

TOWN OF SHREVEPORT, LOUISIANA

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FINANCIAL STATEMENTS

June 30, 1992

These financial statements, as required by the provisions of state law, are a public document. A copy of the report has been submitted to the auditor, 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.

Witness my hand and seal this _____ day of _____, 1992.

Barbara D. Milligan
Certified Public Accountant
Shreveport, Louisiana

TOWN OF MOOKINSPOCK, LOUISIANA

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Marsha O. Millican

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INDEPENDENT AUDITOR'S REPORT

The Honorable J. B. Nichols, Mayor
and Members of the Board of Aldermen
Mooringsport, Louisiana

I have audited the accompanying general purpose financial statements of Town of Mooringsport, Louisiana, as of and for the year ended June 30, 1997, as listed in the table of contents. These general purpose financial statements are the responsibility of Town of Mooringsport, Louisiana 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. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Town of Mooringsport, Louisiana, as of June 30, 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, I have also issued a report dated September 15, 1997, on my consideration of Town of Mooringsport, Louisiana's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.



Certified Public Accountant
September 15, 1997

1000 ST. ROCK RD. WASHINGTON, MARYLAND

Combined Balance Sheet - All Fund Types and Account Groups
June 30, 1982

Assets	Governmental Fund Types		Proprietary Fund Types		Account Groups		Totals (Measurement Basis)
	General	Debt Service	Infrastructure	General Fund	Fixed Assets	Long-Term Debt	
Cash and cash equivalents	\$ 122,766	-	\$ 95,099	\$ -	-	-	\$ 217,865
Investments	189,972	-	-	-	-	-	289,972
Receivables, net of allowances for uncollectibles	-	-	-	-	-	-	-
Taxes	-	-	-	-	-	-	-
Accounts	77	-	-	-	-	-	77
Other governments	413	-	13,917	-	-	-	14,330
Restricted assets	2,360	-	-	-	-	-	2,360
Equipment	22,878	58,386	108,533	-	-	-	189,807
Investments - at cost	48,472	-	8,592	-	-	-	57,064
Due from other funds	-	28,082	18,335	-	-	-	46,417
Buildings	-	-	-	-	66,201	-	66,201
Improvements other than buildings	-	-	-	-	286,744	-	286,744
Equipment	-	-	-	-	137,822	-	137,822
Land	-	-	-	-	47,296	-	47,296
Utility plant & equipment (net of accumulated depreciation)	-	-	-	1,118,167	-	-	1,118,167
Amount available in debt service fund	-	-	-	-	-	21,886	21,886
Total Assets	\$ 569,927	\$ 16,418	\$ 1,330,645	\$ 1,118,167	\$ 181,223	\$ 21,886	\$ 2,258,556

Liabilities

Accounts payable	\$	2,607	\$	-	\$	3,338	\$	-	\$	-	\$	5,745
Payable from restricted assets:												
Accrued interest on revenue bonds	-	-	-	-	1,324	-	-	-	-	-	-	1,324
customers' deposits	-	-	-	-	18,139	-	-	-	-	-	-	18,139
Revenue bonds payable	-	-	-	-	492,861	-	-	-	44,000	-	-	536,861
Due to other funds	12,388	-	-	-	38,811	-	-	-	-	-	-	51,199
Total liabilities		15,382			142,332				44,000			378,483

Fund Balances

Contributed capital investment in general fixed assets	-	-	-	-	1,454,473	-	-	-	-	-	-	1,454,473
Retained earnings:												
Reserved for revenue bond retirement	-	-	-	-	86,878	-	-	-	-	-	-	86,878
Transferred (deficit)	-	-	-	-	(268,103)	-	-	-	-	-	-	(268,103)
Fund balance:												
Reserved for parks	41,599	-	-	-	-	-	-	-	-	-	-	41,599
Reserved for cemetery	89,748	-	-	-	-	-	-	-	-	-	-	89,748
Reserved for debt service	-	-	-	21,499	-	-	-	-	-	-	-	21,499
Undesignated	224,268	-	-	-	14,315	-	-	-	-	-	-	238,583

Total retained earnings/fund balances (deficit)	145,248	-	-	1,223,824	-	-	-	-	-	-	-	1,369,132
Total fund equity	145,248			928,448			281,332					1,715,283
Total liabilities and fund equity	\$ 300,630			\$ 1,150,824			\$ 281,332					\$ 2,733,838

See accompanying notes to financial statements.

