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**TOWN OF OLLA
LOUISIANA**

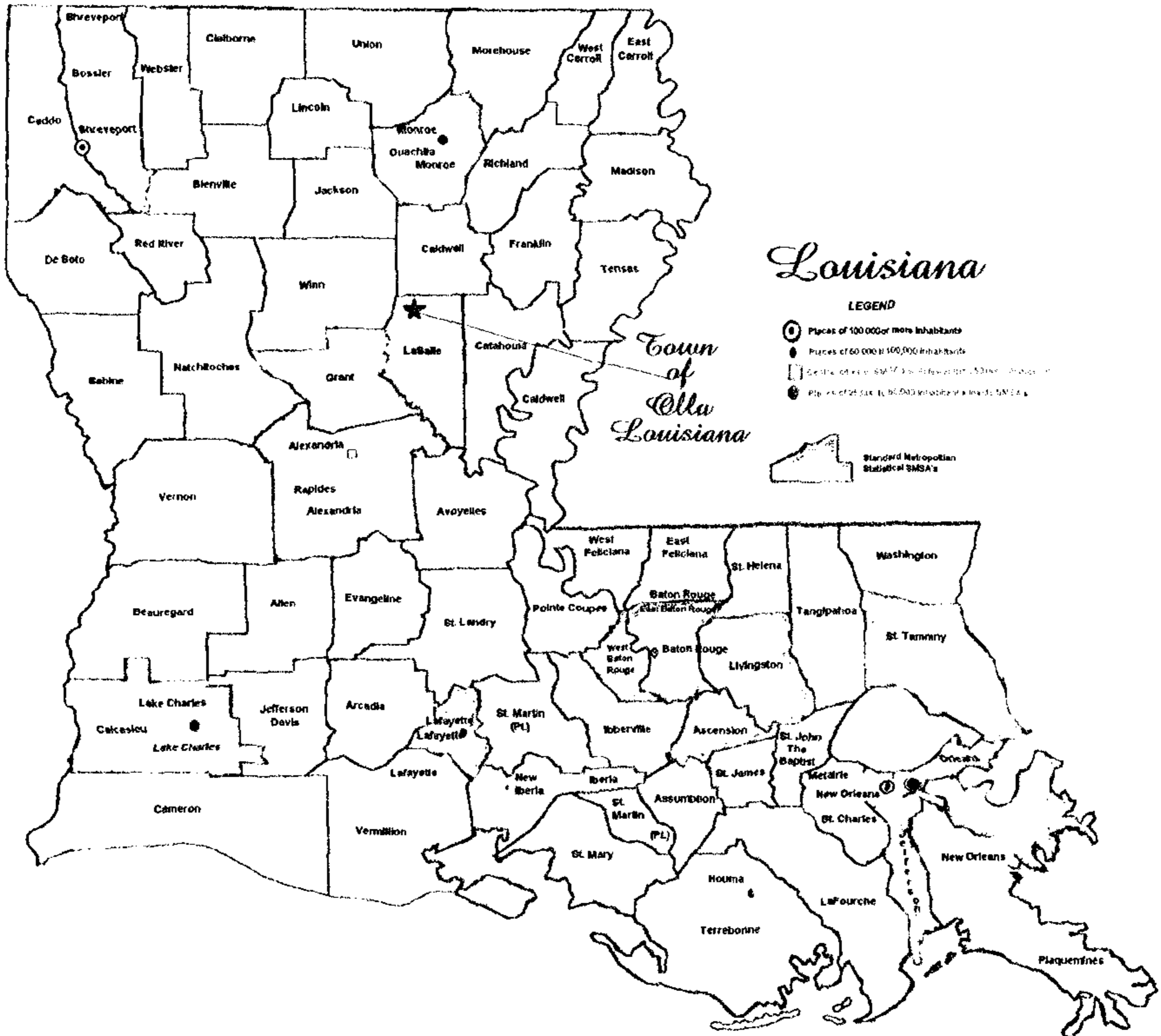
*General Purpose Financial Statements Combining,
Individual Fund And Account Group
Statements, Schedules And Supplemental Data*

JUNE 30, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate 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 0 8 1999**

TOWN OF OLLA OLLA, LOUISIANA



* The Town of Olla was incorporated under the Lawrason Act in August of 1899. The Town operates under the Mayor-Board of Alderman form of government. The Town provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, sanitation, utilities (water and sewer services)/ and general administrative functions, including coordination of related services with Parish, State and Federal governing bodies.

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INDEPENDENT AUDITOR'S REPORT ON GENERAL PURPOSE FINANCIAL STATEMENTS

The Honorable Benard Miller, Mayor
and Members of the Board of Aldermen
Olla, Louisiana

I have audited the accompanying general-purpose financial statements of the Town of Olla, Louisiana, as of June 30, 1999, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town of Olla, Louisiana, management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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. I believe that my audit provides a reasonable basis for my opinion.

I was unable to determine what effect, if any, the year 2000 will have on the Town of Olla's computer system or what effect it will have on the Town's financial condition.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had I been able to satisfy myself as to the effects of the year 2000 question as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Olla, Louisiana, as of June 30, 1999, and the results of its operations and the cash flow of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The combining and individual fund group financial statements, schedules and graphs listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general-purpose financial statements of the Town of Olla, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

John R. Vercher
September 27, 1999
Jena, Louisiana

JOHN R. VERCHER PC

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

The Honorable Benard Miller, Mayor
and Members of the Board of Aldermen
Olla, Louisiana

I have audited the general-purpose financial statements of the Town of Olla, Louisiana as of and for the year ended June 30, 1999 and have issued my report thereon dated September 27, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

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

This report is intended for the information of the Town of Olla's management and Legislative Auditor's Office. However, this report is a matter of public record and its distribution is not limited.

John R. Vercher

Jena, Louisiana

September 27, 1999

MEMBER
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

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

TOWN OF OLLA, LOUISIANA
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUP
JUNE 30, 1999

	Governmental Fund Types		Capital Projects
	General Fund		
ASSETS			
Cash	\$ 37,362	\$	-0-
Investments (At Cost)	218,843		-0-
Receivables:			
Customer Accounts Receivable	7,157		-0-
Other Receivables	14,625		-0-
Restricted Assets:			
Cash	-0-		-0-
Investments	-0-		-0-
General Fixed Assets	-0-		-0-
Plant & Equipment	-0-		-0-
Construction In Progress	-0-		-0-
Accumulated Depreciation	-0-		-0-
Amount To Be Provided For Retirement Of General Long-Term Debt	-0-		-0-
	\$ 277,987	\$	-0-
TOTAL ASSETS			
LIABILITIES & FUND EQUITY			
LIABILITIES			
Accounts Payable	\$ 3,067	\$	-0-
Payable From Restricted Assets	-0-		-0-
Long-Term Payables:			
Revenue Bonds	-0-		-0-
Notes Payable	-0-		-0-
	\$ 3,067	\$	-0-
TOTAL LIABILITIES			
Fund Equity			
Contributed Capital	\$ -0-	\$	-0-
Investment In General Fixed Assets	-0-		-0-
Retained Earnings:			
Reserved	-0-		-0-
Unreserved	-0-		-0-
Fund Balance			
Reserved For Unreserved/Undesignated	274,920		-0-
	\$ 274,920	\$	-0-
TOTAL FUND EQUITY			
TOTAL LIABILITIES & FUND EQUITY			
	\$ 277,987	\$	-0-

The accompanying notes are an integral part of this statement.

