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ANNUAL FINANCIAL REPORT
OF THE
TOWN OF GRAND COTEAU, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 1999

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 DEC 29 1999

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JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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 1904-1984

Retired

Harold Dupre, CPA
 1996

John Newton Stout, CPA
 1998

Dwight Ledoux, CPA
 1998

INDEPENDENT AUDITOR'S REPORT

The Honorable Jean C. Coco, Mayor
 and Members of the Board of Aldermen
 Town of Grand Coteau, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Grand Coteau, Louisiana, as of and for the year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general purpose 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Because of the inadequacy of accounting records on general fixed assets, we were unable to form an opinion regarding the amounts at which the General Fixed Assets Account Group are recorded in the accompanying balance sheet at June 30, 1999 (stated at \$981,730).

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the accounting records of the General Fixed Assets Account Group been adequate, or had we been able to examine evidence regarding year 2000 disclosures, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Grand Coteau, Louisiana, as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund types for the year ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated October 20, 1999, on our consideration of the Town of Grand Coteau's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The Honorable Jean C. Coco, Mayor
and Members of the Board of Aldermen
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Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the Town of Grand Coteau, Louisiana, taken as a whole. The combining and individual fund and account group financial statements and schedules for the years ended June 30, 1999 and 1998, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Grand Coteau, Louisiana. Such information, except for the Schedule of Insurance in Force marked "unaudited," and the financial statements presented in the General Fixed Assets Account Group, on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

John S. Dowling + Company
Opelousas, Louisiana
October 20, 1999

GENERAL PURPOSE FINANCIAL STATEMENTS

TOWN OF GRAND COTEAU, LOUISIANA
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1999

	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE		ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY) 1999
	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PROPRIETARY FUND TYPE ENTERPRISE	AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT		
ASSETS									
Cash	\$65,692	\$40,129	\$266	\$92,921	\$14,158			\$213,166	\$198,130
Investments			23,535	860				24,395	819
Receivables, net of allowances for uncollectibles									
Taxes	1,353							1,353	676
Accounts	8,385			44,660				53,045	52,287
Intergovernmental	40,482							40,482	39,561
Other	87		94					181	180
Accrued interest				101				101	101
Prepaid insurance				10,639				10,639	9,555
Due from other funds	33,238	775		13,949	1,331			49,293	43,807
Restricted assets									
Cash				81,917				81,917	82,811
Investments				50,847				50,847	48,407
Property, plant, and equipment, net of accumulated depreciation				2,835,389		\$981,730		3,817,119	3,468,300
Amount to be provided for retirement of general long-term debt							\$28,790	28,790	41,511
Total assets	<u>149,237</u>	<u>40,904</u>	<u>23,895</u>	<u>3,131,283</u>	<u>15,489</u>	<u>981,730</u>	<u>28,790</u>	<u>4,371,328</u>	<u>3,986,145</u>

This statement continued on next page.

TOWN OF GRAND COTEAU, LOUISIANA
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS (CONTINUED)
 JUNE 30, 1999

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPE		FIDUCIARY FUND TYPE		ACCOUNT GROUPS			TOTALS (MEMORANDUM ONLY) 1999 1998	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	FUND TYPE ENTERPRISE	FUND TYPE AGENCY	GENERAL ASSETS	GENERAL LONG-TERM DEBT	GENERAL	LONG-TERM	DEBT		
LIABILITIES													
Accounts payable	\$9,355				\$15,380	\$3,632						\$24,735	\$15,369
Accrued expenses												3,632	15,334
Payable from restricted assets													
Accrued interest					7,685							7,685	9,151
Revenue bonds					20,492							20,492	6,074
Customers' deposits					40,316							40,316	38,812
Due to other funds		\$400		\$100	34,487	11,857						49,293	43,807
Long-term debt													
Revenue bond payable					619,373							619,373	530,379
Notes payable								\$21,018				21,018	33,702
Capital leases payable								7,772				7,772	7,809
Total liabilities	<u>11,804</u>	<u>400</u>	<u>-0-</u>	<u>100</u>	<u>737,733</u>	<u>15,489</u>	<u>-0-</u>	<u>28,790</u>	<u>-0-</u>	<u>794,316</u>	<u>700,437</u>		
FUND EQUITY													
Contributed capital					2,637,879							2,637,879	2,637,879
Investment in general fixed assets							\$981,730					981,730	650,034
Retained earnings													
Reserved					64,271							64,271	77,181
Unreserved					(308,600)							(308,600)	(231,036)
Fund Balance													
Reserved		40,504		23,795								23,795	178
Unreserved												40,504	
Undesignated	137,433											137,433	151,472
Total fund equity	<u>137,433</u>	<u>40,504</u>	<u>-0-</u>	<u>23,795</u>	<u>2,393,550</u>	<u>-0-</u>	<u>981,730</u>	<u>-0-</u>	<u>3,577,012</u>	<u>3,285,708</u>			
Total liabilities and fund equity	<u>149,237</u>	<u>40,904</u>	<u>-0-</u>	<u>23,895</u>	<u>3,131,283</u>	<u>15,489</u>	<u>981,730</u>	<u>28,790</u>	<u>4,371,328</u>	<u>3,986,145</u>			

The accompanying notes are an integral part of these statements.

TOWN OF GRAND COTEAU, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 1999

	<u>GOVERNMENTAL FUND TYPES</u>				<u>TOTALS</u>	
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>1999</u>	<u>(MEMORANDUM ONLY) 1998</u>
<u>REVENUES</u>						
Taxes	\$50,018	\$68,200			\$118,218	\$108,995
Licenses and permits	27,402				27,402	26,567
Intergovernmental	532,967				532,967	219,827
Fines and forfeits	36,886				36,886	53,821
Miscellaneous revenues	42,384	29		\$2,400	44,813	32,922
<u>Total revenues</u>	<u>689,557</u>	<u>68,229</u>	<u>-0-</u>	<u>2,400</u>	<u>760,286</u>	<u>442,132</u>
<u>EXPENDITURES</u>						
Current						
Executive and administrative	133,285	929		18	134,232	127,679
Street department	396,818				396,818	75,538
Police department	189,562				189,562	191,924
Fire department	29,723				29,723	19,054
Park department	1,657				1,657	1,076
Capital projects				103,765	103,765	46,528
Debt service						
Principal retirement		\$12,685			12,685	12,459
Interest		2,576			2,576	3,552
Capital lease payments		3,451			3,451	1,404
<u>Total expenditures</u>	<u>751,045</u>	<u>929</u>		<u>103,783</u>	<u>874,469</u>	<u>479,214</u>
<u>OTHER FINANCING SOURCES (USES)</u>						
Operating transfers in	125,757				144,469	117,562
Operating transfers out	(22,411)	(82,792)			(105,203)	(65,213)
Utility bond proceeds				125,000	125,000	
<u>Total other financing sources (uses)</u>	<u>103,346</u>	<u>(82,792)</u>		<u>125,000</u>	<u>164,266</u>	<u>52,349</u>

This statement continued on next page.

TOWN OF GRAND COTEAU, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES (CONTINUED)
YEAR ENDED JUNE 30, 1999

EXCESS OF REVENUES AND OTHER
SOURCES OVER (UNDER) EXPENDITURES
AND OTHER (USES)

	<u>GOVERNMENTAL FUND TYPES</u>				<u>TOTALS</u>	
	<u>SPECIAL</u>	<u>DEBT</u>	<u>CAPITAL</u>	<u>(MEMORANDUM ONLY)</u>	<u>1999</u>	<u>1998</u>
	<u>REVENUE</u>	<u>SERVICE</u>	<u>PROJECTS</u>			
<u>GENERAL</u>						
	\$41,958	\$(15,492)	\$23,617		\$50,083	\$15,267
<u>FUND BALANCE, beginning of year</u>	<u>95,476</u>	<u>—</u>	<u>178</u>		<u>151,650</u>	<u>136,383</u>
<u>FUND BALANCE, end of year</u>	<u>137,434</u>	<u>-0-</u>	<u>23,795</u>		<u>201,733</u>	<u>151,650</u>

The accompanying notes are an integral part of these statements.

TOWN OF GRAND COTEAU, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL AND SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 1999

	GENERAL FUND		SPECIAL REVENUE FUNDS		TOTAL	
	BUDGET	ACTUAL	BUDGET	ACTUAL	1999 ACTUAL	(Memorandum Only) 1998 ACTUAL
REVENUES						
Taxes	\$43,068	\$50,018	\$65,617	\$68,200	\$118,218	\$108,995
Licenses and permits	24,279	27,402			27,402	26,567
Intergovernmental	543,791	532,967			532,967	173,346
Fines and forfeits	27,028	36,886			36,886	53,821
Miscellaneous	23,290	42,384	9	29	42,413	32,788
<u>Total revenues</u>	<u>661,456</u>	<u>689,657</u>	<u>65,626</u>	<u>68,229</u>	<u>757,885</u>	<u>395,517</u>
EXPENDITURES						
Current						
Executive and administrative	150,324	133,285	656	929	134,214	127,679
Street department	423,841	396,818			396,818	75,538
Police department	182,421	189,562			189,562	191,924
Fire department	29,932	29,723			29,723	19,054
Park department	673	1,657			1,657	1,076
<u>Total expenditures</u>	<u>787,191</u>	<u>751,045</u>	<u>656</u>	<u>929</u>	<u>751,974</u>	<u>415,271</u>
OTHER FINANCING SOURCES (USES)						
Operating transfers in	116,000	125,757			125,757	100,147
Operating transfers out	(15,600)	(22,411)	(71,700)	(82,792)	(105,203)	(65,213)
<u>Total other financing sources (uses)</u>	<u>100,400</u>	<u>103,346</u>	<u>(71,700)</u>	<u>(82,792)</u>	<u>20,554</u>	<u>34,934</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER (USES)	<u>(25,335)</u>	<u>41,958</u>	<u>(6,730)</u>	<u>(15,492)</u>	<u>26,466</u>	<u>15,180</u>
FUND BALANCE, beginning of year		<u>95,476</u>		<u>55,996</u>	<u>151,472</u>	<u>136,292</u>
FUND BALANCE, end of year		<u>137,434</u>		<u>40,504</u>	<u>177,938</u>	<u>151,472</u>

The accompanying notes are an integral part of these statements.

TOWN OF GRAND COTEAU, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES
YEAR ENDED JUNE 30, 1999

	<u>1999</u>	<u>(MEMORANDUM ONLY)</u> <u>1998</u>
<u>OPERATING REVENUES</u>		
Charges for services	\$341,347	\$382,919
<u>Net charges for services</u>	341,347	382,919
Miscellaneous income	<u>20,036</u>	<u>1,258</u>
<u>Total operating revenues</u>	<u>361,383</u>	<u>384,177</u>
<u>OPERATING EXPENSES</u>		
Personal services	62,495	63,430
Contractual services	69,855	97,544
Materials and supplies	22,087	17,654
Other expenses	93,053	95,210
Depreciation	<u>116,879</u>	<u>113,108</u>
<u>Total operating expenses</u>	<u>364,369</u>	<u>386,946</u>
<u>OPERATING INCOME</u>	<u>(2,986)</u>	<u>(2,769)</u>
<u>NONOPERATING REVENUES (EXPENSES)</u>		
Interest income	3,997	3,772
Interest expense	(42,774)	(45,102)
Bond issuance cost	<u>(9,446)</u>	<u> </u>
<u>Total nonoperating (expenses)</u>	<u>(48,223)</u>	<u>(41,330)</u>
<u>INCOME BEFORE OPERATING TRANSFERS</u>	<u>(51,209)</u>	<u>(44,099)</u>
<u>OPERATING TRANSFERS IN (OUT)</u>		
Operating transfers in	20,459	3,660
Operating transfers out	<u>(59,724)</u>	<u>(56,010)</u>
<u>Total operating transfers (out)</u>	<u>(39,265)</u>	<u>(52,350)</u>
<u>NET (LOSS)</u>	(90,474)	(96,449)
<u>RETAINED EARNINGS, beginning of year</u>	<u>(153,855)</u>	<u>(57,406)</u>
<u>RETAINED EARNINGS, end of year</u>	<u>(244,329)</u>	<u>(153,855)</u>

The accompanying notes are an integral part of these statements.

