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TOWN OF LIVINGSTON, LOUISIANA
ANNUAL FINANCIAL REPORT
December 31, 1997

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 7/2/98

Town of Livingston, Louisiana
Annual Financial Report
As of and for the Year Ended December 31, 1993

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor, Gerald Jones
and Members of the Board of Aldermen
Town of Livingston, Louisiana

We have audited the accompanying primary government financial statements of the Town of Livingston, Louisiana, as of and for the year ended December 31, 1997, as listed in the table of contents. These primary government financial statements are the responsibility of the Town of Livingston, Louisiana's, management. Our responsibility is to express an opinion on these primary government financial statements based on our audit.

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

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the Town of Livingston, Louisiana, as of December 31, 1997, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

However, the primary government financial statements, because they do not include the financial data of component units of the Town of Livingston, Louisiana, do not purport to, and do not, present fairly the financial position of the Town of Livingston, Louisiana, as of December 31, 1997, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated May 29, 1998 on our consideration of the Town of Livingston, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

BRUCE HARRELL & CO.
CERTIFIED PUBLIC ACCOUNTANTS
A Professional Accounting Corporation

The Honorable Mayor, Board of Trustees
and Members of the Board of Aldermen
Town of Livingston, Louisiana

Page 2

Our audit was performed for the purpose of forming an opinion on the primary government financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-113, Auditor of States, Local Governments, and Non-Profit Organizations. Also, the individual fund and account group financial statements, schedules, and supplementary information listed in the table of contents are presented for purposes of additional analysis. Neither are a required part of the primary government financial statements of the Town of Livingston, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in our opinion, is fairly stated in all material respects in relation to the primary government financial statements taken as a whole.



Bruce Harrell & Company, CPAs
A Professional Accounting Corporation

May 29, 1998

Town of Livingston, Louisiana

**Combined Balance Sheet - All Fund Types and Account Groups
December 31, 1997**

	Governmental Fund Type		Proprietary Fund Type
	General Fund	Capital Projects Fund	Enterprise Fund
Assets			
Cash	\$ 705,000	\$ 110	\$ 752,000
Inventory, Natural Gas Storage	-	-	1,825
Taxes Receivable	19,500	-	-
Accounts Receivable (Net of Allowance for Unavailable)	-	-	89,217
Prepaid Expenses	-	-	1,177
Receivables Receivable	100	-	-
Due From Other Funds	77,500	10	-
Due From Other Governments	11,541	-	-
Restricted Assets	-	-	218,000
Property, Plant and Equipment (Net, Where Applicable, of Accumulated Depreciation)	-	-	1,862,980
Total Assets	\$ 811,781	\$ 120	\$ 3,028,118
Liabilities and Fund Equity			
Liabilities:			
Accounts Payable	\$ 10,486	\$ -	\$ 28,514
Other Accrued Expenses	3,583	-	2,315
Current Portion of Long-Term Debt:			
Revenue Bonds Payable	-	-	54,945
Due To Other Funds	10	-	77,500
Payable From Restricted Assets:			
Customer Deposits	-	-	54,834
Long-Term Debt:			
Revenue Bonds Payable	-	-	875,787
Total Liabilities	15,889	-	1,003,945
Fund Equity:			
Contributed Capital	-	-	838,689
Investment in General Fixed Assets	-	-	-
Retained Earnings:			
Reserve for Bond Retirement	-	-	68,588
Reserve for Bond Contingency	-	-	78,151
Unreserved	-	-	1,080,245
Fund Balance:			
Unreserved - Undesignated	795,879	120	-
Total Fund Equity	795,879	120	1,918,175
Total Liabilities and Fund Equity	\$ 811,781	\$ 120	\$ 3,028,118

The accompanying notes are an integral part of these statements.

Account Group	Totals (Minimums/Maximums Daily)	
	1997	1996
General Fixed Assets		
\$ -	\$ 3,456,097	\$ 3,368,356
-	1,925	3,143
-	19,500	23,552
-	89,737	82,699
-	1,175	3,899
-	120	1,174
-	77,885	23,359
-	31,541	33,386
-	206,450	281,348
	<u>3,789,485</u>	<u>3,787,838</u>
\$ -	\$ <u>3,789,485</u>	\$ <u>3,787,838</u>
\$ -	\$ 33,000	\$ 39,200
-	3,678	4,808
-	34,849	33,249
-	71,593	22,539
-	54,824	52,650
-	671,362	708,635
-	<u>878,813</u>	<u>858,392</u>
	<u>878,813</u>	<u>858,392</u>
1,279,409	1,279,409	1,268,967
-	68,588	68,724
-	78,121	68,730
-	1,883,745	1,883,942
-	<u>206,040</u>	<u>216,781</u>
	<u>4,241,612</u>	<u>4,310,611</u>
\$ <u>1,279,409</u>	\$ <u>4,241,612</u>	\$ <u>4,310,611</u>
\$ <u>1,279,409</u>	\$ <u>4,310,612</u>	\$ <u>4,311,713</u>

Town of Livingston, Louisiana

Statement B

Consolidated Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund Types
Year Ended December 31, 1997

	Governmental Funds		Totals (Minus Only)
	General Fund	Capital Projects Fund	
Revenues			
Taxes	\$ 215,644	\$ -	\$ 215,644
Licenses and Permits	64,135	-	64,135
Intergovernmental	15,254	-	15,254
Fees	56,446	-	56,446
Interest Income	36,447	-	36,447
Royalty Income	3,328	-	3,328
Rental Income	15,308	-	15,308
Sanitation Fees	34,808	-	34,808
Recreation and Parks	21,905	-	21,905
Slidewalk Project	-	-	-
Grants	3,303	69,834	73,137
Miscellaneous	3,843	-	3,843
Total Revenues	<u>461,316</u>	<u>69,834</u>	<u>531,150</u>
Expenditures			
General and Administrative	181,884	-	181,884
Public Safety	141,808	-	141,808
Senior	-	48,967	48,967
Streets	83,568	-	83,568
Sanitation	46,152	-	46,152
Health	4,884	-	4,884
Recreation and Parks	28,558	-	28,558
Capital Outlays	68,595	-	68,595
Total Expenditures	<u>544,349</u>	<u>48,967</u>	<u>593,316</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(83,033)</u>	<u>137</u>	<u>(82,896)</u>
Other Financing Sources (Uses)			
Sale of Fixed Assets	1,644	-	1,644
Operating Transfers In	138,080	-	138,080
Operating Transfers Out	(138,080)	-	(138,080)
Total Other Financing Sources (Uses)	<u>1,644</u>	<u>-</u>	<u>1,644</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>38,155</u>	<u>137</u>	<u>38,292</u>
Fund Balance at Beginning of Year	<u>256,728</u>	<u>52</u>	<u>256,780</u>
Fund Balance at End of Year	<u>\$ 294,883</u>	<u>\$ 137</u>	<u>\$ 295,020</u>

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Governmental Fund Types
Year Ended December 31, 1997**

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Taxes	\$ 218,700	\$ 213,644	\$ 5,056
Licenses and Permits	64,300	64,132	(168)
Intergovernmental	15,500	15,254	(246)
Fees	57,000	56,446	(554)
Interest Income	31,000	36,447	5,447
Royalty Income	4,000	3,720	(280)
Special Income	15,000	13,900	(1,100)
Sanitation Fees	51,000	54,009	3,009
Recreation and Parks	22,000	21,500	(499)
Subsidiary Project	2,500	-	(2,500)
Grants	3,700	3,783	83
Miscellaneous	2,000	2,653	653
Total Revenues	<u>453,100</u>	<u>447,316</u>	<u>5,784</u>
Expenditures			
General and Administrative	109,150	101,664	7,486
Public Safety	153,000	141,000	(12,000)
Water	-	-	-
Street	71,000	83,564	(12,564)
Sanitation	68,000	66,152	1,848
Health	3,800	4,684	(884)
Recreation and Parks	31,000	28,950	2,050
Capital Outlays	60,000	60,950	(950)
Total Expenditures	<u>548,050</u>	<u>549,314</u>	<u>(1,264)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(94,950)</u>	<u>(102,018)</u>	<u>7,068</u>
Other Financing Sources (Uses)			
Sale of Fixed Assets	1,000	1,004	(4)
Operating Transfers In	150,000	150,000	-
Operating Transfers Out	(13,000)	(16,667)	3,667
Total Other Financing Sources (Uses)	<u>138,000</u>	<u>134,337</u>	<u>3,663</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>43,050</u>	<u>32,319</u>	<u>10,731</u>
Fund Balance at Beginning of Year	216,720	216,720	-
Fund Balance at End of Year	<u>\$ 259,770</u>	<u>\$ 249,039</u>	<u>\$ 10,731</u>

The accompanying notes are an integral part of these statements.

