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LEGISLATIVE AUDITOR

TOWN OF SAREPTA, LOUISIANA

ANNUAL FINANCIAL REPORT

JUNE 30, 1998

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

Release Date July 10 - 99  
TIBO 3 1999

TOWN OF SAREPTA, LOUISIANA  
 Annual Financial Report  
 Year Ended June 30, 1998

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Annual Financial Report  
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M. KENT CRAFT, C.P.A.

WM. PEARCE JAMIESON, C.P.A. (1991)

MEMBERS

AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## ACCOUNTANTS' COMPILATION REPORT

The Honorable Pamela Dorsey, Mayor, and  
the Members of the Board of Aldermen  
Town of Sarepta, Louisiana

We have compiled the accompanying general purpose financial statements of the Town of Sarepta, Louisiana as of June 30, 1998, and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management of the Town of Sarepta. We have not audited or reviewed the accompanying general purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated December 28, 1998, on the results of our agreed-upon procedures.

*Jamieson, Wise & Martin*

Minden, Louisiana  
December 28, 1998

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CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Pamela Dorsey, Mayor, and the Members of  
the Board of Aldermen  
Town of Sarepta, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Town of Sarepta and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Town of Sarepta's compliance with certain laws and regulations during the year ended June 30, 1998, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

### Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA R.S. 38:2211-2251 (the public bid law).

We examined the expenditures, in the above amounts, made during the year ended June 30, 1998, and noted that the applicable expenditures had been made in accordance with the Public Bid Law.

### Code of Ethics for Public Officials and Public Employees

2. Obtain from management, a list of the immediate family members of each board member as defined by LSA R.S. 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management (agreed-upon procedure (3) appeared on the list provided by management in agreed-upon procedure (2).

#### Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with copies of the original budget and all amendments.

6. Trace the budget adoption and amendments to the minute book.

We traced the budget adoption and budget amendments to the minutes of the Board of Aldermen, which indicated that the budget and the amendments were adopted by the Board of Aldermen of the Town of Sarepta.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We noted no instances whereby actual revenues or expenditures varied unfavorably by 5% or more.

#### Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:
  - a) Trace payments to supporting documentation as to proper amount and payee:

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- b) Determine if payments were properly coded to the correct fund and general ledger account; and

All six payments were properly coded to the correct fund and general ledger account.

- c) Determine whether payments received approval from proper authorities.

Scanning the minutes, we found that all expenditures for each month were approved by the Board at their regular monthly meeting. All 6 checks were signed by the Town Clerk, the Mayor, and a member of the Board of Aldermen to indicate payment approval.

#### Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA R.S. 42:1 - 42:12 (the open meeting law).

The Town posts all agendas, for each meeting, on the bulletin board in front of the Municipal Building in Sarepta. Management asserted to us that all agendas had been properly posted.

#### Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected records of cash receipts and bank deposits for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

#### Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the Town for the year indicated no approval for payments which may constitute bonuses, advances, or gifts. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Town of Sarepta and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

*Jamieson, Wise & Martin*

Minden, Louisiana  
December 28, 1998

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Government)**

November 2, 1998 (Date Transmitted)

\_\_\_\_\_  
Jamieson, Wise & Martin

\_\_\_\_\_  
601 Main Street

\_\_\_\_\_  
Minden, LA 71055

(Auditors)

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of November 2, 1998 (date of completion/representations).

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [] No [  ]

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [] No [  ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [] No [  ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [] No [  ]

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [] No [  ]



We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [] No [  ]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [] No [  ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [] No [  ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [] No [  ]

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [] No [  ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

|                                  |                      |                |      |
|----------------------------------|----------------------|----------------|------|
| <u>Patsy Harwood, Town Clerk</u> | Secretary            | <u>11/2/98</u> | Date |
| <u>[Signature]</u>               | Alderman             | <u>11/2/98</u> | Date |
| <u>[Signature]</u>               | <del>Treasurer</del> | <u>11/2/98</u> | Date |
| <u>Patricia Worley, Mayor</u>    | President            | <u>11/2/98</u> | Date |