TOWN OF HOOGHOORST, LOUISIANA

Combined Statement of Revenues, Expenditures, and
Changes in Fund Balance - All Governmental Fund Types
Year Ended June 30, 1993

	GOVERNMENTAL FUND TYPES			TOTALS (UNASSIGNED FUND)
	GENERAL	CAPITAL PROJECTS	DEBT SERVICE	
Revenues:				
Taxes	\$ 43,178	\$ -	\$ 5,597	\$ 48,775
Licenses and permits	36,124	-	-	36,124
Intergovernmental	4,195	79,875	-	84,070
Charges for services	15,831	-	-	15,831
Fines and penalties	28,289	-	-	28,289
Miscellaneous	22,252	-	278	22,530
Total revenues	139,869	79,875	5,875	225,619
Expenditures:				
Current:				
General government	204,980	-	-	204,980
Public safety	26,968	-	-	26,968
Street	3,899	-	-	3,899
Sanitation	12,575	-	-	12,575
DEBT service:				
Principal retirement	-	-	3,896	3,896
Interest and fiscal charges	-	-	1,247	1,247
Capital projects	-	79,875	-	79,875
Total expenditures	248,312	79,875	5,143	333,330
Excess of revenues over expenditures	3,718	-	732	4,450
Fund balance - beginning of year	152,225	-	15,589	167,814
Fund balance - end of year	\$ 155,943	\$ -	\$ 16,321	\$ 172,264

See accompanying notes to financial statements.

STATE OF MISSISSIPPI - RECEIPTS

Condensed Statement of Receipts, Expenditures, and Changes in Fund Balance - Budget (Major Funds) and Actual - Receipts and Cash Disbursements Funds

YEAR ENDING JUNE 30, 1971

	REVENUE FROM		PROPERTY TAXES		SALES TAXES		STATE	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
Revenue:								
Taxes:								
Licenses and permits	48,822	43,279	91	3,143	-	4,987	4,987	4,984
Intergovernmental	26,253	26,124	-	4,987	-	-	-	-
Gasoline for services	4,733	4,700	1	100	-	-	-	-
Parks and Wildlife	16,213	15,601	-	2,897	-	-	-	-
Miscellaneous	13,200	21,286	-	4,200	-	-	-	-
	107,219	110,990	92	12,441	-	4,987	4,987	4,984
Total revenue	125,242	131,150		12,533		4,987	4,987	4,980
Expenditures:								
General government	87,009	204,461		12,962		-	-	-
Public safety	24,480	25,742		4,082		-	-	-
Health	4,880	1,846		961		-	-	-
Sanitation	12,470	12,176		-		-	-	-
Cash services -								
Principal retirement						2,121	2,113	-
Interest and financial charges						2,866	2,852	-
TOTAL expenditures	128,839	248,025		19,991		4,979	4,965	-
Excess of revenues over expenditures	-	6,725		1,150		-	708	718
Fund balance - beginning of year	215,213	212,218		-		21,802	21,802	-
Fund balance - end of year	215,213	218,943		1,150		21,802	22,510	718

See accompanying notes to financial statements.

TOWN OF MORNINGSPONT, LOUISIANA

Statement of Revenues, Expenses, and Changes in
Retained Earnings (Deficit) - Proprietary Fund Type
Year Ended June 30, 1987

Operating revenues:	
Charges for sales and services	\$ 113,810
Miscellaneous revenues	<u>4,115</u>
Total operating revenues	<u>117,925</u>
Operating expenses:	
Costs of sales and services	93,058
Administration	8,727
Depreciation	<u>42,396</u>
Total operating expenses	<u>144,181</u>
Operating (loss)	<u>(26,256)</u>
Non-operating revenues (expenses):	
Interest income	2,882
Interest expense	<u>(1,248)</u>
Total non-operating revenues (expenses)	<u>(1,366)</u>
Other financing sources:	
Operating grant from State	<u>34,271</u>
Net (loss)	<u>(1,366)</u>
Retained earnings (deficit) - beginning of year	<u>(1,282,883)</u>
Retained earnings (deficit) - end of year	<u>\$(1,284,249)</u>

See accompanying notes to financial statements.

