Audit Performed in Accordance with Government Auditing Standards". The attached schedule of noncompliance with laws and regulations includes certain immaterial instances of noncompliance noted as a result of the items tested.

I have already discussed these findings with the Town's administrative personnel and have included their responses. I will be pleased to discuss these comments with you in further detail at your convenience or to perform any additional study of these matters.

Paul Rivera, CPA

November 16, 1998

TOWN OF GRAND ISLE, LOUISIANA

**SCHEDULE OF NONCOMPLIANCE WITH
LAWS AND REGULATIONS
For the Fiscal Year Ended June 30, 1998**

1. FINDING

LRS 39:1318 provides that the budgets be amended whenever actual revenues, expenditures, or projected ending fund balance exceeds or falls short of budgeted amounts by 5 percent or more. During the fiscal year ended June 30, 1998, the following differences were noted. By failing to properly amend the budget, the Town was not in compliance with LRS 39:1318, and budgetary control was thereby reduced.

RESPONSE:

This was an oversight. Budgeted revenues and expenditures are monitored closely and amendments are made during the year. We will look into amending the budget more timely when the 5 percent levels are reached.

2. FINDING

As noted in the previous year, the Solid Waste Rules and Regulations and the Louisiana Environmental Quality Act (LRS 38:2025-2030) appear to have been violated by the Town in regards to its operation of the local transfer station (i.e., dump-site). While no new violations have been noted, the Louisiana Department of Environmental Quality (DEQ) has issued civil penalties in relation to the past violations it noted. The Town currently has an informal agreement with the DEQ to close the dump-site and make certain improvements to the area.

RESPONSE:

The current administration is aware of the rules and regulations and is doing everything in its power to comply. No new violations have occurred and verbal agreements have been reached with the DEQ on closing the dump-site in accordance with State law.

**STATUS OF PRIOR YEAR
COMMENTS AND FINDINGS**

TOWN OF GRAND ISLE, LOUISIANA

STATUS OF PRIOR YEAR COMMENTS AND FINDINGS
June 30, 1998

Prior Year Comment No.	Prior Year Comment	Status
1.	The Town should obtain tax roll on tape if possible.	Comment deleted - data not available on tape.
2.	The Town should close inactive accounts.	See CY Comment No. 2.
3.	The Town should look into raising revenues for Sanitation and Waterworks.	Comment deleted - Sanitation fee is tied with expenditures and Water Use Project underway.
4.	The Town should request funds on fishing bridge grant.	Comment deleted - Funds requested and received.
5.	Change orders on tax roll not being recorded.	Comment deleted - Change orders recorded in CY.
6.	The Town should establish a fixed asset ledger.	See CY Comment No. 3.
7.	The Town should reconcile tagged items list with fixed asset ledger.	See CY Comment No. 3.
8.	The Town should consider allocating T's salary related expenditures (insurance, taxes, etc.).	Comment deleted - Some items are now allocated; others would be too difficult.
9.	The Town should not record grant revenues as credits to the expenditure account.	Comment deleted - All grants now recorded as revenue.
10.	The Town should adjust T's natural gas inventory each month.	See CY Comment No. 4.
11.	Mispostings in capital outlay accounts, particularly on operating loans.	See CY Comment No. 5.
12.	Drainage District had a deficit fund balance.	Comment deleted - Positive fund balance in CY.
13.	The Town should resolve the gas line issue with Debco.	See CY Comment No. 8.

TOWN OF GRAND ISLE, LOUISIANA

STATUS OF PRIOR YEAR COMMENTS AND FINDINGS
(CONTINUED)

June 30, 1998

Prior Year Comment No.	Prior Year Comment	Status
14.	The Town should close the property tax protest account.	See CY Comment No. 6.
15.	The Town should ensure that all expense account reports have proper supporting documentation.	Comment deleted - No exceptions noted in CY.
Compliance Finding No. 1.	The Town had failed to file expenditure reports on food stamp grants on a timely basis.	Comment deleted - Food Stamp Program discontinued at the local level.
Compliance Finding No. 2.	The Town was in violation of the Solid Waste Rules and Regulations.	See CY Finding No. 2