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THE TOWN OF BERNICE, LOUISIANA

FINANCIAL STATEMENTS
AND
ACCOUNTANT'S REPORT

DECEMBER 31, 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 public officials. The report is available for public inspection at the Baton Rouge office of the Louisiana Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6/14/00

THE TOWN OF BERNICE
DECEMBER 31, 1999
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INDEPENDENT AUDITOR'S REPORT

The Honorable Minor Patton, Mayor
Members of the Board of Aldermen
Town of Bernice, Louisiana

We have audited the accompanying general-purpose financial statements of the Town of Bernice, as of and for the year ended December 31, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Town of Bernice'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 Town of Bernice, as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated May 18, 2000, on our consideration of the Town of Bernice'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 the Town of Bernice, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the general-purpose financial statements. Also, the supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated in all material respects, in relation to the general-purpose financial statements taken as a whole.

Marcus, Robinson & Hassell

MARCUS, ROBINSON & HASSELL
Monroe, Louisiana
May 18, 2000

TOWN OF BERNICE, LOUISIANA
COMBINED BALANCE SHEETS - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1999

	<u>GOVERNMENTAL</u> <u>FUND TYPES</u>		<u>PROPRIETARY</u> <u>FUND TYPE</u>
	<u>GENERAL</u>	<u>SPECIAL</u> <u>REVENUE</u>	<u>ENTERPRISE</u>
<u>ASSETS</u>			
Current			
Cash	6,365	182,557	15,248
Accounts Receivable	3,810	0	36,540
Due From State	0	1,996	0
Due From Federal Government	4,065	0	0
Accrued Interest Receivable	0	1,055	0
Property Taxes Receivable	8,159	0	0
Due from Other Funds	6,760	0	0
Inventory Supplies	0	0	3,176
Prepaid Insurance	<u>4,538</u>	<u>0</u>	<u>0</u>
<u>TOTAL CURRENT ASSETS</u>	<u>33,697</u>	<u>185,608</u>	<u>54,964</u>
Restricted Assets			
Cash in Bank	0	0	92,193
Cash - Savings Accounts - Replacement & Extension	0	0	25,680
Accrued Interest Receivable	<u>0</u>	<u>0</u>	<u>2,861</u>
<u>TOTAL RESTRICTED ASSETS</u>	<u>0</u>	<u>0</u>	<u>120,734</u>
Property, Plant, and Equipment - Net of Allowance for Depreciation	0	0	1,664,126
General Fixed Assets	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL ASSETS</u>	<u>33,697</u>	<u>185,608</u>	<u>1,839,824</u>

<u>ACCOUNT GROUP GENERAL FIXED ASSETS</u>	<u>1999 TOTALS (MEMO ONLY)</u>	<u>1998 TOTALS (MEMO ONLY)</u>
0	204,170	184,840
0	40,350	25,447
0	1,996	3,960
0	4,065	4,690
0	1,055	2,565
0	8,159	5,904
0	6,760	2,711
0	3,176	4,539
<u>0</u>	<u>4,538</u>	<u>4,125</u>
0	274,269	238,781
0	92,193	76,897
0	25,680	24,342
<u>0</u>	<u>2,861</u>	<u>2,762</u>
0	120,734	104,001
0	1,664,126	1,728,846
<u>1,824,015</u>	<u>1,824,015</u>	<u>1,635,424</u>
<u>1,824,015</u>	<u>3,883,144</u>	<u>3,707,052</u>

See Accompanying Notes

TOWN OF BERNICE, LOUISIANA
COMBINED BALANCE SHEETS - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1999

	<u>GOVERNMENTAL</u> <u>FUND TYPES</u>		<u>PROPRIETARY</u> <u>FUND TYPE</u>
	<u>GENERAL</u>	<u>SPECIAL</u> <u>REVENUE</u>	<u>ENTERPRISE</u>
<u>LIABILITIES AND FUND EQUITY</u>			
<u>RETAINED EARNINGS</u>			
Liabilities			
Current (Payable from Current Assets)			
Accounts Payable	5,372	1,996	8,314
Payroll Taxes Payable	1,095	0	198
Workman's Comp Payable	3,977	0	0
Sales Tax Payable	0	0	457
Meter Deposits	0	0	22,495
Due to Other Funds	<u>0</u>	<u>0</u>	<u>6,760</u>
<u>TOTAL CURRENT (PAYABLE FROM</u>			
<u>CURRENT ASSETS)</u>	10,444	1,996	38,224
Payable from Restricted Assets			
Water Revenue Bonds - Current	0	0	8,732
Accrued Interest - Current	0	0	8,276
Water Revenue Bonds Long-term	<u>0</u>	<u>0</u>	<u>671,579</u>
<u>TOTAL LIABILITIES</u>	10,444	1,996	726,811
<u>FUND EQUITY</u>			
Contributed Capital			
Contributions from Grants	0	0	1,370,159
Contributions from Municipalities	0	0	352,982
Investment in General Fixed Assets	0	0	0
Retained Earnings			
Reserve for Replacement and Extension	0	0	26,596
Reserve for FHA Water Improvement	0	0	32,493
Unreserved	0	0	(669,217)
Fund Balance	<u>23,253</u>	<u>183,612</u>	<u>0</u>
<u>TOTAL FUND EQUITY</u>	23,253	183,612	1,113,013
<u>TOTAL LIABILITIES & FUND EQUITY</u>	<u>33,697</u>	<u>185,608</u>	<u>1,839,824</u>