Capital Projects Fund		
Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
49,104	49,104	-
<u>49,104</u>	<u>49,104</u>	<u>-</u>
-	-	-
-	-	-
49,808	49,967	159
-	-	-
-	-	-
-	-	-
<u>49,808</u>	<u>49,967</u>	<u>159</u>
<u>104</u>	<u>157</u>	<u>53</u>
-	-	-
-	-	-
-	-	-
104	103	1
33	33	-
<u>\$ 137</u>	<u>\$ 136</u>	<u>\$ 1</u>

Town of Livingston, Louisiana

Statement D

Statement of Revenues, Expenses, and Changes in Unreserved Retained Earnings
Proprietary Fund Type
Year Ended December 31, 2007

	Enterprise Fund
Operating Revenues	
Gas Sales	\$ 100,218
Less Cost of Gas Sold	(88,515)
Gross Profit on Gas Sales	11,703
Water Sales	216,513
Sewer Service Charges	63,778
Service Connection Charges	21,292
Delinquent Charges	15,812
Other Operating Revenues	3,668
Total Operating Revenues	<u>430,262</u>
Operating Expenses	
Salaries	86,158
Contract Repairs	8,838
Materials and Supplies	20,365
Utilities Rental	754
Travel Expense	4,603
Sewer Expense	1,886
Office Expenses	10,299
Maintenance	1,695
Payroll Taxes	7,211
Professional Services	10,363
Depreciation	91,299
Utilities	22,213
Insurance	15,416
Bad Debt Expense	1,875
Other Operating Expenses	2,226
Total Operating Expenses	<u>395,281</u>
Operating Income (Loss)	<u>149,286</u>
Nonoperating Revenues (Expenses)	
Interest Revenue	58,832
Interest Expense	(36,436)
Total Nonoperating Revenues (Expenses)	<u>22,396</u>
Operating Transfer Out	(150,000)
Net Income	11,682
Unreserved Retained Earnings at Beginning of Year	1,073,912
Amortization of Contributions	44,236
Increase in Reserves	(8,285)
Unreserved Retained Earnings at End of Year	<u>\$ 1,080,245</u>

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Statement of Cash Flows
Proprietary Fund Type
Year Ended December 31, 1995

Statement E

		Enterprise Fund
Cash Flows From Operating Activities		
Operating Income	\$	143,285
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
Depreciation		61,285
Change in Inventory		1,720
Change in Accounts Receivable		(7,038)
Change in Prepaid Expenses		3,627
Change in Accounts Payable		(7,687)
Change in Other Accrued Liabilities		137
Change in Due to Other Funds		35,034
Change in Customer Deposits Payable		2,174
Net Cash Provided (Used) by Operating Activities		<u>181,148</u>
Cash Flows From Capital and Related Financing Activities		
Capital Improvements		(27,189)
Principal Repayments, Revenue Bonds Payable		(28,153)
Operating Transfers Out		(150,083)
Interest Revenue		58,002
Interest Expense		(26,476)
Net Cash Provided (Used) by Capital and Related Financing Activities		<u>(173,899)</u>
Net Increase (Decrease) in Cash		89,483
Cash at Beginning of Year		<u>876,897</u>
Cash at End of Year	\$	<u>969,380</u>

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana
Notes to Financial Statements

As of and for the Year Ended December 31, 1997

Introduction

The Town of Livingston was incorporated November 4, 1853, under the provisions of the Louisiana Act. The Town operates under a Mayor - Board of Aldermen form of government. The accounting and reporting policies of the Town of Livingston conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:113 and 24:117 and to the guidelines set forth in the *American Governmental Accounting Guide*, and to the AICPA Industry Audit Guide, *Audit of State and Local Government Units*.

I. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Based on the previous criteria, the Town of Livingston has determined that the following component unit is part of the reporting entity:

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Livingston Intergovernmental Commission	12/97	3

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)
As of and for the Year Ended December 31, 1997

The Town of Livingston has chosen to issue financial statements of its primary government (Town) only; therefore the previously listed component unit is not included in the accompanying financial statements.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government.

Considered in the determination of component units of the reporting entity were the Livingston Parish Police Jury, Sheriff, Clerk of Court, Assessor, and School Board and the District Attorney and Judges of the 21st Judicial District. It was determined that these governmental entities are not component units of the Town of Livingston reporting entity because they have separately elected governing bodies, are legally separate, and are financially independent of the Town of Livingston.

B. Fund Accounting

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

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

Funds of the Town of Livingston are classified into two categories, Governmental and Proprietary. In turn, each category is divided into separate fund types. The fund classifications and a description of each fund type follows:

Governmental Funds

Governmental Funds are used to account for all or most of the municipality's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition or construction of general fund assets. The Governmental Fund includes:

General Fund - the General Operating Fund of the municipality and accounts for all financial resources, except those required to be accounted for in other funds.

Capital Projects Fund - accounts for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)
As of and for the Year Ended December 31, 1997

Proprietary Funds

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. Proprietary Funds differ from governmental in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. The Proprietary Fund includes:

Enterprise Funds - account for operations (a) where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods and services to the general public as a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

C. Basis of Accounting

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

Revenues

Governmental funds utilize the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which they become both available and measurable. Licenses and permits, charges for services, fines and forfeits, and miscellaneous revenues are recorded as revenues when received in cash. General property taxes, self-assessed taxes, and investment earnings are recorded when earned (when they are measurable and available).

Expenditures

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for debt service and other long-term obligations which are recognized when paid.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). The transfers are recorded at the time the money is transferred.

The proprietary fund is accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. The proprietary fund uses the accrual basis of accounting. Revenues are recognized when they are earned, and its expenses are recognized when they are incurred.

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)
As of and for the Year Ended December 31, 1997

D. Budgets and Budgetary Accounting

The Town follows these procedures and those required by the Local Budget Act No. 504 of the 1980 Legislature and its amendments in establishing the budgetary data reflected in these financial statements:

1. The Town Clerk prepares a proposed budget and submits same to the Mayor and Board of Aldermen no later than 60 days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving the increase in expenditures resulting from revenues exceeding amounts estimated, require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the General, Capital Projects, and Enterprise Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Aldermen.

E. Encumbrances

The Town of Livingston does not use encumbrance accounting.

F. Cash

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

G. 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 are classified as interfund receivables/payables.

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)

As of and for the Year Ended December 31, 1997

III. Advances to Other Funds

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriations. The Town of Livingston does not have any of these type advances.

I. Inventories

Purchases of various operating supplies are reported as expenditures at the time purchased, and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year.

Inventory in the proprietary fund consists of natural gas reserves purchased and are recorded as an expense when consumed. The inventory is valued at the lower of cost (first-in, first-out) or market.

J. Prepaid Items

The Town of Livingston has one item for prepaid postage of ELLITS in the Enterprise Fund.

K. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets in the balance sheet because their use is limited by applicable bond covenants.

L. Fixed Assets

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domains or infrastructure are not capitalized. Interest cost incurred during construction are capitalized. No depreciation has been provided on general fixed assets. All assets are stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets.

Fixed assets used in the proprietary fund are included on the balance sheet of the funds. Depreciation of substantial fixed assets used by the proprietary fund is charged as an expense against operations, and accumulated depreciation is reported on the proprietary fund's balance sheet. Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation.