Proprietary Fund Type Enterprise Fund	Account Group General Fixed Assets	General Long-Term Debt	Total (Memorandum Only)	Component Unit Cemetery Board
\$ 15,965	\$ -0-	\$ -0-	\$ 53,327	\$ 150,121
145,060	-0-	-0-	363,903	4,056
28,888	-0-	-0-	36,045	-0-
-0-	-0-	-0-	14,625	-0-
39,160	-0-	-0-	39,160	-0-
257,574	-0-	-0-	257,574	-0-
-0-	1,122,386	-0-	1,122,386	-0-
2,912,841	-0-	-0-	2,912,841	-0-
59,734	-0-	-0-	59,734	-0-
(1,415,838)	-0-	-0-	(1,415,838)	-0-
-0-	-0-	14,861	14,861	-0-
<u>\$ 2,043,384</u>	<u>\$ 1,122,386</u>	<u>\$ 14,861</u>	<u>\$ 3,458,618</u>	<u>\$ 154,177</u>
\$ 2,736	\$ -0-	\$ -0-	\$ 5,803	\$ -0-
100,703	-0-	-0-	100,703	-0-
734,720	-0-	-0-	734,720	-0-
-0-	-0-	14,861	14,861	-0-
<u>\$ 838,159</u>	<u>\$ -0-</u>	<u>\$ 14,861</u>	<u>\$ 856,087</u>	<u>\$ -0-</u>
\$ 1,295,067	\$ -0-	\$ -0-	\$ 1,295,067	\$ -0-
-0-	1,122,386	-0-	1,122,386	-0-
121,126	-0-	-0-	121,126	-0-
(210,968)	-0-	-0-	(210,968)	-0-
-0-	-0-	-0-	274,920	154,177
<u>\$ 1,205,225</u>	<u>\$ 1,122,386</u>	<u>\$ -0-</u>	<u>\$ 2,602,531</u>	<u>\$ 154,177</u>
<u>\$ 2,043,384</u>	<u>\$ 1,122,386</u>	<u>\$ 14,861</u>	<u>\$ 3,458,618</u>	<u>\$ 154,177</u>

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

	General Fund	Capital Project	Total (Memorandum Only)	Component Unit Cemetery Board
REVENUES:				
Taxes	\$ 73,274	\$ -0-	\$ 73,274	\$ -0-
Licenses & Permits	20,521	-0-	20,521	-0-
Intergovernmental	69,483	59,734	129,217	-0-
Charges For Services	90,575	-0-	90,575	-0-
Fines	85,934	-0-	85,934	-0-
Interest	-0-	-0-	-0-	6,552
Miscellaneous	157,323	-0-	157,323	-0-
Donations, Memorials, Etc.	-0-	-0-	-0-	8,547
Equity Income	-0-	-0-	-0-	2,871
TOTAL REVENUES	\$ 497,110	\$ 59,734	\$ 556,844	\$ 17,970
EXPENDITURES:				
Current -				
General Government	\$ 173,940	\$ -0-	\$ 173,940	\$ -0-
<i>Public Safety:</i>				
Police	147,900	-0-	147,900	-0-
Fire	36,107	-0-	36,107	-0-
Streets And Sanitation	71,358	-0-	71,358	-0-
Cemetery	-0-	-0-	-0-	3,558
Capital Projects	-0-	59,734	59,734	-0-
TOTAL EXPENDITURES	\$ 429,305	\$ 59,734	\$ 489,039	\$ 3,558
EXCESS (DEFICIT) OF REVENUE OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	\$ 67,805	\$ -0-	\$ 67,805	\$ 14,412
OTHER FINANCING SOURCES (USES)				
Transfers	\$ (75,477)	\$ -0-	\$ (75,477)	\$ -0-
TOTAL OTHER FINANCING SOURCES (USES)	\$ (75,477)	\$ -0-	\$ (75,477)	\$ -0-
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)	\$ (7,672)	\$ -0-	\$ (7,672)	\$ 14,412
FUND BALANCES, BEGINNING OF YEAR	282,592	-0-	282,592	139,765
FUND BALANCES, END OF YEAR	\$ 274,920	\$ -0-	\$ 274,920	\$ 154,177

The accompanying notes are an integral part of this statement.

TOWN OF OLLA, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL AND CAPITAL PROJECTS FUNDS
JUNE 30, 1999

	GENERAL FUND			CAPITAL PROJECTS		
	Budget	Actual GAAP Basis	Variance Favorable (Unfavorable)	Budget	Actual GAAP Basis	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$ 65,007	\$ 73,274	\$ 8,267	\$ -0-	\$ -0-	\$ -0-
Licenses And Permits	21,000	20,521	(479)	-0-	-0-	-0-
Intergovernmental	60,800	69,483	8,683	59,734	59,734	-0-
Charges For Services	88,275	90,575	2,300	-0-	-0-	-0-
Fines	82,743	85,934	3,191	-0-	-0-	-0-
Miscellaneous	152,576	157,323	4,747	-0-	-0-	-0-
Total Revenues	\$ 470,401	\$ 497,110	\$ 26,709	\$ 59,734	\$ 59,734	\$ -0-
Expenditures:						
Current						
General Government	\$ 174,641	\$ 173,940	\$ 701	\$ -0-	\$ -0-	\$ -0-
Police	147,527	147,900	(373)	-0-	-0-	-0-
Fire	32,096	36,107	(4,011)	-0-	-0-	-0-
Street And Sanitation	70,575	71,358	(783)	-0-	-0-	-0-
Public Works	-0-	-0-	-0-	59,734	59,734	-0-
Total Expenditures	\$ 424,839	\$ 429,305	\$ (4,466)	\$ 59,734	\$ 59,734	\$ -0-
Excess (Deficit) Of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	\$ 45,562	\$ 67,805	\$ 22,243	\$ -0-	\$ -0-	\$ -0-
Other Financing Sources (Uses)						
Transfers	\$ -0-	\$ (75,477)	\$ (75,477)	\$ -0-	\$ -0-	\$ -0-
Total Other Financing Sources (Uses)	\$ -0-	\$ (75,477)	\$ (75,477)	\$ -0-	\$ -0-	\$ -0-
Excess (Deficit) Of Revenue Over (Under) Expenditures After Other Financing sources (Uses)	\$ 45,562	\$ (7,672)	\$ (53,234)	\$ -0-	\$ -0-	\$ -0-
Fund Balance Beginning Of Year	282,592	282,592	-0-	-0-	-0-	-0-
Fund Balance End Of Year	\$ 328,154	\$ 274,920	\$ (53,234)	\$ -0-	\$ -0-	\$ -0-

The accompanying notes are an integral part of this statement.

TOWN OF OLLA, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES - ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 1999

OPERATING REVENUES:

Water Department	
Charges For Service	\$ 212,861
Other Charges	550
Total Water Department	\$ 213,411
Sewer Department	
Charges For Service	\$ 87,714
Sales Taxes	133,980
Other Charges	214
Total Sewer Department	\$ 221,908
TOTAL OPERATING REVENUES	\$ 435,319

OPEARTING EXPENSES:

Water Department	
Salaries And Related Cost	\$ 73,566
Materials And Supplies	46,188
Depreciation	32,216
Repairs And Maintenance	74,558
Utilities	14,871
Insurance	2,755
Truck Expense	1,726
Miscellaneous	10,539
Office Expense	5,252
Total Water Department	\$ 261,671
Sewer Department	
Salaries And Related Costs	\$ 72,857
Materials And Supplies	21,955
Depreciation	50,711
Repairs And Maintenance	28,495
Utilities	17,625
Sewer Analysis	4,180
Insurance	2,763
Truck Expense	1,752
Miscellaneous	6,024
Postage	983
Engineer Fees	17,877
Sales Tax Expense	2,534
Total Sewer Department	\$ 227,756
TOTAL OPEARTING EXPENSE	\$ 489,427
Operating Income (Loss)	\$ (54,108)

Non-Operating Revenues(Expenses):

Interest Income	\$ 25,831
Interest Expense	(41,903)
Intergovernmental – Grant Income	56,450
Sewer Grant Repairs	(49,122)
Transfers	75,478
Total Non-Operating Revenues (Expenses)	\$ 66,734
Net Income (Loss)	\$ 12,626
Retained Earnings (Deficit) Beginning Of Year	(102,468)
Retained Earnings (Deficit) End Of Year	\$ (89,842)

The accompanying notes are an integral part of this statement

**TOWN OF OLLA, LOUISIANA
STATEMENT OF CASH FLOWS**

**ALL PROPRIETARY FUND TYPES
ENTERPRISE FUND
YEAR ENDED JUNE 30, 1999**

Cash From Operations:		
Net Income (Loss) Before Transfers	\$	(62,852)
Operating Transfers		75,478
		<hr/>
Net Income After Transfers	\$	12,626
		<hr/>
Adjustment To Net Income (Loss):		
Add – Depreciation	\$	82,927
Add – Allowance For Bad Debts		162
(Decrease) Increase In Accrued Interest		(698)
Decrease (Increase) In Accounts Receivable		1,463
(Decrease) Increase in Accounts Payable		(16,894)
		<hr/>
Net Adjustments		66,960
		<hr/>
Cash Provided By Operations		\$ 79,586
Cash From Customer Deposits		1,932
Cash Provided By Investments		35,935
Grants		59,734
		<hr/>
Total Cash Provided	\$	177,187
		<hr/>
Cash Was Applied To:		
Notes Payable	\$	25,766
Revenue Bonds		16,352
Restricted Funds		27,559
Fixed Assets		62,042
Construction In Progress		59,734
		<hr/>
Total Cash Applied		191,453
		<hr/>
Net Increase (Decrease) In Cash Flow	\$	(14,266)
		<hr/>
Cash Beginning Of Year		30,231
		<hr/>
Cash End Of Year	\$	15,965
		<hr/>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

Town of Olla, Louisiana
Notes to Financial Statements

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-

The Town of Olla was incorporated under the Lawrason Act in August of 1899. The Town operates under the Mayor-Board of Alderman form of government. The Town provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, sanitation, utilities (water and sewer services)/ and general administrative functions, including coordination of related services with Parish, State and Federal governing bodies.