<u>ACCOUNT GROUP</u> <u>GENERAL FIXED ASSETS</u>	<u>1999</u> <u>TOTALS</u> <u>(MEMO ONLY)</u>	<u>1998</u> <u>TOTALS</u> <u>(MEMO ONLY)</u>
0	15,682	11,134
0	1,293	1,480
0	3,977	2,873
0	457	482
0	22,495	19,660
<u>0</u>	<u>6,760</u>	<u>2,711</u>
0	50,664	38,340
0	8,732	7,779
0	8,276	8,264
<u>0</u>	<u>671,579</u>	<u>680,877</u>
0	739,251	735,260
0	1,370,159	1,370,159
0	352,982	352,982
1,824,015	1,824,015	1,635,424
0	26,596	23,980
0	32,493	30,015
0	(669,217)	(631,767)
<u>0</u>	<u>206,865</u>	<u>190,999</u>
<u>1,824,015</u>	<u>3,143,893</u>	<u>2,971,792</u>
<u>1,824,015</u>	<u>3,883,144</u>	<u>3,707,052</u>

See Accompanying Notes

TOWN OF BERNICE, LOUISIANA
COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>GOVERNMENTAL FUND TYPES</u>		<u>1999</u>	<u>1998</u>
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>(MEMO- ONLY)</u>	<u>(MEMO- ONLY)</u>
<u>REVENUE</u>				
Fines	35,938	0	35,938	11,103
Licenses	42,586	0	42,586	38,495
Tobacco & Beverage Tax	9,970	0	9,970	10,807
Fees - Louisiana Power & Light	21,669	0	21,669	21,113
Fees - Arkla Gas	5,631	0	5,631	6,511
Ad Valorem Taxes	20,641	0	20,641	20,389
State Revenue Sharing	1,243	0	1,243	1,563
Cable TV Franchise Fee	5,554	0	5,554	5,342
Miscellaneous	8,840	0	8,840	310
Sanitation Fee Income	35,913	0	35,913	33,414
Building Permits	335	0	335	505
Rent Income	6,000	0	6,000	6,000
Lots Sold	758	0	758	4,458
Sales Tax	0	197,988	197,988	180,737
Interest Income	0	7,167	7,167	7,330
Federal Grants	16,726	12,167	28,893	13,381
State Grants	<u>31,086</u>	<u>0</u>	<u>31,086</u>	<u>18,914</u>
<u>TOTAL REVENUE</u>	<u>242,890</u>	<u>217,322</u>	<u>460,212</u>	<u>380,372</u>
<u>EXPENDITURES</u>				
Administrative	29,255	0	29,255	35,149
Public Safety	150,363	4,800	155,163	139,148
Streets & Sanitation	57,065	0	57,065	60,910
General	113,505	24,767	138,272	103,723
Capital Outlay	<u>33,591</u>	<u>0</u>	<u>33,591</u>	<u>39,505</u>
<u>TOTAL EXPENDITURES</u>	<u>383,779</u>	<u>29,567</u>	<u>413,346</u>	<u>378,435</u>
<u>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</u>	<u>(140,889)</u>	<u>187,755</u>	<u>46,866</u>	<u>1,937</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Operating Transfers In	155,000	12,600	167,600	188,734
Operating Transfers Out	<u>(12,600)</u>	<u>(186,000)</u>	<u>198,600</u>	<u>(188,734)</u>
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>142,400</u>	<u>(173,400)</u>	<u>(31,000)</u>	<u>0</u>
<u>EXCESS (DEFICIENCY) OF REVENUE & OTHER SOURCES OVER (UNDER) EXPENDITURES & OTHER USES</u>	<u>1,511</u>	<u>14,355</u>	<u>15,866</u>	<u>1,937</u>
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>21,742</u>	<u>169,257</u>	<u>190,999</u>	<u>189,062</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>23,253</u>	<u>183,612</u>	<u>206,865</u>	<u>190,999</u>

See Accompanying Notes

TOWN OF BERNICE, LOUISIANA
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL -
GENERAL AND SPECIAL REVENUE TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999