M. Annual Vacation and Sick Leave

All employees, during their first and second year of service, will receive one (1) week paid vacation each year. One week of vacation can be taken after the first six months of the first year. Employees with two (2) or more years service will receive two (2) weeks paid vacation each year. Employees with 11 years or more will receive three (3) weeks. Employees with 20 years or more will receive four (4) weeks. Preferences will be posted by January 15 of each year. Vacations will be approved by the department head and the Mayor. Vacation will be calculated on a calendar year. An employee hired after the first six months of a year will receive one (1) week during the following calendar year. Vacation time accrued must be taken by the end of the fiscal year.

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)
As of and for the Year Ended December 31, 1997

Sick leave is as follows:

1. After six months employment, an employee may receive eight hours sick leave each month. After two years employment, the sick leave will increase to ten hours each month. All employees who have been employed by the Town five years or longer will receive twelve hours sick leave each month. An employee may accumulate a maximum of one thousand four hundred forty hours sick leave. No pay shall be granted for sick days if employee resigns or is terminated. No sick days shall be taken in lieu of vacations.
2. After three (3) consecutive working days of sick leave, a doctor's certificate shall be required.
3. After sick leave, annual leave, and personal holiday have been exhausted, employee may be granted emergency leave by Mayor and Board of Aldermen.
4. Employee must notify secretary or department head at the beginning of the work day on day one of sickness.

In accordance with Financial Accounting Standards Board (FASB) Statement Number 43, no liability has been accrued for unused employee sick leave.

N. Long-term Obligations

Expenditures for principal and interest payments for long-term obligations are recognized in the governmental fund when due. At December 31, 1997, the Town of Livingston had no long-term obligations in governmental funds. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

O. Fund Equity

Contributed Capital

Contributed capital is recorded in proprietary funds that have received capital grants or costs that less from developers, customers, or other funds when such resources are restricted for the acquisition of or construction of capital assets. Contributed capital is amortized based on the depreciation recognized in that portion of the assets acquired or constructed from such resources.

Reserves

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

Designated Fund Balances

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

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)

As of and for the Year Ended December 31, 1997

F. Interfund Transactions

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

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonreversing, or non-cursive permanent transfers of equity are reported as recycled equity transfers. All other interfund transfers of the Town of Livingston are reported as operating transfers.

G. Bad Debts

The Town of Livingston does not have an allowance for uncollectible *Ad Valorem Taxes* because the amounts, if any, are immaterial. Uncollectible amounts due by customer's utility receivables are charged to operations when that determination is made. An allowance account of \$1,000 was set up in prior years to allow for the uncollectibility of certain receivables.

H. Total Columns on Combined Statements

Total Columns on the combined statements are explained Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Interfund transactions have not been eliminated from the total columns of each financial statement.

I. Cash and Cash Equivalents

At December 31, 1997, the Town has cash and cash equivalents (book balances) totaling \$1,672,543, as follows:

Demand Deposits	\$ 100
Interest-Bearing Demand Deposit	482,940
Louisiana Asset Management Fund	10,613
Time Deposits	<u>1,180,890</u>
Total Cash and Cash Equivalents	<u>\$ 1,672,543</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1997, the Town has \$1,646,940, in deposits (adjusted bank balances). These deposits are secured from risk by \$180,000 of federal deposit insurance and \$1,546,942 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GAASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GAASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Town that the fiscal agent has failed to pay deposited funds upon demand.

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)
As of and for the Year Ended December 31, 1997

3. Ad Valorem and Public Utility Franchise Taxes

On August 14, 1997, the Town approved an ordinance to assess a 3.15% millage ad valorem tax for 1997. This is a permanent tax per constitutional authority, and is subject to annual renewal by the Town council. Total Ad Valorem Taxes levied for the year ended December 31, 1997, were \$16,968. These taxes were due upon taxpayers' receipt of their tax bill and became delinquent January 1, 1998. Interest on unpaid Ad Valorem Taxes is added to the tax bill during January, 1998. Due to immateriality and cost factor of collections, no liens are put against assessed property upon non-compliance of taxes.

On October 1, 1992, the Town approved the issuance of a public utilities franchise to Gulf States Utilities Company to provide electricity within the limits of the Town of Livingston. For this franchise, Gulf States Utilities Company remits 4.5% of its net taxable gross receipts from the sale of electricity within the corporate limits.

On September 30, 1983, the Town approved the issuance of a public utilities franchise to provide cable television and closed-circuit electronic services within the Town's corporate limits. For this franchise, the cable television corporation remits 4% of its net taxable gross subscription receipts within the corporate limits.

Total Ad Valorem Taxes and Public Utilities Franchise Taxes collected for the year ended December 31, 1997, were \$77,817.

Taxes receivable at December 31, 1997 consisted of the following:

	1997
Ad Valorem Taxes Receivable, Current Bill	\$ 4,809
Public Utility Franchise Taxes Receivables	15,041
Total Taxes Receivable	\$ 19,850

The Town does not have an allowance for uncollectible Ad Valorem Taxes because the amounts, if any, are immaterial.

4. Accounts Receivable

The Enterprise Fund accounts receivable at December 31, 1997, consisted of the following:

	1997
Current	\$ 38,009
31 - 60 Days	11,241
61 - 90 Days	1,149
Over 90 Days	4,070
Total	74,469
Allowance for Bad Debt	(1,808)
Accounts Receivables, Net	72,661
Accrued Billings	13,048
Total Accounts Receivable	\$ 85,709

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)
As of and for the Year Ended December 31, 1997

5. Interfund Receivables/Payables

Interfund receivables/payables represent amounts due to/from the individual funds. The following balances are presented as assets/liabilities on the balance sheets.

	Interfund Receivables	Interfund Payables
General Fund	\$ 71,360	\$ 31
Capital Projects Fund	33	-
Enterprise Fund	-	75,340
Total Interfund Receivables/Payables	\$ 71,393	\$ 75,371

6. Due From Other Governments

Amounts due from other governmental units consisted of Tobacco, Beer, Video Poker Taxes from the State of Louisiana. These receivables were \$1,349 and \$790, and \$286, respectively, as December 31, 1997. Also due from other governments was sales and use tax from Livingston Parish School Board amounting to \$9,116 as December 31, 1997.

7. Royalty Income Receivable

The Town receives royalties from FortEnergy Gas Exploration, Inc. The amount of royalty income receivable as of December 31, 1997, was \$120.

8. Schedule of Restricted Assets - Proprietary Fund Type

Restricted assets were applicable to the following as December 31, 1997:

Street Bond Reserve Account	\$ 89,000
Bond Depreciation & Contingency Account	36,151
Customers' Deposits	70,311
Total Restricted Assets	\$ 195,462

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)

As of and for the Year Ended December 31, 1997

9. Property, Plant and Equipment

A summary of Proprietary Fund Type Property, Plant and Equipment at December 31, 1997, follows:

Description	Year Life	Cost	Accumulated Depreciation	Net	Current-Year Depreciation
Buildings:					
Warehouses, I/O Interest	20	\$ 3,702	\$ 3,702	\$ -	\$ -
Sewer Plant Shop	20	2,446	2,328	1,118	122
Food Buildings		5,444	4,496	1,112	122
Other Improvements:					
Original Gas & Water System					
Still in Use	20	50,163	50,163	-	-
Replaced by Meter System	20	271,464	271,464	-	-
Material Gas System	40	294,791	115,438	179,353	3,330
Water System	40	713,221	358,615	404,998	17,997
Water Well	40	131,983	64,605	67,268	3,396
Water Tank	40	207,895	87,399	139,696	3,175
Tank Improvements	15	30,890	28,000	4,890	2,088
Sewer System	40	2,042,372	993,679	1,048,493	51,024
Sewer System	20	7,820	3,634	4,186	785
Sewer Flareline	40	21,722	9,615	14,887	583
Sewer Lift Station	40	23,836	3,414	14,812	551
Fence, Childrens Pond	20	4,740	4,740	-	-
Sewer Pump	5	6,290	6,290	-	-
Water Well Improvements	20	3,731	3,731	-	158
Water Well Fence	20	1,140	3,134	36	78
Total Buildings & Improvements		3,811,930	1,852,315	1,959,615	68,221
Equipment:					
Office Furniture & Fixtures	10	3,272	3,272	-	-
Computer and Software	7	65,639	12,119	7,320	1,942
Machinery & Equipment	10	1,796	788	1,008	93
Equipment	7	1,201	1,201	-	-
Utility Tractor					
1987 Ford	7	13,246	13,246	-	-
1991 Ford	4	12,238	12,238	-	-
Radio	4	798	798	-	-
Total Equipment		30,888	42,340	8,738	2,074
Total Property, Plant and Equipment		\$ 3,842,818	\$ 1,894,615	\$ 1,948,203	\$ 73,365
Changes During Year:					
Balance, Beginning of Year		\$ 3,815,409	\$ 1,850,378	\$ 2,012,889	
Additions		27,089	-	27,089	
Deletions		-	-	-	
Depreciation		-	91,295	(81,295)	
Balance, End of Year		\$ 3,842,518	\$ 1,894,615	\$ 1,948,203	

All assets are depreciated under the straight-line method.

