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VILLAGE OF LOREAUVILLE, LOUISIANA

FINANCIAL STATEMENTS

Years Ended June 30, 1999 and 1998

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

Release Date DEC 29 1999

CONTENTS

	<u>Exhibit</u>	<u>Schedule</u>	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT			1-2
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)			3
Combined balance sheet - all fund types and account group	A	-	4-5
Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types	B	-	6-7
Combined statement of revenues, expenditures, and changes in fund balances - budget (GAAP Basis) and actual - general and special revenue fund types	C	-	8-9
Comparative statements of revenues, expenses and changes in retained earnings - proprietary fund type-Enterprise Fund	D	-	10
Comparative Statements of Cash Flows-Proprietary Fund Type-Enterprise Fund	E	-	11
Notes to financial statements	-	-	13-21
FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS AND ACCOUNT GROUP			22
General Fund:	-	-	23
Comparative balance sheets	F-1	-	24
Statement of revenues, expenditures, and changes in fund balance - budget (GAAP Basis) and actual	F-2	-	25
Statement of Revenues Compared to Budget (GAAP Basis) and prior year actual	F-3	-	26
Statement of Expenditures Compared to Budget (GAAP Basis) and prior year actual	F-4	-	27-28
Special Revenue Fund:			29
Sales tax fund -			
Comparative balance sheets	G-1	-	30
Statement of revenues, expenditures, and changes in fund balance - budget (GAAP Basis) and actual	G-2	-	31
Capital Project Fund:			32
Comparative balance sheets	H-1	-	33
Comparative Statements of revenues, expenditures, and changes in fund balance	H-2	-	34

	<u>Exhibit</u>	<u>Schedule</u>	<u>Page</u>
Enterprise Fund:			35
Comparative balance sheets	I-1	-	36
General Fixed Assets Account Group:	-	-	37
Comparative statements of general fixed assets	J-1	-	38
Statement of changes in general fixed assets	J-2	-	39
 OTHER SUPPLEMENTARY INFORMATION:			
Combined schedule of investments-All Funds	-	A	40
Schedule of Compensation Paid Governing Board Members	-	B	41
 OTHER REPORTS			
Independent Auditor's Report on Internal Control Structure Based on an Audit of General Purpose Financial Statement Conducted in Accordance with Government Auditing Standards			AA
Independent Auditor's Report on Compliance Based on an Audit of General Purpose Financial Statements Performed in Accordance With Government Auditing Standards			BB

Dressel & Friend

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Independent Auditor's Report

The Honorable Forbus J. Mestayer, Mayor,
and the Members of the Board of Aldermen
Village of Loreauville
Loreauville, Louisiana

Gentlemen:

We have audited the accompanying general purpose financial statements of the Village of Loreauville, Louisiana, individual fund, and account group financial statements of the Village as of and for the years ended June 30, 1999, and June 30, 1998 as listed in the table of contents. These general purpose financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

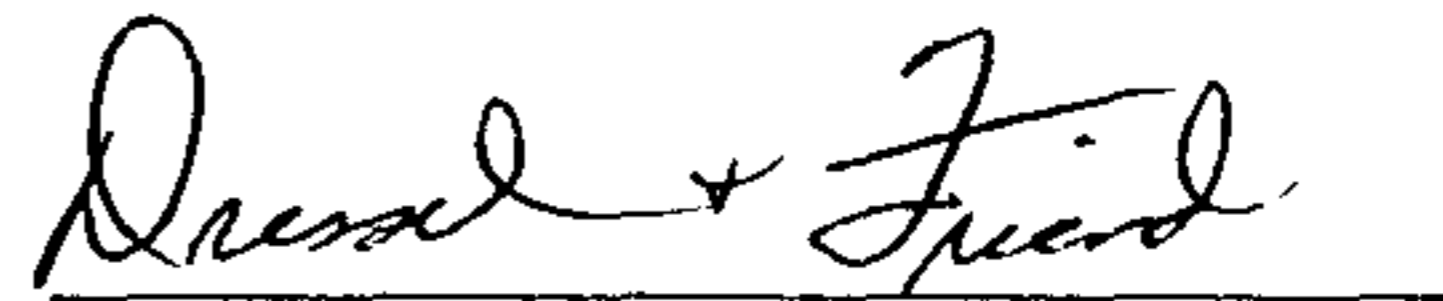
We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Village of Loreauville, Louisiana, as of June 30, 1999 and 1998, and the results of its operations and cash flows of its proprietary fund type for the years then ended in conformity with generally accepted accounting principles. Also, in our opinion, individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the Village of Loreauville, Louisiana as of June 30, 1999 and 1998, and the results of operations of such funds for the years ended June 30, 1999 and 1998 and the cash flows of the individual proprietary fund for the years ended June 30, 1999 and 1998 in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated December 10, 1999, on our consideration of the Village of Loreauville's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of Village of Loreauville, Louisiana taken as a whole. The accompanying financial information listed as supporting schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Village of Loreauville, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, individual fund, and individual account group financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account groups taken as a whole.

DRESSEL & FRIEND
Certified Public Accountants

A handwritten signature in cursive script, reading "Dressel & Friend", is written over a horizontal line.

December 10, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)**

VILLAGE OF LOREAUVILLE, LOUISIANA

COMBINED BALANCE SHEET-ALL FUND TYPES AND ACCOUNT GROUP

June 30, 1999

ASSETS	Governmental			Proprietary		Total	
	Fund Types			Fund Type	Account Group	(Memorandum Only)	
	General	Special Revenue	Projects	Enterprises	General Fixed Assets	1999	1998
Cash	\$ 13,011	\$ 73,703	\$ 0	\$ 2,541	\$ 0	\$ 89,255	\$ 71,781
Investments, at cost*	0	118,338	0	0	0	118,338	115,000
Receivable (Net, where applicable, of Allowance for Uncollectibles):							
Accounts	0	0	0	8,848	0	8,848	8,290
Other	0	0	0	0	0	0	0
Due from Other Funds	0	0	0	494	0	494	929
Due from Other							
Governmental Units	7,277	13,075	0	0	0	20,352	13,439
Prepaid Expenses	11,891	245	0	0	0	12,136	11,657
Restricted Assets	20,186	0	0	10,445	0	30,631	42,949
Land	0	0	0	0	23,698	23,698	23,698
Buildings	0	0	0	0	152,553	152,553	140,029
Improvements Other Than Buildings	0	0	0	0	1,598,265	1,598,265	1,596,986
Machinery & Equipment	0	0	0	0	124,111	124,111	113,923
Utility Plant & Equipment	0	0	0	928,409	0	928,409	920,479
Construction in Progress	0	0	0	0	0	0	0
Accumulated Depreciation	0	0	0	(382,879)	0	(382,879)	(361,886)
TOTAL ASSETS	\$ 52,365	\$ 205,361	\$ 0	\$ 567,858	\$ 1,898,627	\$ 2,724,211	\$ 2,697,274

*Schedule A)

The accompanying notes are an integral part of this statements.