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

TOWN OF SAREPTA, LOUISIANA  
 Combined Balance Sheet - All Fund Types and Account Groups  
 June 30, 1998

| Assets   | Governmental Fund Types |                    |                 |                     | Account Group<br>General<br>Fixed Assets | Totals<br>(Memorandum<br>Only) |
|--|-------------------------|--------------------|-----------------|---------------------|--|--------------------------------|
|  | General                 | Special<br>Revenue | Debt<br>Service | Capital<br>Projects |  |                                |
| Cash   | \$ 90,269               | 94,838             | 10,250          | 6                   | -  | 195,363                        |
| Restricted cash - customer deposits              | -                       | 3,174              | -               | -                   | -  | 3,174                          |
| Certificates of deposit                          | 50,000                  | 70,000             | 10,000          | -                   | -  | 130,000                        |
| Receivables - sewer charges                      | -                       | 3,263              | -               | -                   | -  | 3,263                          |
| Land   | -                       | -                  | -               | -                   | 18,076                                   | 18,076                         |
| Buildings  | -                       | -                  | -               | -                   | 121,144                                  | 121,144                        |
| Improvements other than buildings                | -                       | -                  | -               | -                   | 38,221                                   | 38,221                         |
| Sewerage system                                  | -                       | -                  | -               | -                   | 465,056                                  | 465,056                        |
| Construction in progress                         | -                       | -                  | -               | -                   | 38,822                                   | 38,822                         |
| Vehicles   | -                       | -                  | -               | -                   | 20,123                                   | 20,123                         |
| Equipment  | -                       | -                  | -               | -                   | 42,478                                   | 42,478                         |
| Total assets                                     | \$ 140,269              | 171,275            | 20,250          | 6                   | 743,920                                  | 1,075,720                      |
| <b>Liabilities and Fund Equity</b>               |                         |                    |                 |                     |  |                                |
| Liabilities:                                     |                         |                    |                 |                     |  |                                |
| Accounts payable                                 | \$ 2,380                | 773                | -               | -                   | -  | 3,153                          |
| Payable from restricted assets-Customer deposits | -                       | 2,850              | -               | -                   | -  | 2,850                          |
| Total liabilities                                | 2,380                   | 3,623              | -               | -                   | -  | 6,003                          |
| Fund equity:                                     |                         |                    |                 |                     |  |                                |
| Investment in general fixed assets               | -                       | -                  | -               | -                   | 743,920                                  | 743,920                        |
| Fund balances -                                  |                         |                    |                 |                     |  |                                |
| Designated for debt service                      | -                       | -                  | 20,250          | -                   | -  | 20,250                         |
| Reserved for capital projects                    | -                       | -                  | -               | 6                   | -  | 6                              |
| Unreserved - undesignated                        | 137,889                 | 167,652            | -               | -                   | -  | 305,541                        |
| Total fund equity                                | 137,889                 | 167,652            | 20,250          | 6                   | 743,920                                  | 1,069,717                      |
| Total liabilities and fund equity                | \$ 140,269              | 171,275            | 20,250          | 6                   | 743,920                                  | 1,075,720                      |

See accompanying notes and accountant's report.

TOWN OF SAREPTA, LOUISIANA

Combined Statement of Revenues, Expenditures, and  
Changes in Fund Balance - All Governmental Fund Types  
Year Ended June 30, 1998