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)
As of and for the Year Ended December 31, 1997

Activity for general fixed assets capitalized by the Town are summarized below:

Description	Balance 01/01/97	Additions	Deletions	Balance 12/31/97
Land	\$ 54,000	\$ -	\$ -	\$ 54,000
Buildings	701,400	-	-	701,400
Equipment	504,817	59,179	(71,141)	592,855
Totals	\$ 1,260,217	\$ 59,179	\$ (71,141)	\$ 1,248,255

18. Changes in Long-Term Debt

The following is a summary of bond transactions of the Town of Livingston for the year ended December 31, 1997:

	Proprietary Fund Bonds/Notes
Bonds Payable, January 1, 1997	\$ 741,804
Bonds/Notes Retired	(33,157)
Bonds/Notes Issued	-
Bonds Payable, December 31, 1997	\$ 708,647

Bonds Payable at December 31, 1997, are comprised of the following individual issues:

	Current Amount	Long-term Amount	Total Principal
\$1,000,000 Utility Revenue Bonds numbers 1 and 2, dated 2/23/75, due in monthly installments of \$5,386 through 2015, interest at 9% (these issues are secured by the income and revenues derived from the operation of the Town's Utility System).	\$ 32,289	\$ 678,546	\$ 661,814
\$56,800 General Obligation Ad Valorem Tax Bonds, dated 2/28/79, due in monthly installments of \$275 through 2015, interest at 9% (these issues are secured by a dedication of an unlimited Ad Valorem Tax of the Town).	1,848	27,907	29,755
\$28,800 General Obligation Ad Valorem Tax Bonds, of Series District No. 1 of the Town, dated 2/29/75, due in monthly installments of \$128 through 2013, interest at 5% (these issues are secured by a dedication of an unlimited Ad Valorem Tax of the District).	817	16,326	17,143
General Obligation Bonds Payable	3,954	722,779	726,733
Total Proprietary Fund Bonds	\$ 34,001	\$ 678,240	\$ 712,241

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)
As of and for the Year Ended December 31, 1997

The annual requirements to amortize all debt outstanding at December 31, 1997, including interest payments of \$483,862 are as follows:

Year Ending December 31	Proprietary Fund Needs
1998	\$ 69,388
1999	69,388
2000	69,388
2001	69,388
2002	69,388
2003 - 2003	347,940
2008 - 2012	347,940
2013 - 2013	129,724
	<u>\$ 1,198,384</u>

11. Flow of Funds and Restrictions on Use - Utilities Revenues

The voters of the Town of Livingston approved the issuance of \$1,180,000 Utility Revenue Bonds, \$56,000 General Obligation Ad Valorem Tax Bonds of the Town and \$28,000 General Obligation Ad Valorem Tax Bonds of Sewer District No. 1 of the Town in an election held August 24, 1974. The governing authority of the Town adopted a resolution on January 13, 1975, authorizing issuance of the above utility bonds. On February 28, 1975, the Town sold \$1,184,000 of the authorized bonds to United States Department of Agriculture, Rural Utility Service (RUS). The bonds were issued for forty (40) years payable with interest at the rate of 5% per annum. The bonds and any installments may be paid prior to the due date and maturity thereof at a price of par and accrued interest to the date of prepayment. The proceeds of the bonds are restricted to use for reforming \$109,640 of "1978 Water and Gas Revenue Bonds" of the Town and construction and improvements to the combined utility systems and are subject to the provisions of the above resolution adopted January 13, 1975.

Under the terms of the bond proceeds to the Town, the revenue bonds are payable as to principal and interest solely from the income and revenue derived from the operation of the combined utility systems of the Town after provision has been made for payment of the reasonable and necessary expenses of administering, operating, and maintaining the system. The Ad Valorem Tax Bonds of the Town are secured by a deduction of an unlimited Ad Valorem tax of the Town. The Ad Valorem Tax Bonds of Sewer District No. 1 are secured by an unlimited Ad Valorem Tax of the District. These bonds do not constitute an indebtedness or pledge of the general credit of the Town within the meaning of any constitutional or statutory limitation of indebtedness.

The Town is to maintain its present gas rates and increase these rates when the wholesale price of natural gas increases by adding a fuel adjustment cost equal to the difference per 1,000 cubic feet. The Town has minimum water rates it must charge under this agreement.

Each month the Town will reserve into a "Bond and Interest Sinking (Redemption) Fund" a sum equal to one-twelfth (1/12) of the interest and principal due on the next bond payment due date, and a proportionate sum as may be required on the bonds respect fully become due. Money in the sinking funds shall be deposited in trust funds and shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due, and may be used only for such payments. Alternatively, RUS has set up a payment schedule whereby the Town can make such payments directly to its office, thus eliminating the need for the "Bond and Interest Sinking Fund".

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)

As of and for the Year Ended December 31, 1997

There shall also be set aside into a "Utility System Bond Reserve Fund" a sum equal to 2% of the monthly bond payment (\$290) after the construction becomes revenue-producing until there is accumulated therein an amount equal to the highest annual debt service payment in any future year. Such amounts may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not on deposit in the Bond and Interest Sinking Fund as to which there would otherwise be default. The balance in the fund at December 31, 1997 was \$68,585.

Funds will also be reserved into a "Depreciation and Contingency Fund" after completion of the project at the rate of \$215 per month. Money in this fund will be used for the making of extraordinary repairs or replacements to the systems which are necessary to keep the systems in operating condition, enhance its revenue producing capacity, or provide for a higher degree of service for which money is not available as a maintenance and operation expense. Money in this fund may also be used to pay principal and interest on the bonds falling due at any time there is not sufficient money for payments in the other bond funds. The balance in the fund at December 31, 1997, was \$76,151.

All the revenues received in any fiscal year and not required to be paid into any of the above stated funds shall be regarded as surplus and may be used for any lawful corporate purpose.

As of December 31, 1997, the Town has not assessed any Ad Valorem Taxes to be used for payment of the Ad Valorem tax bond issues. The Town has elected to make the payments out of current utility revenues.

13. Contributions - Proprietary Fund Type

Contributions toward the cost of the utility plant and engineering services have been received as follows:

	12/31/97
Municipality - General Fund	\$ 82,030
Special Revenue Fund - Federal Revenue Sharing	4,740
U.S. Government - Environmental Protection Agency	1,497,968
State of Louisiana	168,000
Livingston Parish School Board	32,735
Private Sources	4,932
Total Contributions	<u>1,789,105</u>
Less: Accumulated Amortization	(581,418)
Net Contributions Capital	<u>\$ 1,207,687</u>

14. 2% Fire Insurance Rebate

The Town maintains an active certified volunteer fire department as defined by Louisiana R. S. 22:1588 and is eligible for and receives a per rate share of the fire insurance tax collected by the State. The amounts received by the fire department are based on the population in the Town and unincorporated areas that it serves. In accordance with the Revised Statutes, such money shall be used only for the purpose of "rendering more efficient and effective" the active volunteer fire department as the Town shall direct.