<u>REVENUE</u>	<u>GENERAL FUND</u>		<u>VARIABLE</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
Fines	32,000	35,938	3,938
Licenses	42,536	42,586	50
Tobacco & Beverage Tax	9,778	9,970	192
Fees - Louisiana Power & Light	23,000	21,669	(1,331)
Fees - Arkla Gas	5,000	5,631	631
Ad Valorem Taxes	18,000	20,641	2,641
State Revenue Sharing	2,000	1,243	(757)
Cable TV Franchise Fee	5,000	5,554	554
Miscellaneous	292	8,840	8,548
Sanitation Fee Income	36,043	35,913	(130)
Building Permits	0	335	335
Rent Income	6,000	6,000	0
Lots Sold	0	758	758
Sales Tax	0	0	0
Interest Income	0	0	0
Federal Grants	0	16,726	16,726
State Grants	<u>9,000</u>	<u>31,086</u>	<u>22,086</u>
<u>TOTAL REVENUE</u>	<u>188,649</u>	<u>242,890</u>	<u>54,241</u>
<u>EXPENDITURES</u>			
Administrative	28,800	29,255	(455)
Public Safety	137,000	150,363	(13,363)
Streets and Sanitation	57,000	57,065	(65)
General	115,630	113,505	2,125
Capital Outlay	<u>0</u>	<u>33,591</u>	<u>(33,591)</u>
<u>TOTAL EXPENDITURES</u>	<u>338,430</u>	<u>383,779</u>	<u>(45,349)</u>
<u>EXCESS (DEFICIENCY) OF REVENUE</u> <u>OVER EXPENDITURES</u>	<u>(149,781)</u>	<u>(140,889)</u>	<u>8,892</u>
<u>OTHER FINANCING SOURCES (USES):</u>			
Operating Transfers In:	155,000	155,000	0
Operating Transfers out:	<u>(12,600)</u>	<u>(12,600)</u>	<u>0</u>
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>142,400</u>	<u>142,400</u>	<u>0</u>
<u>EXCESS (DEFICIENCY) OF REVENUE</u> <u>AND OTHER SOURCES OVER (UNDER)</u> <u>EXPENDITURES AND OTHER USES</u>	<u>(7,381)</u>	<u>1,511</u>	<u>8,892</u>
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>21,742</u>	<u>21,742</u>	<u>0</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>14,361</u>	<u>23,253</u>	<u>8,892</u>

See Accompanying Notes

SPECIAL REVENUE FUNDS			TOTALS (MEMO ONLY)			
			1999		1998	
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	ACTUAL
0	0	0	32,000	35,938	3,938	11,103
0	0	0	42,536	42,586	50	38,495
0	0	0	9,778	9,970	192	10,807
0	0	0	23,000	21,669	(1,331)	21,113
0	0	0	5,000	5,631	631	6,511
0	0	0	18,000	20,641	2,641	20,389
0	0	0	2,000	1,243	(757)	1,563
0	0	0	5,000	5,554	554	5,342
0	0	0	292	8,840	8,548	310
0	0	0	36,043	35,913	(130)	33,414
0	0	0	0	335	335	505
0	0	0	6,000	6,000	0	6,000
0	0	0	0	758	758	4,458
196,000	197,988	1,988	196,000	197,988	1,988	180,737
2,300	7,167	4,867	2,300	7,167	4,867	7,330
12,167	12,167	0	12,167	28,893	16,726	13,381
0	0	0	9,000	31,086	22,086	18,914
210,467	217,322	6,855	399,116	460,212	61,096	380,372
0	0	0	28,800	29,255	(455)	35,149
4,800	4,800	0	141,800	155,163	(13,363)	139,148
0	0	0	57,000	57,065	(65)	60,910
24,767	24,767	0	140,397	138,272	2,125	103,723
0	0	0	0	33,591	(33,591)	39,505
29,567	29,567	0	367,997	413,346	(45,349)	378,435
180,900	187,755	6,855	31,119	46,866	15,747	1,937
12,600	12,600	0	167,600	167,600	0	188,734
(186,000)	(186,000)	0	(198,600)	(198,600)	0	(188,734)
(173,400)	(173,400)	0	(31,000)	(31,000)	0	0
7,500	14,355	6,855	119	15,866	15,747	1,937
169,257	169,257	0	190,999	190,999	0	189,062
176,757	183,612	6,855	191,118	206,865	15,747	190,999

TOWN OF BERNICE, LOUISIANA
STATEMENT OF REVENUE, EXPENSES,
AND CHANGES IN RETAINED EARNINGS ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>PROPRIETARY</u> <u>FUND TYPES</u>	<u>TOTAL</u> <u>(MEMO ONLY)</u> <u>1998</u>
<u>OPERATING REVENUE</u>		
Water Sales	168,650	162,241
Sewer Sales	54,678	47,166
Water & Sewer Connection Fees	11,077	7,937
State Grants	3,608	0
Other	885	50
<u>TOTAL OPERATING INCOME</u>	<u>238,898</u>	<u>217,394</u>
<u>OPERATING EXPENSES</u>		
Bad Debt Expense	1,009	1,255
Billing Department	6,526	7,569
Depreciation	75,540	75,461
Miscellaneous	184	1,942
Payroll Tax Expense	6,520	7,905
Repairs	23,232	13,640
Salaries	75,938	63,257
Sewer Test	3,395	4,150
Supplies	34,571	35,215
Vehicle Expense	4,121	2,250
Utilities	36,462	37,501
<u>TOTAL OPERATING EXPENSE</u>	<u>267,498</u>	<u>250,145</u>
<u>INCOME (LOSS) FROM OPERATIONS</u>	<u>(28,600)</u>	<u>(32,751)</u>
<u>NON-OPERATING REVENUE (EXPENSE)</u>		
Interest Revenue	6,462	5,971
Interest Expense	(41,218)	(41,532)
Operating Transfers In	31,000	0
Operating Transfers Out	0	0
<u>TOTAL NON-OPERATING REVENUE, NET</u>	<u>(3,756)</u>	<u>(35,561)</u>
<u>NET LOSS</u>	<u>(32,356)</u>	<u>(68,312)</u>
<u>RETAINED EARNINGS AT BEGINNING OF YEAR</u>	<u>(577,772)</u>	<u>(509,460)</u>
<u>RETAINED EARNINGS AT END OF YEAR</u>	<u>(610,128)</u>	<u>(577,772)</u>