VILLAGE OF LOREAUVILLE, LOUISIANA

COMBINED BALANCE SHEET-ALL FUND TYPES AND ACCOUNT GROUP

June 30, 1999

	Governmental			Proprietary		Account Group General	Total (Memorandum Only)	
	Fund Types		Projects	Fund Type	Enterprises			Fixed Assets
	General	Special Revenue						
LIABILITIES								
Accounts Payable	\$ 9,143	\$ 0	\$ 0	\$ 5,921	\$ 0	\$ 15,064	\$ 17,632	
Accrued Salaries Payable	780	0	0	279	0	1,059	907	
Accrued Employee Benefits Payable	703	147	0	155	0	1,005	1,130	
Payable From Restricted Assets:								
Customer's Deposit	128	0	0	10,445	0	10,573	9,828	
Due to Other Funds	494	0	0	0	0	494	929	
TOTAL LIABILITIES	\$ 11,248	\$ 147	\$ 0	\$ 16,800	\$ 0	\$ 28,195	\$ 30,426	
FUND EQUITY:								
Contributed Capital	\$ 0	\$ 0	\$ 0	\$ 461,654	\$ 0	\$ 461,654	\$ 471,620	
Investment in General								
Fixed Assets	0	0	0	0	1,898,627	1,898,627	1,874,636	
Retained Earnings								
Unreserved	0	0	0	89,404	0	89,404	92,333	
Fund Balance: Reserved for								
Restricted Expenses	20,058	0	0	0	0	20,058	33,121	
Unreserved:								
Undesignated								
Exh. F-2	21,059	205,214	0	0	0	226,273	195,138	
TOTAL FUND EQUITY	\$ 41,117	\$ 205,214	\$ 0	\$ 551,058	\$ 1,898,627	\$ 2,696,016	\$ 2,666,848	
TOTAL LIABILITIES AND FUND EQUITY	\$ 52,365	\$ 205,361	\$ 0	\$ 567,858	\$ 1,898,627	\$ 2,724,211	\$ 2,697,274	

The accompanying notes are an integral part of this statement.

VILLAGE OF LOREAUVILLE, LOUISIANA

COMBINED STATEMENT OF REVENUES
EXPENDITURES, AND CHANGES IN FUND
BALANCES-ALL GOVERNMENTAL FUND TYPE

YEAR ENDED JUNE 30, 1999

	General	Special Revenue	Capital Projects	Totals (Memorandum Only)	
				1999	1998
Revenues:					
Taxes	\$ 10,065	\$ 109,977	\$ 0	\$ 120,042	\$ 104,256
Licenses & permits	38,510	0	0	38,510	37,864
Intergovernmental	37,447	0	0	37,447	32,781
Fines & forfeits	2,021	579	0	2,600	4,005
State Program				0	
Revenue	0	0	0	0	150,924
Miscellaneous	36,818	7,629	0	44,447	44,825
Total Revenues	<u>\$ 124,861</u>	<u>\$ 118,185</u>	<u>\$ 0</u>	<u>\$ 243,046</u>	<u>\$ 374,655</u>
Expenditures:					
General government	\$ 49,622	\$ 10,647	\$ 0	\$ 60,269	\$ 55,931
Public Safety					
Police	51,824	0	0	51,824	55,942
Fire	10,829	0	0	10,829	8,814
Public Works	44,462	0	0	44,462	40,913
Capital Outlays	23,990	0	0	23,990	162,925
Total Expenditures	<u>\$ 180,727</u>	<u>\$ 10,647</u>	<u>\$ 0</u>	<u>\$ 191,374</u>	<u>\$ 324,525</u>
Excess (deficiency) of revenues over expenditures	\$ (55,866)	\$ 107,538	\$ 0	\$ 51,672	\$ 50,130
Other financing sources (uses):					
Operating transfers in	\$ 40,745	\$ 0	\$ 0	\$ 40,745	\$ 79,719
Operating transfers out	0	74,345	0	74,345	103,319
Total other financing sources (uses)	<u>\$ 40,745</u>	<u>\$ (74,345)</u>	<u>\$ 0</u>	<u>\$ (33,600)</u>	<u>\$ (23,600)</u>

The accompanying note ar an integral part of this statement.

VILLAGE OF LOREAUVILLE, LOUISIANA

COMBINED STATEMENT OF REVENUES
EXPENDITURES, AND CHANGES IN FUND
BALANCES-ALL GOVERNMENTAL FUND TYPE

YEAR ENDED JUNE 30, 1999

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>	
				<u>1999</u>	<u>1998</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	\$ (15,121)	\$ 33,193	\$ 0	\$ 18,072	\$ 26,530
Fund balances, beginning	23,117	172,021	0	195,138	183,605
(Increase) Decrease in reserve for Restricted Expense	13,063	0	0	13,063	(14,997)
Fund balances, ending	<u>\$ 21,059</u>	<u>\$ 205,214</u>	<u>\$ 0</u>	<u>\$ 226,273</u>	<u>\$ 195,138</u>

The accompanying note ar an integral part of this statement.

VILLAGE OF LOREAUVILLE, LOUISIANA

COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -
GENERAL AND SPECIAL REVENUE FUND TYPES
YEAR ENDED JUNE 30, 1999

	General Fund			Special Revenue Fund Types			Variance - Favorable (Unfavorable)
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)	
Revenues:							
Taxes	\$ 10,000	\$ 10,065	\$ 65	\$ 87,750	\$ 109,977	\$ 22,227	
Licenses and permits	36,300	38,510	2,210	0	0	0	
Intergovernmental	34,935	37,447	2,512	0	0	0	
Fines and forfeits	2,150	2,021	(129)	350	579	229	
Miscellaneous	35,680	36,818	1,138	7,500	7,629	129	
Disaster Fund	70	0	(70)	0	0	0	
Total revenues	\$ 119,135	\$ 124,861	\$ 5,726	\$ 95,600	\$ 118,185	\$ 22,585	
Expenditures:							
General government	\$ 50,390	\$ 49,622	\$ 768	\$ 10,210	\$ 10,647	\$ (437)	
Public safety -							
Police	60,858	51,824	9,034	0	0	0	
Fire	20,963	10,829	10,134	0	0	0	
Public Works	48,500	44,462	4,038	0	0	0	
Capital Outlays	21,539	23,990	(2,451)	0	0	0	
Total expenditures	\$ 202,250	\$ 180,727	\$ 21,523	\$ 10,210	\$ 10,647	\$ (437)	
Excess (Deficiency) of revenues over expenditures	\$ (83,115)	\$ (55,866)	\$ 27,249	\$ 85,390	\$ 107,538	\$ 22,148	