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)
As of and for the Year Ended December 31, 1997

14. Oil, Gas, and Mineral Leases

On January 4, 1983, the Town leased all of its lands, streets, alleys, public ways and places containing 141.68 acres, more or less to Calton Petroleum Company (high bidder) of Natchez, Mississippi, for the purpose of exploring by any method, including but not limited to, geophysical and geological exploration for formations of petroleum and prospecting and drilling for, mining, and producing sulphur, peat, oil, gas and any other liquid or gaseous hydrocarbon minerals.

In consideration for the lease for an initial period of three years, the Town received the sum of \$63,720 as a bonus and first year rental. The lease has the right to renew the lease annually thereafter for \$11,808 if the so desires. The Town reserved 35% of the royalty rights under the lease.

The rights herein granted are limited as to depth and said rights extend only from the surface of the earth to 180 feet below the base of the Wilcox Formation, or its stratigraphic equivalent. All rights for minerals lying below said depth to the center of the earth are expressly reserved to the leasee.

During the fiscal year ended June 30, 1984, Calton Petroleum made a successful well out of the Calton Zylberbach 58-C-No.1. The Town's twenty-five percent (25%) royalty rights equaled 3,178731% of the well's production. The Town began receiving its share of royalty payments in July, 1984. In December, 1984, the Town received a \$13,891 delay rent payment from Calton Petroleum for its remaining property not held by the productive well. During the fiscal year ended June 30, 1985, two more successful wells were completed from which the Town receives all royalty payments. Since June 30, 1985, the fourth successful well was completed in which the Town also receives royalty payments.

The rights under the above leases are currently assigned to Force Energy Gas Exploration, Inc. During the fiscal year ending December 31, 1997, the Town of Livingston received \$3,758 in royalty income.

The royalties received under the oil, gas, and mineral leases are reported in the Town's general fund.

15. Retirement Commitments

The Town of Livingston's employees participate in the Federal Social Security Program. The Town's contributions for the year ended December 31, 1997, were \$16,172 for General Fund employees and \$7,211 for the Restoplin Fund employees. Future deficits in the system will be financed by the United States Government, and the Town has no further liability in the system. Data concerning the actuarial status of the system is not available.

The Town of Livingston entered the Municipal Employees Police Retirement System of Louisiana effective June 1, 1993. A description of the Municipal Police Employees' Retirement System is as follows:

Plan Description: All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 28 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 1/3 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate

Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)

As of and for the Year Ended December 31, 1997

with at least the amount of available service stated above, and do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8400 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2199, or by calling (224) 925-7411.

Fund Policy. Plan members are required by state statute to contribute 1.5 percent of their annual covered salary and the Town of Livingston is required to contribute at an actuarially determined rate. The current rate is 8.8 percent of annual covered payroll. The contribution requirements of plan members and the Town of Livingston are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Livingston's contributions to the Police Retirement System for the years ending December 31, 1995, 1996, and 1997, were \$8,077, \$5,183, and \$1,458, respectively, equal to the required contributions for each year.

16. Garment Building Lease

The Town secured a 3-year lease on lease with LDB, Inc. commencing on September 15, 1997. This lease on the garment building owned by the Town requires LDB, Inc. to pay a monthly rental of \$1,500.

17. Construction In Progress and Commitments

Sidewalk Project

During the year 1996, the Town paid initial engineering fees of \$4,847 for the construction of sidewalks in the Town. The estimated cost of this project is \$143,800, with \$118,800 of the funding coming from a cost-reimbursable program from the Louisiana Department of Transportation and Development. The remaining amount of \$25,000 will be funded by the Town. There were no transactions during the current year.

Rural Development Grant

On August 21, 1996, the Town received notification of a Rural Development Grant of \$20,000 for public improvements. As of December 31, 1997, the Town has not received any of the funds, nor has any contract lettings begun on the project.

Louisiana Community Development Block Grant

On March 19, 1997, the Town received notification of a Louisiana Community Development Block Grant award of \$521,200 for the purpose of sewer improvements. On December 9, 1995, the Town accepted the low bid of \$482,432. This project is 100% funded by the grant. As of December 31, 1997, the Town has received \$40,184 for initial engineering fees.

**Town of Livingston, Louisiana
Notes to Financial Statements
(Continued)**

As of and for the Year Ended December 31, 1997

III. Subsequent Events

On January 8, 1998, the Town approved a long-term, fixed price natural gas supply contract, as recommended by the Louisiana Municipal Gas Authority.

On April 6, 1998, the Town accepted the low bid of \$323,748 for a new water well. The construction cost and engineering fees of this project will be funded by surplus funds in the proprietary fund.

GENERAL FUND

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

Term of Livingston, Louisiana

Schedule I

Comparative Balance Sheet
 Governmental Fund Type
 General Fund
 December 31, 1997 and 1996

	<u>1997</u>	<u>1996</u>
Assets		
Cash	\$ 703,838	\$ 680,043
Taxes Receivable:		
Ad Valorem Taxes Receivable	4,469	11,717
Public Utility Franchise Taxes Receivable	15,041	18,845
Royalties Receivable	120	3,174
Due From Other Funds		
Due From Enterprise Fund	77,968	72,504
Due From Other Governments:		
Due From Louisiana Tobacco Tax Distribution	1,349	1,349
Due From Louisiana Beer Tax Distribution	790	473
Due From Louisiana Video Poker Tax Distribution	386	476
Due From Livingston Parish School Board Sales Tax Distribution	5,116	15,128
Total Assets	<u>\$ 811,761</u>	<u>\$ 748,682</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts Payable	\$ 32,486	\$ 19,880
Other Accrued Expenses	3,163	3,816
Due To Other Funds	50	50
Total Liabilities	<u>35,700</u>	<u>23,746</u>
Fund Balance:		
Unreserved - Undesignated	785,870	718,730
Total Fund Balance	<u>785,870</u>	<u>718,730</u>
Total Liabilities and Fund Balance	<u>\$ 811,761</u>	<u>\$ 748,682</u>

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Schedule 1

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual - Governmental Fund Type
General Fund

Year Ended December 31, 1993

With Comparative Actual Amounts for Year Ended December 31, 1992

	1993			1992	
	Budget	Actual	Variance Favorable (Unfavorable)		Actual
Revenues					
Taxes:					
Sales and Use Taxes	\$ 180,800	\$ 178,637	\$ (2,163)	\$	171,990
Ad Valorem Taxes	11,800	16,107	3,307		11,813
Public Utility Franchise Taxes	58,900	58,918	2,018		58,968
Licenses and Permits:					
Business Privilege Licenses	61,500	63,532	2,032		58,968
Beer Permits	300	105	(195)		300
Building and Trailer Permits	300	498	198		398
Intergovernmental:					
Louisiana Tobacco Tax Distribution	3,400	3,395	(5)		3,395
Louisiana Beer Tax Distribution	1,600	3,387	1,787		1,828
Louisiana Fire Insurance Rebate	2,500	2,594	94		2,543
Louisiana Road Maintenance	4,200	4,191	(9)		4,090
Louisiana Motor Vehicle Tax Distribution	1,800	1,483	(317)		2,435
Fees	17,000	20,446	3,446		19,023
Interest Income	11,000	16,447	5,447		20,389
Royalty Income	4,400	3,720	(680)		7,348
Rental Income	15,000	15,500	500		15,000
Sanitation Fees	33,000	34,089	1,089		33,847
Recreation and Parks	12,000	21,803	9,803		16,453
Sidewalk Grant	3,800	-	(3,800)		-
DPW Grant	-	-	-		480
Police Grant	3,700	3,703	3		1,240
Department of Transportation Grant	-	-	-		-
Rural Development Grant, Streets	-	-	-		-
Urban Development Grant	-	-	-		-
Rural Development Grant, Police	-	-	-		-
Miscellaneous	2,000	2,953	953		5,352
Total Revenues	<u>451,700</u>	<u>467,316</u>	<u>15,616</u>		<u>451,395</u>

(Continued)

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Schedule 2
(Continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Governmental Fund Type
General Fund
Year Ended December 31, 1993
With Comparative Actual Amounts for Year Ended December 31, 1992