See Accompanying Notes

THE TOWN OF BERNICE, LOUISIANA
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Cash Received from Customers	221,257
Cash Payments to Suppliers for Goods and Services	(108,523)
Cash Payments to Employees for Services	(75,938)
Cash Received for Other Operating Income	<u>8,542</u>
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	45,338
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>	
Principal Paid on Revenue Bond Maturities	(8,345)
Acquisition and Construction of Capital Assets	(10,820)
Interest Paid on Revenue Bonds	(41,206)
Transfer In - Sales Tax Fund	<u>31,000</u>
<u>NET USED IN CAPITAL AND RELATED FINANCING ACTIVITIES</u>	(29,371)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Interest on Investments	<u>6,363</u>
<u>NET CASH PROVIDED BY INVESTING ACTIVITIES</u>	<u>6,363</u>
<u>NET DECREASE IN CASH AND CASH EQUIVALENTS</u>	22,330
<u>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</u>	<u>110,791</u>
<u>CASH AND CASH EQUIVALENTS AT END OF YEAR</u>	<u>133,121</u>
<u>CASH SUMMARY</u>	
Unrestricted Cash	15,248
Restricted Cash	92,193
Restricted Cash - Savings	<u>25,680</u>
	<u>133,121</u>

See Accompanying Notes

TOWN OF BERNICE
STATEMENT OF CASH FLOWS (CONTINUED)
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 1999

RECONCILIATION OF OPERATING INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES

Operating Income (Loss)	(28,600)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation	75,540
Change in Assets and Liabilities:	
Increase in Accounts Receivable	(13,148)
Decrease in Inventory	1,363
Increase in Accounts Payable	3,349
Decrease in Payroll Taxes Payable	(25)
Decrease in Sales Tax Payable	(25)
Increase in Meter Deposits	2,835
Increase in Due to Other Funds	<u>4,049</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES

45,338

See Accompanying Notes

TOWN OF BERNICE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Town of Bernice was incorporated under the provisions of the Lawson Act. The City operates under a Mayor - Board of Aldermen form of government.

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

The following is a summary of certain significant accounting policies.

FINANCIAL REPORTING ENTITY

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

FUND ACCOUNTING

The accounts of the Town of Bernice are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises 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 three generic fund types and two broad fund categories as follows:

Governmental Funds -

General Fund

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

Special Revenue Funds

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

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.

TOWN OF BERNICE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

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.

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 Town has elected to capitalize public domain (infrastructure) fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-term Debt Account Group, of which the Town does not now have.

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.

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:

Water Utility -	
Wells	40 years
Storage Tanks	40 years
Purification Plant	40 years
Lines & Meters	40 years

The estimated useful lives are as follows:

Sewerage Utility -	
Pump Stations	40 years
Lines	40 years
Autos and Trucks	3-5 years
Other Equipment	3-10 years

All fixed assets are stated at historical cost or estimated cost if actual historical cost is not available. Prior to 1978, records were not maintained of historical cost. The water system was placed on the books at January 1, 1978 at an estimated value of 413,766.

TOWN OF BERNICE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

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 accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered measurable when in the hands of collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

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

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.

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 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 same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving 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 each fiscal year.
7. 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 from time to time by the Board of Aldermen. Such amendments were not material in relation to the original appropriations.

TOWN OF BERNICE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

Inventories

Inventory of supplies in both the governmental funds and proprietary fund is valued at cost (first-in, first-out).

Bad Debts

Uncollectible accounts receivable are charged directly against earnings when they are determined to be uncollectible. Use of this method does not result in a material difference from the valuation method required by generally accepted accounting principles.

Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefits

The Town has a policy of accumulating unpaid vacation and sick pay. The costs associated with this accumulation is immaterial. Thus, no accrual has been recorded

Comparative

Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of the changes in the Town's financial position and operations.

Total Columns on Combined Statements - Overview

Total columns on the combined statements - overview are captioned memorandum only to indicate that they are presented only to facilitate financial analysis. Data in these columns does 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 the data.