VILLAGE OF LOREAUVILLE, LOUISIANA

COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -
GENERAL AND SPECIAL REVENUE FUND TYPES
YEAR ENDED JUNE 30, 1999

	General Fund		Special Revenue Fund Types		Variance - Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
Other financing sources (uses):					
Operating transfer in	\$ 75,900	\$ 40,745	\$ (35,155)	\$ 0	\$ 0
Operating transfer out	0	0	0	74,345	38,055
Total other financing sources (uses)	\$ 75,900	\$ 40,745	\$ (35,155)	\$ 74,345	\$ 38,055
Excess (deficiency) of revenues and other sources over expenditures and other uses	(7,215)	(15,121)	(7,906)	33,193	60,203
Fund Balances, beg.	23,117	23,117	0	172,021	0
Decrease in Reserve for Restricted Expense	0	13,063	13,063	0	0
Fund Balances, ending	\$ 15,902	\$ 21,059	\$ 5,157	\$ 205,214	\$ 60,203

VILLAGE OF LOREAUVILLE, LOUISIANA

COMPARATIVE STATEMENTS OF REVENUES,
EXPENSES AND CHANGES IN RETAINED EARNINGS-
PROPRIETARY FUND TYPE-ENTERPRISE FUND

	YEARS ENDED	
	JUNE 30, 1999	AND 1998
OPERATING REVENUES	1999	1998
Charges for Services		
Fire Protection Fees	\$ 8,918	\$ 8,894
Recycling Fees	7,341	6,304
Sewerage Service Charges	33,230	31,290
Garbage Service Charges	33,600	33,316
Delinquency Charges	1,823	1,867
TOTAL OPERATING REVENUES	\$ 84,912	\$ 81,671
OPERATING EXPENSES		
Advertising	\$ 0	\$ 44
Analysis	1,698	1,808
Auto & Truck	2,836	1,275
Contract Labor	582	21
Convention	449	92
Depreciation	20,993	19,884
Garbage Collection	29,431	28,928
Insurance	7,414	7,033
Legal & Accounting	2,076	2,076
Miscellaneous	919	867
Office Supplies	4,015	3,139
Professional Services	2,498	174
Recycling Fees	6,725	6,034
Repairs & Maintenance	3,169	1,402
Salaries	36,096	34,175
Supplies	2,722	2,105
Taxes-Payroll	2,834	2,666
Utilities	11,352	12,047
TOTAL OPERATING EXPENSES	\$ 135,809	\$ 123,770
OPERATING LOSS	\$ (50,897)	\$ (42,099)
NONOPERATING REVENUES (EXPENSES)		
State Grants	\$ 7,929	\$ 6,999
Interest	42	65
Property Taxes	5,518	5,364
TOTAL NONOPERATING REVENUES	\$ 13,489	\$ 12,428
LOSS BEFORE OPERATING TRANSFERS	\$ (37,408)	\$ (29,671)
TRANSFER FROM SALES TAX FUND	\$ 33,600	\$ 23,600
TRANSFER TO GENERAL FUND-FIRE DEPT.	(9,086)	(9,108)
TOTAL OTHER FINANCING SOURCES (USES)	\$ 24,514	\$ 14,492
NET LOSS	\$ (12,894)	\$ (15,179)
RETAINED EARNINGS, BEGINNING	92,333	109,541
RETAINED EARNINGS BEFORE ADJUSTMENT	\$ 79,439	\$ 94,362
DEPRECIATION APPLICABLE TO CONTRIBUTED CAPITAL	17,894	16,798
ADDITIONAL DONATIONS FROM STATE	(7,929)	(18,827)
RETAINED EARNINGS, ENDING	\$ 89,404	\$ 92,333

The accompanying notes are an integral part of this statement.

VILLAGE OF LOREAUVILLE, LOUISIANA

COMPARATIVE STATEMENTS OF CASH FLOWS - PROPRIETARY FUND TYPE - ENTERPRISE FUND	YEARS ENDED	
	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 75,208	\$ 72,659
Interest Received	42	65
Other Operating Revenues	5,578	5,424
Cash Payments for Goods & Services	(79,582)	(68,192)
Cash Payments to Employees	(36,362)	(34,174)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (35,116)	\$ (24,218)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating Transfers - in from Other Funds	\$ 32,177	\$ 26,822
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	\$ 32,177	\$ 26,822
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES		
State Grant	\$ 9,708	\$ 5,220
Advance deposits collected	680	386
Acquisition of Capital Assets	(7,929)	(7,299)
NET CASH PROVIDED (USED) FROM CAPITAL & RELATED FINANCING ACTIVITIES	\$ 2,459	\$ (1,693)
NET INCREASE (DECREASE) IN CASH & RESTRICTED CASH	\$ (480)	\$ 911
CASH & RESTRICTED CASH, JULY 1	13,466	12,555
CASH & RESTRICTED CASH, JUNE 30	\$ 12,986	\$ 13,466
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Net Income (Loss)	\$ (12,894)	\$ (15,179)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	\$ 20,993	\$ 19,884
(Increase) Decrease in Receivables	(558)	(1,623)
Increase (Decrease) in Accounts Payable	(862)	202
Increase (Decrease) in Accrued Employee Benefit Payable	(374)	141
(Increase) Decrease in Prepaid Insurance	0	1,111
Transfers from Sales Tax Fund	(33,600)	(23,600)
State Grant	(7,929)	(5,220)
Increase (Decrease) in accrued salaries payable	108	66
Total Adjustments	\$ (22,222)	\$ (9,039)
NET CASH USED BY OPERATING ACTIVITIES	\$ (35,116)	\$ (24,218)

The accompanying notes are and integral part of this statement.

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VILLAGE OF LOREAUVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

(1) Summary of Significant Accounting Policies

The Village of Loreauville was incorporated April 23, 1909, under the provisions of the Lawrason Act. The City operates under a Mayor-Board of Aldermen form of government and provides the following services: public safety (police and fire), public works (maintenance, sanitation, public improvements), and general administrative services.

The accounting and reporting policies of the Village of Loreauville conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517, and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies.

A. Financial reporting entity. This report includes all funds and account groups which are controlled by or dependent on the Mayor and Board of Aldermen. Control by or dependence on the Village was determined on the basis of budget adoption, taxing authority, election or appointment of governing body, and other general oversight responsibility.

B. Fund Accounting. The accounts of the Village of Loreauville are organized on the basis of funds and accounts 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 four generic fund types and two broad fund categories as follows:

GOVERNMENTAL FUNDS

General Fund

The General Fund is the general operating fund of the Village. 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 specific purposes.

VILLAGE OF LOREAUVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

GOVERNMENTAL FUNDS (Continued)

Capital Projects Fund

This fund is used to account for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds).

PROPRIETARY FUND

Enterprise Fund

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the 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; or (b) where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

C. Fixed assets and long-term liabilities. The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. The Village has elected to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements on those assets acquired after July 1, 1975. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost. Donated fixed assets are valued at their estimated fair market value on the date donated.