TOWN OF GRAND COTEAU, LOUISIANA
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
YEAR ENDED JUNE 30, 1999

	<u>1999</u>	<u>1998</u>
		(MEMORANDUM ONLY)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Cash received from customers	\$361,762	\$375,625
Cash payments to suppliers for goods and services	(180,597)	(221,828)
Cash payments to employees for services	<u>(62,495)</u>	<u>(58,121)</u>
<u>Net cash provided by operating activities</u>	<u>118,670</u>	<u>95,676</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>		
Operating transfers in from other funds	20,459	3,660
Operating transfers out to other funds	<u>(59,724)</u>	<u>(56,010)</u>
<u>Net cash used for noncapital financing activities</u>	<u>(39,265)</u>	<u>(52,350)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>		
Acquisition and construction of capital assets	(134,000)	(13,793)
Principal paid on revenue bonds and notes	(21,588)	(6,439)
Receipt of bond proceeds	125,000	
Interest paid on revenue bonds and notes	(44,240)	(44,712)
Bond issuance cost	<u>(9,446)</u>	<u> </u>
<u>Net cash used for capital and related financing activities</u>	<u>(84,274)</u>	<u>(64,944)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of investments	(2,481)	335
Interest earned on investments	<u>3,997</u>	<u>1,048</u>
<u>Net cash provided by investing activities</u>	<u>1,516</u>	<u>1,383</u>
<u>NET (DECREASE) IN CASH</u>	(3,353)	(20,235)
<u>CASH AND CASH EQUIVALENTS, July 1, 1998</u>	<u>178,191</u>	<u>198,426</u>
<u>CASH AND CASH EQUIVALENTS, June 30, 1999</u>	<u>174,838</u>	<u>178,191</u>
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u>		
Operating income	<u>\$(2,986)</u>	<u>\$(2,771)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	116,878	113,109
(Increase) decrease in accounts receivable	(1,125)	(10,273)
(Increase) decrease in prepaid insurance	(1,084)	(882)
(Increase) decrease in due from other funds	(8,124)	285
Increase (decrease) in accounts payable	10,595	(6,205)
Net increase (decrease) in customers' deposits	1,504	1,721
Increase (decrease) in due to other funds	<u>3,012</u>	<u>692</u>
<u>Total adjustments</u>	<u>121,656</u>	<u>98,447</u>
<u>Net cash provided by operating activities</u>	<u>118,670</u>	<u>95,676</u>

The accompanying notes are an integral part of these statements.

TOWN OF GRAND COTEAU, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and reporting practices of the Town of Grand Coteau conform to generally accepted accounting principles as applicable to governments.

The following is a summary of certain significant accounting policies and practices of the Town of Grand Coteau.

Reporting Entity

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Town of Grand Coteau 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 Town 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 Town.
2. Organizations for which the Town does not appoint a voting majority but are fiscally dependent on the Town.
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.

The Town of Grand Coteau is a primary government and the accompanying general purpose financial statements present information only on the funds maintained by the Town and do not present information on any other governmental unit.

Fund accounting. The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into five generic fund types and three broad fund categories as follows:

TOWN OF GRAND COTEAU, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds

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

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

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

Proprietary Fund

Enterprise Fund. The Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided 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.

Fiduciary Fund

Agency Funds. Agency Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

All proprietary fund types 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 (i.e., revenues) and decreases (i.e., expenses) in net total assets.

TOWN OF GRAND COTEAU, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means that the amount of the transaction can be determined and "available" means that the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is for principal and interest on general long-term debt which is recognized when due. Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

The proprietary fund type is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned, and its expenses are recognized when they are incurred. Revenues earned and expenses incurred are recognized in a government's proprietary funds in essentially the same manner as in commercial accounting. However, where the GASB has issued pronouncements applicable to entities and activities recognized in a government's proprietary funds, those entities and activities should be guided by the GASB pronouncements. Only minor adaptations are involved in applying the revenue realization and expense recognition principles in the governmental environment.

Cash and investments. Louisiana statutes authorize the Town to invest in United States Treasury obligations, bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and backed by the United States; bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by United States government instrumentalities, which are federally sponsored; and certificates of deposit.

Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100 percent of the uninsured amount on deposit with the bank.

At June 30, 1999, the carrying amount of the Town's deposits was \$370,325. The bank balance of cash was \$369,480 and of investments was \$75,242. Investments are stated at cost or amortized cost, which approximates market. These investments consist of certificates of deposit. Of the bank balance, approximately \$200,000 is covered by federal deposit insurance, and approximately \$244,722 is covered by securities held by the bank in the Town's name.

TOWN OF GRAND COTEAU, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fixed assets and long-term liabilities. All items of property, plant, and equipment (including infrastructure general fixed assets) which do not constitute assets of the Enterprise Fund are recorded in the General Fixed Assets Account Group. Such assets are maintained on the basis of original cost (cash paid plus trade-in allowance, if applicable) and no depreciation is computed or recorded thereon.

Long-term liabilities expected to be financed from governmental fund types are accounted for in the General Long-term Debt Account Group, not in the governmental funds.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-term Debt Account Group.

Property, plant, and equipment which constitute assets of the Enterprise Fund are recorded at cost and depreciation is computed thereon under the straight-line method of depreciation based on estimated useful lives of the individual assets.

Interest costs during construction, where applicable, are capitalized.

Bad debts. Uncollectible amounts due for ad valorem taxes, miscellaneous liens, and sundry claims are recorded as bad debts through the establishment of an allowance account at the time information available indicates the uncollectibility of the particular receivable.

Allowance for uncollectible accounts receivable in the Enterprise Fund at June 30, 1999, is \$3,019.

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

1. At least 30 days prior to the beginning of the fiscal year the Mayor submits to the Town Council an operating and capital budget for the succeeding year.
2. A public meeting is scheduled by the Town Council after allowing for at least 10 days notice to the public at the time the budget is initially submitted to the Town Council.
3. The budget must be finally adopted by the Council no later than the last day of the preceding fiscal year.
4. The Mayor and Town Council may authorize transfers of budgetary amounts within departments and revisions requiring alteration of levels of expenditures or transfers between departments.

TOWN OF GRAND COTEAU, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Operating appropriations, to the extent not expended or encumbered, lapse at year-end. Capital appropriations continue in force until the project is completed or deemed abandoned.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

The budgeted accounts shown in these financial statements as of June 30, 1999, were properly amended during a public meeting held on June 14, 1999.

Encumbrances. The Town does not employ the encumbrance system of accounting.

Inventory. The Town practices the policy of recording materials and supplies as expenditures or expenses when acquired. The Town does not record any of these items as inventory because the amount of the items in stock is insignificant.

Compensated absences. The Town's policy is that employees earn and must use their vacation and sick leave as of the end of each fiscal year. Therefore, there is no provision for compensated absences at year-end.

Cash and cash equivalents. For purposes of the statement of cash flows, the Town considers all highly liquid debt instruments purchased with a maturity of three months or less that is considered available funds to be cash equivalents.

Total columns. Total columns on the general purpose financial statements 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 cash flows 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) INTERFUND RECEIVABLES, PAYABLES

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$33,238	\$2,449
Special Revenue Funds		
Sales Tax	775	
Housing Rehab		400
Capital Projects Fund		100
Enterprise Funds	13,949	34,487
Agency Fund		
Payroll Account	<u>1,331</u>	<u>11,857</u>
	<u>49,293</u>	<u>49,293</u>

TOWN OF GRAND COTEAU, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(3) DEFICITS - IN INDIVIDUAL FUNDS

The Enterprise Fund consists of the Gas, Water and Sewer Funds. The Enterprise Fund has a deficit retained earnings at June 30, 1999 as follows:

Enterprise Fund	
Gas Fund	\$72,637
Water Fund	70,426
Sewer Fund	<u>(387,392)</u>
<u>Total retained earnings</u>	<u>(244,329)</u>

(4) RETIREMENT

The employees of the Town are covered by social security only. The Town does not have any other retirement plan for its employees.

(5) CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purposes of the statement of cash flows consist of the following:

Unrestricted assets	
Cash	\$92,921
Restricted assets	
Cash	<u>81,917</u>
<u>Total cash and cash equivalents</u>	<u>174,838</u>

(6) ACCOUNTS RECEIVABLE - ENTERPRISE FUND

The accounts receivable consist of gas, water and sewer billings uncollected as of June 30, 1999. An accounts receivable aging schedule is as follows:

<u>Days</u>	<u>June 30, 1999</u>
0 - 30	\$27,577
31 - 60	9,894
61 - 90	5,221
91 and older	<u>3,177</u>
<u>Total accounts receivable</u>	45,869
Plus: sales tax receivable	1,810
Less: allowance for uncollectible accounts	<u>(3,019)</u>
<u>Net accounts receivable</u>	<u>44,660</u>

The amount of unbilled receivables as of June 30, 1999 was immaterial to the financial statements and is not included in accounts receivable.

TOWN OF GRAND COTEAU, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(6) ACCOUNTS RECEIVABLE - ENTERPRISE FUND (Continued)

The number of residential and commercial customers as of June 30, 1999 are as follows:

	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>
Gas	355	18	373
Water	390	41	431
Sewer	364	34	398

(7) AD VALOREM TAXES

For the year ended June 30, 1999, the Town of Grand Coteau levied a general tax of 6.0 mills on property with assessed valuation totaling \$1,886,210. Total tax levied was \$11,091. Taxes receivable at June 30, 1999 total \$1,353.

The Town's ad valorem tax, levied for the calendar year, is due on or before December 31, and becomes delinquent on January 1.

(8) RESERVES OF FUND EQUITY

The Town records reserves to indicate that a portion of the fund equity is legally segregated for a specific future use. The following details the description and amount of all reserves used by the Town.

	Balance at June 30, <u>1999</u>
Enterprise Funds	
Reserved for customers' deposits	\$26,772
Reserved for bond retirement	<u>37,499</u>
	<u>64,271</u>

(9) DEDICATION OF SALES TAX PROCEEDS

Proceeds of the 1 percent sales and use tax are dedicated to the following purposes:

Constructing and purchasing fire department stations and equipment; constructing and purchasing police department stations and equipment; opening, constructing, paving, resurfacing and improving streets, sidewalks, and bridges; constructing and improving drains, drainage canals and subsurface drainage; constructing, acquiring or improving any work of public permanent improvements; and purchasing and acquiring all equipment and furnishings for the public works, buildings, improvements and facilities of the Town of Grand Coteau, title to which shall be in the public.