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 Town in October or November and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

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

For the year ended December 31, 1999, taxes were levied on property with assessed valuations totaling 3,909,310 and were dedicated as follows:

General corporate purpose	5.28 mills
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Total taxes levied were 20,641. Taxes receivable at December 31, 1999 consisted of the following:

Taxes Receivable current roll	<u>8,159</u>
-------------------------------	--------------

INTERFUND RECEIVABLES, PAYABLES -

	<u>INTERFUND RECEIVABLES</u>	<u>INTERFUND PAYABLES</u>
General fund	6,760	0
Special Revenues Funds -		
Sales Tax Fund	0	0
Enterprise Fund	0	6,760

TOWN OF BERNICE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

LONG-TERM DEBT

Water Revenue Bond:

Water System Construction. Interest rate is 6%. Payment of interest only was due on October 23, 1990 and 1991. Principal and interest is due October 23, 1992 to 2029. The original bond issuance is for 735,600.

	<u>ENTERPRISE FUND</u> <u>WATER REVENUE</u> <u>BONDS</u>
Debt Payable January 1, 1999	688,656
Debt Issued	0
Debt Retired	<u>8,345</u>
Debt Payable December 31, 1999	680,311
Less: Current Maturities	<u>8,732</u>
Long-term Debt	<u>671,579</u>

YEAR ENDING
DECEMBER 31,

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2000	8,732	40,819	49,551
2001	9,223	40,328	49,551
2002	9,776	39,775	49,551
2003	10,363	39,188	49,551
2004	10,984	38,567	49,551
2005-2029	<u>631,233</u>	<u>557,985</u>	<u>1,189,218</u>
	<u>680,311</u>	<u>756,662</u>	<u>1,436,973</u>

PROPERTY, PLANT AND EQUIPMENT

The following is a summary of proprietary fund type property, plant, and equipment at December 31, 1999:

	<u>ENTERPRISE</u> <u>FUND</u>
Water & Sewer System	2,091,132
Equipment	127,866
Water System Improvements	988,117
Land	<u>7,162</u>
	3,214,277
Less: Accumulated Depreciation	<u>1,550,151</u>
<u>NET PROPERTY, PLANT & EQUIPMENT</u>	<u>1,664,126</u>

Depreciation expense for the year ended was \$75,540.

TOWN OF BERNICE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets:

Balance 1-1-99	1,635,424
Current Additions	188,591
Current Deletions	<u>0</u>
Balance 12-31-99	<u>1,824,015</u>

Included in current year additions is real estate donated to the Town by Community Trust Bank. The real estate consists of Lots 1,2,3,4 and 5 of Block 40 in the Town of Bernice including the existing building on these lots. The real estate was recorded at its fair market value of \$155,000 as determined by an independent appraisal.

DEDICATION OF PROCEEDS AND FLOW OF FUNDS - 1% Sales and Use Tax -

The 1% sales tax was increased to 2% effective October 1, 1988.

The proceeds of this tax to be dedicated and used for the purpose of acquiring, constructing, improving, maintaining, and operating fire protection facilities, purchasing fire trucks, ambulance, rescue vehicles, or other fire fighting, ambulance and/or rescue equipment: or for one or more of said purposes including the supplementing of the general revenues, said tax to be subject to funding into funds by the Town for the purpose of making capital improvement to the extent and in the manner permitted by the laws of Louisiana should such become necessary.

PENDING LITIGATION AND CONTINGENT LIABILITIES

The Town attorney has advised that there is no pending litigation against the Town.

RETIREMENT CONDITIONS

All employees of the Town of Bernice are members of the Social Security System. The Town contributed \$19,035 as the employer's portion.

TOWN OF BERNICE ELECTED OFFICIALS

<u>NAME</u>	<u>POSITION</u>	<u>ADDRESS</u>	<u>SALARY</u>	<u>TERM EXPIRES</u>
Minor S. Patton	Mayor	P. O. Box 86 Bernice, LA 71222	9,600	12/31/02
Clarence Davis, Jr.	Chief-of Police	516 Gary Street Bernice, LA 71222	18,600	12/31/02
Oliver Gene Terrall	Alderman District 1	197 Holley Bernice, LA 71222	1,200	12/31/02

TOWN OF BERNICE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

<u>NAME</u>	<u>POSITION</u>	<u>ADDRESS</u>	<u>SALARY</u>	<u>TERM EXPIRES</u>
Rhodell Montgomery	Alderman District 2	P. O. Box 273 Bernice, LA 71222	1,200	12/31/02
Elvin Dismuke	Alderman District 3	P. O. Box 48 Bernice, LA 71222	1,200	12/31/02
Mildred Ferguson	Alderman District 4	P. O. Box 43 Bernice, LA 71222	1,200	12/31/02
Homer Rodgers	Alderman District 5	209 Reeves St. Bernice, LA 71222	<u>1,200</u>	12/31/02
<u>TOTAL SALARIES</u>			<u>34,200</u>	

CASH

Cash Flow Information - Supplemental disclosures of cash flow information:

	<u>1999</u>	<u>1998</u>
Cash paid during the year for:		
Interest	41,206	45,117
Income Taxes	0	0

Supplemental schedule of non-cash investing and financing activities:

There were no non-cash investing and financing activities for the year.

Disclosure of accounting policy:

For the purposes of the statement of cash flows, the Town considers cash in checking accounts, savings accounts, and certificates of deposit to be cash and cash equivalents.