VILLAGE OF LOREAUVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Sewerage Utility -	
Pump stations	50 years
Lines	50 years
Pump Motor	20 years
Autos and trucks	3 years
Other equipment & furnishings	7 - 10 years

All fixed assets are stated at historical cost. Donated fixed assets are valued at their estimated fair market value on the date donated.

D. Basis of accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Gross receipts and sales taxes are considered "measurable" when in the hands of collecting governments and are recorded 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 except that accumulated sick pay is not accrued. Purchase of various operating supplies are regarded as expenditures at the time purchased.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Unbilled sewerage and garbage service receivables are recorded at year end.

VILLAGE OF LOREAUVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

E. Budget and budgetary accounting

The Village follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The municipal clerk prepares a proposed budget and submits this to the Mayor and Board of Aldermen at least fifteen days prior to the beginning of the fiscal year. The operating budget includes proposed expenditures and the means of financing them. Since the proposed expenditures are less than \$250,000, public participation in the budgetary process is not required.

2. The budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.

3. *Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.*

4. All budgetary appropriations lapse at the end of each fiscal year.

5. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board of Aldermen.

6. Budgetary data for the Capital Project Funds has not been presented in the accompanying combined financial statements as such funds are budgeted over the life of the respective project and not on an annual basis.

F. Investments. Investments are stated at cost. Investments include certificates of deposits. The bank balance of all deposits was insured by the FDIC up to \$100,000 and for the balance sufficient collateral was pledged except that at 6/30/99 the collateral was \$18,343.45 short of the required amount.

G. Bad Debts. Uncollectible amounts due for customers' utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

H. Accumulated unpaid vacation, sick pay, and other employee benefits. Accumulated unpaid benefits have been accrued for vacation payable. Accumulated unpaid benefits for sick pay have not been accrued because these amounts are only paid when an employee is actually sick.

VILLAGE OF LOREAUVILLE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

I. Comparative data. Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Village's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

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

(2) Ad Valorem Taxes -

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Village in September or October and are actually billed to the taxpayers in November. Billed taxes are due by December 31 and become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The Village bills and collects its own property taxes using the assessed values determined by the tax assessor of Iberia Parish.

For the year ended June 30, 1999, taxes of 7.77 mills were levied on property with assessed valuations totaling \$2,014,006 and were dedicated as follows:

General Alimony	5.03 mills
Sewerage Tax	2.74 mills

Total taxes levied were \$15,649.

(3) Interfund Receivables, Payable -

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 494	\$ -
Enterprise Fund -		
Sewerage and Garbage Fund	-	494
Special Revenue Fund	-	-
Capital Projects Fund	-	-
Totals	<u>\$ 494</u>	<u>\$ 494</u>

VILLAGE OF LOREAUVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

(4) Restricted Assets

Restricted assets were applicable to the following at June 30:

Proprietary Fund Type

	<u>1999</u>	<u>1998</u>
Customers' deposits	<u>\$ 10,445</u>	<u>\$ 9,766</u>

General Fund Type

Restricted Funds-Ad Valorem Tax Deposits	\$ 128	\$ 62
Restricted Funds-Drainage Expense	11,374	12,939
Restricted Funds-Fire Department	<u>8,684</u>	<u>20,182</u>
	<u>\$ 20,186</u>	<u>\$ 33,183</u>

(5) Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance July 1, <u>1998</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>1999</u>
Land	\$ 23,698	\$ -	\$ -	\$ 23,698
Buildings	140,029	12,524	-	152,553
Improvements other than buildings	1,596,986	1,279	-	1,598,265
Equipment	113,923	10,188	-	124,111
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general fixed assets	<u>\$1,874,636</u>	<u>\$ 23,991</u>	<u>\$ -</u>	<u>\$1,898,627</u>

A summary of proprietary fund type property, plant and equipment at June 30, 1999 follows:

Sewerage Fund:

Land	\$ 5,000
Pump Stations	63,223
Lines	843,701
Machinery & Equipment	<u>16,485</u>
Total	\$ 928,409
Less: Accumulated Depreciation	<u>(382,879)</u>
Net	<u>\$ 545,530</u>

VILLAGE OF LOREAUVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

(6) Dedication of Proceeds and Flow of Funds - 2% Sales and Use Tax -

Proceeds of a 2% sales and use tax levied by the Village of Loreauville (1999 collections \$109,977; 1998 \$94,408) were dedicated to the following:

1. 1 1/2% is for constructing and maintaining sewerage, drainage, streets and other works of permanent public improvement in the Village of Loreauville, title to which shall be in the public. On November 21, 1987, the voters of the Village of Loreauville approved a rededication of the use of the sales taxes collected which now permits the use of these revenues to pay for any expenditures lawfully incurred.

2. An additional 1/2% was passed to be effective January 1, 1995 to be dedicated and used, in supplement of other sale tax revenues, to operate and maintain the Loreauville police department.

(7) Retirement Commitments -

Full time police employees of the Village of Loreauville are eligible to be members of the state retirement system for municipal police employees. However, at present, no one is participating.

All employees of the Village of Loreauville are members of the Social Security System.

(8) Accounts Receivable - Enterprise Fund

Accounts receivable are presented net of the related allowance for doubtful accounts. Accounts receivable at June 30, 1999 was \$9,104. The allowance for doubtful accounts at June 30, 1999, was \$256. The allowance account was adjusted to equal 3% of the outstanding receivables since there were no bad debts for the year and the adjustment necessary to bring the allowance account to 3% was less than 1%.

VILLAGE OF LOREAUVILLE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

(9) Contributed Capital

Contributed capital consists of grants or assets received from senior governmental units. The depreciation on the assets acquired with this contributed capital is being charged to the contributed capital accounts rather than retained earnings.

	<u>State of LA</u>	<u>Federal Government</u>	<u>Iberia Parish</u>	<u>Total</u>
Contributed Capital	\$31,836	\$ 630,272	\$ 124,092	\$ 786,200
Accumulated Depre.	<u>4,237</u>	<u>267,617</u>	<u>52,692</u>	<u>324,546</u>
Balance	<u>\$27,599</u>	<u>\$ 362,655</u>	<u>\$ 71,400</u>	<u>\$ 461,654</u>

(10) Litigation

According to Village's legal advisor, there are no pending litigations as of report date.

(11) Segment Information for Enterprise Fund

The Village maintains one Enterprise Fund. Segment information for the year ended June 30, 1999 follows:

	<u>Fire Protection</u>	<u>Sewerage Service</u>	<u>Garbage Service</u>	<u>Recycling Fees</u>
Operating Revenues	\$ 9,102	\$ 33,911	\$34,337	\$ 7,502
Depreciation	-	20,993	-	-
Operating Income (Loss)	-	(50,897)	-	-
Operating Transfer In	-	33,600	-	-
Tax Revenues	-	5,518	-	-
Net Income (Loss)	-	(12,894)	-	-
Net Working Capital	-	5,528	-	-
Total Assets	-	567,858	-	-
Total Equity	-	551,058	-	-

VILLAGE OF LOREAUVILLE

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1999

(11) Segment Information for Enterprise Fund (Continued)

The garbage services are provided by BFI under a contract with the Village. The Village billed the residents the amount charged by BFI plus 15% to cover administrative expenses. Since it is assumed that this operation is a breakeven, no net income or assets are shown for this segment of the fund. The curbside recycling is provided by BFI and the residents are billed the same as the payments to BFI. Each resident is charge \$2 per meter for fire protection. These monies are transferred to the general fund to pay bills for the fire department.