	1993		Variance Favorable (Unfavorable)	1992
	Budget	Actual		Actual
Expenditures				
General and Administrative	\$ 198,250	\$ 181,984	\$ 16,266	\$ 162,947
Public Safety:				
Police Department	808,500	114,623	(693,877)	96,307
Fire Department	25,500	37,178	(11,678)	32,521
Streets	78,000	85,969	(7,969)	72,497
Sewerage	58,000	45,151	12,849	37,982
Health	3,800	4,684	(884)	3,588
Recreation and Parks	31,000	28,550	2,450	38,715
Capital Outlays	68,000	60,180	7,820	41,638
Total Expenditures	<u>948,050</u>	<u>508,134</u>	<u>(439,916)</u>	<u>403,085</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>186,950</u>	<u>(82,401)</u>	<u>4,521</u>	<u>(63,692)</u>
Other Financing Sources (Uses)				
Sale of Fixed Assets	1,600	1,644	44	400
Operating Transfers In	158,000	159,080	-	158,000
Operating Transfers Out	(18,000)	(19,087)	987	-
Total Other Financing Sources (Uses)	<u>141,600</u>	<u>141,337</u>	<u>(263)</u>	<u>318,400</u>
Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Uses	<u>54,350</u>	<u>39,150</u>	<u>4,500</u>	<u>118,700</u>
Fund Balance (Deficit) Beginning of Year	<u>316,700</u>	<u>736,720</u>	<u>-</u>	<u>618,919</u>
Fund Balance (Deficit) End of Year	<u>\$ 371,050</u>	<u>\$ 775,870</u>	<u>\$ 4,500</u>	<u>\$ 737,619</u>

(Continued)

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Schedule 3

Schedule of Expenditures Compared to Budget (GAAP Basis)
Governmental Fund Type
General Fund

Year Ended December 31, 1997

With Comparative Actual Amounts for Year Ended December 31, 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
General and Administrative				
Salaries, Major and Allowances	\$ 25,000	\$ 24,850	\$ 150	\$ 19,350
Salaries, Clerk and Office	72,000	20,488	51,512	15,739
Clerk Expense	-	250	(250)	-
Court Reporter	-	900	(900)	900
Office & Kitchen Supplies	1,100	183	917	-
Office Expenses	-	2,570	(2,570)	1,999
Office Telephone	2,000	2,285	(285)	1,854
Advertising and Printing	1,500	2,588	112	2,863
Professional Services	21,800	16,517	5,283	16,896
Dues, Subscriptions, and Meetings	6,750	6,240	510	6,240
Insurance (All Departments)	65,000	48,032	16,968	65,299
Workers Comp (All Departments)	-	13,569	(13,569)	34,130
Social Security Tax	14,000	14,212	(212)	-
Unemployment Tax	-	915	(915)	-
Cleavex (All Departments)	-	-	-	6,000
MER Life Insurance	-	8,711	(8,711)	-
Section 125	6,000	7,998	(1,998)	-
Industrial Building Expense	1,000	3,500	(2,500)	77
Tire Flaring	2,000	-	2,000	-
Insulation	1,000	160	840	840
Grounds Maintenance	-	441	(441)	2,180
Miscellaneous	13,000	7,838	5,162	5,660
Capital Outlays	1,000	1,173	(173)	4,036
Total General and Administrative	192,250	183,161	12,089	158,415
Public Safety				
Police Department:				
Salaries	85,000	85,680	(680)	77,607
Retirement Expense	6,000	6,077	(77)	5,193
Supplies	5,000	6,082	(1,082)	2,847
Automobile Gas	4,000	4,110	(110)	-
Automobile Expense	8,000	10,451	(2,451)	9,088
Other Police Expense	1,500	2,009	(509)	1,845
Capital Outlays	42,000	47,281	(5,281)	22,582
Total Police Department	171,500	171,680	(180)	118,060
Fire Department:				
Salaries	12,000	10,266	(1,734)	16,670
Fire Department Expense	8,000	8,912	(912)	5,891
Capital Outlays	2,000	5,182	(3,182)	1,814
Total Fire Department	22,000	24,360	(2,360)	24,375
Total Public Safety	193,500	196,040	(2,540)	142,385

(Continued)

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Schedule 3
(Continued)Schedule of Expenditures Compared to Budget (GAAP Basis)
Governmental Fund Type
General Fund

Year Ended December 31, 1997

With Comparative Actual Amounts for Year Ended December 31, 1996

	1997			1996
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Street Department				
Salaries	\$ 42,000	\$ 41,013	\$ 987	\$ 40,333
Commissioner Fee	-	-	-	3,180
Electricity, Street Lights	14,580	14,543	(37)	14,000
Street Materials and Supplies	3,280	3,194	(86)	3,154
Street Uniforms	-	341	(341)	-
Street Dump Truck	-	686	(686)	-
Equipment Expense	7,280	4,658	2,622	5,477
Street Grade-off Expense	-	4,309	(4,309)	-
Street Pickup Expense	-	150	(150)	-
Street Tractor Expense	-	6,468	(6,468)	-
Other Street Department Expense	11,080	9,987	1,093	4,243
Capital Outlays	18,000	3,285	14,715	680
Total Street Department	<u>88,000</u>	<u>95,964</u>	<u>(7,964)</u>	<u>73,157</u>
Sanitation				
Collection Fee	18,000	18,157	1,040	17,582
Total Sanitation	<u>18,000</u>	<u>18,157</u>	<u>1,040</u>	<u>17,582</u>
Health				
Animal Control	3,500	4,684	(1,184)	3,588
Total Health	<u>3,500</u>	<u>4,684</u>	<u>(1,184)</u>	<u>3,588</u>
Recreation and Parks				
Salaries	3,800	3,800	-	3,800
Supplies	-	125	(125)	2,333
Other Recreation and Parks Expense	5,800	3,423	2,377	4,413
Program Expense	23,800	21,802	1,998	16,989
Capital Outlays	3,800	730	3,070	12,588
Total Recreation and Parks	<u>37,000</u>	<u>30,760</u>	<u>6,240</u>	<u>39,703</u>
Total Expenditures	<u>\$ 148,000</u>	<u>\$ 149,754</u>	<u>\$ (1,754)</u>	<u>\$ 443,095</u>

(Continued)

The accompanying notes are an integral part of these statements.

CAPITAL PROJECTS FUND

Capital Projects Fund: To account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Town of Livingston, Louisiana

Schedule 4

Combined Balance Sheet
 Governmental Fund Type
 Capital Projects Funds
 December 31, 1997

	Sidewalk Project	LCDBG Grant	Total
Assets			
Cash	\$ -	\$ 137	\$ 137
Due From Other Funds	<u>33</u>	<u>-</u>	<u>33</u>
Total Assets	<u>\$ 33</u>	<u>\$ 137</u>	<u>\$ 170</u>
Liabilities and Fund Balance			
Liabilities			
Accounts Payable	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:			
Unreserved - Undesignated	<u>33</u>	<u>137</u>	<u>170</u>
Total Fund Balance	<u>33</u>	<u>137</u>	<u>170</u>
Total Liabilities and Fund Balance	<u>\$ 33</u>	<u>\$ 137</u>	<u>\$ 170</u>

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual - Governmental Fund Type
Capital Projects Funds
Year Ended December 31, 1997

	Sidewalk Project		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
LCDDG Grant	\$ -	\$ -	\$ -
Sidewalk Project	-	-	-
Total Revenues	-	-	-
Expenditures			
Sewer	-	-	-
Streets	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
Fund Balance Beginning of Year	33	33	-
Fund Balance End of Year	\$ 33	\$ 33	\$ -

The accompanying notes are an integral part of these statements.