Cash is classified into three categories to give an indication of the level of risk assumed at year-end. Category 1 includes investments insured or registered or securities which are held by the Town or its agent in the Town's name. Category 2 includes uninsured or unregistered investments for which the securities are held by the bank or agent in the Town's name. Category 3 includes uninsured or unregistered investments with the securities held by the bank or agent but not in the Town's name.

The carrying amount of the Town's deposits with the financial institutions was \$332,388 and the book balance was \$322,043. The bank balance is categorized as follows:

	<u>Category</u>		
	<u>1</u>	<u>2</u>	<u>3</u>
Cash	200,000	132,388	0

RETAINED EARNINGS - ENTERPRISE FUND

The deficit in retained earnings is created by accumulated depreciation on property, plant and equipment. Of the \$3,214,277 of property, plant and equipment, 1,723,140 is from contributed capital. Thus, \$837,082 or 54% of accumulated depreciation that has flowed through retained earnings is attributable to the assets purchased through contributed capital.

MARCUS, ROBINSON and HASSELL

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Harvey Marcus, CPA
John Robinson, CPA
Doyle Hassell, CPA

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

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 Minor Patton, Mayor
Members of the Board of Aldermen
Town of Bernice, Louisiana

We have audited the financial statements of the Town of Bernice, as of and for the year ended December 31, 1999, and have issued our report thereon dated May 18, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Bernice's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Marcus, Robinson and Hassell

Marcus, Robinson and Hassell
May 18, 2000

TOWN OF BERNICE
BERNICE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999

PART I - SUMMARY OF THE AUDITOR'S RESULTS

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statement.

Audit of Federal Awards

- iv. There were no reportable conditions required to be disclosed by OMB Circular No.A-133.
- v. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vi. There were no major federal programs for the year ended December 31, 1999.
- vii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No. A-133, Section .520(b) was \$300,000.

PART II - Finding(s) relating to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:

NONE

TOWN OF BERNICE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 1999

<u>Federal Grants/ Pass Through Grantor/ Program Title</u>	<u>CFDA Number</u>	<u>Award Period</u>	<u>Expenditures</u>
LCD BG - Street Overlay	14.228	1-1-99/12-31-99	12,167
Community Oriented Policing Services		1-1-99/12-31-99	<u>16,726</u>
			<u>28,893</u>

SUPPLEMENTAL INFORMATION

GOVERNMENTAL FUND TYPE - GENERAL FUND

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

TOWN OF BERNICE, LOUISIANA
GOVERNMENTAL FUND TYPE - GENERAL FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>ASSETS</u>		
Cash	6,365	8,596
Accounts Receivable	3,810	2,055
Due From State	0	3,960
Due From Federal Government	4,065	4,690
Property Taxes Receivable	8,159	5,904
Due from Enterprise Fund	6,760	2,711
Prepaid Insurance	4,538	4,125
<u>TOTAL ASSETS</u>	<u>33,697</u>	<u>32,041</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities		
Accounts Payable	5,372	6,169
Payroll Taxes Payable	1,095	1,257
Workman's Comp. Payable	<u>3,977</u>	<u>2,873</u>
Total Liabilities	10,444	10,299
Fund Balance	<u>23,253</u>	<u>21,742</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>33,697</u>	<u>32,041</u>

TOWN OF BERNICE, LOUISIANA
GOVERNMENTAL FUND TYPE - GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>REVENUES</u>		
Ad Valorem Tax	20,641	20,389
Fines	35,938	11,103
License	42,586	38,495
Tobacco & Beverage Tax	9,970	10,807
Fees - Louisiana Power & Light	21,669	21,113
Fees - Arkla Gas	5,631	6,511
State Revenue Sharing	1,243	1,563
Cable TV Franchise Fee	5,554	5,342
Miscellaneous	8,840	310
Sanitation Fee Income	35,913	33,414
Building Permits	335	505
Lots Sold	758	4,458
Rent Income	6,000	6,000
Federal Grants	16,726	13,381
State Grants	<u>31,086</u>	<u>18,914</u>
<u>TOTAL REVENUES</u>	242,890	192,305
<u>EXPENDITURES</u>		
Administrative	29,255	35,149
Public Safety	150,363	134,348
Streets & Sanitation	57,065	60,910
General	113,505	103,723
Capital Outlay	<u>33,591</u>	<u>39,505</u>
<u>TOTAL EXPENDITURES</u>	<u>383,779</u>	<u>373,635</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	(140,889)	(181,330)
<u>OTHER FINANCING SOURCES (USES):</u>		
Transfer from Water & Sewer Fund	0	0
Transfer from Sales Tax Fund	155,000	188,734
Transfer to Special Revenue Fund	(12,600)	<u>0</u>
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	142,400	188,734
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES</u> <u>OVER EXPENDITURES AND OTHER USES</u>	1,511	7,404
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>21,742</u>	<u>14,338</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>23,253</u>	<u>21,742</u>