The accounting policies of the Town of Olla conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

This report includes all funds and the account group which are controlled by or dependent on the Town's executive and legislative branches (the Mayor and Board of Alderman). Control by or dependence on the Town was *determined on the basis of adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.*

B. Fund Accounting

The accounts of the Town of Olla are organized on the basis of funds and on account groups, each of which is considered a separate accounting entity. The various funds and account groups are reported by generic fund type in the financial statements. Each fund operates with a group 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 the individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund categories, fund types and account groups are used by the Town:

GOVERNMENTAL FUND TYPES

General Fund

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

PROPRIETARY FUND TYPES

Enterprise Fund

The Enterprise Fund is used to account for operations (a) that are financed and operated similar to private business enterprises whereby the intent of the governing body is that the costs, including depreciation, of providing goods or services to the general public 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. The Town's Enterprise Fund is comprised of its Utility Department's water and sewer systems.

Town of Olla, Louisiana
Notes to Financial Statements (Cont.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Cont)

B. Fund Accounting – (Cont.)

ACCOUNTS GROUPS

General Fixed Assets Account Group

This account group is established to account for all fixed assets of the Town, except those accounted for in the Enterprise Fund.

General Long-Term Debt Account Group

This account group is established to account for all long-term obligations of the Town, except those long-term obligations accounted for in the Enterprise Fund. The Town had no general long-term debt at June 30, 1999.

C. BASIS OF ACCOUNTING

Basis of accounting refers to the time at which revenues and expenditures or expenses are recognized in the accounts and reported in the financial statement. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Governmental Funds

These 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. Ad Valorem taxes and charges for services are considered "measurable" at the time of billing. Licenses and permits, intergovernmental revenue, fines franchise taxes and miscellaneous other revenues are generally recorded as revenues when received in cash because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: principal and interest on general long-term debt which is recognized when due.

Proprietary Fund

This fund 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. Enterprise fund receivables are charged-off when collection efforts indicate that such account is doubtful of being collected.

Town of Olla, Louisiana
Notes to Financial Statements (Cont.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Cont)

D. 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 funds are accounted for on a spending or "financial flow" measurement focus. This means that 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, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized.

All fixed assets of the Proprietary Fund are valued at historical cost. The General fixed Asset Account Group property records are not sufficiently detailed to provide data with respect to whether the assets acquired prior to June 30, 1982, are recorded at historical cost, estimated historical cost, or at estimated fair value on date donated. General fixed assets acquired subsequent to June 30, 1982 are recorded at historical cost, with the exception of a \$5,000 building donated to the Town in 1993 and \$3,500 worth of land donated in 1996.

Long-term liabilities expected to be financed from governmental funds 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 Account Group.

The proprietary fund is accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with its activity is included on its balance sheets. Its 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.

For the year ended June 30, 1999, no interest costs were capitalized for construction of fixed assets.

Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations. Accumulated depreciation is reported on the proprietary fund balance sheet. Depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives are as follows:

	<u>Life In Years</u>
Water System	40
Sewer System	40
Buildings	20
Trucks And Tractors	4-8
Equipment	10

Town of Olla, Louisiana
Notes to Financial Statements (Cont.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Cont)

E. BUDGETS AND BUDGETARY ACCOUNTING

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

1. The Town Clerk prepares a proposed budget, based on departmental group budget requests, and submits same to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of the fiscal year.
7. The budget was amended during the year.

F. CASH AND INVESTMENTS

All cash and investments (C.D.'s on deposit at banks in excess of 90 days) are reported at cost and are on deposit at the following federally insured banks:

Bank	Bank Statement Balance 6-30-99
Southern Heritage Bank	\$ 711,161
Bank of Jena	40,327
Concordia Bank	3,403
Total	\$ 754,891

Amounts on deposit at the bank are secured by the following:

Description	Market Value
FDIC	\$ 143,730
Securities	745,315
Total	\$ 889,045

G. INVENTORIES

Immaterial amounts of inventory are maintained for general fund and enterprise fund operations and, accordingly, supplies are expensed as purchased.

Town of Olla, Louisiana
Notes to Financial Statements (Cont.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Cont)

H. BAD DEBTS - GENERAL FUND AND ALLOWANCE FOR BAD DEBTS - ENTERPRISE FUND

Uncollectible amounts due for customers' garbage billings are charged to a reserve for bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. At June 30, 1999 no reserve for bad debts was required since the estimated uncollectible receivables outstanding were considered immaterial. The Enterprise Fund allowance for bad debts was established at 5% of total receivables. Detail receivables of the Enterprise Fund follow:

	Enterprise Fund
Total Accounts Receivable	\$ 30,332
Allowance For Bad Debts	(1,444)
Net Accounts Receivable	\$ 28,888

I. COMPENSATED ABSENCES

Vacation and sick leave are recorded as an expenditure or expense when paid. Vacation earned is based on the number of years of services as follows:

	Days Earned Per Year
Full-Time Employment	
One Year To Less Than Three Years	5
Three Or More Years	10

Vacation time is not cumulative and must be taken in 1/2 day or more increments. Sick leave is earned on the basis of one day per month of continuous employment. Unused accumulated sick leave from one year may be carried forward to the succeeding year. All sick leave is forfeited upon termination of employment with the Town.

Based on the above described compensated absences policy, no liability for compensated absences for the Town of Olla is required to be provided at June 30, 1999.

J. RESERVES

The Town records reserves to indicate that a portion of its retained earnings/fund balances are legally restricted for a specific future use. The following is a list of such reserves and a description of each:

Reserved for Depreciation and Contingencies

This amount represents monies reserved to make emergency repairs to the water and sewer systems.

Reserved - Revenue Bonds

This amount represents monies reserved as required by the revenue bond indentures.

Town of Olla, Louisiana
Notes to Financial Statements (Cont.)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Cont.)

J. RESERVES - (Cont.)

Reserved for Debt Service

Certain assets have been reserved in the Debt Service Fund for future payment of long-term liabilities of the governmental funds.

K. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

Total columns on the combined 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 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 AND SALES TAXES

The Town levies taxes on real and business personal property located within its boundaries. The Town utilizes the services of the LaSalle Parish Tax Assessor to assess the property values and prepare the Town's property tax roll. The Town bills and collects its own property taxes.

Property Tax Calendar

Assessment Date	January 1
Levy Date	No Later Than June 1
Tax Bills Mailed	On Or About October 15
Total Taxes Are Due	December 31
Penalties And Interest Are Added	January 1
Lien Date	January 1

For the year ended June 10, 1999, taxes of 7.96 mills were levied against property having a valuation of some \$3,525,497 which produced some \$27,970 in revenue. All taxes levied, 7.96 mills, were for general corporate purposes. Ad Valorem taxes receivable are net of allowance for uncollectible taxes of less than \$100 at June 30, 1999.

The Town began collecting a 1% Sales Tax on May 1, 1998 to fund operation and maintenance of the Town's sewerage facilities.

(3) RESTRICTED ASSETS - PROPRIETARY FUND TYPES

At June 30, 1999, restricted assets of the Enterprise fund were invested in either interest bearing checking accounts or time deposits and were restricted for the following purposes:

Revenue Bonds Payable	\$ 91,650
Revenue Bond Reserve Fund	61,107
Depreciation And Contingency Fund	45,828
Customer's Deposit	98,149
Total	\$ 296,734

Town of Olla, Louisiana
Notes to Financial Statements (Cont.)