TOWN OF MOORINGSPOUT, LOUISIANA

Statement of Cash Flows - Proprietary Fund Type
Year Ended June 30, 1997

Cash flows from operating activities:	
Cash received from customers	\$ 119,180
Cash payments to suppliers and employees	(189,577)
Other operating income	8,898
Net cash provided by operating activities	16,501
Cash flows from investing activities:	
Interest received on investments	2,852
Cash flows from capital and related financing activities:	
Contributions by Federal Grant	448,464
Contributions by State Grant	29,271
Property and equipment acquisitions	(466,160)
Principal paid on revenue bonds and certificates of indebtedness	(8,863)
Interest paid on revenue bonds and certificates of indebtedness	(14,776)
Net cash used by capital and related financing activities	(9,262)
Net increase in cash	9,841
Cash and cash equivalents, July 1, 1996 (including \$185,112 in restricted accounts)	158,351
Cash and cash equivalents, June 30, 1997 (including \$118,112 in restricted accounts)	168,222
Reconciliation of operating income to net cash provided by operating activities:	
Operating (loss)	\$ (22,350)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	43,396
Changes in assets and liabilities:	
(Decrease) in accounts receivable	542
(Increase) in due from other funds	(1,280)
Decrease in customer deposits	(555)
Decrease in accounts payable	(3,380)
Net cash provided by operating activities	\$ 16,501

See accompanying notes to financial statements.

TOWN OF MOORINGSPOFF, LOUISIANA

Notes to Financial Statements
JUNE 30, 1982

Town of Mooringspoff, Louisiana was incorporated in 1934 under the provisions of the LaMason Act. The Town operates under a Mayor-Board of Aldermen form of government.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of Town of Mooringspoff, Louisiana, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units.

The following is a summary of the more significant accounting policies:

Reporting Entity. These financial statements include all funds and account groups over which the Town exercises control, authority, management, influence or accountability. Control by or influence over by the Town was determined on the basis of budget, adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

Fund Accounting. The accounts of Town of Mooringspoff, Louisiana, are organized on the basis of funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

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

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

Governmental funds are used to account for all or most of a government's general activities, including acquisition or construction of general fixed-assets (capital project funds). The general fund is used to account for all activities of the general government not accounted for in some other fund. The debt service fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs. 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 can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

(Continued)

TOWN OF BOONVILLE, LOUISIANA

Notes to Financial Statements
JUNE 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

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.

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

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when 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 for the current period. The government considers property taxes 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. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, franchise taxes, interest revenue and charges for services. Fines, permits, and licenses 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 liabilities are incurred.

(Continued)

TOWN OF HOORINGSPOET, LOUISIANA

Notes to Financial Statements
MAY 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Budgets and Budgetary Accounting. The Town follows these procedures in establishing the budgetary data reflected in these financial statements:

Prior to July 1, the Mayor submits to the Board of Aldermen a proposed budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted at the Town Hall to obtain taxpayer comments.

The budget is legally enacted through passage of a resolution.

Budgetary amendments involving the transfer of funds from one department, program or function to another or amendments involving increases in expenditures require the approval of the Board of Aldermen.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

The budget is employed as a management control device during the year for the General Fund.

Budgeted amounts presented in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. All budget appropriations lapse at year end.

Accumulated Unpaid Vacation, Sick-Pay, and Other Employee Benefits. It is the Town's policy that unused compensated absences lapse at the end of each year. Therefore, no accruals for accumulated unused compensated absences have been made in these financial statements.

Cash and Cash Equivalents. The Town considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Investments. Investments are long-term certificates of deposit and treasury bills and are stated at cost which approximates market.