|  | General           | Special<br>Revenue | Debt<br>Service | Capital<br>Project | Totals<br>(Memorandum<br>Only) |
|--|-------------------|--------------------|-----------------|--------------------|--------------------------------|
| <b>Revenues:</b>   |                   |                    |                 |                    |                                |
| Taxes  | \$ 67,372         | 31,340             | -               | -                  | 98,712                         |
| Licenses and permits   | 21,295            | -                  | -               | -                  | 21,295                         |
| Intergovernmental  | 8,351             | -                  | -               | 38,821             | 47,172                         |
| Fines and forfeits   | 1,383             | -                  | -               | -                  | 1,383                          |
| Charge for services  | -                 | 57,500             | -               | -                  | 57,500                         |
| Interest   | 4,383             | 6,239              | 747             | -                  | 11,369                         |
| Miscellaneous  | 3,461             | -                  | -               | 7                  | 3,468                          |
| <b>Total revenues</b>  | <b>106,245</b>    | <b>95,079</b>      | <b>747</b>      | <b>38,828</b>      | <b>240,899</b>                 |
| <b>Expenditures:</b>   |                   |                    |                 |                    |                                |
| Current -  |                   |                    |                 |                    |                                |
| General government   | 69,747            | -                  | -               | -                  | 69,747                         |
| Public safety -  |                   |                    |                 |                    |                                |
| Police   | 15,910            | -                  | -               | -                  | 15,910                         |
| Special revenue - operating  | -                 | 47,134             | -               | -                  | 47,134                         |
| Capital outlay   | 3,955             | 1,575              | -               | 38,822             | 44,352                         |
| Debt service -   |                   |                    |                 |                    |                                |
| Principal retirement   | -                 | -                  | 8,000           | -                  | 8,000                          |
| Interest and fiscal charges  | -                 | -                  | 640             | -                  | 640                            |
| <b>Total expenditures</b>  | <b>89,612</b>     | <b>48,709</b>      | <b>8,640</b>    | <b>38,822</b>      | <b>185,783</b>                 |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b>                     | <b>16,633</b>     | <b>46,370</b>      | <b>(7,893)</b>  | <b>6</b>           | <b>55,116</b>                  |
| <b>Other financing sources (uses):</b>   |                   |                    |                 |                    |                                |
| Operating transfers in   | -                 | -                  | 8,640           | -                  | 8,640                          |
| Operating transfers out  | -                 | (8,640)            | -               | -                  | (8,640)                        |
| <b>Total other financing sources (uses)</b>                                      | <b>-</b>          | <b>(8,640)</b>     | <b>8,640</b>    | <b>-</b>           | <b>-</b>                       |
| <b>Excess of revenues and other sources<br/>over expenditures and other uses</b> | <b>16,633</b>     | <b>37,730</b>      | <b>747</b>      | <b>6</b>           | <b>55,116</b>                  |
| <b>Fund balance, beginning of year</b>   | <b>121,256</b>    | <b>129,922</b>     | <b>19,503</b>   | <b>-</b>           | <b>270,681</b>                 |
| <b>Fund balance, end of year</b>   | <b>\$ 137,889</b> | <b>167,652</b>     | <b>20,250</b>   | <b>6</b>           | <b>325,797</b>                 |

See accompanying notes and accountant's report.

TOWN OF SAREPTA, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (GAAP Basis) and Actual  
General and Special Revenue Fund Types  
Year Ended June 30, 1998

|  | General Fund      |                | Variance -<br>Favorable<br>(Unfavorable) |
|--|-------------------|----------------|--|
|  | Budget            | Actual         |  |
| Revenues:  |                   |                |  |
| Taxes  | \$ 66,290         | 67,372         | 1,082                                    |
| Licenses and permits   | 21,290            | 21,295         | 5  |
| Intergovernmental  | 8,350             | 8,351          | 1  |
| Fines and forfeits   | 1,380             | 1,383          | 3  |
| Interest   | 3,600             | 4,383          | 783                                      |
| Charge for services  | -                 | -              | -  |
| 1% sales and use tax   | -                 | -              | -  |
| Miscellaneous  | 3,401             | 3,461          | 60                                       |
| Total revenues   | <u>104,311</u>    | <u>106,245</u> | <u>1,934</u>                             |
| Expenditures:  |                   |                |  |
| General government   | 84,455            | 69,747         | 14,708                                   |
| Public safety:   |                   |                |  |
| Police   | 15,900            | 15,910         | (10)                                     |
| Special revenue - operating  | -                 | -              | -  |
| Capital outlay   | 3,956             | 3,955          | 1  |
| Total expenditures   | <u>104,311</u>    | <u>89,612</u>  | <u>14,699</u>                            |
| Excess (deficiency) of revenues over<br>expenditures                     | <u>-</u>          | <u>16,633</u>  | <u>16,633</u>                            |
| Other financing sources (uses):  |                   |                |  |
| Operating transfers in   | -                 | -              | -  |
| Operating transfers out  | -                 | -              | -  |
| Total other financing sources (uses)                                     | <u>-</u>          | <u>-</u>       | <u>-</u>                                 |
| Excess of revenues and other sources<br>over expenditures and other uses | <u>-</u>          | <u>16,633</u>  | <u>16,633</u>                            |
| Fund balance, beginning of year  | <u>121,256</u>    | <u>121,256</u> | <u>-</u>                                 |
| Fund balance, ending of year   | <u>\$ 121,256</u> | <u>137,889</u> | <u>16,633</u>                            |

See accompanying notes and accountant's report.