(4) CHANGES IN GENERAL FIXED ASSETS

	Balance 6-30-98	Additions	Deletions	Balance 6-30-99
Land	\$ 84,598	\$ 3,000	\$ -0-	\$ 87,598
Buildings	425,779	-0-	-0-	425,779
Improvements	56,463	-0-	-0-	56,463
Equipment	568,419	8,758	(24,631)	552,546
Total	<u>\$ 1,135,259</u>	<u>\$ 11,758</u>	<u>\$ (24,631)</u>	<u>\$ 1,122,386</u>

(5) ENTERPRISE FUND PROPERTY PLANT AND EQUIPMENT

A summary of enterprise fund property, plant and equipment at June 30, 1999, is as follows:

	Balance 6-30-98	Additions (Deletions)	Balance 6-30-99	6-30-99 Accumulated Depreciation
Buildings	\$ 21,829	\$ 4,589	\$ 26,418	\$ 19,543
Water System	984,121	-0-	984,121	486,361
Sewer System	1,706,550	-0-	1,706,550	779,413
Trucks, Machinery & Equipment	138,299	57,453	195,752	130,521
Construction In Progress	-0-	59,734	59,734	-0-
Sub-Total	<u>\$ 2,850,799</u>	<u>\$ 121,776</u>	<u>\$ 2,972,575</u>	<u>\$ 1,415,838</u>
Accumulated Depreciation	(1,332,912)	-0-	(1,415,838)	-0-
Net	<u>\$ 1,517,887</u>	<u>\$ -0-</u>	<u>\$ 1,556,737</u>	<u>\$ 1,415,838</u>

(6) CHANGES IN LONG-TERM DEBT

The following is a summary of bond and installment notes payable transactions of the Town of Olla for the year ended June 30, 1999.

	Balance 6-30-98	Additions	Reductions	Balance 6-30-99
Revenue Bonds & Notes	<u>\$ 793,191</u>	<u>\$ -0-</u>	<u>\$ (42,119)</u>	<u>\$ 751,072</u>

Bonds and installment notes payable at June 30, 1999 are comprised of the following individual issues:

Revenue Bonds (Enterprise Fund)

\$275,000 Water Revenue Bonds dated 12-4-79; due in annual installments of \$5,000 to \$5,000 through December 4, 2019; interest at 5 percent. \$ 167,000

\$200,000 Sewer Revenue Bonds dated 8-14-81; due in annual installments of \$2,000 to \$9,000 through August 14, 2021; interest at 5 percent. 154,066

\$500,000 Sewer Revenue Bonds dated 9-6-89; due in annual installments of \$33,450 through August 14, 2029; interest at 6 percent. 430,006

Revenue Note:

Note to Utility Service Co. originated for \$77,300, bearing no interest, payable in 3 annual installments. The first for \$30,300 and the remaining at \$23,500. The agreement contains a nonappropriation clause. -0-

Total

\$ 751,072

Town of Olla, Louisiana
Notes to Financial Statements (Cont.)

(6) CHANGES IN LONG-TERM DEBT -(Cont.)

The annual requirements to amortize all debt outstanding as of June 30, 1999, including interest payments of \$750,478 are as follows:

<u>Year Ending June 30,</u>	<u>Water Revenue Bonds</u>	<u>Sewer Revenue Bonds</u>	<u>Total</u>
2000	\$ 15,000	\$ 42,500	\$ 57,500
2001 - 2005	75,000	212,250	287,250
2006 - 2010	75,000	212,250	287,250
2011 - 2029	135,000	734,550	869,550
Total	<u>\$ 300,000</u>	<u>\$ 1,201,550</u>	<u>\$ 1,501,550</u>

Under the terms of the bond indenture on outstanding Water Revenue Bonds dated December 4, 1979, earnings of the waterworks system are to be maintained separately and used for the following purposes:

- (a) Payment of all reasonable and necessary expenses of operating and maintaining the system.
- (b) Each month there will be set aside into a fund called the "Waterworks Revenue Bond and Interest Sinking Fund" an amount constituting 1/12 of the next principal and interest payment.
- (c) Each month, there will be set aside into a "Waterworks Reserve Fund" 5% of the amount paid into the Sinking Fund until such time as there has been accumulated there in the sum of \$18,750. These funds may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not available in the Sinking Fund. As of June 30, 1999 the Town of Olla had set aside the maximum required amount into this "Waterworks Reserve Fund".
- (d) There will also be set aside into a "Waterworks Depreciation and Contingency Fund" \$63 per month. These funds will be used to care for depreciation, extensions, additions, improvements and replacements necessary to operate the system properly, and to pay interest and principal on bonds when there is not sufficient money in the Sinking or Reserve Fund.
- (e) 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 purpose.

Under the terms of the bond indenture on outstanding Sewer Revenue Bonds dated August 14, 1981, and those dated September 6, 1989, earnings of the Sewer system are to be maintained separately and used for the following purposes:

- (a) Payment of all reasonable and necessary expenses of operating and maintaining the system.
- (b) Each month, there will be set aside into a fund called the "Sinking Fund" an amount constituting 1/12 of the next principal and interest payment.
- (c) Each month, there will be set aside into a "Sewer Reserve Fund" 5% of the amount paid into the Sinking Fund until such time as there has been accumulated there in the sum of \$45,900. These funds may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not available in the

Town of Olla, Louisiana
Notes to Financial Statements (Cont.)

(6) CHANGES IN LONG-TERM DEBT -(Cont.)

Sinking Fund. As of June 30, 1999 the Town of Olla had set aside the amount of \$33,213 into this "Sewer Reserve Fund".

(d) There will also be set aside into a "Sewer Depreciation and Contingency Fund" \$188 per month. These funds will be used to care for depreciation, extensions, additions, improvements and replacements necessary to operate the system properly, and to pay interest and principal on bonds when there is not sufficient money in the Sinking or Reserve Funds. When the Revenue Bonds dated August 14, 1981 are paid in full the monthly payment may be reduced to \$144.

(e) 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 purpose.

At June 30, 1999 the Enterprise Fund Retained Earnings were reserved for the purposes noted above as follows:

Revenue Bond Reserve Fund	\$ 75,298
Depreciation And Contingencies Fund	45,828
Total	<u>\$ 121,126</u>

(7) PENSION PLAN

Substantially all employees of the Town of Olla are members of the following statewide retirement systems: Municipal Employees Retirement System of Louisiana, Municipal Police Employees Retirement System of Louisiana, or Firefighters' Retirement System of Louisiana. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustee. Pertinent information relative to each plan follows:

A. Municipal Employees Retirement System of Louisiana (System)

Plan Description. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. [All employees of the municipality are members of (Plan A) (Plan B)]. [or Some employees of the municipality are members of Plan A and some are members of Plan B.]

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. [Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with a least 25 years of creditable service, or after any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. [Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 percent of final-average salary.] Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the

Town of Olla, Louisiana
Notes to Financial Statements (Cont.)

(7) PENSION PLAN – (Cont.)

benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (504)925-4810.

Funding Policy. [Under Plan A, members are required by state statute to contribute 9.25 percent of their annual covered salary and the Town of Olla is required to contribute at an actuarially determined rate. The current rate is 6.75 percent of annual covered payroll]. [Under Plan B, members are required by state statute to contribute 5.0 percent of their annual covered salary and the Town of Olla is required to contribute at an actuarially determined rate. The current rate is 3.75 percent of annual covered payroll.] Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town of Olla are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Olla's contributions to the System under Plan B for the years ending June 30, 1999, 1997, and 1996 were \$3,089, \$3,571, and \$2,787, respectively, equal to the required contributions for each year.

B. Municipal Police Employees Retirement System of Louisiana

Plan Description. All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service are at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (504)929-7411.

Funding Policy. Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Town of Olla is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the Town of Olla are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Olla's contributions to the System under for the years ending June 30, 1999, 1998 and 1997 were \$4,770, \$3,089, and \$3,571, respectively, equal to the required contributions for each year.

Town of Olla, Louisiana
Notes to Financial Statements (Cont.)

(8) FUND DEFICITS

The Enterprise Fund ended the year with a retained earnings deficit of \$89,842 that resulted from depreciation expense taken on that portion of the plant built with contributed capital. To date \$1,415,838 in depreciation expenses has been taken on that portion of the plant funded with contributed capital.