LA(2040) River Project			Total		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 49,184	\$ 49,184	\$ -	\$ 49,184	\$ 49,184	\$ -
<u>49,184</u>	<u>49,184</u>	<u>-</u>	<u>49,184</u>	<u>49,184</u>	<u>-</u>
49,000	48,987	13	49,000	48,987	13
<u>49,000</u>	<u>48,987</u>	<u>13</u>	<u>49,000</u>	<u>48,987</u>	<u>13</u>
184	197	13	184	197	13
<u>184</u>	<u>197</u>	<u>13</u>	<u>184</u>	<u>197</u>	<u>13</u>
\$ <u>184</u>	\$ <u>197</u>	\$ <u>13</u>	\$ <u>184</u>	\$ <u>197</u>	\$ <u>13</u>

PROPRIETARY FUND

Enterprise Fund

Utility Fund:

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

Town of Livingston, Louisiana

Schedule 6

Comparative Balance Sheet
Proprietary Fund Type
December 31, 1997 and 1996

Assets	Enterprise Fund	
	1997	1996
Current Assets:		
Cash	\$ 792,930	\$ 678,211
Inventory, Natural Gas Storage	1,625	3,145
Accounts Receivable (Net of Allowance for Uncollectibles)	89,737	82,899
Prepaid Expenses	1,139	3,808
Total Current Assets	<u>885,431</u>	<u>768,063</u>
Restricted Assets:		
Bond Reserve Fund	69,188	68,734
Bond Depreciation and Contingency Fund	35,151	68,739
Customer Deposits	30,751	64,132
Total Restricted Assets	<u>135,090</u>	<u>201,605</u>
Property, Plant and Equipment:		
Buildings	3,287	3,280
Natural Gas, Water, and Sewer Systems	3,808,629	3,782,614
Machinery and Equipment	80,888	88,799
Less Accumulated Depreciation	(1,898,835)	(1,800,520)
Net Property, Plant and Equipment	<u>2,063,287</u>	<u>2,082,092</u>
Total Assets	<u>\$ 3,033,188</u>	<u>\$ 3,053,693</u>
Liabilities and Fund Equity:		
Current Liabilities (Payable From Current Assets):		
Accounts Payable	\$ 30,314	\$ 28,151
Other Accrued Liabilities	3,339	3,198
Revenue Bonds Payable, RUS	34,045	33,249
Due To General Fund	77,880	22,526
Total Current Liabilities (Payable From Current Assets)	<u>145,578</u>	<u>87,124</u>
Current Liabilities (Payable From Restricted Assets):		
Customer Deposits Payable	34,824	52,878
Total Current Liabilities (Payable From Restricted Assets)	<u>34,824</u>	<u>52,878</u>
Long-Term Liabilities:		
Revenue Bonds Payable, RUS	675,787	708,635
Total Long-Term Liabilities	<u>675,787</u>	<u>708,635</u>
Total Liabilities	<u>856,189</u>	<u>848,637</u>
Fund Equity:		
Contributed Capital	1,782,139	1,782,139
Less Accumulated Amortization	(843,400)	(799,214)
Retained Earnings:		
Reserve for Bond Retirement	69,188	68,734
Reserve for Bond Depreciation and Contingency	35,151	68,739
Unreserved	1,081,745	1,050,912
Total Fund Equity	<u>2,181,733</u>	<u>2,304,260</u>
Total Liabilities and Fund Equity	<u>\$ 3,033,188</u>	<u>\$ 3,053,693</u>

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Schedule 7

**Schedule of Revenues, Expenses, and Changes in Unreserved Retained Earnings
Budget (GAAP Basis) and Actual - Proprietary Fund Type
Year Ended December 31, 1997
With Comparative Actual Amounts for Year Ended December 31, 1996**

	Enterprise Fund			
	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
Operating Revenues				
Gas Sales	\$ 199,000	\$ 200,210	\$ 10,210	\$ 200,180
Less Cost of Gas Sold	(89,000)	(88,825)	9,075	(89,021)
Gross Profit on Gas Sales	90,000	111,985	99,985	110,561
Water Sales	216,000	205,213	511	214,749
Sansew Service Charges	60,000	63,378	2,378	63,498
Service Connection Charges	30,000	21,283	1,283	14,663
Relinquish Charges	13,500	13,612	1,512	14,044
Other Operating Revenues	3,500	3,669	169	2,202
Total Operating Revenues	408,000	403,361	(2,537)	420,895
Operating Expenses				
Salaries:				
Maintenance Salaries	48,000	44,888	(2,888)	38,317
Office Salaries	36,000	33,262	(1,262)	33,888
Contract Expenses	12,500	8,688	3,662	11,259
Materials and Supplies	21,500	28,265	2,265	29,651
Uniforms Rental	500	354	346	-
Truck Expense	4,500	4,689	(939)	9,278
Sewer Expense	8,500	3,988	314	4,978
Office Expense	2,000	10,299	(8,299)	7,854
Maintenance	2,100	1,655	483	2,146
Payroll Taxes	6,200	3,211	(1,041)	5,089
Professional Services	15,000	16,262	3,783	16,793
Depreciation	85,000	91,265	3,785	93,387
Utilities	28,000	21,213	7,687	32,825
Insurance	17,500	13,418	2,084	15,839
Bad Debt Expense	1,000	1,679	(575)	-
Other Operating Expenses	2,000	2,122	872	2,442
Total Operating Expenses	300,250	280,381	(19,759)	280,517
Operating Income (Loss)	106,750	143,280	36,536	140,378

(Continued)

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Schedule 7
(Continued)

Schedule of Revenues, Expenses, and Changes in Unreserved Retained Earnings
Budget (GAAP Basis) and Actual - Proprietary Fund Type
Year Ended December 31, 1997
With Comparative Actual Amounts for Year Ended December 31, 1996

	Enterprise Fund			
	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
Nonoperating Revenues (Expenses)				
Interest Income	\$ 48,800	\$ 55,832	\$ 15,032	\$ 48,897
Interest Expense	(18,800)	(16,436)	1,364	(17,353)
Total Nonoperating Revenues (Expenses)	<u>2,999</u>	<u>19,396</u>	<u>16,397</u>	<u>11,544</u>
Operating Transfers In (Out)	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>	<u>(180,000)</u>
Net Income (Loss)	<u>\$ (147,001)</u>	<u>14,892</u>	<u>\$ 62,892</u>	<u>\$ (26,456)</u>
Unreserved Retained Earnings, Beginning		1,000,812		1,000,812
Amortization of Contributions		44,238		44,238
Increases (Decreases) in Reserves		(8,282)		(7,150)
Unreserved Retained Earnings, Ending		<u>\$ 1,036,768</u>		<u>\$ 1,037,912</u>

(Continued)

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Schedule B

Schedule of Cash Flows
Proprietary Fund Type
Years Ended December 31, 1997 and 1996

	Operating Fund	
	1997	1996
Cash Flows From Operating Activities		
Operating Income	\$ 143,266	\$ 138,868
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
Depreciation	91,299	80,897
Change in Inventory	1,228	(1,835)
Change in Accounts Receivable	(7,898)	2,997
Change in Prepaid Expenses	2,627	(3,888)
Change in Accounts Payable	(7,897)	(1,355)
Change in Other Account Liabilities	157	219
Change in Due to Other Funds	59,874	(7,276)
Change in Customer Deposits Payable	2,174	3,080
Net Cash Provided (Used) by Operating Activities	<u>281,148</u>	<u>245,657</u>
Cash Flows From Capital and Related Financing Activities		
Capital Improvements	(27,399)	(80,895)
Principal Repayments, Revenue Bonds Payable	(23,151)	(21,838)
Operating Transfers Out	(190,088)	(180,088)
Interest Revenue	55,002	48,887
Interest Expense	(86,486)	(12,751)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(171,222)</u>	<u>(211,285)</u>
Net Increase in Cash	<u>109,926</u>	<u>14,372</u>
Cash at Beginning of Year	879,887	865,515
Cash at End of Year	<u>\$ 989,813</u>	<u>\$ 879,887</u>

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Schedule 2

Comparative Schedule of Changes in Assets Restricted for RUS Debt Service
 Proprietary Fund Type
 Years Ended December 31, 1997 and 1996

	1997		
	Bond Reserve Fund	Depreciation Contingency Fund	Total
Cash Balance, Beginning of Year	\$ 68,734	\$ 68,734	\$ 137,468
Cash Receipts:			
Interest Earned	864	7,411	8,275
Cash Disbursements	-	-	-
Cash Balance, End of Year	\$ 69,598	\$ 76,145	\$ 145,743