Special Revenue Fund Types

| <u>Budget</u>  | <u>Actual</u>  | <u>Variance -<br/>Favorable<br/>(Unfavorable)</u> |
|----------------|----------------|---|
| -              | -              | -   |
| -              | -              | -   |
| -              | -              | -   |
| -              | -              | -   |
| 4,200          | 6,239          | 2,039   |
| 58,000         | 57,500         | (500)   |
| 23,000         | 31,340         | 8,340   |
| -              | -              | -   |
| <u>85,200</u>  | <u>95,079</u>  | <u>9,879</u>                                      |
| -              | -              | -   |
| -              | -              | -   |
| 55,500         | 47,134         | 8,366   |
| 21,060         | 1,575          | 19,485  |
| <u>76,560</u>  | <u>48,709</u>  | <u>27,851</u>                                     |
| <u>8,640</u>   | <u>46,370</u>  | <u>37,730</u>                                     |
| -              | -              | -   |
| <u>(8,640)</u> | <u>(8,640)</u> | <u>-</u>  |
| <u>(8,640)</u> | <u>(8,640)</u> | <u>-</u>  |
| -              | 37,730         | 37,730  |
| <u>129,922</u> | <u>129,922</u> | <u>-</u>  |
| <u>129,922</u> | <u>167,652</u> | <u>37,730</u>                                     |

## TOWN OF SAREPTA LOUISIANA

Notes to Financial Statements  
June 30, 1998

The Town of Sarepta is incorporated under the provisions of the Lawrason Act. The Town is located in the Parish of Webster, being in the northwest corner of the State of Louisiana.

Elected officials of the Town of Sarepta are a mayor, five (5) aldermen, and a chief of police, who are elected every four years. The affairs of the Town are conducted and managed by the mayor and the board of aldermen.

### 1. Summary of significant accounting policies

- A. Basis of presentation - The accounting and reporting policies of the Town of Sarepta conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.
- B. 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 oversight responsibility.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Town of Sarepta for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria include:

TOWN OF SAREPTA LOUISIANA

Notes to Financial Statements  
June 30, 1998

1. Appointing a voting majority of an organization's governing body and
  - a) The ability of the municipality to impose its will on that organization and/or
  - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.
2. Organization for which the municipality does not appoint a voting majority but are fiscally dependent on the municipality.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the forgoing criteria, there were no entities that were determined to be a component unit of the Town of Sarepta.

- C. Fund accounting - The accounts of the Town of Sarepta are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose 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 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.



## TOWN OF SAREPTA LOUISIANA

### Notes to Financial Statements June 30, 1998

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

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

**Capital Projects Funds** - Capital projects funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported on other governmental funds.

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Most revenues are recorded when cash is received.

**Taxpayer - assessed income, gross receipts, and sales taxes** are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Federal and state grants are expenditure - driven and revenues are recognized when the grant expenditures are incurred.

With the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except that principal and interest on general long - term debt is recognized when due.

Purchase of various operating supplies are regarded as expenditures at the time purchased, and any inventories of such supplies are not recorded as assets at the close of the fiscal year.

TOWN OF SAREPTA LOUISIANA

Notes to Financial Statements  
June 30, 1998

Prepaid expenses, such as insurance costs, are not recorded as assets.

- E. Budget and budgetary accounting The Town follows these procedures in establishing the budgetary data reflected in these financial statements:
- a) The Mayor and Board of Aldermen prepare a proposed budget.
  - b) After completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance.
  - c) 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.
  - d) All budgetary appropriations lapse at the end of each fiscal year.
  - e) Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts in the accompanying statements are as amended with the approval of the Board of Aldermen.
  - f) Budget comparisons are not presented for the Capital project fund due to the restrictions of these funds for the purpose authorized by the Louisiana Community Development Block Grant from which the resources were derived.
- F. Encumbrances - The Town does not employ encumbrance accounting in the governmental funds. Management does not believe that the use of encumbrance accounting would serve any significant benefit for budgetary purposes.
- G. Cash and cash equivalents and investments - For purposes of the financial statements, cash and cash equivalents include cash, demand deposits, and certificates of deposit. Cash and cash equivalents are stated at cost.