(9) LITIGATION

The Town of Olla is involved in no litigation at June 30, 1999, which is not covered by the Town's applicable insurance policies or is considered to be significant to the Town's financial statements.

10. ELECTED OFFICIALS SALARIES

<u>Name</u>	<u>Title</u>	<u>Annualized Salary</u>	<u>Date Of Service</u>
Benard Miller	Mayor	\$ 13,000	7/1/98 – 06/30/99
D. L. Mc Dougald	Alderman	120	7/1/98 – 06/30/99
John Green	Alderman	-0-	7/1/98 – 06/30/99
Lee Breithaupt	Alderman	120	7/1/98 – 06/30/99
Roy Masters	Alderman	120	7/1/98 – 12/31/98
Wanda Love	Alderman	120	7/1/98 – 06/30/99
Paul Cornwell	Alderman	120	7/1/98 – 06/30/99
Gary Taylor	Police Chief	26,514	7/1/98 – 06/30/99

(11) CONTINGENCIES AND SUBSEQUENT EVENTS

The Town was informed by letter on September 15, 1997 by the Louisiana Department of Environmental Quality that the Town is in violation of portions of the Louisiana Environmental Quality Act (La. R.S. 30:2001) as it related to the operation and maintenance of the Town's sewer system.

**NOTES
TO
OLLA CEMETERY BOARD

(A COMPONENT UNIT OF
TOWN OF OLLA, LOUISIANA)**

*Olla Cemetery Board
Town of Olla, Louisiana
Notes To Financial Statements*

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Cemetery Board

The Cemetery Board was created to manage and maintain the Olla Cemetery. The board members are appointed by the Town of Olla, Louisiana and utilizes the Town's facilities and assets. Therefore, the Cemetery Fund is considered a component unit of the Town of Olla, Louisiana.

ACCOUNTING POLICIES

The accounting policies of the Olla Cemetery Board conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. REPORTING ENTITY

This report includes all funds which are controlled by or dependent on the Board. Control by or dependence on the Town was determined on the basis of appointment of governing body and other general oversight responsibility.

B. FUND ACCOUNTING

The accounts of the Board are organized on the basis of funds, each of which is considered a separate accounting entity. The various funds are reported by generic fund type in the financial statements. Each fund operates with a group of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Governmental resources are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types are used by the Board.

GOVERNMENTAL FUND TYPES

General Fund

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

Special Revenue Fund

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. The Board's only Special Revenue Fund is the Perpetual Care Fund.

C. BASIS OF ACCOUNTING

Basis of accounting refers to the time at which revenue 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.

*Olla Cemetery Board
Town of Olla, Louisiana
Notes To Financial Statements*

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. BASIS OF ACCOUNTING – (Cont.)

Governmental Funds - These 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.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

D. CASH AND INVESTMENTS

At June 30, 1999, the carrying amount (book balance) of the Board's deposits with financial institutions was \$150,121 the bank balance was \$150,121. All of the bank balance was covered by federal deposit insurance and securities pledged to cover the Town's deposits. Investments represent 60 shares of Pacific Gas and Electric valued at \$38.92 per share or \$1,946 and 50 shares of General Public Utility valued at \$42.18 per share or \$2,109 as of June 30, 1999.

***FINANCIAL STATEMENTS
OF INDIVIDUAL FUNDS
AND ACCOUNT GROUPS***

GENERAL FUND

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

**TOWN OF OLLA, LOUISIANA
GENERAL FUND**

**BALANCE SHEET
JUNE 30, 1999**

ASSETS

Cash	\$ 37,362
Investments	218,843
<i>Receivables:</i>	
Customers Accounts Receivable	7,157
Franchise Receivables	<u>14,625</u>
Total Assets	<u>\$ 277,987</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Accounts Payable	<u>\$ 3,067</u>
Total Liabilities	<u>\$ 3,067</u>
Fund Balance	
Unreserved/Undesignated	<u>\$ 274,920</u>
Total Liabilities And Fund Balance	<u>\$ 277,987</u>

The accompanying notes are an integral part of this statement.

**TOWN OF OLLA, LOUISIANA
GENERAL FUND**

**STATEMENT OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) VS. ACTUAL
YEAR ENDED JUNE 30, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:			
Taxes	\$ 65,007	\$ 73,274	\$ 8,267
Licenses & Permits	21,000	20,521	(479)
Intergovernmental	60,800	69,483	8,683
Charges For Services	88,275	90,575	2,300
Fines	82,743	85,934	3,191
Miscellaneous	152,576	157,323	4,747
TOTAL REVENUES	\$ 470,401	\$ 497,110	\$ 26,709
EXPENDITURES:			
Current -			
General Government	\$ 174,641	\$ 173,940	\$ 701
Police	147,527	147,900	(373)
Fire	32,096	36,107	(4,011)
Streets & Sanitation	70,575	71,358	(783)
TOTAL EXPENDITURES	\$ 424,839	\$ 429,305	\$ (4,466)
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	\$ 45,562	\$ 67,805	\$ 22,243
OTHER FINANCING SOURCES (USES)			
Transfers	\$ -0-	\$ (75,477)	\$ (75,477)
TOTAL OTHER FINANCING SOURCES (USES)	\$ -0-	\$ (75,477)	\$ (75,477)
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)	\$ 45,562	\$ (7,672)	\$ (53,234)
FUND BALANCE BEGINNING OF YEAR	282,592	282,592	-0-
FUND BALANCE END OF YEAR	\$ 328,154	\$ 274,920	\$ (53,234)

The accompanying notes are an integral part of this statement.

**TOWN OF OLLA, LOUISIANA
GENERAL FUND**

**SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) VS. ACTUAL
YEAR ENDED JUNE 30, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:			
Taxes			
Payment In Lieu Of Taxes	\$ 4,581	\$ 4,581	\$ -0-
Ad Valorem	28,426	28,510	84
Franchise	32,000	40,183	8,183
Total	\$ 65,007	\$ 73,274	\$ 8,267
Licenses & Permits	\$ 21,000	\$ 20,521	\$ (479)
Intergovernmental Revenue -			
Tobacco Tax	\$ 7,300	\$ 7,335	\$ 35
Insurance Premiums	22,000	25,058	3,058
Beer Tax	1,500	1,734	234
Video Poker	30,000	35,356	5,356
Total	\$ 60,800	\$ 69,483	\$ 8,683
Charges for Services -			
Garbage Fees	\$ 59,855	\$ 61,277	\$ 1,422
Fire Protection Charge	28,220	28,993	773
Dog Fines & Registration	200	305	105
Total	\$ 88,275	\$ 90,575	\$ 2,300
Fines -			
Traffic Citation	\$ 82,743	\$ 85,934	\$ 3,191
Miscellaneous --			
Interest	\$ 12,572	\$ 12,289	\$ (283)
Penalties	2,339	2,820	481
Cost Of Court	24,534	24,546	12
Garbage Bag Sales	1,928	2,073	145
Xerox Charges	181	222	41
Police Reports	127	215	88
Reconnect Fees	8,413	5,020	(3,393)
Miscellaneous	-0-	10,901	10,901
Police Grants	9,532	9,531	(1)
2% Fire Insurance	3,806	8,453	4,547
Mowing, Etc.	10,000	9,899	(101)
Cash Over (Short)	-0-	(12)	(12)
Charges For Tax Notices	325	377	52
Reimbursements	20,752	20,773	21
Connect Fee	149	122	(27)
Sale Of Old Equipment	7,000	-0-	(7,000)
Fire Insurance Grant	1,311	1,311	-0-
Donations	10,275	10,993	718
State of Louisiana	37,790	37,790	-0-
NSF Checks	1,542	-0-	(1,542)
Total	\$ 152,576	\$ 157,323	\$ 4,747
TOTAL REVENUE	\$ 470,401	\$ 497,110	\$ 26,709

The accompanying notes are an integral part of this statement.