TOWN OF GRAND COTEAU, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(10) PROPRIETARY FUNDS - RESTRICTED ASSETS

Certain assets of the Enterprise Funds have been restricted for debt service and customers' deposits. These assets consist of cash and short-term investments restricted for the following:

Customers' deposits	\$67,088
Bond retirement - Reserve	8,384
Bond retirement - Sinking Fund	40,407
Bond retirement - Depreciation and Contingency	<u>16,885</u>
	<u>132,764</u>

(11) CONTRIBUTED CAPITAL

Contributed capital on June 30, 1999 consists of:

Gas Fund

Contributions from federal agencies	\$89,745	
Contributions from Town of Grand Coteau		
Special Revenue Funds	<u>951</u>	\$90,696

Water Fund

Contributions from federal agencies	<u>278,400</u>	278,400
-------------------------------------	----------------	---------

Sewer Fund

Contributions from federal and state agencies	2,261,404	
Contributions from Town of Grand Coteau		
Special Revenue Funds	<u>7,379</u>	<u>2,268,783</u>

2,637,879

(12) PROPERTY, PLANT, AND EQUIPMENT - ENTERPRISE FUNDS

A summary of property, plant, and equipment of the Enterprise Funds at June 30, 1999 is as follows:

<u>Description</u>	<u>Life in</u> <u>Years</u>	<u>Cost</u>	<u>Accumulated</u> <u>Depreciation</u>	<u>Net</u>	<u>Depreciation</u> <u>This Year *</u>
Land		\$24,000		\$24,000	
Waterworks and gas system	30	1,301,750	\$705,781	595,969	\$39,469
Sewer plant and line extensions	40	2,878,645	696,878	2,181,767	71,966
Equipment	3-5	39,400	28,323	11,077	3,549
Sewer building	15	<u>28,418</u>	<u>5,842</u>	<u>22,576</u>	<u>1,895</u>
<u>Total</u>		<u>4,272,213</u>	<u>1,436,824</u>	<u>2,835,389</u>	<u>116,879</u>

* All assets are depreciated under the straight-line method.

TOWN OF GRAND COTEAU, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(12) PROPERTY, PLANT, AND EQUIPMENT - ENTERPRISE FUNDS (Continued)

Changes During the Year

Balance, beginning of year	\$4,138,213	\$1,319,945
Additions:		
Property	134,000	
Depreciation	<u> </u>	<u>116,879</u>
Balance, end of year	<u>4,272,213</u>	<u>1,436,824</u>

(13) PROPRIETARY FUND CHANGES IN DEBT

The following is a summary of changes in Proprietary Fund debt for the year ended June 30, 1999:

<u>Description of Debt</u>	<u>Balance at</u> <u>July 1, 1998</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance at</u> <u>June 30, 1999</u>
\$338,666 of Utilities Revenue Refunding Bonds dated April 1, 1989	\$314,878		\$16,097	\$298,781
\$225,000 of Sewer Revenue Bonds dated February 17, 1998	221,575		2,491	219,084
\$125,000 of Water Tower Project Bonds dated July 1, 1998	<u> </u>	<u>\$125,000</u>	<u>3,000</u>	<u>122,000</u>
	<u>536,453</u>	<u>125,000</u>	<u>21,588</u>	<u>639,865</u>

The annual requirements to retire debt as of June 30, 1999, are as follows:

<u>Years Ending</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$24,530	\$38,654	\$63,184
2001	26,597	37,003	63,600
2002	27,705	35,206	62,911
2003	28,891	33,333	62,224
2004	31,163	31,377	62,540
2005-2009	191,928	121,998	313,926
2010-2014	105,783	62,398	168,181
2015-2019	65,644	40,142	105,786
2020-2024	34,604	27,361	61,965
2025-2029	43,317	18,648	61,965
2030-2034	54,224	7,741	61,965
2035	<u>5,479</u>	<u>11</u>	<u>5,490</u>
	<u>639,865</u>	<u>453,872</u>	<u>1,093,737</u>

TOWN OF GRAND COTEAU, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(14) PROPRIETARY FUND TYPE - FLOW OF FUNDS - RESTRICTION ON USE

Under the terms of the bond indentures on outstanding Utility Revenue Refunding Bonds dated April 1, 1989, all income and revenues of the Utility System are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

All revenues shall be deposited into a "Utilities Revenue Fund" to provide for the payment of the reasonable and necessary expenses of operating and maintaining the system and for the following purposes:

(a) Each month, there will be set aside into a fund called the "Utilities Revenue Bond and Interest Sinking Fund" an amount constituting 1/12 of the next maturing installment of principal and 1/6 of the next maturing installment of interest on the outstanding bonds. Such transfers 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. This deposit must be made on or before the 20th of each month.

(b) There shall also be set aside into a "Utilities Revenue Bond Reserve Fund" an amount equal to 5 percent of the amount to be paid into the Sinking Fund until there shall have been accumulated in the Reserve Account an amount equal to the maximum principal and interest requirements in any one maturity 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 Utility Revenue Bond Sinking Fund and as to which there would otherwise be default.

(c) Funds will also be set aside into a "Utilities Depreciation and Contingency Fund" an amount equal to 5 percent of the amount to be paid into the Sinking Fund. Money in this fund may be used for the making of extraordinary repairs or replacements to the system which are necessary to keep the system in operating condition and for which money is not available as a maintenance and operation expense. Money in this fund may also be used to pay principal or interest on the bonds falling due at any time there is not sufficient money for payment in the other bond funds.

(d) All of the revenues received in any fiscal year and not required to be paid in such fiscal year into any of the above noted funds shall be regarded as surplus and may be used for any lawful corporate purposes.

(15) CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in general fixed assets for the year ended June 30, 1999:

	Balance, July 1, <u>1998</u>	<u>Additions</u>	<u>Retirements</u>	Balance, June 30, <u>1999</u>
Land	\$75,171			\$75,171
Buildings	199,854			199,854
Improvements other than buildings	39,362	\$331,667		371,029
Equipment	216,116	4,041	\$4,012	216,145
Other structures and improvements	<u>119,531</u>	_____	_____	<u>119,531</u>
<u>Total</u>	<u>650,034</u>	<u>335,708</u>	<u>4,012</u>	<u>981,730</u>

TOWN OF GRAND COTEAU, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(16) GENERAL FIXED ASSETS

The Town of Grand Coteau does not have adequate accounting records on general fixed assets.

(17) GENERAL LONG-TERM DEBT - NOTES PAYABLE

The Town of Grand Coteau has outstanding a note payable to the Bank of Sunset and Trust Company for the purchase of a fire truck dated January 23, 1991. The note has an interest rate of 11 percent and its first annual payment was due on January 23, 1993 with the final payment due on January 23, 2001.

The Town of Grand Coteau has outstanding a note payable to the Bank of Sunset and Trust Company for the purchase of a 1995 Ford Crown Victoria. The note has an interest rate of 6.5 percent and its first monthly payment was due on March 27, 1995 with the final payment due on March 15, 2000. Effective February 9, 1997, the interest rate was reduced from 6.5 percent to 6.0 percent.

Future maturities of the notes payable are as follows:

Years Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$12,218	\$1,591	\$13,809
2001	<u>8,800</u>	<u>748</u>	<u>9,548</u>
	<u>21,018</u>	<u>2,339</u>	<u>23,357</u>

(18) GENERAL LONG TERM DEBT - LEASES PAYABLE

The Town of Grand Coteau, Louisiana entered into a non-cancellable capital lease with Applied Concepts Incorporated for a radar on October 14, 1995. The agreement requires monthly payments of \$76.52 for thirty-six months. The cost of the radar of \$2,755 has been recorded in the General Fixed Assets Account Group and the lease payable is set up in the General Long-term Debt Account Group. Final payment on the lease was due on October 1, 1998.

The Town of Grand Coteau, Louisiana entered into a second non-cancellable capital lease with Applied Concepts Incorporated for a radar on March 12, 1998. The first monthly payment was due on July 1, 1998 with the final payment due on June 1, 2001. The agreement requires monthly payments of \$76.52 for thirty-six months. The cost of the radar of \$2,755 has been recorded in the General Fixed Assets Account Group and the lease payable is set up in the General Long-term Debt Account Group.

The Town of Grand Coteau, Louisiana also entered into a non-cancellable capital lease with Northeastern Leasing and Finance Corp. for a copier on June 5, 1998. The agreement requires monthly payments of \$185.00 for sixty months. The cost of the copier, of \$11,140.50, has been recorded in the General Fixed Assets Account Group and the lease payable is set up in the General Long-term Debt Account Group.

TOWN OF GRAND COTEAU, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

(18) GENERAL LONG TERM DEBT - LEASES PAYABLE (Continued)

At June 30, 1999, future minimum rental payments required are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$2,286	\$852	\$3,138
2001	2,604	534	3,138
2002	1,981	239	2,220
2003	<u>901</u>	<u>26</u>	<u>927</u>
	<u>Total minimum lease</u>		
	<u>payments</u>	<u>1,651</u>	<u>9,423</u>

The Town of Grand Coteau, Louisiana also entered into an operating lease with Xerox Corporation for a copier on August 16, 1997. The agreement requires monthly payments of \$80.15 for twelve months. The payments are recorded as equipment lease in the General Fund.

(19) SEWER REVENUE BOND - FEBRUARY 17, 1995

A bond of \$225,000 was issued on February 17, 1995 for improvements on the Town's sewer system. The bond has a stated interest of 4 ½ percent and is payable over a forty year period. Commencing March 17, 1998 and on the 17th day of each month thereafter through February 17, 2035, monthly payments of \$1,032.75 will be due which will consist of fully amortized payments of principal and interest. Each payment shall be applied, first, to the payment of accrued interest; and second, to the payment of principal.

Actual monthly payments into the Sinking Fund during the interest only period depend on the schedule of advances of principal made to the Town during construction. However, monthly debt service payments into the Sinking Fund will not exceed \$843.75. The Town will also have to make monthly payments of \$43 into a Reserve Fund and \$43 into a Contingency Fund. The payments into the Reserve Fund will continue until an amount equal to one year's debt service on the bond is accumulated therein, and the payments into the Contingency Fund will be made over the life of the bond.

(20) SEWER CHARGES

The Town's sewer rate schedule is as follows:

	<u>Monthly</u> <u>Charge</u>
Base rate - 4,000 gallons	\$10.00
Each additional 1,000 gallons	2.00

FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund has a greater number and variety of revenue sources than any other fund, and its resources normally finance a wider range of activities. The resources of the General Fund are ordinarily largely expended and replenished on an annual basis.