## TOWN OF SAREPTA LOUISIANA

### Notes to Financial Statements June 30, 1998

Cash includes amounts in demand deposits, interest - bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Town may deposit funds in demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Town may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

- H. Bad debts - The Town uses the direct charge - off method of accounting for uncollectible ad valorem taxes and sewer receivables, as these amounts are immaterial to the financial statements.
- I. Fixed assets and long-term liabilities - The accounting and reporting treatment applies 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 the ball park lighting system. 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.

TOWN OF SAREPTA LOUISIANA

Notes to Financial Statements  
June 30, 1998

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available.

J. Accumulated unpaid vacation - Due to immateriality, accumulated unpaid vacation is not recorded as a liability.

K. Fund equity -

Reserves

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

Designated Fund Balance

Designated fund balance represent tentative plans for future use of financial resources.

L. Total columns on combined statements - Total columns on 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, results of operations, or changes in financial position in conformity with generally accepted accounting principles.

Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in September or October 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.

TOWN OF SAREPTA LOUISIANA

Notes to Financial Statements  
June 30, 1998

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

For the year ended June 30, 1998 taxes of 20.78 mills were levied on property with assessed valuations totaling \$2,450,400 and were dedicated as follows:

|   |                    |
|---|--------------------|
| General corporate purposes              | 6.62 mills         |
| Streets, drainage, parks and recreation | <u>14.16</u> mills |
|   | <u>20.78</u> mills |

Total ad valorem taxes levied were \$50,920.

3. Cash and cash equivalents and investments

At June 30, 1998, the Town had cash and cash equivalents with book balances totaling \$328,537, as follows:

|                                  |                      |
|----------------------------------|----------------------|
| Petty cash funds                 | \$ 100               |
| Interest-bearing demand deposits | 198,437              |
| Certificates of deposit          | <u>130,000</u>       |
| <br>Total                        | <br><u>\$328,537</u> |

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times at least equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1998, the Town had \$333,498 in deposits of collected bank balances. These deposits were secured from risk by \$100,000 of federal deposit insurance and \$1,154,695 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

TOWN OF SAREPTA LOUISIANA

Notes to Financial Statements  
June 30, 1998

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Town that the fiscal agent has failed to pay deposited funds upon demand.

4. Interfund Transfers

|                   | Transfers<br>From | Transfers<br>To |
|-------------------|-------------------|-----------------|
| Sales Tax Fund    | \$8,640           | -               |
| Debt Service Fund | -                 | 8,640           |
| Total             | \$8,640           | \$8,640         |

5. Changes in Fixed Assets

A summary of changes in general fixed assets follows:

|                                      | Balance<br>June 30,<br>1997 | Additions | Deletions | Balance<br>June 30,<br>1998 |
|--------------------------------------|-----------------------------|-----------|-----------|-----------------------------|
| Land                                 | \$ 18,076                   | -         | -         | \$ 18,076                   |
| Buildings                            | 121,144                     | -         | -         | 121,144                     |
| Improvements other<br>then buildings | 38,221                      | -         | -         | 38,221                      |
| Sewerage system                      | 463,481                     | 1,575     | -         | 465,056                     |
| Construction in<br>progress          | -                           | 38,822    | -         | 38,822                      |
| Vehicles                             | 20,123                      | -         | -         | 20,123                      |
| Equipment-office<br>and other        | 38,523                      | 3,955     | -         | 42,478                      |
| <br>Total general<br>fixed assets    | \$699,568                   | 44,352    | -         | \$743,920                   |

TOWN OF SAREPTA LOUISIANA

Notes to Financial Statements  
June 30, 1998

6. Long-term Debt

The following is a summary of bond transactions of the Town of Sarepta for the year ended June 30, 1998:

|                              | <u>General<br/>Obligation</u> |
|------------------------------|-------------------------------|
| Bonds payable, June 30, 1997 | \$8,000                       |
| Bonds retired                | ( <u>8,000</u> )              |
| Bonds payable, June 30, 1998 | \$ <u>    -</u>               |

7. Dedication of Proceeds - 1% Sales and Use Tax

On February 2, 1971, the electors of the Town authorized a 1% sales and use tax. The revenues are dedicated to constructing, acquiring, extending, improving, operating and maintaining sewers and sewerage disposal works, title to which shall be in the public.