**TOWN OF OLLA, LOUISIANA
GENERAL FUND**

**SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) VS. ACTUAL
YEAR ENDED JUNE 30, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES			
General Government -			
Salaries & Related Costs	\$ 21,385	\$ 21,794	\$ (409)
Insurance	3,238	3,238	-0-
Repairs & Maintenance - Equipment	913	439	474
Repairs & Maintenance - Facilities	11,379	8,673	2,706
Official Printing	5,325	5,535	(210)
Utilities & Telephone	20,186	22,983	(2,797)
Advertising, Donations & Dues	1,491	1,534	(43)
Postage & Freight	1,094	952	142
Office Expense	3,148	3,727	(579)
Special Schools	2,543	3,051	(508)
Travel & Auto Expense	4,421	4,062	359
Legal	5,934	6,553	(619)
Auditing	4,417	4,417	-0-
Cemetery	800	800	-0-
Aldermen Fees	1,939	1,895	44
Garbage Bags	1,820	2,125	(305)
Other	14,871	15,257	(386)
Tax Roll	778	583	195
Senior Citizens & Dixie Center	14,428	15,108	(680)
Contract Cleaning	2,133	2,080	53
Coroners Fees	200	100	100
Capital Outlay	10,470	8,759	1,711
Election Expense	183	183	-0-
Concordia Collection Fees	2,000	2,302	(302)
NSF Check Expense	1,755	-0-	1,755
Castor Creek Project	37,790	37,790	-0-
Total	\$ 174,641	\$ 173,940	\$ 701
Police			
Salaries & Related Costs	\$ 112,856	\$ 114,680	\$ (1,824)
Insurance	7,179	7,179	-0-
Supplies	3,803	2,809	994
Animal Control Office & Expense	267	516	(249)
Auto Expense	4,920	5,146	(226)
Repairs & Maintenance	766	962	(196)
Travel Expense	525	400	125
State Assessment	2,620	2,321	299
Other	627	100	527
Capital Outlay	4,800	3,000	1,800
Postage & Dues	931	949	(18)
Juvenile Assessment Fee	4,210	5,595	(1,385)
Special Schools	855	1,264	(409)
Utilities & Telephone	3,168	2,979	189
Total	\$ 147,527	\$ 147,900	\$ (373)

The accompanying notes are an integral part of this statement.

**TOWN OF OLLA, LOUISIANA
GENERAL FUND**

**SCHEDULE OF EXPENDITURE - (Cont.)
BUDGET (GAAP BASIS) VS. ACTUAL
YEAR ENDED JUNE 30, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES -- (Cont.)			
Fire -			
Salaries & Related Costs	\$ 5,709	\$ 13,170	\$ (7,461)
Utilities & Telephone	4,107	4,834	(727)
Truck Expense	797	3,887	(3,090)
Insurance	4,867	3,650	1,217
Supplies	5,403	-0-	5,403
Repairs & Maintenance -- Equipment	1,007	1,026	(19)
Repairs & Maintenance -- Facilities	14	638	(624)
Postage	167	154	13
Fees	6,813	5,110	1,703
Other	1,590	2,382	(792)
Tape & Film	1,622	1,256	366
Total	<u>\$ 32,096</u>	<u>\$ 36,107</u>	<u>\$ (4,011)</u>
Street & Sanitation			
Salaries & Related Costs	\$ 34,231	\$ 33,200	\$ 1,031
Truck Expense	7,598	10,583	(2,985)
Insurance	5,403	4,053	1,350
Supplies & Materials	5,652	4,908	744
Repairs & Maintenance -- Equipment	4,773	5,699	(926)
Other	353	337	16
Uniforms Repair & Maintenance	675	722	(47)
Mowing	6	4	2
Special Schools	119	89	30
Garbage Truck Note	11,765	11,763	2
Total	<u>\$ 70,575</u>	<u>\$ 71,358</u>	<u>\$ (783)</u>
TOTAL EXPENDITURES	<u>\$ 424,839</u>	<u>\$ 429,305</u>	<u>\$ (4,466)</u>

(CONCLUDED)

The accompanying notes are an integral part of this statement.

CAPITAL PROJECTS FUNDS

LCDBG #101-6042 in the amount of \$26,425 for water system construction.

U. S. 165 Relocation in the amount of \$33,309 to relocate waterlines along
U. S. Hwy. 165

**TOWN OF OLLA, LOUISIANA
CAPITAL PROJECTS FUND
LCDBG # 101-6042**

**COMBINING BALANCE SHEET
JUNE 30, 1999**

	<u>U. S. 165 Relocation</u>	<u>LCDBG 101- 6042</u>	<u>Total</u>
<u>Assets</u>			
Cash	\$ -0-	\$ -0-	\$ -0-
Total Assets	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
<u>Liabilities and Fund Balance</u>			
Fund Balance	\$ -0-	\$ -0-	\$ -0-
Total Liabilities And Fund Balance	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of this statement

TOWN OF OLLA, LOUISIANA
CAPITAL PROJECTS FUND
LCDBG # 101-6042
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
JUNE 30, 1999

	<u>U. S. 165 Relocation</u>	<u>LCDBG 101- 6042</u>	<u>Total</u>
REVENUES			
Intergovernmental	\$ 33,309	\$ 26,425	\$ 59,734
TOTAL REVENUES	<u>\$ 33,309</u>	<u>\$ 26,425</u>	<u>\$ 59,734</u>
EXPENDITURES			
Public Works	\$ 33,309	\$ 21,925	\$ 55,234
Administration	-0-	4,500	4,500
	<u>\$ 33,309</u>	<u>\$ 26,425</u>	<u>\$ 59,734</u>
Excess (Deficiency) Of Revenues Over Expenditures	\$ -0-	\$ -0-	\$ -0-
Fund Balance Beginning Of Year	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance End Of Year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of this statement.

**TOWN OF OLLA, LOUISIANA
CAPITAL PROJECTS FUND**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
(BUDGET VS. ACTUAL)**

FOR THE YEAR ENDED JUNE 30, 1999

	LCDBG 101-6042		
	Budget	Actual	Variance Favorable Unfavorable
REVENUES			
Intergovernmental	\$ 26,425	\$ 26,425	\$ -0-
TOTAL REVENUES	\$ 26,425	\$ 26,425	\$ -0-
EXPENDITURES			
Public Works	\$ 21,925	\$ 21,925	\$ -0-
Administration	4,500	4,500	-0-
TOTAL EXPENDITURES	\$ 26,425	\$ 26,425	\$ -0-
Excess (Deficiency) Of Revenue Over Expenditures	\$ -0-	\$ -0-	\$ -0-
Fund Balance Beginning Of Year	-0-	-0-	-0-
Fund Balance End Of Year	\$ -0-	\$ -0-	\$ -0-

The notes to the financial statements are an integral part of this statement.

U. S. 165 RELOCATION			LCDBG 101-6042		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable Unfavorable
\$ 33,309	\$ 33,309	\$ -0-	\$ 26,425	\$ 26,425	\$ -0-
\$ 33,309	\$ 33,309	\$ -0-	\$ 26,425	\$ 26,425	\$ -0-
\$ 33,309	\$ 33,309	\$ -0-	\$ 21,925	\$ 21,925	\$ -0-
-0-	-0-	-0-	4,500	4,500	-0-
\$ 33,309	\$ 33,309	\$ -0-	\$ 26,425	\$ 26,425	\$ -0-
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
-0-	-0-	-0-	-0-	-0-	-0-
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-

PROPRIETARY FUND TYPE - ENTERPRISE FUNDS

The Town's Enterprise Fund accounts for the provision of water and sewer services to the residents of the Town. All in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, billing, and collections.