TOWN OF BERNICE, LOUISIANA
GOVERNMENTAL FUND TYPE - GENERAL FUND
COMPARATIVE STATEMENT OF EXPENDITURES
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>ADMINISTRATIVE</u>	29,255	35,149
<u>PUBLIC SAFETY</u>		
Police Department	150,363	134,348
<u>STREET AND SANITATION</u>		
Sanitation Department Expense	28,724	25,806
Street Expense	<u>28,341</u>	<u>35,104</u>
	57,065	60,910
<u>GENERAL</u>		
General	113,505	103,723
<u>CAPITAL OUTLAY</u>	<u>33,591</u>	<u>39,505</u>
<u>TOTAL EXPENDITURES</u>	<u>383,779</u>	<u>373,635</u>

GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUNDS

Sales Tax - To account for the receipt and use of proceeds of the Town's sales tax. These taxes are dedicated and are to be used for the purpose of establishing, acquiring, constructing, maintaining, building, and repairing streets, roads, and bridges; construction and maintaining drains and drainage ditches; establishing, acquiring, operating, and maintaining solid waste disposal facilities and equipment, therefore; including the acquisition, operation, and maintenance of equipment for the collection of same; constructing, operating, and maintaining sewage and water improvements; or for one or more of said purposes, said tax to be subject to funding into bonds by the Town for the purpose of making capital improvement to the extent and in the manner permitted by the laws of Louisiana.

Street Overlay Grant - To account for community development block grant proceeds for the street overlay project.

TOWN OF BERNICE, LOUISIANA
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUND
COMBINED BALANCE SHEET
DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>ASSETS</u>		
Cash	182,557	166,692
Interest Receivable	1,055	2,565
Due From State	<u>1,996</u>	<u>0</u>
<u>TOTAL ASSETS</u>	<u>185,608</u>	<u>169,257</u>
<u>LIABILITIES</u>		
Accounts Payable	<u>1,996</u>	<u>0</u>
<u>TOTAL LIABILITIES</u>	<u>1,996</u>	<u>0</u>
<u>FUND BALANCE</u>	<u>183,612</u>	<u>169,257</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>185,608</u>	<u>169,257</u>

TOWN OF BERNICE, LOUISIANA
GOVERNMENTAL FUND TYPE - SPECIAL REVENUE FUND
COMBINED STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>REVENUE</u>		
Interest Income	7,167	7,330
Sales Tax Collected	197,988	180,737
Federal Grants	<u>12,167</u>	<u>0</u>
<u>TOTAL REVENUE</u>	<u>217,322</u>	<u>188,067</u>
<u>EXPENDITURES</u>		
Public Safety	4,800	4,800
General	<u>24,767</u>	<u>0</u>
<u>TOTAL EXPENDITURES</u>	<u>29,567</u>	<u>4,800</u>
<u>EXCESS REVENUES OVER EXPENDITURES</u>	187,755	183,267
<u>OTHER FINANCING SOURCES (USES)</u>		
Transfer in - General Fund	12,600	0
Transfer to General Fund	(155,000)	188,734
Transfer to Water & Sewer Fund	<u>(31,000)</u>	<u>0</u>
<u>TOTAL OTHER FINANCING USES</u>	<u>(173,400)</u>	<u>188,734</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	14,355	(5,467)
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>169,257</u>	<u>174,724</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>183,612</u>	<u>169,257</u>

TOWN OF BERNICE, LOUISIANA
SALES TAX FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>ASSETS</u>		
Cash	182,557	166,692
Interest Receivable	<u>1,055</u>	<u>2,565</u>
<u>TOTAL ASSETS</u>	<u>183,612</u>	<u>169,257</u>
<u>FUND BALANCE</u>	<u>183,612</u>	<u>169,257</u>

TOWN OF BERNICE, LOUISIANA
SALES TAX FUND
COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>REVENUE</u>		
Interest Income	7,167	7,330
Sales Tax Collected	<u>197,988</u>	<u>180,737</u>
<u>TOTAL REVENUE</u>	205,155	188,067
<u>EXPENDITURES</u>		
Public Safety	<u>4,800</u>	<u>4,800</u>
<u>TOTAL EXPENDITURES</u>	<u>4,800</u>	<u>4,800</u>
<u>EXCESS REVENUES OVER EXPENDITURES</u>	200,355	183,267
<u>OTHER FINANCING USES</u>		
Transfer to General Fund	155,000	188,734
Transfer to Water & Sewer Fund	<u>31,000</u>	<u>0</u>
<u>TOTAL OTHER FINANCING USES</u>	<u>186,000</u>	<u>188,734</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Uses	14,355	(5,467)
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>169,257</u>	<u>174,724</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>183,612</u>	<u>169,257</u>

TOWN OF BERNICE, LOUISIANA
STREET OVERLAY GRANT FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>ASSETS</u>		
Cash	0	0
Due From State	<u>1,996</u>	<u>0</u>
<u>TOTAL ASSETS</u>	<u>1,996</u>	<u>0</u>
<u>LIABILITIES</u>		
Accounts Payable	<u>1,996</u>	<u>0</u>
<u>TOTAL LIABILITIES</u>	<u>1,996</u>	<u>0</u>
<u>FUND BALANCE</u>	<u>0</u>	<u>0</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>1,996</u>	<u>0</u>