Net proceeds of the sales and use tax were pledged and dedicated to the retirement of \$100,000 of sewerage system public improvement bonds dated November 1, 1971, (which were fully paid off during the year ended June 30, 1996) and \$60,000 of Bond Indebtedness dated June 1, 1989, (which were fully paid off during the year ended June 30, 1998.)

However, on October 24, 1987, the electors of the Town authorized a rededication of the 1% Sales and Use Tax to be used for any lawful corporate purposes until March 31, 2027.

8. Payroll Taxes

Several years ago, Town officials elected to be self-insured for unemployment compensation purposes; therefore, unemployment taxes are not paid to the Louisiana Department of Labor.

TOWN OF SAREPTA LOUISIANA

Notes to Financial Statements  
June 30, 1998

9. Mayor and Aldermen's Salaries

|                     | Year Ended        |                      |
|---------------------|-------------------|----------------------|
|                     | June 30, 1998     |                      |
|                     | Mayor's<br>Salary | Aldermen<br>Salaries |
| Pam Dorsey          | \$ 4,900          | -                    |
| Michael A. Corley   | -                 | 1,300                |
| Jeff Franklin       | -                 | 1,275                |
| Danny D. Heckendorn | -                 | 1,300                |
| Darrold McAllister  | -                 | 1,250                |
| Anthony Mullins     | -                 | 1,275                |
| Total               | \$ <u>4,900</u>   | <u>6,400</u>         |

10. Year 2000 issue

Year 2000 is an issue arising from computers being programmed in prior years to use only two digits (under the assumption that the first two digits would always be 19) to identify the year when processing date-sensitive information. This method of identifying dates could cause problems when processing information with dates in the year 2000 or later. As a result, the systems that use only two digits to identify dates could process data incorrectly or stop functioning altogether. The effects of the year 2000 problem is expected to extend beyond systems that produce financial information. It encompasses all computer systems and any equipment that is dependent on microchip technology.

The effect of the year 2000 issue upon the Town's ability to provide services and public safety to its citizens has not been determined. Nor has the effect of non-compliance with the year 2000 by other entities upon which the Town may rely, such as vendors, grantors, service providers, revenue collection entities, employers or customers, been determined. Also, the Town's system for preparing financial statements relies on computerized technology. Financial information is prepared through the use of a vendor accounting software which the Town intends to replace with software which is 2000 compliant.



**TOWN OF SAREPTA LOUISIANA**

**Notes to Financial Statements  
June 30, 1998**

For the year ended June 30, 1998, the Town incurred no material remediation costs concerning the year 2000 issue. No significant loss due to impairment of equipment that is not year 2000 compliant was recognized for the year ended June 30, 1998.

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 SAREPTA, LOUISIANA  
GENERAL FUND

Balance Sheet  
June 30, 1998

ASSETS

|                         |                   |
|-------------------------|-------------------|
| Cash                    | \$ 90,269         |
| Certificates of deposit | <u>50,000</u>     |
| Total assets            | <u>\$ 140,269</u> |

LIABILITIES AND FUND BALANCE

Liabilities:

|                   |                 |
|-------------------|-----------------|
| Accounts payable  | \$ <u>2,380</u> |
| Total liabilities | <u>2,380</u>    |

Fund balance:

|                                    |                   |
|------------------------------------|-------------------|
| Unreserved, undesignated           | <u>137,889</u>    |
| Total liabilities and fund balance | <u>\$ 140,269</u> |

See accompanying notes and accountant's report.