TOWN OF OLLA, LOUISIANA
ENTERPRISE FUND - BALANCE SHEET
JUNE 30, 1999

ASSETS

CURRENT ASSETS:		
Cash	\$	15,965
Investments		145,060
Receivables:		
Utility Bills (Net)		28,888
TOTAL CURRENT ASSETS	\$	189,913
RESTRICTED ASSETS:		
Bond And Interest Sinking Fund	\$	91,650
Revenue Bond Reserve Fund:		
Certificates Of Deposit (At Cost)		58,277
Passbook Savings		2,830
Depreciation And Contingencies Fund:		
Checking-Interest Bearing		12,121
Certificate Of Deposit		33,707
Customers' Deposit:		
Checking-Interest Bearing		3,833
Certificates of Deposit (At Cost)		94,316
TOTAL RESTRICTED ASSETS	\$	296,734
PROPERTY, PLANT AND EQUIPMENT		
Property, Plant And Equipment	\$	2,912,841
Construction In Progress		59,734
Less Accumulated Depreciation		(1,415,838)
NET PROPERTY, PLANT, AND EQUIPMENT	\$	1,556,737
TOTAL ASSETS	\$	2,043,384

LIABILITIES & FUND EQUITY

LIABILITIES:		
CURRENT LIABILITIES (Payable From Current Assets)		
Accounts Payable	\$	2,736
TOTAL CURRENT LIABILITIES (Payable From Current Assets)	\$	2,736
CURRENT LIABILITIES (Payable From Restricted Assets)		
Revenue Bonds Payable	\$	16,352
Interest Payable		33,801
Customer's Deposits		50,550
TOTAL CURRENT LIABILITIES (Payable From Restricted Assets)	\$	100,703
LONG-TERM LIABILITIES:		
Revenue Bonds Payable	\$	734,720
TOTAL LONG-TERM LIABILITIES	\$	734,720
TOTAL LIABILITIES	\$	838,159
FUND EQUITY:		
CONTRIBUTED CAPITAL:		
Municipality	\$	184,518
State		576,981
Federal		533,568
TOTAL CONTRIBUTED CAPITAL	\$	1,295,067
RETAINED EARNINGS:		
Reserved For Depreciation & Contingencies	\$	45,828
Reserved For Revenue Bonds		75,298
Unreserved (Deficit)		(210,968)
TOTAL RETAINED EARNINGS	\$	(89,842)
TOTAL FUND EQUITY	\$	1,205,225
TOTAL LIABILITIES & FUND EQUITY	\$	2,043,384

The accompanying notes are an integral part of this statement

TOWN OF OLLA, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES
ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 1999

OPERATING REVENUES:

Water Department	
Charges For Service	\$ 212,861
Other Charges	550
Total Water Department	<u>\$ 213,411</u>
Sewer Department	
Charges For Service	\$ 87,714
Sales Taxes	133,980
Other Charges	214
Total Sewer Department	<u>\$ 221,908</u>
TOTAL OPERATING REVENUES	<u>\$ 435,319</u>

OPEARTING EXPENSES:

Water Department	
Salaries And Related Cost	\$ 73,566
Materials And Supplies	46,188
Depreciation	32,216
Repairs And Maintenance	74,558
Utilities	14,871
Insurance	2,755
Truck Expense	1,726
Miscellaneous	10,539
Office Expense	5,252
Total Water Department	<u>\$ 261,671</u>
Sewer Department	
Salaries And Related Costs	\$ 72,857
Materials And Supplies	21,955
Depreciation	50,711
Repairs And Maintenance	28,495
Utilities	17,625
Sewer Analysis	4,180
Insurance	2,763
Truck Expense	1,752
Miscellaneous	6,024
Postage	983
Engineer Fees	17,877
Sales Tax Expense	2,534
Total Sewer Department	<u>\$ 227,756</u>
TOTAL OPEARTING EXPENSE	<u>\$ 489,427</u>

Operating Income (Loss) \$ (54,108)

Non-Operating Revenues(Expenses):

Interest Income	\$ 25,831
Interest Expense	(41,903)
Intergovernmental – Grant Income	56,450
Sewer Grant Repairs	(49,122)
Transfers	75,478
Total Non-Operating Revenues (Expenses)	<u>\$ 66,734</u>

Net Income (Loss) \$ 12,626

Retained Earnings (Deficit) Beginning Of Year (102,468)

Retained Earnings (Deficit) End Of Year \$ (89,842)

The accompanying notes are an integral part of this statement

**STATEMENT OF CASH FLOWS
TOWN OF OLLA, LOUISIANA
STATEMENT OF CASH FLOWS**

**ALL PROPRIETARY FUND TYPES
ENTERPRISE FUND
YEAR ENDED JUNE 30, 1999**

Cash From Operations:		
Net Income (Loss) Before Transfers		\$ (62,852)
Operating Transfers		75,478
		\$ 12,626
Adjustment To Net Income (Loss):		
Add – Depreciation	\$ 82,927	
Add – Allowance For Bad Debts	162	
(Decrease) Increase In Accrued Interest	(698)	
Decrease (Increase) In Accounts Receivable	1,463	
(Decrease) Increase in Accounts Payable	(16,894)	
		66,960
Net Adjustments		66,960
Cash Provided By Operations		\$ 79,586
Cash From Customer Deposits		1,932
Cash Provided By Investments		35,935
Grants		59,734
		\$ 177,187
Total Cash Provided		\$ 177,187
Cash Was Applied To:		
Notes Payable	\$ 25,766	
Revenue Bonds	16,352	
Restricted Funds	27,559	
Fixed Assets	62,042	
Construction In Progress	59,734	
		191,453
Total Cash Applied		191,453
Net Increase (Decrease) In Cash Flow		\$ (14,266)
Cash Beginning Of Year		30,231
Cash End Of Year		\$ 15,965

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.

TOWN OF OLLA, LOUISIANA
STATEMENT OF GENERAL FIXED ASSETS
JUNE 30, 1999

GENERAL FIXED ASSETS

Land	\$ 87,598
Buildings	425,779
Improvements Other Than buildings	56,463
Equipment	<u>552,546</u>
TOTAL GENERAL FIXED ASSETS	<u>\$ 1,122,386</u>

TOTAL INVESTMENTS IN GENERAL FIXED ASSETS **\$ 1,122,386**

The accompanying notes are an integral part of this statement.

**COMPONENT UNIT FINANCIAL
STATEMENTS**

OLLA CEMETERY BOARD

**OLLA CEMETERY BOARD
TOWN OF OLLA, LOUISIANA
(COMPONENT UNIT)**

**COMBINING BALANCE SHEETS
JUNE 30, 1999**

	General Fund	Perpetual Care Fund	Total
ASSETS			
Cash	\$ 93,081	\$ 57,040	\$ 150,121
Investments	4,056	-0-	4,056
TOTAL ASSETS	\$ 97,137	\$ 57,040	\$ 154,177
LIABILITIES AND EQUITY			
Fund Balance	\$ 97,137	\$ 57,040	\$ 154,177

The accompanying notes are an integral part of this statement.

**OLLA CEMETERY BOARD
TOWN OF OLLA, LOUISIANA
(COMPONENT UNIT)**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
ALL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1999**

	<u>General Fund</u>	<u>Perpetual Care Fund</u>	<u>Total</u>
REVENUE			
Interest And Dividends	\$ 6,531	\$ 21	\$ 6,552
Donations, Memorials, Etc.	8,322	225	8,547
Investments	271	2,600	2,871
TOTAL REVENUES	\$ 15,124	\$ 2,846	\$ 17,970
EXPENDITURES			
Utilities	\$ 382	\$ -0-	\$ 382
Maintenance	2,300	-0-	2,300
Fund Balance	876	-0-	876
TOTAL EXPENDITURES	\$ 3,558	\$ -0-	\$ 3,558
EXCESS REVENUES OVER EXPENDITURES	\$ 11,566	\$ 2,846	\$ 14,412
FUND BALANCE BEGINNING	85,571	54,194	139,765
FUND BALANCE ENDING	\$ 97,137	\$ 57,040	\$ 154,177

The accompanying notes are an integral part of this statement.

**TOWN OF OLLA
OLLA, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended June 30, 1999**

I have audited the financial statement of the Town of Olla, LaSalle Parish, Louisiana, as of and for the year ended June 30, 1999 and have issued my report thereon dated September 27, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of June 30, 1999 resulted in a qualified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Compliance

Compliance Material to Financial Statements Yes No

b. Federal Awards (Not Applicable)

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Type of Opinion On Compliance Unqualified Qualified
For Major Programs Disclaimer Adverse

Are the finding required to be reported in accordance with Circular A-133, Section .510(a)?

Yes No

c. Identification Of Major Programs:

CFDA Number (s)	Name Of Federal Program (or Cluster)
-----------------	--------------------------------------

Dollar threshold used to distinguish between Type A and Type B Programs: \$

Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133? Yes No

**TOWN OF OLLA
OLLA, LOUISIANA**

SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.)
For the Year Ended June 30, 1999

Section II Financial Statement Findings Required To Be Reported In Accordance With GAGAS

No items were noted that required reporting in accordance with GAGAS.

**TOWN OF OLLA
OLLA, LOUISIANA**

**MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS**

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the Town of Olla, LaSalle Parish, Olla, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 1999.