(12) State Grant - Enterprise Fund

The Village received a grant in the amount of \$15,000 from the Office of Rural Development for purchase of sewerage equipment. Actual received for the current year was \$9,708.

(13) Subsequent Events

On September 3, 1998, the Village received notification that they had been approved for another block grant for \$204,900 for fire protection for the Village. At 6/30/99 the fire equipment had not been received, accordingly, the income and expense for this grant will be reflected in next year's capital projects.

FINANCIAL STATEMENTS
OF INDIVIDUAL FUNDS
AND ACCOUNT GROUP

GENERAL FUND

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

VILLAGE OF LOREAUVILLE, LOUISIANA
General Fund

COMPARATIVE BALANCE SHEETS

JUNE 30, 1999 AND 1998

<u>ASSETS</u>	<u>1999</u>	<u>1998</u>
Cash	\$ 13,011	\$ 14,698
Other Receivables	7,277	7,923
Due from Other Funds	0	929
Prepaid Expense	11,891	11,657
Restricted Assets		
Cash	<u>20,186</u>	<u>33,183</u>
TOTAL ASSETS	<u>\$ 52,365</u>	<u>\$ 68,390</u>
 <u>LIABILITIES AND FUND BALANCE</u> 		
LIABILITIES		
Accounts Payable	\$ 9,143	\$ 10,849
Tax Deposits	128	62
Due to Other Funds	494	0
Accrued Salaries Payable	780	737
Accrued Employee Benefits Payable	703	504
TOTAL LIABILITIES	<u>\$ 11,248</u>	<u>\$ 12,152</u>
FUND BALANCE		
Reserved for Restricted Expenses	\$ 20,058	\$ 33,121
Unreserved-Undesignated (Exhibit F-2)	21,059	23,117
TOTAL FUND EQUITY	<u>\$ 41,117</u>	<u>\$ 56,238</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 52,365</u>	<u>\$ 68,390</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF LOREAUVILLE, LOUISIANA
General Fund

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL	YEAR ENDED JUNE 30, 1999 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1998			
	1999		1998	
	Budget	Actual	Variance - Favorable (Unfavorable)	Actual
REVENUES (Exhibit F-3)				
Taxes	\$ 10,000	\$ 10,065	\$ 65	\$ 9,848
Licenses and Permits	36,300	38,510	2,210	37,864
Intergovernmental	34,935	37,447	2,512	32,781
Fines and Forfeits	2,150	2,021	(129)	3,619
Miscellaneous	35,680	36,818	1,138	36,755
Disaster Funds	70	0	(70)	0
TOTAL REVENUES	\$ 119,135	\$ 124,861	\$ 5,726	\$ 120,867
EXPENDITURES (Exhibit F-4)				
General Government	\$ 50,390	\$ 49,622	\$ 768	\$ 45,145
Public Safety -				
Police	60,858	51,824	9,034	55,942
Fire	20,963	10,829	10,134	8,814
Public Works	48,500	44,462	4,038	40,913
Capital Outlay	21,539	23,990	(2,451)	12,001
TOTAL EXPENDITURES	\$ 202,250	\$ 180,727	\$ 21,523	\$ 162,815
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (83,115)	\$ (55,866)	\$ 27,249	\$ (41,948)
OTHER FINANCING SOURCES (USES)				
Operating Transfers				
From:				
Sales Tax Fund	\$ 75,900	\$ 40,745	\$ (35,155)	\$ 79,719
To:				
Capital Project Fund	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	\$ 75,900	\$ 40,745	\$ (35,155)	\$ 79,719
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	\$ (7,215)	\$ (15,121)	\$ (7,906)	\$ 37,771
FUND BALANCE-BEGINNING (INCREASE) DECREASE IN RESERVE FOR RESTRICTED EXPENSES	23,117	23,117	0	343
	0	13,063	13,063	(14,997)
FUND BALANCE-ENDING	\$ 15,902	\$ 21,059	\$ 5,157	\$ 23,117

The accompanying notes are an integral part of this statement.

VILLAGE OF LOREAUVILLE, LOUISIANA
General Fund

STATEMENT OF REVENUES COMPARED TO BUDGET (GAAP BASIS) AND PRIOR YEAR ACTUAL
YEAR ENDED JUNE 30, 1999 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		Actual
REVENUES				
Taxes				
Ad Valorem Taxes	\$ 10,000	\$ 10,065	\$ 65	\$ 9,848
Licenses and Permits -				
Licenses-Occupational	13,500	13,557	57	14,379
Licenses-Alcohol Permits	2,000	2,034	34	2,235
Licenses-Insurance	20,800	22,919	2,119	21,250
Intergovernmental -				
Tobacco Taxes	4,600	4,650	50	4,650
Beer Taxes	2,900	2,634	(266)	2,970
2% Fire Insurance Tax	1,800	2,269	469	2,173
Mosquito Control Tax	14,013	14,013	0	12,788
Video Poker Profits	600	1,740	1,140	4,500
Donation-IPSO	0	0	0	4,450
Rural Development				
State Grant	11,022	12,141	1,119	0
Drug Prevention				
Parish Grant	0	0	0	1,250
Fines & Forfeits -				
Fines	2,000	1,896	(104)	3,347
Penalties	150	125	(25)	272
Miscellaneous -				
Cablevision Franchise	875	948	73	878
Cleco Franchise	17,200	17,303	103	16,766
Entex Franchise	4,555	4,455	(100)	5,245
Lawco Franchise	1,800	1,958	158	1,861
Water Plant Lease	1,900	1,900	0	1,925
Interest Income	200	426	226	318
Miscellaneous Income	50	763	713	366
Special Assessment-Fire	9,100	9,065	(35)	9,121
Equipment Sales	0	0	0	275
Disaster Donations	70	0	(70)	0
TOTAL REVENUES	<u>\$ 119,135</u>	<u>\$ 124,861</u>	<u>\$ 5,726</u>	<u>\$ 120,867</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF LOREAUVILLE, LOUISIANA
General Fund