TOWN OF SAREPTA, LOUISIANA  
GENERAL FUND

Statement of Revenues, Expenditures, and Changes in  
Fund Balance - Budget (GAAP Basis) and Actual  
Year Ended June 30, 1998

|                                      | <u>Budget</u>            | <u>Actual</u>            | <u>Variance -<br/>Favorable<br/>(Unfavorable)</u> |
|--------------------------------------|--------------------------|--------------------------|---|
| Revenues:                            |                          |                          |   |
| Taxes:                               |                          |                          |   |
| Ad valorem                           | \$ 49,000                | 50,074                   | 1,074   |
| Franchise                            | 17,290                   | 17,298                   | 8   |
| Licenses and permits:                |                          |                          |   |
| Occupational licenses                | 21,290                   | 21,295                   | 5   |
| Intergovernmental:                   |                          |                          |   |
| Police equipment grant               | 3,560                    | 3,560                    | -   |
| Tobacco taxes                        | 4,790                    | 4,791                    | 1   |
| Fines and forfeits                   | 1,380                    | 1,383                    | 3   |
| Interest                             | 3,600                    | 4,383                    | 783   |
| Rentals                              | 2,800                    | 2,840                    | 40  |
| All other                            | 601                      | 621                      | 20  |
| Total revenues                       | <u>104,311</u>           | <u>106,245</u>           | <u>1,934</u>                                      |
| Expenditures:                        |                          |                          |   |
| General government                   | 84,455                   | 69,747                   | 14,708  |
| Public safety:                       |                          |                          |   |
| Police                               | 19,856                   | 19,865                   | (9)   |
| Total expenditures                   | <u>104,311</u>           | <u>89,612</u>            | <u>14,699</u>                                     |
| Excess of revenues over expenditures | -                        | 16,633                   | 16,633  |
| Fund balance, beginning of year      | <u>121,256</u>           | <u>121,256</u>           | -   |
| Fund balance, end of year            | <u><u>\$ 121,256</u></u> | <u><u>\$ 137,889</u></u> | <u><u>16,633</u></u>                              |

See accompanying notes and accountant's report.

TOWN OF SAREPTA, LOUISIANA  
GENERAL FUND

Statement of Expenditures by Departments Compared to Budget (GAAP Basis)  
Year Ended June 30, 1998

|  | <u>Budget</u>     | <u>Actual</u> | <u>Variance -<br/>Favorable<br/>(Unfavorable)</u> |
|--|-------------------|---------------|---|
| <b>General government:</b>                   |                   |               |   |
| <b>Salaries:</b>                             |                   |               |   |
| Mayor's salary                               | \$ 4,900          | 4,900         | -   |
| Aldermen's salaries                          | 6,400             | 6,400         | -   |
| Other salaries                               | 11,220            | 11,219        | 1   |
| Payroll taxes                                | 2,580             | 2,580         | -   |
| Office expenses                              | 2,550             | 2,554         | (4)   |
| Building maintenance                         | 1,370             | 1,373         | (3)   |
| Legal and auditing                           | 3,050             | 3,035         | 15  |
| Street lights                                | 11,900            | 11,906        | (6)   |
| Utilities and telephone                      | 6,500             | 6,504         | (4)   |
| Insurance                                    | 5,700             | 5,692         | 8   |
| Street, equipment and<br>grounds maintenance | 7,590             | 3,295         | 4,295   |
| Publications                                 | 450               | 455           | (5)   |
| Dues and subscriptions                       | 1,515             | 1,518         | (3)   |
| Parks and recreation                         | 7,900             | 6,823         | 1,077   |
| Mayor's court                                | 730               | 754           | (24)  |
| Capital outlay                               | 9,450             | -             | 9,450   |
| Coroner's fee                                | 100               | 100           | -   |
| Travel and convention                        | 550               | 553           | (3)   |
| All other                                    |                   | 86            | (86)  |
| <b>Total general government</b>              | <u>84,455</u>     | <u>69,747</u> | <u>14,708</u>                                     |
| <b>Public safety:</b>                        |                   |               |   |
| <b>Police:</b>                               |                   |               |   |
| Salaries                                     | 12,000            | 12,000        | -   |
| Retirement                                   | 1,400             | 1,403         | (3)   |
| Capital outlay                               | 3,956             | 3,955         | 1   |
| Supplies                                     | 1,380             | 1,387         | (7)   |
| Repairs and maintenance                      | 425               | 425           | -   |
| Auto expense                                 | 695               | 695           | -   |
| <b>Total police</b>                          | <u>19,856</u>     | <u>19,865</u> | <u>(9)</u>  |
| <b>Total public safety</b>                   | <u>19,856</u>     | <u>19,865</u> | <u>(9)</u>  |
| <b>Total expenditures</b>                    | <u>\$ 104,311</u> | <u>89,612</u> | <u>14,699</u>                                     |

See accompanying notes and accountant's report.