(Continued)

TOWN OF MOORINGSPOINT, LOUISIANA

Notes to Financial Statements

June 30, 1997

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Bad Debts. Uncollectible accounts due for ad valorem taxes are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. Amounts due from utility customers are considered to be fully collectible.

Property, Plant, and Equipment. The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included in their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Property, plant, and equipment used in governmental fund type organizations (general fixed assets) are accounted for in the general Fixed Assets account group, and are recorded as expenditures in the governmental fund types when purchased. Public domain "infrastructure" general fixed assets consisting of certain improvements other than buildings, including roads, bridges, canals and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

All property, plant, and equipment are stated at historical cost, or estimated cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated.

The account group is not a fund. It is concerned only with the measurement of financial position and is not involved with the measurement of results of operations.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus and all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets.

(Continued)

TOWN OF MOONHURST, LOUISIANA

Notes to Financial Statements
June 30, 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Depreciation is provided in the Enterprise Fund in amounts sufficient to relate the cost of the depreciable assets to operations over their estimated service lives on the straight line basis. The estimated service lives by asset type are as follows:

Water, sewer, and gas system	30-40 years
Equipment	5 years

Total Columns on Combined Statements - Overview. Total columns on the combined statements - overview are captioned (Memorandum only) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. DEPOSITS WITH FINANCIAL INSTITUTIONS:

Under state law, the Town may invest in United States bonds or treasury notes and may deposit its 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. At June 30, 1997, the carrying amount of the Town's cash deposits (including long-term certificates of deposit) was \$419,918 and the bank balance was \$422,208. This difference is due to the outstanding checks at June 30, 1997.

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. Deposits of \$288,145 are fully insured by federal deposit insurance.

(Continued)

TOWN OF MONROESPORT, LOUISIANA

Notes to Financial Statements
June 30, 1997

2. DEPOSITS WITH FINANCIAL INSTITUTIONS (Continued):

Deposits of \$35,043 are collateralized with securities held in the name of the pledging institution and are categorized below to give an indication of the level of credit risks:

	Bank
	<u>Balance</u>
Category 1	
Deposits insured or collateralized with securities held by the Town or by its agent in the Town's name.	\$ -
Category 2	
Deposits collateralized with securities held by pledging financial institution's trust department or agent in the Town's name.	-
Category 3	
Deposits that are uncollateralized, including any bank balances that are collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the Town's name.	35,043
	<u>\$ 35,043</u>

3. AD VALOREM TAXES:

Ad Valorem taxes attach as an enforceable lien on property as of January 1, each year. Taxes are levied by the Town and billed to the taxpayers in September, and become delinquent on January 1, of the following year. Revenues from Ad Valorem taxes are budgeted in the year billed. The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of Caddo Parish. For the year ended June 30, 1997, taxes of 14.22 mills were levied on property with assessed valuations totaling \$3,148,380 and was dedicated as follows:

Debt Service	5.81 Mills
General Operating Purposes	10.91 Mills

Total taxes levied were \$45,124. Taxes receivable at June 30, 1997 were \$77.

4. RECEIVABLE FROM OTHER GOVERNMENTS - GENERAL FUND

Receivable from other governments in the General Fund represents amount due for tobacco tax, and is fully collectible.

(Continued)

TOWN OF MONROESPORT, LOUISIANA

Notes to Financial Statements
June 30, 1997

5. INTERFUND RECEIVABLES, PAYABLES:

	Interfund Receivables	Interfund Payables
General Fund	\$ -	\$ 12,880
Debt Service	26,842	-
Enterprise Fund	<u>32,335</u>	<u>25,811</u>
	<u>\$ 39,177</u>	<u>\$ 38,691</u>

6. RESTRICTED ASSETS - PROPRIETARY FUND TYPE:

Restricted assets were applicable to the following as June 30, 1997:

Board contingency	\$ 18,532
Board debt service	88,882
Board sinking account	4,261
Board reserve account	11,832
customers' deposits	<u>37,823</u>
	<u>\$ 159,329</u>

7. FIXED ASSETS:

A summary of changes in general fixed assets follows:

	Balance July 1, 1996	Additions	Retirements	Balance June 30, 1997
Buildings	\$ 66,300	-	-	\$ 66,300
Improvements other than buildings	100,711	-	-	100,711
Equipment	117,807	20,215	-	137,922
Land	<u>45,252</u>	<u>3,288</u>	<u>-</u>	<u>48,540</u>
Total general fixed assets	<u>\$ 329,970</u>	<u>\$ 23,503</u>	<u>\$ -</u>	<u>\$ 353,473</u>

A summary of proprietary fund type property, plant, and equipment at June 30, 1997 follows:

Water and sewer system	\$ 1,730,300
Equipment	41,823
Land	<u>3,288</u>
Total	1,775,411
Less: accumulated depreciation	<u>(452,811)</u>
Net property, plant, and equipment	<u>\$ 1,322,600</u>

(continued)

TOWN OF HOORINGSPORT, LOUISIANA

Notes to Financial Statements
June 30, 1997

8. LONG-TERM DEBT:

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

	General Obligation	Revenue Bonds	Total
Balance, July 1, 1996	\$ 25,705	\$ 291,004	\$ 316,709
bonds retired	<u>(1,000)</u>	<u>(6,000)</u>	<u>(7,000)</u>
Bonds Payable, June 30, 1997	<u>\$ 24,705</u>	<u>\$ 285,004</u>	<u>\$ 309,709</u>

Bonds payable at June 30, 1997, are comprised of the following individual issues:

General Obligation Bonds:

Bonds issued May 27, 1982, in the amount of \$80,000, due in annual installments of \$8,133 beginning May 27, 1985 through the year 2001; interest at 8% on the unpaid balance. \$ 80,000

Revenue Bonds:

Serial bonds issued May 27, 1983, due in annual installments of \$28,811 through May 28, 2002, interest at 8% on the unpaid balance. \$ 222,201

The annual requirements to amortize all debt outstanding as of June 30, 1997, including interest payments of \$211,000 are as follows:

Year Ending June 30	General Obligation	Revenue Bonds	Total
1998	\$ 8,133	\$ 20,811	\$ 28,944
1999	8,133	20,811	28,944
2000	8,133	20,811	28,944
2001	8,133	20,811	28,944
2002	8,233	20,811	29,044
2003-2004	-	<u>418,228</u>	<u>418,228</u>
	<u>\$ 32,565</u>	<u>\$ 420,278</u>	<u>\$ 452,843</u>

[continued]

TOWN OF MOORINGSWORTH, LOUISIANA

Notes to Financial Statements
June 30, 1997

9. GENERAL FUND - FUND BALANCES RESERVED-

At June 30, 1997, a portion of the fund balance in the General Fund was reserved for the following purpose:

Parks and recreation - reserved for development of parks and recreation.

Cemetery - reserved for perpetual care of lots in Memorial Gardens Cemetery.

10. RETIREMENT COMMITMENTS:

A. Municipal Employees' Retirement System:

1. Plan Descriptions:

All eligible employees of Town of Mooringsworth are participants in the Municipal Employees Retirement System of Louisiana (Plan A). All employees who are working on a regularly scheduled basis of at least 35 hours per week, not participating or eligible for membership in another public funded retirement system and who are under age 60 at date of employment are eligible to participate. The plan provides retirement benefits, survivor's benefits, and disability benefits. A member may retire at age 55 with 25 years or more of creditable service. Benefits vest after 10 years of service. The monthly amount of the retirement allowance shall consist of an amount equal to 2% of the member's final compensation multiplied by his years of creditable service.

Retirement provisions include survivor's benefits and disability benefits. For any member who is eligible for normal retirement at time of death, the surviving spouse shall receive benefits for the duration of his/her life. Members must have at least 10 years of creditable service to be eligible for disability retirement. Upon retirement caused by disability, a member shall receive a normal retirement allowance if eligible therefor. If he is not eligible, he shall receive a disability benefit which shall consist of an amount equal to 2% of the member's final compensation multiplied by his years of creditable service projected to his earliest normal retirement age not to exceed 50% of his final compensation.