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) AND PRIOR YEAR ACTUAL
YEAR ENDED JUNE 30, 1999 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		Actual
GENERAL GOVERNMENT				
Advertising & Publications	\$ 250	\$ 258	\$ (8)	\$ 317
Codifying Ordinances	600	0	600	613
Contract Labor	0	26	(26)	0
Convention & Seminars	1,000	842	158	276
Coroner	420	0	420	
Dues	260	264	(4)	259
Insurance	5,500	6,384	(884)	4,023
Legal & Accounting	4,150	4,152	(2)	4,151
Mayor & Council Fees	15,000	15,000	0	13,800
Miscellaneous	100	0	100	0
Office Auto	700	595	105	880
Office Supplies	3,000	2,328	672	2,827
Payroll Taxes	2,010	1,965	45	1,909
Professional Fees	500	323	177	320
Repairs & Maintenance	500	555	(55)	624
Salaries	11,800	11,981	(181)	10,563
Utilities	4,600	4,949	(349)	4,583
TOTAL GENERAL GOVERNMENT	\$ 50,390	\$ 49,622	\$ 768	\$ 45,145
PUBLIC SAFETY				
Police				
Auto	\$ 8,000	\$ 6,617	\$ 1,383	8,091
Contract Labor	0	244	(244)	273
Insurance	7,500	5,999	1,501	7,631
Miscellaneous	300	64	236	0
Payroll Taxes & Retirement	3,108	2,745	363	2,776
Repairs & Maintenance	200	89	111	381
Salaries	40,000	35,508	4,492	36,410
Supplies	500	558	(58)	290
Training	750	0	750	0
Uniforms	500	0	500	90
Total Police	\$ 60,858	\$ 51,824	\$ 9,034	\$ 55,942

The accompanying notes are an integral part of this statement.

VILLAGE OF LOREAUVILLE, LOUISIANA
General Fund

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) AND PRIOR YEAR ACTUAL
YEAR ENDED JUNE 30, 1999 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		Actual
PUBLIC SAFETY				
Fire				
Vehicle Expense	\$ 500	\$ 442	\$ 58	\$ 87
Insurance	3,700	4,061	(361)	4,486
Office Supplies & Postage	500	496	4	498
Professional Fees	12,763	3,610	9,153	1,400
Repairs & Maintenance	1,000	303	697	115
Utilities	2,500	1,917	583	2,228
Total Fire	<u>\$ 20,963</u>	<u>\$ 10,829</u>	<u>\$ 10,134</u>	<u>\$ 8,814</u>
TOTAL PUBLIC SAFETY	<u>\$ 81,821</u>	<u>\$ 62,653</u>	<u>\$ 19,168</u>	<u>\$ 64,756</u>
PUBLIC WORKS				
Vehicle Expenses	\$ 2,000	\$ 1,656	\$ 344	\$ 1,369
Drainage Improvements	3,000	557	2,443	910
Insurance	4,800	5,786	(986)	3,687
Miscellaneous	200	101	99	107
Payroll Taxes	1,820	1,794	26	1,723
Repairs & Maintenance	1,500	1,024	476	1,352
Salaries	24,480	23,161	1,319	22,090
Supplies	1,500	1,566	(66)	533
Utilities	9,200	8,817	383	9,142
TOTAL PUBLIC WORKS	<u>\$ 48,500</u>	<u>\$ 44,462</u>	<u>\$ 4,038</u>	<u>\$ 40,913</u>
CAPITAL OUTLAY				
General Government	\$ 0	\$ 567	\$ (567)	\$ 551
Police	10,000	0	10,000	4,450
Fire	0	10,053	(10,053)	0
Public Works	11,539	13,370	(1,831)	7,000
TOTAL CAPITAL OUTLAY	<u>\$ 21,539</u>	<u>\$ 23,990</u>	<u>\$ (2,451)</u>	<u>\$ 12,001</u>
TOTAL EXPENDITURES	<u>\$ 202,250</u>	<u>\$ 180,727</u>	<u>\$ 21,523</u>	<u>\$ 162,815</u>

The accompanying notes are an integral part of this statement.

SPECIAL REVENUE FUNDS

Sales Tax Fund - To account for the receipt and use of proceeds of the Village's 2% sales and use tax.

VILLAGE OF LOREAUVILLE, LOUISIANA
Special Revenue Funds-Sales Tax Fund

COMPARATIVE BALANCE SHEETS

JUNE 30, 1999 AND 1998

<u>ASSETS</u>	<u>1999</u>	<u>1998</u>
Cash	\$ 73,703	\$ 53,382
Investments (Schedule A)	118,338	115,000
Sales Tax Receivable	13,075	3,737
Prepaid Expenses	245	0
TOTAL ASSETS	\$ 205,361	\$ 172,119
 <u>LIABILITIES AND FUND BALANCE</u> 		
LIABILITIES		
Accrued Employee Benefits Payable	\$ 147	98
TOTAL LIABILITIES	\$ 147	\$ 98
 FUND BALANCES:		
Unreserved-Unrestricted (Exhibit B)	\$ 205,214	\$ 172,021
 TOTAL LIABILITIES AND FUND BALANCE	\$ 205,361	\$ 172,119

The accompanying notes are an integral part of this statement.

VILLAGE OF LOREAUVILLE, LOUISIANA
Special Revenue Fund-Sales Tax Fund

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL	YEAR ENDED JUNE 30, 1999 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1998			
	1999		1998	
	Budget	Actual	Variance - Favorable (Unfavorable)	Actual
REVENUES				
Taxes -				
Sales Tax Collected	\$ 87,750	\$ 109,977	\$ 22,227	\$ 94,408
Delinquent Charges	350	579	229	386
Miscellaneous -				
Interest Income	7,500	7,629	129	8,070
TOTAL REVENUES	\$ 95,600	\$ 118,185	\$ 22,585	\$ 102,864
EXPENDITURES				
General Government -				
Collection Expenses	\$ 650	\$ 897	\$ (247)	\$ 660
Conventions & Seminars	500	381	119	382
Dues	80	80	0	80
Insurance	1,000	712	288	1,588
Legal & Accounting	2,000	2,076	(76)	2,076
Office Supplies	50	48	2	42
Salaries & Payroll Taxes	5,930	6,453	(523)	5,958
TOTAL EXPENDITURES	\$ 10,210	\$ 10,647	\$ (437)	\$ 10,786
EXCESS OF REVENUE OVER EXPENDITURES	\$ 85,390	\$ 107,538	\$ 22,148	\$ 92,078
OTHER FINANCING USES				
Operating Transfers To -				
General Fund	\$ 75,400	\$ 40,745	\$ 34,655	\$ 79,719
Enterprise Fund	37,000	33,600	3,400	23,600
Capital Project Fund	0	0	0	0
TOTAL OTHER FINANCING USES	\$ 112,400	\$ 74,345	\$ 38,055	\$ 103,319
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDI- TURES AND OTHER USES	\$ (27,010)	\$ 33,193	\$ 60,203	\$ (11,241)
FUND BALANCE, BEGINNING	172,021	171,021	0	183,262
FUND BALANCE, ENDING	\$ 145,011	\$ 204,214	\$ 60,203	\$ 172,021

The accompanying notes are an integral part of this statement.

CAPITAL PROJECTS FUND

LCDBG FUND - To account for the receipt and use of the grant received from LCDBG.