TOWN OF GRAND COTEAU, LOUISIANA
GENERAL FUND
BALANCE SHEET
JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>ASSETS</u>		
Cash	\$65,692	\$42,149
Receivables, net of allowances for uncollectibles		
Property taxes	1,353	676
Franchise	8,385	8,751
Intergovernmental	40,482	39,561
Other	87	86
Due from other funds	<u>33,238</u>	<u>25,090</u>
<u>Total assets</u>	<u>149,237</u>	<u>116,313</u>
<u>LIABILITIES AND FUND EQUITY</u>		
<u>LIABILITIES</u>		
Accounts payable	\$9,355	\$10,584
Due to other funds	<u>2,449</u>	<u>10,253</u>
<u>Total liabilities</u>	<u>11,804</u>	<u>20,837</u>
<u>FUND BALANCE</u>		
Unreserved	<u>137,433</u>	<u>95,476</u>
<u>Total liabilities and fund equity</u>	<u>149,237</u>	<u>116,313</u>

TOWN OF GRAND COTEAU, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>1999</u>		VARIANCE -	
	<u>BUDGET</u>	<u>ACTUAL</u>	FAVORABLE	1998
			(UNFAVORABLE)	<u>ACTUAL</u>
<u>REVENUES</u>				
Taxes	\$43,068	\$50,018	\$6,950	\$50,392
Licenses and permits	24,279	27,402	3,123	26,567
Intergovernmental	543,791	532,967	(10,824)	173,346
Fines and forfeits	27,028	36,886	9,858	53,821
Miscellaneous	<u>23,290</u>	<u>42,384</u>	<u>19,094</u>	<u>32,760</u>
<u>Total revenues</u>	<u>661,456</u>	<u>689,657</u>	<u>28,201</u>	<u>336,886</u>
<u>EXPENDITURES</u>				
Current operating				
Executive and				
administrative	150,324	133,285	17,039	127,093
Street department	423,841	396,818	27,023	75,538
Police department	182,421	189,562	(7,141)	191,924
Fire department	29,932	29,723	209	19,054
Park department	<u>673</u>	<u>1,657</u>	<u>(984)</u>	<u>1,076</u>
<u>Total expenditures</u>	<u>787,191</u>	<u>751,045</u>	<u>36,146</u>	<u>414,685</u>
<u>EXCESS OF REVENUES OVER</u>				
<u>(UNDER) EXPENDITURES</u>	<u>(125,735)</u>	<u>(61,388)</u>	<u>64,347</u>	<u>(77,799)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	116,000	125,757	9,757	100,147
Operating transfers out	<u>(15,600)</u>	<u>(22,411)</u>	<u>(6,811)</u>	<u>(20,270)</u>
<u>Total other</u>				
<u>financing sources</u>	<u>100,400</u>	<u>103,346</u>	<u>2,946</u>	<u>79,877</u>
<u>EXCESS OF REVENUES AND OTHER</u>				
<u>SOURCES OVER (UNDER)</u>				
<u>EXPENDITURES AND OTHER (USES)</u>	<u>(25,335)</u>	41,958	<u>67,293</u>	2,078
<u>FUND BALANCE, beginning of year</u>		<u>95,476</u>		<u>93,398</u>
<u>FUND BALANCE, end of year</u>		<u>137,434</u>		<u>95,476</u>

TOWN OF GRAND COTEAU, LOUISIANA
GENERAL FUND
DETAILED SCHEDULE OF REVENUES
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>1999</u>		VARIANCE -	
	<u>BUDGET</u>	<u>ACTUAL</u>	FAVORABLE	1998
			(UNFAVORABLE)	<u>ACTUAL</u>
<u>TAXES</u>				
Property taxes	\$11,227	\$12,009	\$782	\$11,014
Franchise - cable television	967	1,079	112	733
Franchise - telephone	2,539	1,500	(1,039)	2,417
Franchise - electric	<u>28,335</u>	<u>35,430</u>	<u>7,095</u>	<u>36,228</u>
<u>Total taxes</u>	<u>43,068</u>	<u>50,018</u>	<u>6,950</u>	<u>50,392</u>
<u>LICENSES AND PERMITS</u>				
Occupational licenses	23,979	27,131	3,152	25,142
Building permits	127	111	(16)	1,357
Moving permits	173	160	(13)	60
Plumbing permits	_____	_____	_____	_____8
<u>Total licenses and permits</u>	<u>24,279</u>	<u>27,402</u>	<u>3,123</u>	<u>26,567</u>
<u>INTERGOVERNMENTAL</u>				
State beer tax	1,744	3,308	1,564	1,581
State tobacco tax	5,816	5,816		5,816
Housing Authority	4,191	4,149	(42)	4,191
Fire insurance rebate	3,507	5,390	1,883	2,559
State grants	375,594	348,919	(26,675)	
Food stamp reimbursement				(37)
Video poker revenue	<u>152,939</u>	<u>165,385</u>	<u>12,446</u>	<u>159,236</u>
<u>Total intergovernmental</u>	<u>543,791</u>	<u>532,967</u>	<u>(10,824)</u>	<u>173,346</u>
<u>FINES</u>				
Court fines	<u>27,028</u>	<u>36,886</u>	<u>9,858</u>	<u>53,821</u>
<u>MISCELLANEOUS</u>				
Interest income	1,117	822	(295)	666
Sundry	2,825	17,234	14,409	3,864
Water meter fees	16,283	16,445	162	17,089
Inception of capital lease		2,754	2,754	11,141
Gain on sale of assets	<u>3,065</u>	<u>5,129</u>	<u>2,064</u>	_____
<u>Total miscellaneous</u>	<u>23,290</u>	<u>42,384</u>	<u>19,094</u>	<u>32,760</u>
<u>Total revenues</u>	<u>661,456</u>	<u>689,657</u>	<u>28,201</u>	<u>336,886</u>

TOWN OF GRAND COTEAU, LOUISIANA
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>1999</u>		<u>VARIANCE -</u>	
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u>	<u>1998</u>
			<u>(UNFAVORABLE)</u>	<u>ACTUAL</u>
<u>EXECUTIVE AND ADMINISTRATIVE</u>				
<u>Personal services</u>				
Salaries - Clerical	\$63,165	\$36,309	\$26,856	\$37,209
Salaries - Mayor and Council	9,000	17,700	(8,700)	11,813
Payroll taxes	7,943	4,197	3,746	5,065
<u>Supplies</u>				
Office supplies and postage	14,150	13,453	697	11,787
<u>Other</u>				
Conventions and conferences	5,774	7,712	(1,938)	4,792
Advertising	1,037	545	492	2,114
Dues and subscriptions	1,574	1,721	(147)	1,566
Engineering fees	1,200	1,100	100	2,013
Equipment rental	604	867	(263)	959
Equipment lease	2,945		2,945	316
Insurance	11,453	14,651	(3,198)	12,936
Legal and accounting	12,794	13,265	(471)	10,434
Miscellaneous	6,441	10,283	(3,842)	3,619
Notices and publications	471	353	118	257
Pest control	513	449	64	811
Repairs and maintenance	1,436	1,532	(96)	1,318
Planning committee	140	200	(60)	220
Telephone	1,276	1,318	(42)	2,200
Utilities	8,408	7,630	778	6,523
Capital outlay				<u>11,141</u>
<u>Total executive and administrative</u>	<u>150,324</u>	<u>133,285</u>	<u>17,039</u>	<u>127,093</u>
<u>STREET DEPARTMENT</u>				
<u>Personal services</u>				
Salaries	16,673	18,879	(2,206)	23,148
Payroll taxes	1,271	908	363	2,014
<u>Supplies</u>				
Materials and supplies	9,259	8,976	283	6,501
Uniforms	703	527	176	572

This schedule continued on next page.

TOWN OF GRAND COTEAU, LOUISIANA
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>1999</u>		<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>	<u>1998 ACTUAL</u>
	<u>BUDGET</u>	<u>ACTUAL</u>		
<u>STREET DEPARTMENT (Continued)</u>				
<u>Other</u>				
Auto and truck expense	\$9,661	\$10,038	\$(377)	\$11,300
Repairs and maintenance	3,420	2,956	464	914
Insurance	6,737	6,181	556	7,959
Utilities	14,313	13,023	1,290	14,962
Tractor expense	97	1,359	(1,262)	1,424
Miscellaneous		1,018	(1,018)	
Equipment rental	773		773	246
Capital outlay	<u>360,934</u>	<u>332,953</u>	<u>27,981</u>	<u>6,498</u>
<u>Total street department</u>	<u>423,841</u>	<u>396,818</u>	<u>27,023</u>	<u>75,538</u>
<u>POLICE DEPARTMENT</u>				
<u>Personal services</u>				
Salaries and wages	117,903	119,156	(1,253)	121,178
Payroll taxes	10,022	7,299	2,723	10,917
<u>Supplies</u>				
Materials and supplies	6,934	8,378	(1,444)	9,166
Uniforms	1,730	682	1,048	1,670
<u>Other</u>				
Insurance	24,928	24,902	26	26,258
Auto expense	9,400	11,076	(1,676)	8,511
Telephone	4,384	3,807	577	5,067
Repairs	3,323	3,046	277	945
Miscellaneous	3,797	8,386	(4,589)	1,893
Prisoner meals		75	(75)	180
Capital outlay		<u>2,755</u>	<u>(2,755)</u>	<u>6,139</u>
<u>Total police department</u>	<u>182,421</u>	<u>189,562</u>	<u>(7,141)</u>	<u>191,924</u>
<u>FIRE DEPARTMENT</u>				
<u>Personal services</u>				
Salaries and wages	2,541	2,443	98	2,368
Payroll taxes	184	167	17	214
<u>Supplies</u>				
Materials and supplies	4,216	15,997	(11,781)	1,320

This schedule continued on next page.

TOWN OF GRAND COTEAU, LOUISIANA
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>1999</u>		VARIANCE -	
	<u>BUDGET</u>	<u>ACTUAL</u>	FAVORABLE	1998
			(UNFAVORABLE)	<u>ACTUAL</u>
<u>FIRE DEPARTMENT (Continued)</u>				
<u>Other</u>				
Telephone	\$5,448	\$5,504	\$(56)	\$4,076
Utilities	2,149	2,009	140	819
Insurance	2,695	1,572	1,123	2,647
Truck expense	139	150	(11)	109
Miscellaneous	389	310	79	920
Repairs and maintenance	553	1,027	(474)	571
Legal and accounting	24	18	6	
Capital outlay	<u>11,594</u>	<u>526</u>	<u>11,068</u>	<u>6,010</u>
<u>Total fire department</u>	<u>29,932</u>	<u>29,723</u>	<u>209</u>	<u>19,054</u>
 <u>PARK DEPARTMENT</u>				
<u>Other</u>				
Insurance	<u>673</u>	<u>1,657</u>	<u>(984)</u>	<u>1,076</u>
<u>Total park department</u>	<u>673</u>	<u>1,657</u>	<u>(984)</u>	<u>1,076</u>
 <u>Total expenditures</u>	 <u>787,191</u>	 <u>751,045</u>	 <u>36,146</u>	 <u>414,685</u>

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for resources legally restricted to expenditures for specified current operating purposes or the acquisition of furniture, fixtures, machinery, equipment, or other relatively minor or comparatively short-lived assets.

The Sales Tax Fund is used to account for the collection and expenditure of the Town's 1 percent sales tax.