TOWN OF BERNICE, LOUISIANA
STREET OVERLAY GRANT FUND
COMPARATIVE STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>REVENUE</u>		
Federal Grants	12,167	0
<u>TOTAL REVENUE</u>	<u>12,167</u>	<u>0</u>
<u>EXPENDITURES</u>		
General	24,767	0
<u>TOTAL EXPENDITURES</u>	<u>24,767</u>	<u>0</u>
<u>OTHER FINANCING SOURCES</u>		
Transfer In - General Fund	12,600	0
<u>TOTAL OTHER FINANCING SOURCES</u>	<u>12,600</u>	<u>0</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	0	0
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>0</u>	<u>0</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u><u>0</u></u>	<u><u>0</u></u>

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operations

TOWN OF BERNICE, LOUISIANA
COMPARATIVE STATEMENT OF GENERAL FIXED ASSET ACCOUNT GROUP
DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>GENERAL FIXED ASSETS AT COST*</u>		
Land - Inside City Limits	103,235	103,235
Land - Outside City Limits	1,150	1,150
Building - Old Town Hall	75,000	75,000
Building - Old Town Hall	5,000	5,000
Building - Old Depot	17,497	17,497
Building & Land - Town Hall	155,000	0
Furniture & Office Equipment	13,905	11,444
Police Equipment	57,900	57,900
Police Cars	42,168	17,124
Computer	3,467	3,467
Civic Clubhouse	25,001	18,915
Vehicles	177,518	177,518
Gasoline Tank and Trailers	7,546	7,546
Streets	93,075	93,075
Street Department Tractor	5,000	5,000
Fire Truck	210,182	210,182
Capitalization of Fire Protection Grant	260,117	260,117
Fire Protection Equipment	5,840	5,840
Medical Clinic	154,820	154,820
Copy Machine	3,041	3,041
Helicopter Pad	25,000	25,000
Furniture - Museum	1,285	1,285
Street Overlay	<u>381,268</u>	<u>381,268</u>
	<u>1,824,015</u>	<u>1,635,424</u>
<u>PROPERTY ACQUIRED PRIOR TO JANUARY 1, 1978</u>	276,074	276,074
<u>PROPERTY ACQUIRED AFTER JANUARY 1, 1978</u>		
From:		
Federal Revenue Sharing	2,434	2,434
General Fund Reserve	732,234	543,643
Federal Block Grants	727,280	727,280
Sales Tax Fund Reserve	<u>85,993</u>	<u>85,993</u>
<u>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</u>	<u>1,824,015</u>	<u>1,635,424</u>

* Records were not maintained prior to January 1, 1978. Assets on hand at January 1, 1978 were placed on books at estimated costs.

PROPRIETARY FUND TYPE - ENTERPRISE FUND

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

TOWN OF BERNICE, LOUISIANA
PROPRIETARY FUND TYPE- ENTERPRISE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>ASSETS</u>		
Cash	15,248	9,552
Accounts Receivable	36,540	23,392
Inventory of Supplies	<u>3,176</u>	<u>4,539</u>
<u>TOTAL CURRENT ASSETS</u>	54,964	37,483
 Restricted Assets		
Cash in Bank	92,193	76,897
Cash - Savings Account - Replacement and Extension	25,680	24,342
Accrued Interest Receivable	<u>2,861</u>	<u>2,762</u>
<u>TOTAL RESTRICTED ACCOUNTS</u>	120,734	104,001
 Property, Plant and Equipment		
Net of Allowance for Depreciation	<u>1,664,126</u>	<u>1,728,846</u>
 <u>TOTAL ASSETS</u>	<u>1,839,824</u>	<u>1,870,330</u>

TOWN OF BERNICE
PROPRIETARY FUND TYPE - ENTERPRISE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<u>LIABILITIES AND FUND EQUITY</u>		
Liabilities		
Current (Payable from Current Assets)		
Accounts Payable	8,314	4,965
Payroll Taxes Payable	198	223
Sales Tax Payable	457	482
Meter Deposits	22,495	19,660
Due to General Fund	<u>6,760</u>	<u>2,711</u>
<u>TOTAL CURRENT (PAYABLE FROM CURRENT ASSETS)</u>	<u>38,224</u>	<u>28,041</u>
Current (Payable from Restricted Assets)		
Bond Payable - FRA - Current	8,732	7,779
Accrued Interest	8,276	8,264
Bond Payable - FHA - Long-term	<u>671,579</u>	<u>680,877</u>
<u>TOTAL LIABILITIES</u>	<u>726,811</u>	<u>724,961</u>
Fund Equity		
Contributed Capital		
Contributions from Grants	1,370,159	1,370,159
Contributions from Municipality	352,982	352,982
Retained Earnings		
Reserve for Replacement and Extension	26,596	23,980
Reserve for FHA Water improvement	32,493	30,015
Unreserved	<u>(669,217)</u>	<u>(631,767)</u>
<u>TOTAL FUND EQUITY</u>	<u>1,113,013</u>	<u>1,145,369</u>
<u>TOTAL LIABILITIES AND FUND EQUITY</u>	<u>1,839,824</u>	<u>1,870,330</u>