VILLAGE OF LOREAUVILLE, LOUISIANA
Capital Project Fund

COMPARATIVE BALANCE SHEETS

JUNE 30, 1999 AND 1998

<u>ASSETS</u>	<u>1999</u>	<u>1998</u>
Cash	\$ 0	\$ 0
Grant Receivable	0	0
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 0</u>	<u>\$ 0</u>
 <u>LIABILITIES AND FUND BALANCE</u> 		
<u>LIABILITIES</u>		
Accounts Payable	\$ 0	\$ 0
 <u>FUND BALANCES:</u>		
Unrestricted-Undesignated	0	0
	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 0</u>	<u>\$ 0</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF LOREAUVILLE, LOUISIANA
Capital Projects Fund - LCDBG Fund

COMPARATIVE STATEMENT OF REVENUE EXPENDITURES, AND CHANGES IN FUND BALANCES	YEARS ENDED JUNE 30, 1999 AND 1998	
	1999	1998
REVENUES		
State Program Revenues	\$ 0	\$ 150,924
TOTAL REVENUES	<u>\$ 0</u>	<u>\$ 150,924</u>
EXPENDITURES		
Legal & Accounting	\$ 0	\$ 0
Capital Outlays		150,924
TOTAL EXPENDITURES	<u>\$ 0</u>	<u>\$ 150,924</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES	\$ 0	\$ 0
OTHER FINANCING SOURCES:		
Transfer-General Fund	\$ 0	\$ 0
TOTAL OTHER FINANCING SOURCES	<u>\$ 0</u>	<u>\$ 0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES	\$ 0	\$ 0
FUND BALANCE, BEGINNING	\$ 0	\$ 0
FUND BALANCE, ENDING	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

The accompanying notes are an integral part of this statement.

ENTERPRISE FUND

Sewerage and

Garbage Fund - To account for the provision of sewer, garbage, recycling and fire protection services to residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and billing and collection except for fire protection in which the funds collected are transferred to the general fund to pay bills for the fire department.

VILLAGE OF LOREAUVILLE, LOUISIANA
Enterprise Fund - Sewerage and Garbage Fund

COMPARATIVE BALANCE SHEETS	YEARS ENDED	
	JUNE 30, 1999 AND 1998	
	<u>1999</u>	<u>1998</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash in Bank	\$ 2,541	\$ 3,701
Accounts Receivable, Net of Allowances for Uncollectible Accounts (1999-\$256; 1998-\$256)	8,848	8,290
Due from General Fund	494	0
Other Receivables	0	1,779
TOTAL CURRENT ASSETS	<u>\$ 11,883</u>	<u>\$ 13,770</u>
RESTRICTED ASSETS		
Customers' Deposits - Cash	\$ 10,445	\$ 9,766
PLANT AND EQUIPMENT, AT COST, net of Accumulated Depreciation (1999-\$382,879; 1998-\$361,886)		
	<u>545,530</u>	<u>558,593</u>
TOTAL ASSETS	<u><u>\$ 567,858</u></u>	<u><u>\$ 582,129</u></u>
<u>LIABILITIES AND FUND EQUITY</u>		
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)		
Accounts Payable	\$ 5,921	\$ 6,783
Accrued Employee Benefits Payable	155	528
Accrued Salaries	279	170
Due to General Fund	0	929
TOTAL CURRENT LIABILITIES	<u>\$ 6,355</u>	<u>\$ 8,410</u>
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)		
Customers' Deposit	10,445	9,766
TOTAL LIABILITIES	<u>\$ 16,800</u>	<u>\$ 18,176</u>
FUND EQUITY		
Contributed Capital		
Contributions from Federal Grants	\$ 362,655	\$ 376,076
Contributions from Iberia Parish Police Jury	71,400	74,042
Contributions from State of Louisiana	27,599	21,502
Total Contributed Capital	<u>\$ 461,654</u>	<u>\$ 471,620</u>
Retained Earnings-Unreserved (Exhibit D)	<u>89,404</u>	<u>92,333</u>
TOTAL FUND EQUITY	<u>\$ 551,058</u>	<u>\$ 563,953</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$ 567,858</u></u>	<u><u>\$ 582,129</u></u>

The accompanying notes are an integral part of this statement.

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operations.

VILLAGE OF LOREAUVILLE, LOUISIANA

COMPARATIVE STATEMENTS OF GENERAL FIXED ASSETSJUNE 30, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
General fixed assets, at cost:		
Land	\$ 23,698	\$ 23,698
Buildings	152,553	140,029
Improvements other than buildings	1,598,265	1,596,986
Equipment & Furnishings	<u>124,111</u>	<u>113,923</u>
Total general fixed assets	<u>\$ 1,898,627</u>	<u>\$ 1,874,636</u>
Investment in general fixed assets:		
Property acquired prior to 7/1/75	\$ 43,563	\$ 43,563
Property acquired after 7/1/75 from -		
Federal grants	100,000	100,000
State grants	1,450,265	1,438,124
Parish grants	72,068	72,068
General fund revenues	148,657	136,807
Sales tax fund revenues	71,039	71,039
Federal revenue sharing funds	10,425	10,425
Gifts	<u>2,610</u>	<u>2,610</u>
Total investment in general fixed assets	<u>\$ 1,898,627</u>	<u>\$ 1,874,636</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF LOREAUVILLE, LOUISIANA

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS
YEAR ENDED JUNE 30, 1999

	Land	Buildings	Improvements Other Than Buildings	Machinery & Equipment	Total
GENERAL FIXED ASSETS, Beginning of Year	\$ 23,698	\$ 140,029	\$ 1,596,986	\$ 113,923	\$ 1,874,636
ADDITIONS:					
General Fund Reserve	\$ 0	\$ 383	\$ 1,279	\$ 10,188	\$ 11,850
State Grants	0	12,141	0	0	12,141
Parish Grants	0	0	0	0	0
TOTAL ADDITIONS	\$ 0	\$ 12,524	\$ 1,279	\$ 10,188	\$ 23,991
DEDUCTIONS	0	0	0	0	0
GENERAL FIXED ASSETS, End of Year	\$ 23,698	\$ 152,553	\$ 1,598,265	\$ 124,111	\$ 1,898,627

The accompanying notes are an integral part of this statement.

VILLAGE OF LOREAUVILLE, LOUISIANA

COMBINED SCHEDULE OF
INVESTMENTS-ALL FUNDS

June 30, 1999

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>
<u>SALES TAX FUND</u>			
Certificate of Deposit - Regions Bank	4.88%	04/28/00	\$ 118,338

VILLAGE OF LOREAUVILLE, LOUISIANA

SCHEDULE OF COMPENSATION PAID
GOVERNING BOARD MEMBERS

June 30, 1999

Forbus Mestayer, Sr.-Mayor	\$	9,600
Albert Broussard, Jr.-Alderman		1,800
Barry LaGrange-Alderman		1,800
Larry Scroggs-Alderman		<u>1,800</u>
	\$	<u>15,000</u>

Dressel & Friend

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NEW IBERIA, LOUISIANA 70560-3752

TERREL P. DRESSEL, CPA
RALPH FRIEND, CPA

MEMBER
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SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Forbus J. Mestayer, Mayor
and the Members of the Board of Aldermen
Village of Loreauville
Loreauville, LA

We have audited the general purpose financial statements of Village of Loreauville, Louisiana, for the year ended June 30, 1999 and 1998, and have issued our report thereon dated December 10, 1998.