TOWN OF GRAND COTEAU, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1999 AND 1998

	SALES TAX FUND	HOUSING REHAB PROGRAM FUND	<u>TOTALS</u>	
			<u>1999</u>	<u>1998</u>
<u>ASSETS</u>				
Cash	\$39,976	\$153	\$40,129	\$55,621
Due from other funds	<u>775</u>	—	<u>775</u>	<u>375</u>
<u>Total assets</u>	<u>40,751</u>	<u>153</u>	<u>40,904</u>	<u>55,996</u>
<u>LIABILITIES AND FUND EQUITY</u>				
<u>LIABILITIES</u>				
Due to other funds	—	\$400	<u>\$400</u>	—
<u>Total liabilities</u>	<u>-0-</u>	<u>400</u>	<u>400</u>	<u>-0-</u>
<u>FUND BALANCE</u>				
Unreserved	\$40,751	(247)	40,504	\$55,996
<u>Total liabilities and fund equity</u>	<u>40,751</u>	<u>153</u>	<u>40,904</u>	<u>55,996</u>

TOWN OF GRAND COTEAU, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	SALES TAX FUND	HOUSING REHAB PROGRAM FUND	<u>TOTALS</u>	
			<u>1999</u>	<u>1998</u>
<u>REVENUES</u>				
Taxes	\$68,200		\$68,200	\$58,603
Miscellaneous	<u>29</u>	<u>—</u>	<u>29</u>	<u>28</u>
<u>Total revenues</u>	<u>68,229</u>	<u>-0-</u>	<u>68,229</u>	<u>58,631</u>
<u>EXPENDITURES</u>				
Executive and administrative	<u>682</u>	\$247	<u>929</u>	<u>586</u>
<u>EXCESS OF REVENUES OVER (UNDER)</u>				
<u>EXPENDITURES</u>	<u>67,547</u>	(247)	<u>67,300</u>	<u>58,045</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers out	(82,792)	<u>—</u>	(82,792)	(44,943)
<u>Total other financing (uses)</u>	<u>(82,792)</u>	<u>-0-</u>	<u>(82,792)</u>	<u>(44,943)</u>
<u>EXCESS OF REVENUES AND OTHER SOURCES</u>				
<u>OVER (UNDER) EXPENDITURES AND OTHER</u>	(15,245)	(247)	(15,492)	13,102
<u>(USES)</u>				
<u>FUND BALANCE</u> , beginning of year	<u>55,996</u>	<u>—</u>	<u>55,996</u>	<u>42,894</u>
<u>FUND BALANCE</u> , end of year	<u>40,751</u>	(247)	<u>40,504</u>	<u>55,996</u>

TOWN OF GRAND COTEAU, LOUISIANA
SALES TAX FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>1999</u>		VARIANCE -	
	<u>BUDGET</u>	<u>ACTUAL</u>	FAVORABLE	1998
			(UNFAVORABLE)	<u>ACTUAL</u>
<u>REVENUES</u>				
Taxes				
Sales tax collections	\$65,617	\$68,200	\$2,583	\$58,603
Miscellaneous				
Interest income	<u>9</u>	<u>29</u>	<u>20</u>	<u>28</u>
<u>Total revenues</u>	<u>65,626</u>	<u>68,229</u>	<u>2,603</u>	<u>58,631</u>
<u>EXPENDITURES</u>				
Executive and administrative				
Miscellaneous	<u>656</u>	<u>682</u>	<u>(26)</u>	<u>586</u>
<u>Total expenditures</u>	<u>656</u>	<u>682</u>	<u>(26)</u>	<u>586</u>
<u>EXCESS OF REVENUES OVER</u>				
<u>(UNDER) EXPENDITURES</u>	64,970	67,547	2,577	58,045
<u>OTHER FINANCING (USES)</u>				
Operating transfers out	<u>(71,700)</u>	<u>(82,792)</u>	<u>(11,092)</u>	<u>(44,943)</u>
<u>EXCESS OF REVENUES AND OTHER</u>				
<u>SOURCES OVER (UNDER)</u>				
<u>EXPENDITURES AND OTHER (USES)</u>	<u>(6,730)</u>	(15,245)	<u>(8,515)</u>	13,102
<u>FUND BALANCE, beginning of year</u>		<u>55,996</u>		<u>42,894</u>
<u>FUND BALANCE, end of year</u>		<u>40,751</u>		<u>55,996</u>

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

TOWN OF GRAND COTEAU, LOUISIANA
DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>ASSETS</u>	---	---
<u>Total assets</u>	<u>-0-</u>	<u>-0-</u>
 <u>LIABILITIES AND FUND EQUITY</u>	 ---	 ---
<u>Total liabilities and fund equity</u>	<u>-0-</u>	<u>-0-</u>

TOWN OF GRAND COTEAU, LOUISIANA
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>REVENUES</u>	<u>-0-</u>	<u>-0-</u>
<u>EXPENDITURES</u>		
Debt service		
Notes paid	\$12,685	\$12,459
Interest paid	2,576	3,552
Capital lease payments	<u>3,451</u>	<u>1,404</u>
<u>Total expenditures</u>	<u>18,712</u>	<u>17,415</u>
<u>EXCESS OF REVENUES OVER</u> <u>(UNDER) EXPENDITURES</u>	(18,712)	(17,415)
<u>OTHER FINANCING SOURCES</u>		
Operating transfers in	<u>18,712</u>	<u>17,415</u>
<u>EXCESS OF REVENUES AND OTHER</u> <u>SOURCES OVER (UNDER)</u> <u>EXPENDITURES AND OTHER (USES)</u>		
<u>FUND BALANCE, beginning of year</u>	<u> </u>	<u> </u>
<u>FUND BALANCE, end of year</u>	<u><u>-0-</u></u>	<u><u>-0-</u></u>

CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for the purchase or construction of major capital facilities which are not financed by proprietary funds.

The Capital Projects Fund was used to account for the street improvement project in the last fiscal year and is now being used to account for the Water Tower Painting Project. The Water Tower Painting Project is still under construction as of June 30, 1999.

TOWN OF GRAND COTEAU, LOUISIANA
CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>ASSETS</u>		
Cash	\$266	\$184
Investments	23,535	
Other receivable	<u>94</u>	<u>94</u>
<u>Total assets</u>	<u>23,895</u>	<u>278</u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Due to other funds	<u>\$100</u>	<u>\$100</u>
<u>Total liabilities</u>	<u>100</u>	<u>100</u>
<u>FUND BALANCE</u>		
Reserved for construction	<u>23,795</u>	<u>178</u>
<u>Total fund balance</u>	<u>23,795</u>	<u>178</u>
<u>Total liabilities and fund balance</u>	<u>23,895</u>	<u>278</u>

TOWN OF GRAND COTEAU, LOUISIANA
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>REVENUES</u>		
Intergovernmental		
Grants - LCDBG		\$46,481
Miscellaneous		134
Interest income	<u>\$2,400</u>	<u> </u>
<u>Total revenues</u>	<u>2,400</u>	<u>46,615</u>
<u>EXPENDITURES</u>		
Capital projects		
Construction costs	103,765	33,222
Engineering fees		1,159
Office supplies		47
Bank charges	<u>18</u>	<u>12,100</u>
<u>Total expenditures</u>	<u>103,783</u>	<u>46,528</u>
<u>EXCESS OF REVENUES OVER (UNDER)</u>		
<u>EXPENDITURES</u>	<u>(101,383)</u>	<u>87</u>
<u>OTHER FINANCING SOURCES</u>		
Utility bond proceeds	125,000	<u> </u>
<u>Total other financing sources</u>	<u>125,000</u>	<u>-0-</u>
<u>EXCESS OF REVENUES AND OTHER SOURCES</u>		
<u>OVER (UNDER) EXPENDITURES AND OTHER USES</u>	23,617	87
<u>FUND BALANCE, beginning of year</u>	<u>178</u>	<u>91</u>
<u>FUND BALANCE, end of year</u>	<u>23,795</u>	<u>178</u>

ENTERPRISE FUNDS

The Enterprise Funds are used to account for operations that are financed and operated in a manner where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

TOWN OF GRAND COTEAU, LOUISIANA
ENTERPRISE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1999 AND 1998

	<u>GAS FUND</u>	<u>WATER FUND</u>	<u>SEWER FUND</u>	<u>TOTALS</u>	
				<u>1999</u>	<u>1998</u>
<u>ASSETS</u>					
<u>CURRENT ASSETS</u>					
Cash	\$40,617	\$43,399	\$8,905	\$92,921	\$95,380
Investments	860			860	819
Accounts receivable, net	15,025	12,976	16,659	44,660	43,536
Accrued interest receivable	38		63	101	101
Prepaid insurance	3,200	2,596	4,843	10,639	9,555
Due from other funds	<u>2,826</u>	<u>6,135</u>	<u>4,988</u>	<u>13,949</u>	<u>5,825</u>
<u>Total current assets</u>	<u>62,566</u>	<u>65,106</u>	<u>35,458</u>	<u>163,130</u>	<u>155,216</u>
<u>RESTRICTED ASSETS</u>					
Cash	19,690	42,095	20,132	81,917	82,811
Investments	<u>29,823</u>		<u>21,024</u>	<u>50,847</u>	<u>48,407</u>
<u>Total restricted assets</u>	<u>49,513</u>	<u>42,095</u>	<u>41,156</u>	<u>132,764</u>	<u>131,218</u>
<u>FIXED ASSETS</u>					
Utility plant and depreciable assets, net of accumulated depreciation	<u>92,811</u>	<u>513,488</u>	<u>2,229,090</u>	<u>2,835,389</u>	<u>2,818,266</u>
<u>Total fixed assets</u>	<u>92,811</u>	<u>513,488</u>	<u>2,229,090</u>	<u>2,835,389</u>	<u>2,818,266</u>
<u>Total assets</u>	<u>204,890</u>	<u>620,689</u>	<u>2,305,704</u>	<u>3,131,283</u>	<u>3,104,700</u>

This schedule continued on next page.

TOWN OF GRAND COTEAU, LOUISIANA
ENTERPRISE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 1999 AND 1998

	<u>GAS FUND</u>	<u>WATER FUND</u>	<u>SEWER FUND</u>	<u>TOTALS</u>	
				<u>1999</u>	<u>1998</u>
<u>LIABILITIES AND FUND EQUITY</u>					
<u>CURRENT LIABILITIES (from</u>					
<u>current assets)</u>					
Accounts payable	\$2,640	\$10,927	\$1,813	\$15,380	\$4,785
Due to other funds	<u>10,749</u>	<u>20,597</u>	<u>3,141</u>	<u>34,487</u>	<u>31,475</u>
<u>Total</u>	<u>13,389</u>	<u>31,524</u>	<u>4,954</u>	<u>49,867</u>	<u>36,260</u>
<u>CURRENT LIABILITIES (from</u>					
<u>restricted assets)</u>					
Revenue bonds payable		6,163	14,329	20,492	6,074
Interest payable		3,666	4,019	7,685	9,151
Customers' deposits	<u>28,168</u>	<u>12,148</u>	<u> </u>	<u>40,316</u>	<u>38,812</u>
<u>Total</u>	<u>28,168</u>	<u>21,977</u>	<u>18,348</u>	<u>68,493</u>	<u>54,037</u>
<u>Total current</u>					
<u>liabilities</u>	<u>41,557</u>	<u>53,501</u>	<u>23,302</u>	<u>118,360</u>	<u>90,297</u>
<u>LONG-TERM LIABILITIES</u>					
Revenue bonds payable	<u> </u>	<u>218,362</u>	<u>401,011</u>	<u>619,373</u>	<u>530,379</u>
<u>Total long-term</u>					
<u>liabilities</u>	<u>-0-</u>	<u>218,362</u>	<u>401,011</u>	<u>619,373</u>	<u>530,379</u>
<u>Total liabilities</u>	<u>41,557</u>	<u>271,863</u>	<u>424,313</u>	<u>737,733</u>	<u>620,676</u>
<u>FUND EQUITY</u>					
Contributed capital					
Contribution from					
municipality					
	951		7,379	8,330	8,330
Contribution from federal					
and state grants					
	<u>89,745</u>	<u>278,400</u>	<u>2,261,404</u>	<u>2,629,549</u>	<u>2,629,549</u>
<u>Total contributed</u>					
<u>capital</u>	<u>90,696</u>	<u>278,400</u>	<u>2,268,783</u>	<u>2,637,879</u>	<u>2,637,879</u>
Retained earnings					
Reserved for customers'					
deposits					
	21,345	5,427		26,772	24,670
Reserved for bond retirement					
		14,691	22,808	37,499	52,511
Unreserved retained earnings					
	<u>51,292</u>	<u>50,308</u>	<u>(410,200)</u>	<u>(308,600)</u>	<u>(231,036)</u>
<u>Total retained</u>					
<u>earnings</u>	<u>72,637</u>	<u>70,426</u>	<u>(387,392)</u>	<u>(244,329)</u>	<u>(153,855)</u>
<u>Total fund equity</u>	<u>163,333</u>	<u>348,826</u>	<u>1,881,391</u>	<u>2,393,550</u>	<u>2,484,024</u>
<u>Total liabilities and</u>					
<u>fund equity</u>	<u>204,890</u>	<u>620,689</u>	<u>2,305,704</u>	<u>3,131,283</u>	<u>3,104,700</u>