	1996		
	Bond Reserve Fund	Depreciation Contingency Fund	Total
Cash Balance, Beginning of Year	\$ 63,148	\$ 69,335	\$ 132,483
Cash Receipts:			
Interest Earned	3,575	3,575	7,150
Cash Disbursements	-	-	-
Cash Balance, End of Year	\$ 66,723	\$ 72,910	\$ 139,633

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Schedule 10

Comparative Schedule of Gas Sales and Purchases
Proprietary Fund Type
Year Ended December 31, 1997 and 1996

	Proprietary Fund		
	12/31/97	12/31/96	
Gas Sales and Purchases (Dollars)			
Gas Sales	\$ 280,230	\$ 283,183	
Gas Purchases	(88,923)	(93,023)	
Gross Profit	\$ <u>191,307</u>	\$ <u>190,160</u>	
Gross Profit Percentage of Sales	68.3%	67.1%	
Gas Purchases Unaccounted For (Thousands of Cubic Feet)			
Gas Purchases	26,688	25,741	
Gas Sales	27,188	28,087	
Gas Unaccounted For	<u>(400)</u>	<u>(1,346)</u>	
Cost of Gas Unaccounted For (Gain) or Loss	\$ (1,471)	\$ (4,510)	
Number of Customers at December 31, 1997:			
In Service - Residential Customers	386	367	
In Service - Commercial Customers	46	43	
In Service - Industrial Customers	-	-	
Total Customers	<u>432</u>	<u>410</u>	
Gas Sales and Purchases Per Service Category at 12/31/97:			
	Proprietary Fund		
	Residential	Commercial	Industrial
Gas Sales Per Thousand Cubic Feet	\$ 8.34	\$ 8.74	\$ -
Gas Purchases Per Thousand Cubic Feet (Average Cost)	<u>(3.73)</u>	<u>(3.53)</u>	<u>-</u>
Gross Profit Per Thousand Cubic Feet	\$ <u>4.61</u>	\$ <u>5.21</u>	\$ -

The accompanying notes are an integral part of these statements.

GENERAL FIXED ASSETS ACCOUNT GROUP

GFAGG:

To account for property, plant and equipment not used in Proprietary Fund operations.

Town of Livingston, Louisiana
Schedule of General Fixed Assets
December 31, 1997

Schedule 10

General Fixed Assets, at Cost	
Land	\$ 54,000
Buildings and Improvements	701,400
Equipment	523,915
Total General Fixed Assets	\$ 1,279,315
Investment in General Fixed Assets From	
General Fund	\$ 340,212
Federal Revenue Sharing	29,279
Antirecession	2,201
Public Improvement Bonds	65,915
Federal Grants	421,756
State Grants	90,838
Gifts	58,580
Special Assessment Fund	24,429
Total Investment in General Fixed Assets	\$ 1,279,200

The Town does not capitalize certain improvements, such as streets and sidewalks.

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Schedule 12

Schedule of Changes in General Fixed Assets
Year Ended December 31, 1997

	<u>Land</u>	<u>Buildings & Improvements</u>	<u>Equipment</u>	<u>Total</u>
Balance, Beginning of Year	\$ 54,638	\$ 781,498	\$ 344,877	\$ 1,181,013
Additions From:				
General Fund	-	-	80,178	80,178
Deductions From:				
General Fund	-	-	(31,141)	(31,141)
Balance, End of Year	<u>\$ 54,638</u>	<u>\$ 781,498</u>	<u>\$ 393,914</u>	<u>\$ 1,230,050</u>

The accompanying notes are an integral part of these statements.

SUPPLEMENTAL INFORMATION

Town of Livingston, Louisiana

Schedule of Federal Awards
Year Ended December 31, 1997

Federal Grantor Pass-Through Grantor Program Name	Federal CFDA Number	Program or Award Amount	Cash/ Award Revenue Beginning	Receipts/ Revenue Recognized
United States Department of Agriculture				
Through United States Department of Agriculture				
Water and Waste Disposal Systems for Rural Communities				
Loan Repayment (Loan #93-01)	10-418	\$ 30,000	\$ 23,468	\$ -
Loan Repayment (Loan #93-02)	10-418	20,000	17,818	-
Loan Repayment (Loan #93-03)	10-418	843,000	546,464	-
Loan Repayment (Loan #93-04)	10-418	257,000	142,000	-
		\$ 1,144,000	\$ 741,834	\$ -
United States Department of Housing and Urban Development				
Through State Division of Administration:				
FF 9057 LCDRG Project	14-219	521,856	-	48,104
Total Federal Awards			\$ 741,834	\$ 48,104

The accompanying notes are an integral part of these statements.

<u>Disbursements/ Expenses</u>	<u>Club/ Account Balance Ending</u>
\$ (5,704)	\$ 28,250
(725)	17,053
(18,490)	927,968
<u>(24,919)</u>	<u>132,856</u>
\$ <u>(29,718)</u>	\$ <u>998,292</u>
(48,967)	133
\$ <u>(78,715)</u>	\$ <u>100,000</u>

Town of Livingston, Louisiana

Schedule 14

Schedule of Insurance
Year Ended December 31, 2007

Insurance Company	Coverage	Amount	Period
ITT Hartford Policy Number 40180C01201	Commercial Property Town Hall Building Machinery & Equipment Business Property Fire Station Maintenance Shop	\$ 245,000 Blanket Limit	12/15/07 - 12/15/08
American Liberty Insurance Policy Number 1200904	Public Employee Fidelity Bond	\$ 25,000	05/21/07 - 05/21/08
EMC Insurance Company Policy Number 8049816	EMS Fidelity Bond Mayor Clerk	\$ 150,000 150,000	09/22/07 - 09/22/08
Ambac Indemnity Company Policy Number APD 800543	Commercial Auto Physical Damage	\$ 210,422	05/21/07 - 05/21/08
EMC Insurance Company Policy Number 132-09-15-07	Commercial Property Industrial Building Rental Income	\$ 500,000 15,000	12/08/07 - 12/01/08
Risk Management, Inc. Policy Number WC-184	Workers' Compensation	\$ Statutory Limits	03/01/07 - 03/01/08
Risk Management, Inc. Policy Number LMB-193	Automobile Liability: Owned Hired Non-Owned General Liability: Physician/Operations Completed Operations Medical Payments Fire Legal Liability Police Professional Liability Errors & Omissions Liability	\$ 500,000 Combined Single Limit	05/21/07 - 05/21/08
Western Surety Company Policy Number 15772465	Notary Bond	\$ 5,000	01/26/07 - 01/26/08
National Casualty Company Policy Number 409-0501893	Sports Accident Insurance Death & Specific Loss Medical Expense	\$ 12,500 10,000	Summer Months
MetLife/Health Policy Number 797548	Medical Accidental Death Weekly Indemnity	\$ 10,000 10,000 100	12/15/07 - 12/15/08

The accompanying notes are an integral part of these statements.

Town of Livingston, Louisiana

Schedule 15

**Schedule of Per Diem Payments
Year Ended December 31, 1997**

The schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 14 of the 1979 Session of the Louisiana Legislature.

	Total Salaries and Fees Received
David Jones, Mayor	\$ 12,915
Brent Brouse, Alderman	2,400
John Higginbotham, Alderman	2,400
Randy Morgan, Alderman	2,400
Greg Brown, Alderman	2,325
Jay Sibley, Alderman	2,400
Total	<u>24,850</u>

The accompanying notes are an integral part of these statements.

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

The Honorable Mayor, Derral Jones
and Members of the Board of Aldermen
Town of Livingston, Louisiana

We have audited the primary government financial statements of the Town of Livingston, Louisiana, as of and for the year ended December 31, 1997, and have issued our report thereon dated May 28, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

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

This report is intended for the information of management, and the Louisiana Legislative Auditors. This restriction is not intended to limit the distribution of this report, which is a matter of public record.


Bruce Harrell & Company, CPAs
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May 28, 1998