We conducted our audit in accordance with generally accepted auditing standards and 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.

The management of Village of Loreauville, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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Page 1 of 2

In planning and performing our audit of the general purpose financial statements of the Village of Loreauville, Louisiana, for the years ended June 30, 1999 and 1998, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the management, and Mayor and Board of Aldermen, the Legislative Auditor of Louisiana, and the Louisiana Division of Administration. However, this report is a matter of public record and its distribution is not limited.

Dressel & Friend, CPA's

A handwritten signature in cursive script, appearing to read "Dressel & Friend", written in dark ink.

New Iberia, Louisiana

December 10, 1999

Dressel & Friend

CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

The Honorable Forbus J. Mestayer, Mayor
and the Members of the Board of Aldermen
Village of Loreauville
Loreauville, Louisiana

We have audited the general purpose financial statements of Village of Loreauville, Louisiana, as of and for the years ended June 30, 1999 and 1998, and have issued our report thereon dated December 10, 1999.

We conducted our audit in accordance with generally accepted auditing standards and 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.

Compliance with laws, regulations, contracts, and grants applicable to Village of Loreauville, Louisiana, is the responsibility of Village of Loreauville, Louisiana, management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Village's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclose no instances of noncompliance that are required to be reported under government auditing standards.

This report is intended for the information of the management, and Mayor and Board of Aldermen, the Legislative Auditor of Louisiana, and the Louisiana Division of Administration. However, this report is a matter of public record and its distribution is not limited.

Dressel & Friend, CPA's

A handwritten signature in cursive script, appearing to read "Dressel & Friend".

New Iberia, Louisiana

December 10, 1999

BB

Page 2 of 2

Dressel & Friend
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CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

December 10, 1999

The Honorable Forbus J. Mestayer, Mayor
and the Members of the Board of Aldermen
Village of Loreauville
Loreauville, Louisiana 70552

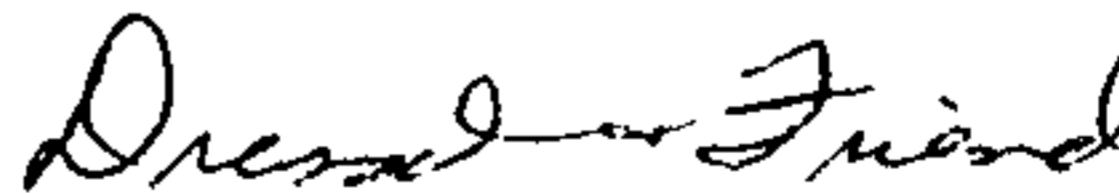
In connection with our audit of the financial statements of the Village of Loreauville for the year ended June 30, 1999, we present the following comment and recommendation which we feel will improve the Village's accounting system of internal control and insure that the Village complies with all relevant laws and regulations.

- (1) During the course of our audit, we found that the funds in one of the banks were not fully collateralized. Cash deposits with financial institutions are required by law to be secured by federal deposit insurance and the pledge of securities owned by the financial institution. We recommend that the Village should periodically request from each financial institution a list of the securities used to secure the funds of the Village and compare it to the funds on hand to make sure that the financial institutions are in compliance.

There were no items that were commented on in a management letter last year.

We would like to take this opportunity to express our thanks for the confidence you have placed in our firm by allowing us to perform this audit. If you have any questions, or need any assistance in implementing the above, please feel free to contact us.

Sincerely,



Dressel & Friend, CPAs

VILLAGE OF LOREAUVILLE

FORBUS J. MESTAYER, SR., MAYOR

ALDERMEN:

ALBERT A. BROUSSARD, JR.

BARRY LAGRANGE

KAREN SCROGGS

PHYLLIS B. SAVOY, CMC / AAE
CLERK/TAX COLLECTOR

OTTO A. GIRQUARD, JR.
CHIEF OF POLICE

P. O. BOX 336

LOREAUVILLE, LOUISIANA 70552

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December 14, 1999

Legislative Audit Advisory Council
P.O. Box 94397
Baton Rouge, LA 70804-9397

Gentlemen:

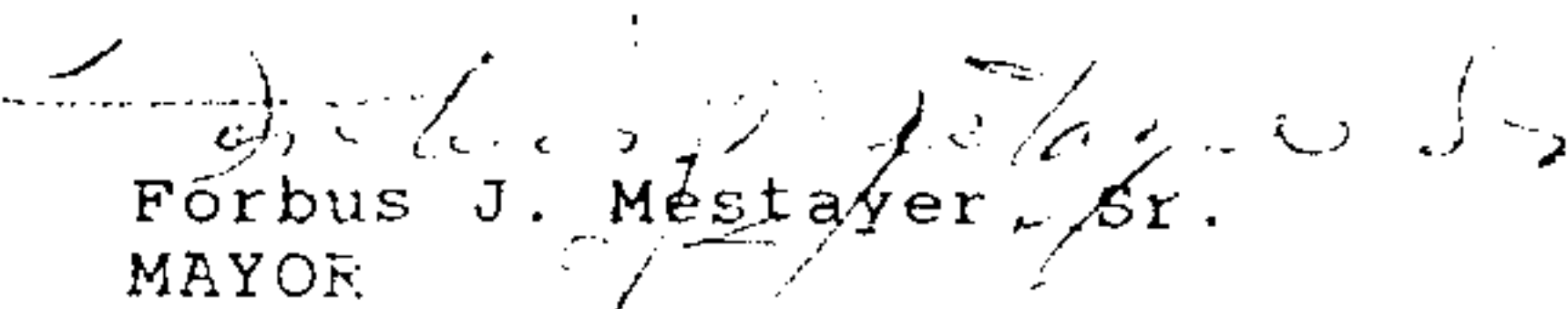
Last night Mr. Terrel Dressel of Dressel & Friend, CPAs, presented the Village of Loreauville's FY 1999 audit report. In this report, Mr. Dressel had one finding in reference to the funds in one of our banks not being fully collateralized.

It was determined the fund balances in this bank would be monitored regularly, requests would be made to our bank officer at our local banking institution for pledging of securities, and transfers to another banking institution would be made in order to keep the fund balances in this bank at or below \$100,000.00.

If you need further information, please contact us.

Sincerely,

VILLAGE OF LOREAUVILLE


Forbus J. Mestayer, Sr.
MAYOR

FJM/SR:ps