TOWN OF GRAND COTEAU, LOUISIANA
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>GAS FUND</u>	<u>WATER FUND</u>	<u>SEWER FUND</u>	<u>TOTALS</u>	
				<u>1999</u>	<u>1998</u>
<u>OPERATING REVENUES</u>					
Charges for services	\$ <u>164,822</u>	\$ <u>89,072</u>	\$ <u>87,453</u>	\$ <u>341,347</u>	\$ <u>382,919</u>
<u>Net charges for services</u>	<u>164,822</u>	<u>89,072</u>	<u>87,453</u>	<u>341,347</u>	<u>382,919</u>
Miscellaneous income	<u>1,988</u>	<u>17,336</u>	<u>712</u>	<u>20,036</u>	<u>1,258</u>
<u>Total operating revenues</u>	<u>166,810</u>	<u>106,408</u>	<u>88,165</u>	<u>361,383</u>	<u>384,177</u>
<u>OPERATING EXPENSES</u>					
Personal services	21,184	15,110	26,201	62,495	63,430
Contractual services	65,570		4,285	69,855	97,544
Supplies	12,015	5,355	4,717	22,087	17,654
Other expenses	26,648	36,666	29,739	93,053	95,210
Depreciation	<u>10,787</u>	<u>31,928</u>	<u>74,164</u>	<u>116,879</u>	<u>113,108</u>
<u>Total operating expenses</u>	<u>136,204</u>	<u>89,059</u>	<u>139,106</u>	<u>364,369</u>	<u>386,946</u>
<u>OPERATING INCOME</u>	<u>30,606</u>	<u>17,349</u>	<u>(50,941)</u>	<u>(2,986)</u>	<u>(2,769)</u>
<u>NONOPERATING REVENUES (EXPENSES)</u>					
Interest income	1,559	722	1,716	3,997	3,772
Interest expense		(16,152)	(26,622)	(42,774)	(45,102)
Bond issuance costs		<u>(3,241)</u>	<u>(6,205)</u>	<u>(9,446)</u>	
<u>Total nonoperating revenues (expenses)</u>	<u>1,559</u>	<u>(18,671)</u>	<u>(31,111)</u>	<u>(48,223)</u>	<u>(41,330)</u>
<u>INCOME BEFORE OPERATING TRANSFERS</u>	<u>32,165</u>	<u>(1,322)</u>	<u>(82,052)</u>	<u>(51,209)</u>	<u>(44,099)</u>
<u>OPERATING TRANSFERS IN (OUT)</u>					
Operating transfers in			20,459	20,459	3,660
Operating transfers out	<u>(51,986)</u>	<u>(7,738)</u>		<u>(59,724)</u>	<u>(56,010)</u>
<u>Total operating transfers in (out)</u>	<u>(51,986)</u>	<u>(7,738)</u>	<u>20,459</u>	<u>(39,265)</u>	<u>(52,350)</u>
<u>NET INCOME (LOSS)</u>	<u>(19,821)</u>	<u>(9,060)</u>	<u>(61,593)</u>	<u>(90,474)</u>	<u>(96,449)</u>
<u>RETAINED EARNINGS, beginning of year</u>	<u>92,458</u>	<u>79,486</u>	<u>(325,799)</u>	<u>(153,855)</u>	<u>(57,406)</u>
<u>RETAINED EARNINGS, end of year</u>	<u>72,637</u>	<u>70,426</u>	<u>(387,392)</u>	<u>(244,329)</u>	<u>(153,855)</u>

TOWN OF GRAND COTEAU, LOUISIANA
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>GAS FUND</u>	<u>WATER FUND</u>	<u>SEWER FUND</u>	<u>TOTALS</u>	
				<u>1999</u>	<u>1998</u>
<u>CASH FLOWS FROM OPERATING</u>					
<u>ACTIVITIES</u>					
Cash received from customers	\$170,208	\$106,411	\$85,143	\$361,762	\$375,625
Cash payments to suppliers for goods and services	(104,666)	(31,241)	(44,690)	(180,597)	(221,828)
Cash payments to employees for services	(21,184)	(15,110)	(26,201)	(62,495)	(58,121)
<u>Net cash provided by</u> <u>operating activities</u>	<u>44,358</u>	<u>60,060</u>	<u>14,252</u>	<u>118,670</u>	<u>95,676</u>
<u>CASH FLOWS FROM NONCAPITAL</u>					
<u>FINANCING ACTIVITIES</u>					
Operating transfers in from other funds			20,459	20,459	3,660
Operating transfers out to other funds	(51,986)	(7,738)	—	(59,724)	(56,010)
<u>Net cash provided</u> <u>(used) for noncapital</u> <u>financing activities</u>	<u>(51,986)</u>	<u>(7,738)</u>	<u>20,459</u>	<u>(39,265)</u>	<u>(52,350)</u>
<u>CASH FLOWS FROM CAPITAL AND</u>					
<u>RELATED FINANCING ACTIVITIES</u>					
Acquisition and construction of capital assets		(134,000)		(134,000)	(13,793)
Principal paid on revenue bonds and notes		(8,524)	(13,064)	(21,588)	(6,439)
Receipt of bond proceeds		125,000		125,000	
Interest paid on revenue bonds and notes		(15,457)	(28,783)	(44,240)	(44,712)
Bond issuance cost	—	(3,241)	(6,205)	(9,446)	—
<u>Net cash (used) for</u> <u>capital and related</u> <u>financing activities</u>	<u>-0-</u>	<u>(36,222)</u>	<u>(48,052)</u>	<u>(84,274)</u>	<u>(64,944)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>					
Purchase of investments	(1,487)		(994)	(2,481)	335
Interest on investments	1,559	722	1,716	3,997	1,048
<u>Net cash provided by</u> <u>investing activities</u>	<u>72</u>	<u>722</u>	<u>722</u>	<u>1,516</u>	<u>1,383</u>
<u>Net increase (decrease)</u> <u>in cash</u>	<u>(7,556)</u>	<u>16,822</u>	<u>(12,619)</u>	<u>(3,353)</u>	<u>(20,235)</u>
<u>CASH AND CASH EQUIVALENTS,</u>					
July 1, 1998	<u>67,863</u>	<u>68,672</u>	<u>41,656</u>	<u>178,191</u>	<u>198,426</u>
<u>CASH AND CASH EQUIVALENTS,</u>					
June 30, 1999	<u>60,307</u>	<u>85,494</u>	<u>29,037</u>	<u>174,838</u>	<u>178,191</u>

This schedule continued on next page.

TOWN OF GRAND COTEAU, LOUISIANA
 ENTERPRISE FUNDS
 COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
 FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>GAS FUND</u>	<u>WATER FUND</u>	<u>SEWER FUND</u>	<u>TOTALS</u>	
				<u>1999</u>	<u>1998</u>
<u>RECONCILIATION OF OPERATING</u>					
<u>INCOME TO NET CASH PROVIDED</u>					
<u>(USED) BY OPERATING ACTIVITIES</u>					
Operating income	\$ <u>30,606</u>	\$ <u>17,349</u>	\$ <u>(50,941)</u>	\$ <u>(2,986)</u>	\$ <u>(2,769)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	10,787	31,927	74,164	116,878	113,109
(Increase) decrease in accounts receivable	3,111	(1,214)	(3,022)	(1,125)	(10,275)
(Increase) decrease in prepaid insurance	851	(278)	(1,657)	(1,084)	(882)
(Increase) decrease in due from other funds		(4,157)	(3,967)	(8,124)	285
Increase (decrease) in accounts payable	1,785	8,822	(12)	10,595	(6,205)
Net increase (decrease) in customers' deposits	287	1,217		1,504	1,721
Increase (decrease) in due to other funds	<u>(3,069)</u>	<u>6,394</u>	<u>(313)</u>	<u>3,012</u>	<u>692</u>
<u>Total adjustments</u>	<u>13,752</u>	<u>42,711</u>	<u>65,193</u>	<u>121,656</u>	<u>98,445</u>
 <u>Net cash provided by operating activities</u>	 <u>44,358</u>	 <u>60,060</u>	 <u>14,252</u>	 <u>118,670</u>	 <u>95,676</u>

TOWN OF GRAND COTEAU, LOUISIANA
ENTERPRISE FUNDS
SCHEDULE OF OPERATING EXPENSES
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>GAS FUND EXPENSES</u>		
<u>Personal services</u>		
Salaries and wages	\$19,703	\$29,055
Payroll taxes	1,481	2,699
<u>Contractual services</u>		
Gas purchases	62,375	88,233
Survey expense	3,195	5,220
<u>Supplies</u>		
Materials and supplies	12,015	9,010
Office supplies		943
<u>Other</u>		
Bad debts		46
Engineering	265	323
Legal and accounting	5,383	6,824
Insurance	9,734	10,585
Repairs and maintenance	2,498	465
Seminar expense		220
Utilities	2,337	2,782
Telephone	818	758
Miscellaneous	5,613	4,452
<u>Depreciation</u>	<u>10,787</u>	<u>10,964</u>
<u>Total gas fund expenses</u>	<u>136,204</u>	<u>172,579</u>
<u>WATER FUND EXPENSES</u>		
<u>Personal services</u>		
Salaries and wages	14,294	17,274
Payroll taxes	816	1,558
<u>Supplies</u>		
Materials and supplies	5,355	2,215
Office supplies		153

This schedule continued on next page.

TOWN OF GRAND COTEAU, LOUISIANA
ENTERPRISE FUNDS
SCHEDULE OF OPERATING EXPENSES (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>WATER FUND EXPENSES (Continued)</u>		
<u>Other</u>		
Legal and accounting	\$6,918	\$6,824
Insurance	8,942	8,468
Utilities	11,428	8,614
Repairs and maintenance	5,618	4,689
Bad debt expense		56
Telephone	1,430	1,537
Miscellaneous	1,216	1,332
Seminar expense	150	225
Engineering	964	
<u>Depreciation</u>	<u>31,928</u>	<u>27,843</u>
<u>Total water fund expenses</u>	<u>89,059</u>	<u>80,788</u>
<u>SEWER FUND EXPENSES</u>		
<u>Personal services</u>		
Salaries and wages	24,551	11,792
Payroll taxes	1,650	1,052
<u>Contractual services</u>		
Analysis expense	4,285	4,091
<u>Supplies</u>		
Materials and supplies	4,717	5,333
<u>Other</u>		
Bad debt expense	1,014	698
Engineering	1,748	2,830
Legal and accounting	2,663	5,884
Repairs and maintenance	11,319	18,058
Utilities	10,391	6,862
Insurance	2,517	2,320
Miscellaneous	87	358
<u>Depreciation</u>	<u>74,164</u>	<u>74,301</u>
<u>Total sewer fund expenses</u>	<u>139,106</u>	<u>133,579</u>
<u>Total operating expenses</u>	<u>364,369</u>	<u>386,946</u>

FIDUCIARY FUND TYPE

Fiduciary Fund Types include Trust and Agency Funds which are used to account for the assets held by a government in a trustee capacity or as an Agent for individuals, private organizations, other governments, and/or other funds.