A) Prior Year Management Letter Comments

- 1) There were no prior year management letter comments.

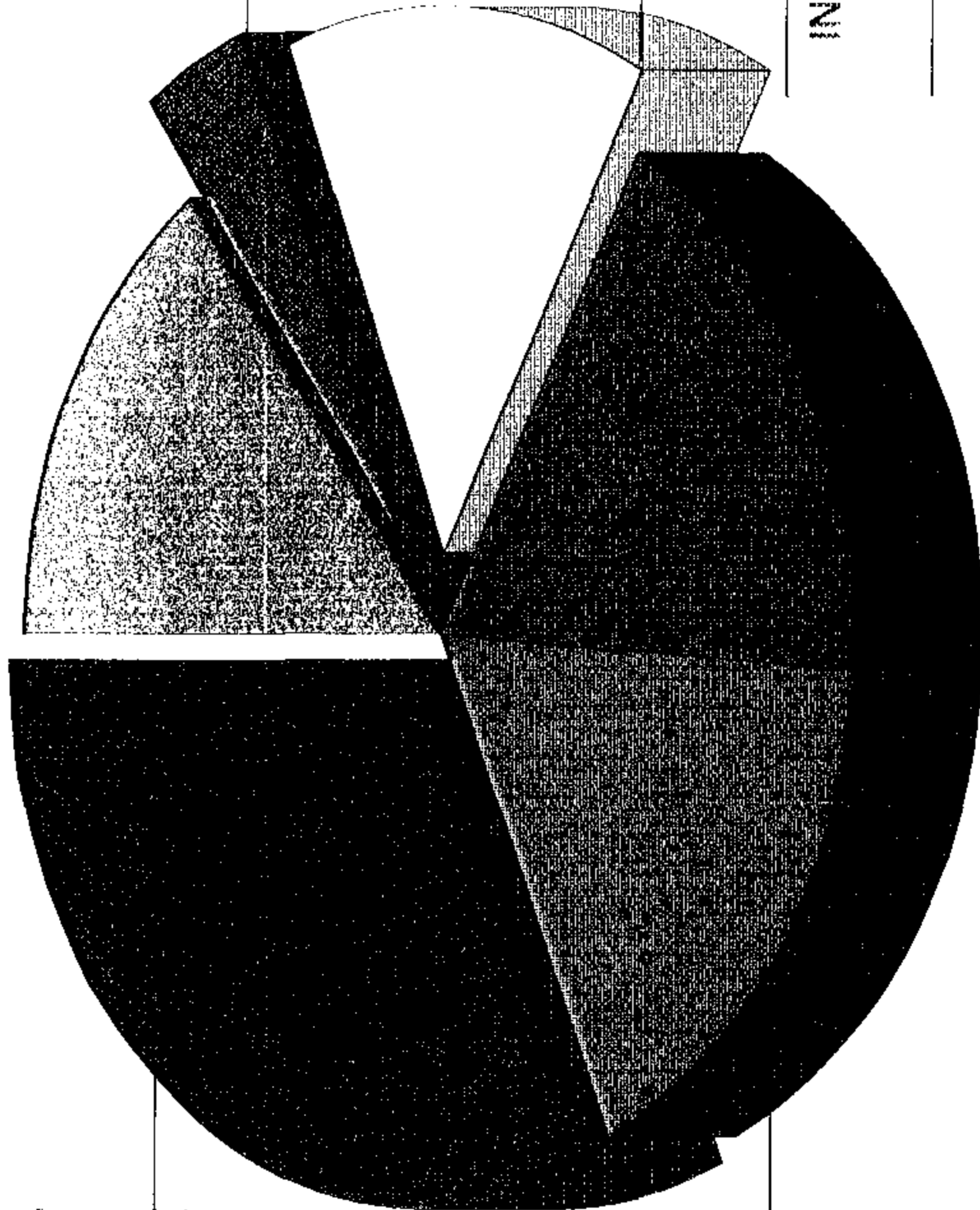
GRAPHS

TOWN OF OLLA, LOUISIANA

GENERAL FUND REVENUES JUNE 30, 1999

TAXES
\$73,274

MISCELLANEOUS
\$157,323



LICENSES &
PERMITS
\$20,521

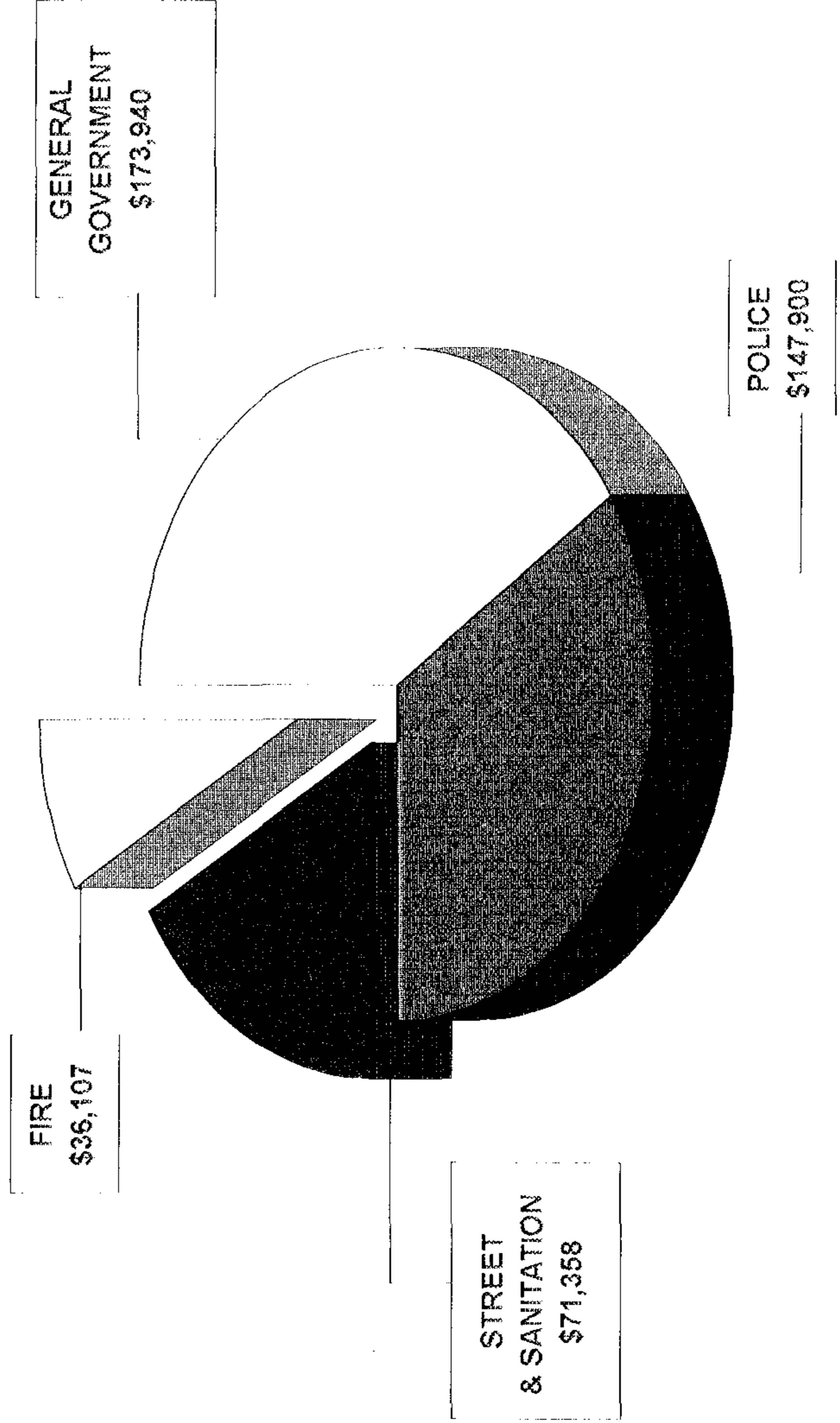
INTERGOVERNMENTAL
\$69,483

FINES
\$85,934

CHARGES FOR SERVICES
\$90,575

TOWN OF OLLA, LOUISIANA

GENERAL FUND EXPENDITURES 6-30-99



TOWN OF OLLA, LOUISIANA

Enterprise Fund Expenses 6-30-99