(Continued)

TOWN OF MONROESPORT, LOUISIANA

Notes to Financial Statements
June 30, 1993

10. RETIREMENT COMMITMENTS (Continued):

A. Municipal Employees' Retirement System (Continued):

2. Contributions Required and Made:

Employees of the Town are required to pay 9.25% of their total monthly earnings. Employer contributions are 6.25% of each and every member's earnings, excluding bonuses, overtime pay, or severance pay. Total contributions to this retirement system were \$2,565 for the year ended June 30, 1992. The Town's total payroll for the year ended June 30, 1992, was \$79,000 and the Town's contributions to the above plans were based on a payroll of \$41,820.

3. Funding Status and Progress:

The amount of the total pension benefit obligation is based on a standardized measurement established by GASB-5 that, with some exceptions, must be used by a public retirement system. The standardized measurement is the actuarial present value of credited projected benefits. This pension valuation method reflects the present value of estimated pension benefits that will be paid in future years as a result of employee services performed to date, and is adjusted for the effects of projected salary increases. A standardized measure of the pension benefit obligation was adopted by the GASB to enable readers of financial statements to assess the funding status on a going concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among other retirement systems and among other employers.

Total unfunded pension benefit obligation of the Municipal Employees Retirement System as of June 30, 1993, was as follows:

Total pension benefit obligations	\$ 377,379,800
Net assets available for pension benefits	<u>318,371,349</u>
Unfunded pension benefit obligation	<u>\$ 59,008,451</u>

The measurement of the total pension benefit obligation is based on an actuarial valuation as of June 30, 1993. Net assets available to pay pension benefits were valued as of the same date.

(Continued)

TOWN OF MONROESPORT, LOUISIANA

Notes to Financial Statements
June 30, 1987

10. RETIREMENT COMMITMENTS (Continued):

A. Municipal Employees' Retirement System (Continued):

Ten-year historical trend information is presented in the 1986 Municipal Employees' Retirement System Comprehensive Annual Financial Report. This information is useful in assessing the plan's accumulation of sufficient assets to pay benefits as they become due.

11. DEFICIT BALANCES:

The Utility fund has a deficit in retained earnings of \$173,024. The Town, through increased fees and reduced overhead and operating costs, intends to eliminate this deficit over a period of time.

12. CAPITAL PROJECTS FUND:

The Town was awarded a \$400,000 community development block grant for sewer improvements on July 17, 1980. Revenue and expenditures under this grant for the year ended June 30, 1987, were \$78,665. This project was complete at June 30, 1987.

TOWN OF HOORINGSPORT, LOUISIANA

Schedule of Compensation Paid -
Mayor and Town Aldermen
For the Year Ended June 30, 1993

Board of Aldermen

J. S. Nichols, Mayor	\$	3,400
Mary Ellen Gardner		600
Randell Perkins		600
Robert Lowry		600
Winard Pickering		500
Douglas Elder		<u>600</u>
total	\$	<u>6,500</u>

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

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

The Honorable J. E. Nichols, Mayor
and Members of the Board of Aldermen
Town of Mooringsport, Louisiana

I have audited the financial statements of Town of Mooringsport, Louisiana as of and for the year ended June 30, 1997, and have issued my report thereon dated September 19, 1997. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Town of Mooringsport'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 no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Town of Mooringsport's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in accounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

I noted a certain matter involving the internal control structure and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect Team of Accountingport's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Findings:	The segregation of duties is inadequate to provide effective internal control.
Cause:	The condition is due to economic and space limitations.
Recommendation:	No action is recommended.
Management's Response:	We concur with the finding.

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

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I noted the following reportable condition that I believe to be a material weakness as defined above:

Findings:	The segregation of duties is inadequate to provide effective internal control.
Cause:	The condition is due to economic and space limitations.
Recommendation:	No action is recommended.
Management's Response:	We concur in the finding.

This report is intended for the information of management, Board of Aldermen, and Legislative Auditor and should not be used for any other purpose.

Maudie D. Miller

Certified Public Accountant
September 19, 1997