The payroll account is used to account for the Town's payroll and related expenses.

TOWN OF GRAND COTEAU, LOUISIANA
FIDUCIARY FUND TYPE
BALANCE SHEET
JUNE 30, 1999 AND 1998

	AGENCY FUND - PAYROLL ACCOUNT	
	1999	1998
<u>ASSETS</u>		
Cash	\$14,158	\$4,796
Due from other funds	<u>1,331</u>	<u>12,517</u>
<u>Total assets</u>	<u>15,489</u>	<u>17,313</u>
<u>LIABILITIES</u>		
Payroll taxes payable	\$3,290	\$7,021
Retirement payable	193	257
Other payable	149	8,057
Due to other funds	<u>11,857</u>	<u>1,978</u>
<u>Total liabilities</u>	<u>15,489</u>	<u>17,313</u>

FINANCIAL STATEMENTS OF ACCOUNT GROUPS

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group accounts for fixed assets not used in proprietary fund operations.

TOWN OF GRAND COTEAU, LOUISIANA
SCHEDULE OF GENERAL FIXED ASSETS
JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>GENERAL FIXED ASSETS AT COST</u>		
Land	\$75,171	\$75,171
Buildings	199,854	199,854
Improvements other than buildings	371,029	39,362
Equipment	216,145	216,116
Other structures	<u>119,531</u>	<u>119,531</u>
<u>Total general fixed assets</u>	<u>981,730</u>	<u>650,034</u>
 <u>INVESTMENTS IN GENERAL FIXED ASSETS FROM</u>		
General Fund	\$251,279	\$251,250
Enterprise Funds	30,818	30,818
Sales Tax Fund	7,737	7,737
Federal Revenue Sharing Fund	26,615	26,615
Federal grants	327,614	327,614
State grants	<u>337,667</u>	<u>6,000</u>
<u>Total investments in general fixed assets</u>	<u>981,730</u>	<u>650,034</u>

GENERAL LONG-TERM DEBT ACCOUNT GROUP

The General Long-term Debt Account Group accounts for long-term debt intended to be financed from governmental funds.

TOWN OF GRAND COTEAU, LOUISIANA
SCHEDULE OF GENERAL LONG-TERM DEBT
JUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>AMOUNT TO BE PROVIDED FOR THE</u>		
<u>PAYMENT OF GENERAL LONG-TERM DEBT</u>		
Amount to be provided for retirement of general long-term debt obligations	\$28,790	\$41,511
<u>Total to be provided</u>	<u>28,790</u>	<u>\$41,511</u>
<u>GENERAL LONG-TERM DEBT</u>		
Note payable - fire truck	\$17,600	\$26,400
Note payable - police car	3,418	7,302
Capital lease payable - police radar	1,572	224
Capital lease payable - copier	<u>6,200</u>	<u>7,585</u>
<u>Total general long-term debt</u>	<u>28,790</u>	<u>41,511</u>

RELATED REPORTS

Joel Lanclos, Jr., CPA
 Russell J. Stelly, CPA
 Chizal S. Fontenot, CPA
 James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Darren J. Carl, CPA
 Michael A. Roy, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
 1904-1984

Retired

Harold Dupre, CPA
 1996
 John Newton Stout, CPA
 1998
 Dwight Ledoux, CPA
 1998

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

The Honorable Jean C. Coco, Mayor
 and Members of the Board of Aldermen
 Town of Grand Coteau, Louisiana

We have audited the general purpose financial statements of the Town of Grand Coteau, Louisiana, as of and for the year ended June 30, 1999, and have issued our report thereon dated October 20, 1999. In our report, our opinion on the financial statements was qualified because of the inadequacy of accounting records on general fixed assets and we were unable to satisfy ourselves by means of other audit procedures. Except as discussed in the preceding sentence, 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 Grand Coteau'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 those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as findings 1999-1 and 1999-2.

Internal Control Over Financial Reporting

In planning and performing our audit we considered the Town of Grand Coteau's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Town of Grand Coteau's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as findings 1999-3, 1999-4 and 1999-5.

The Honorable Jean C. Coco, Mayor
and Members of the Board of Aldermen
Page 2

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 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider finding number 1999-3 to be a material weakness.

This report is intended for the information of the Town of Grand Coteau, Louisiana, its Board of Aldermen, the appropriate regulatory or legislative body and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

John S. Dowling + Company

Opelousas, Louisiana
October 20, 1999

TOWN OF GRAND COTEAU, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 1999

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses a qualified opinion on the general purpose financial statements of the Town of Grand Coteau, Louisiana.
2. Two instances of noncompliance material to the financial statements of the Town of Grand Coteau, Louisiana were disclosed during the audit.
3. One material weakness and two reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
4. There was no single audit required under OMB Circular A-133.

B. 1999 FINDINGS - FINANCIAL STATEMENT AUDIT

Compliance

REPEAT COMMENT

1999-1 Inadequate Records for Fixed Assets

Condition:

The Town of Grand Coteau, Louisiana does not have adequate inventory records for general fixed assets. Annual physical inventories are not conducted.

Criteria:

Adequate records for general fixed assets are essential to prepare reliable financial statements. Annual physical inventories of property are required by LSA-RS 39:24.

Effect:

The amounts reported as general fixed assets may not be accurate for financial statement purposes and requires the independent auditor to qualify his opinion.

Recommendation:

A physical inventory should be taken annually for all movable property owned by the Town. We recommend that the Town place a value on all of the assets inventoried in order to obtain reasonable assurance that the amounts reported as general fixed assets are accurate for financial statement purposes.

TOWN OF GRAND COTEAU, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 1999

REPEAT COMMENT

1999-2 Bond Resolution and Council Policies

Condition:

The Town did not fully comply with the collection procedures for utility accounts receivable described in the Bond Resolution dated April 1, 1989, with the collection procedures passed by the Council in a meeting held on May 14, 1990, nor with the formal adoption made in a meeting held on September 22, 1995. This formal adoption stated that the Town would follow the collection procedures listed in the Bond Resolution.

Criteria:

The State Bond Commission requires that any town that has bonded debt be in full compliance with the Bond Resolution. The council approved procedures must be followed to ensure that accounts receivable remain current.

Effect:

Noncompliance with proper collection procedures resulted in some accounts becoming past due.

Recommendation:

The Town should fully comply with the collection procedures for utility accounts receivable described in the Bond Resolution.

REPEAT COMMENT

1999-3 Lack of Segregation of Duties

Condition:

During much of the fiscal year, the Town Clerk was required to work alone in the office which left the Town with a lack of segregation of duties. Often the Town Clerk is required to collect payments on account, make deposits and post the same deposit into the general ledger.

Criteria:

There should be a proper segregation of duties in performing the tasks mentioned above.

Effect:

Errors or fraud could occur during the year and go unnoticed.

Recommendation:

There can only be a proper segregation of duties when both the Town Clerk and the Assistant Clerk are working. However, if this is not the case, every attempt should be made to keep the general ledgers current which will allow the Mayor and Council to keep abreast of the Town's financial condition.

TOWN OF GRAND COTEAU, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 1999

REPEAT COMMENT

1999-4 Accounts Receivable

Condition:

The accounts receivable balance per the general ledger is not being compared to the accounts receivable balance per the billing system.

Criteria:

Proper control over accounts receivable should be maintained.

Effect:

Errors or irregularities could be made in the recording of deposits, billings or adjustments without being noticed.

Recommendation:

The accounts receivable balance per the general ledger should be compared to the accounts receivable balance per the billing system at the end of each month. General ledgers should be kept current during the year to allow this procedure to be done.

1999-5 Payroll

Condition:

Amounts in excess of payroll expenses are being transferred to the payroll fund to cover payroll expenses. Transferred amounts are not being compared to the recorded payroll and payroll related expenses in the payroll funds.

Criteria:

Proper control over payroll expenditures should be maintained.

Effect:

The payroll fund is accumulating excess money which belongs to other funds.

Recommendation:

The payroll expenses should be totaled in the payroll fund for each individual pay period before transferring money to cover expenses. This total should then be compared to the transfer amount to ensure that the correct amounts are being transferred.

SUPPLEMENTARY INFORMATION

TOWN OF GRAND COTEAU, LOUISIANA
COMBINED SCHEDULE OF BONDS PAYABLE
JUNE 30, 1999

	<u>INTEREST</u>		<u>ISSUE DATE</u>	<u>FINAL MATURITY DATE</u>	<u>ANNUAL SERIAL PAYMENTS</u>	<u>BONDS</u>			
	<u>RATES</u>	<u>PAYMENT DATE</u>				<u>AUTHORIZED</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>OUTSTANDING</u>
<u>REVENUE BONDS</u>									
Sewerage utility	7.20%	10/01 04/01	10/01/98	4/01/2011	Varies	\$206,829	\$206,829	\$10,573	\$196,256
Water utility	7.20% 4/01	10/01	10/01/98	4/01/2011	Varies	108,049	108,049	5,524	102,525
Sewerage utility	4.50%	17th of each month	2/17/95	2/17/2035	Varies	225,000	225,000	5,916	219,084
Water utility	6.00%	10/01 04/01	7/01/98	4/01/2018	Varies	125,000	125,000	3,000	122,000
<u>Total revenue bonds</u>						<u>664,878</u>	<u>664,878</u>	<u>25,013</u>	<u>639,865</u>

TOWN OF GRAND COTEAU, LOUISIANA
COMBINED SCHEDULE OF INVESTMENTS - ALL FUNDS
JUNE 30, 1999

	<u>INTEREST RATES</u>	<u>MATURITY DATE</u>	<u>TOTAL BOOK VALUE</u>
<u>ENTERPRISE FUNDS</u>			
Certificate of Deposit			
Bank of Sunset and Trust Co.	5.00%	9/19/99	\$29,823
Certificate of Deposit			
Bank of Sunset and Trust Co.	4.75%	12/7/99	21,024
Certificate of Deposit			
Bank of Sunset and Trust Co.	5.00%	9/19/99	<u>860</u>
			51,707
<u>CAPITAL PROJECTS FUND</u>			
Certificate of Deposit			
Bank of Sunset and Trust Co.	3.25%	7/8/99	<u>23,535</u>
<u>Total</u>			<u>75,242</u>

TOWN OF GRAND COTEAU, LOUISIANA
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1999
 (UNAUDITED)

<u>INSURER</u>	<u>ASSETS COVERED</u>	<u>TYPE OF COVERAGE</u>	<u>EFFECTIVE DATES LIMITS OF COVERAGE</u>	<u>FROM</u>	<u>TO</u>
Louisiana Municipal Risk Management Agency	Workmen's Compensation	Workmen's Compensation	Statutory	1/1/99	12/31/99
Titan Indemnity Company	1961 GMC fire truck 1984 Chevrolet truck 1991 GMC truck 1987 Ford truck 1983 Chevy dumptruck 1991 Chevrolet 1995 Ford sedan 1993 Chevrolet Caprice 1998 Ford F150 truck	Bodily injury Property damage	\$500,000	5/1/99	5/1/00
	Comprehensive and liability on premises and operations	Bodily injury Property damage	\$500,000	5/1/99	5/1/00
Western Surety Bond	Clerk and Assistant Clerk Mayor and Mayor Pro-Tem Town employees	Bond Bond Blanket Bond	\$52,000 \$71,000 \$5,000	9/15/98	9/15/99
The Hanover Insurance Company	Blanket on all properties and buildings of insured	Fire, extended coverage and vandalism	\$961,984 \$5,000 deductible	12/4/98	12/4/99
	1983 International tractor 1984 Ford backhoe 1996 Ford mower	Property damage	\$64,712 \$100 deductible	8/15/98	8/15/99
Titan Indemnity Company	Law enforcement officers and public officials	Personal injury Property damage Errors and omissions	\$500,000 \$2,500 each claimant \$1,000 each claimant for law enforcement	5/1/99	5/1/00
Nationwide Insurance Company	Volunteer firemen	Health and accident		7/25/98	7/25/99
The Hanover Insurance Company	Mechanical and breakdown of equipment	Property damage Replacement Mechanical and electrical breakdown of equipment	\$8,000 \$2,500 deductible \$500 deductible	12/4/98	12/4/99
Titan Indemnity Company	Physical damages on 1991 GMC truck 1995 Ford 1998 Ford F150	Property damage	Actual cash value or cost of repair	5/1/99	5/1/00

TOWN OF GRAND COTEAU, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO MAYOR AND COUNCIL
FOR THE YEAR ENDED JUNE 30, 1999

GENERAL

COMPENSATION PAID TO MAYOR AND COUNCIL

The compensation of the Town of Grand Coteau's governing body is included in the general administrative expenditures of the General Fund. The Mayor is paid \$600 per month and the board members are paid \$150 per month. Board members are also paid \$75 for any special meetings attended.

	<u>COMPENSATION</u>
Mary Murray, Mayor P.O. Box 76 Grand Coteau, LA 70541 (337) 662-5471 Term expired December 31, 1998	\$3,600.00
Jean C. Coco, Mayor P. O. Box 312 Grand Coteau, LA 70541 (337) 662-3838 Term expires December 31, 2002	3,600.00
Jonty Coco, Alderman P. O. Box 7 Grand Coteau, LA 70541 (337) 662-5255 Term expires December 31, 2002	1,050.00
Gail Lark, Alderwoman P. O. Box 462 Grand Coteau, LA 70541 (337) 662-5826 Term expires December 31, 2002	1,050.00
David T. Richard, Alderman P. O. Box 15 Grand Coteau, LA 70541 (337) 662-6905 Term expires December 31, 2002	1,050.00
Jean C. Coco, Alderwoman P.O. Box 312 Grand Coteau, LA 70541 (337) 662-3838 Term expired December 31, 1998	1,050.00

Continued on next page.

TOWN OF GRAND COTEAU, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO MAYOR AND COUNCIL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1999

	<u>COMPENSATION</u>
John Howard Broussard, Alderman P.O. Box 127 Grand Coteau, LA 70541 (337) 662-5436 Term expired December 31, 1998	1,050.00
Louis Gradney, Alderman P.O. Box 51 Grand Coteau, LA 70541 (337) 662-5730 Term expired December 31, 1998	1,050.00
Theogene Lavergne, Alderman P.O. Box 173 Grand Coteau, LA 70541 (337) 662-3738 Term expires December 31, 2002	2,100.00
Russell Richard, Jr., Alderman P.O. Box 117 Grand Coteau, LA 70541 (337) 662-3603 Term expires December 31, 2002	2,100.00
	<u>17,700.00</u>

Joel Lanclos, Jr., CPA
 Russell J. Stelly, CPA
 Chizal S. Fontenot, CPA
 James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Darren J. Cart, CPA
 Michael A. Roy, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
 1904-1984

Retired

Harold Dupre, CPA
 1996
 John Newton Stout, CPA
 1998
 Dwight Ledoux, CPA
 1998

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Honorable Jean C. Coco, Mayor
 and Members of the Board of Aldermen
 Town of Grand Coteau, Louisiana

We have audited the general purpose financial statements of the Town of Grand Coteau, Louisiana, as of and for the year ended June 30, 1999, and have issued our report thereon dated October 20, 1999. Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole.

The year 2000 supplementary information on page 64 is not a required part of the general purpose financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that the Town of Grand Coteau is or will become year 2000 compliant, that the Town of Grand Coteau's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Town of Grand Coteau does business are or will become year 2000 compliant.

John S. Dowling + Company
 Opelousas, Louisiana
 October 20, 1999

TOWN OF GRAND COTEAU, LOUISIANA
YEAR 2000 REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 1999

The Town of Grand Coteau, Louisiana, currently uses two computer software packages in their operations which could be affected by the year 2000 issue. The Town of Grand Coteau has updated the accounting software, which is manufactured by CPASoftware, to be year 2000 compliant. The Town of Grand Coteau also uses Utility Data Software package which is year 2000 compliant. If failure of the software would occur, personnel of the Town of Grand Coteau are familiar with maintaining a manual accounting and data system. The Town has inquired of their financial institutions about their systems also being year 2000 compliant. The financial institutions have communicated to the Town of Grand Coteau that extensive testing under state and federal guidelines is currently being performed.

TOWN OF GRAND COTEAU, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 1999

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

- 1998-1 Inadequate Records for Fixed Assets
 Unresolved - REPEAT COMMENT
- 1998-2 Bond Resolution and Council Policies
 Unresolved - REPEAT COMMENT
- 1998-3 Budget Amendment
 Corrective action taken
- 1998-4 Lack of Segregation of Duties
 Unresolved - REPEAT COMMENT
- 1998-5 Accounts Receivable
 Unresolved - REPEAT COMMENT

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

No findings.

SECTION III - MANAGEMENT LETTER

No findings.

Town of Grand Coteau

"THE TOWN WITH A BRIGHT FUTURE"

P. O. Drawer G
Grand Coteau, Louisiana 70541
318/662-5246

OFFICIALS

JEAN C. COCO, Mayor
RAYMOND E. SIMMONS, Chief
DENISE MOORE, CMC
LORRAINE MARKS, CMC
JOHN LEWIS, Supervisor

ALDERMEN
JONTY COCO
GAIL LARK
DAVID RICHARD
THEOGNE LAVERGNE
RUSSELL ARNOLD RICHARD

DECEMBER 13, 1999

LOUISIANA LEGISLATIVE AUDITOR
P.O. BOX 94397
BATON ROUGE, LA 70804-9397

DEAR SIRs:

TOWN OF GRAND COTEAU, LOUISIANA RESPECTFULLY SUBMITS THE FOLLOWING
CORRECTIVE ACTION PLAN FOR THE YEAR ENDED JUNE 30, 1999.

NAME AND ADDRESS OF INDEPENDENT PUBLIC ACCOUNTING FIRM:

JOHN S. DOWLING & COMPANY.
P.O. BOX 433
OPELOUSAS, LA. 70571-0433

THE FINDINGS FROM THE INDEPENDENT ACCOUNTANT'S AUDIT REPORT FOR THE YEAR
ENDING, JUNE 30, 1999, IS DISCUSSED BELOW. THE FINDING IS NUMBERED CONSISTENTLY
WITH THE NUMBER ASSIGNED IN THE REPORT.

1999-1 INADEQUATE RECORDS FOR FIXED ASSETS

SERIOUS EFFORT HAS BEEN MADE TO ASSESS THE VALUE OF ALL FIXED ASSETS
OF THE TOWN OF GRAND COTEAU, LA. WITH A TENTATIVE COMPLETION DATE AS
EARLY AS JUNE 30, 2000.

1999-2 BOND RESOLUTION AND COUNCIL POLICIES

THE TOWN OF GRAND COTEAU HAS BEEN ABLE TO TAKE CARE OF ITS' BOND
INDEBTEDNESS IN A TIMELY MANNER AND WILL MAKE A CONCRETED EFFORT
TO COLLECT UTILITY BILLS FROM ITS' CUSTOMER IN A TIMELY MANNER TO
KEEP FULLY COMPLIANT WITH COLLECTION PROCEDURE STATED IN ITS BOND
RESOLUTION AND COUNCIL POLICIES.

1999-3 LACK OF SEGREGATION OF DUTIES

A SEGREGATION OF DUTIES HAS BEEN ESTABLISHED WHEN BOTH TOWN CLERK
& ASSISTANT TOWN CLERK IS WORKING. THE MAYOR WILL INSIST THAT THE
TOWN CLERK KEEP THE GENERAL LEDGER CURRENT SO THAT THE MAYOR &
COUNCIL THAT THE MAYOR & COUNCIL MAY KEEP ABREAST OF THE TOWN'S
FINANCIAL CONDITION WHEN THE SEGREGATION ARE NOT POSSIBLE.

1999-4 ACCOUNTS RECEIVABLE

TO ENSURE THAT PROPER CONTROL OVER ACCOUNTS RECEIVABLE ARE
MAINTAINED, THE MAYOR WILL INSIST THAT THE ACCOUNTS RECEIVABLE

LOUISIANA LEGISLATIVE AUDITOR
DECEMBER 13, 1999
PAGE 2

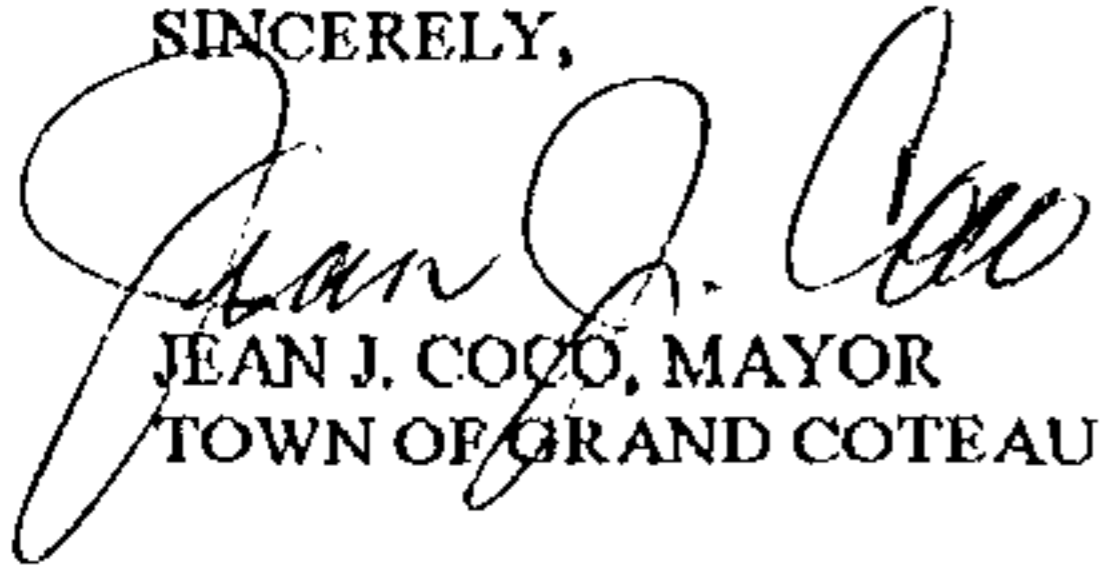
BALANCE PER THE GENERAL LEDGER PREPARED BY THE TOWN CLERK BE
COMPARED TO THE ACCOUNTS RECEIVABLE BALANCE PREPARED BY THE
ASSISTANT TOWN CLERK ON A MONTHLY BASIS, THUS KEEPING THE GENERAL
LEDGER CURRENT.

1999-5 PAYROLL

THE TOWN CLERK HAS BEEN INSTRUCTED TO TRANSFER MONEY TO THE PAYROLL
FUND TO COVER PAYROLL EXPENSES ONLY AFTER TOTALING PAYROLL
EXPENSES.

IF YOU NEED ADDITIONAL INFORMATION PLEASE CONTACT US.

SINCERELY,



JEAN J. COCO, MAYOR
TOWN OF GRAND COTEAU