## SPECIAL REVENUE FUNDS

Sales Tax Fund - To account for the receipt and use of proceeds of the Town's 1% sales and use tax.

The revenues are dedicated for any lawful corporate purposes; however, the Town is classifying them as special revenue because the tax is the source for paying bond indebtedness.

Sewer Operating Fund - The Sewer Operating Fund is considered to be a special revenue fund rather than an enterprise fund because the sewer service charge is intended to cover only the routine operating and maintenance costs of the system. Funds for the construction of the sewerage system were provided by grants from the U. S. Environmental Protection Agency and by general obligation bonds, which are being retired with dedicated sales taxes and ad valorem taxes.

TOWN OF SAREPTA, LOUISIANA  
SPECIAL REVENUE FUNDS

Combining Balance Sheet  
June 30, 1998

|   | <u>Sales<br/>Tax</u> | <u>Sewer<br/>Operating</u> | <u>Totals</u>     |
|---|----------------------|----------------------------|-------------------|
| <b>ASSETS</b>   |                      |                            |                   |
| Cash  | \$ 58,315            | 36,523                     | 94,838            |
| Restricted cash - customer deposits                   | -                    | 3,174                      | 3,174             |
| Certificates of deposit                               | -                    | 70,000                     | 70,000            |
| Accounts receivable                                   | -                    | 3,263                      | 3,263             |
|   | <u>          </u>    | <u>          </u>          | <u>          </u> |
| Total assets  | <u>\$ 58,315</u>     | <u>112,960</u>             | <u>171,275</u>    |
| <br><b>LIABILITIES AND FUND BALANCE</b>               |                      |                            |                   |
| <b>Liabilities:</b>                                   |                      |                            |                   |
| Payable from restricted assets -<br>customer deposits | \$ -                 | 2,850                      | 2,850             |
| Accounts payable                                      | -                    | 773                        | 773               |
|   | <u>          </u>    | <u>          </u>          | <u>          </u> |
| Total liabilities                                     | <u>-</u>             | <u>3,623</u>               | <u>3,623</u>      |
| <br><b>Fund balance:</b>                              |                      |                            |                   |
| Unreserved - undesignated                             | <u>58,315</u>        | <u>109,337</u>             | <u>167,652</u>    |
|   | <u>          </u>    | <u>          </u>          | <u>          </u> |
| Total liabilities and fund balance                    | <u>\$ 58,315</u>     | <u>112,960</u>             | <u>171,275</u>    |

See accompanying notes and accountant's report.



TOWN OF SAREPTA, LOUISIANA  
SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Year Ended June 30, 1998

|   | Sales<br>Tax | Sewer<br>Operating | Totals  |
|---|--------------|--------------------|---------|
| Revenues:   |              |                    |         |
| Taxes   | \$ 31,340    | -                  | 31,340  |
| Interest  | 1,697        | 4,542              | 6,239   |
| Sewer service charges   | -            | 57,500             | 57,500  |
| Total revenues  | 33,037       | 62,042             | 95,079  |
| Expenditures:   |              |                    |         |
| Operating   | 3,612        | 43,522             | 47,134  |
| Capital outlay  | -            | 1,575              | 1,575   |
| Total expenditures  | 3,612        | 45,097             | 48,709  |
| Excess of revenues<br>over expenditures                                     | 29,425       | 16,945             | 46,370  |
| Other financing (uses):   |              |                    |         |
| Operating transfers out   | (8,640)      | -                  | (8,640) |
| Total other financing (uses)  | (8,640)      | -                  | (8,640) |
| Excess of revenues and<br>other sources over expenditures<br>and other uses | 20,785       | 16,945             | 37,730  |
| Fund balance, beginning of year   | 37,530       | 92,392             | 129,922 |
| Fund balance, end of year   | \$ 58,315    | 109,337            | 167,652 |

See accompanying notes and accountant's report.

TOWN OF SAREPTA, LOUISIANA  
SPECIAL REVENUE FUND  
SALES TAX FUND

Statement of Revenues, Expenditures, and Changes in  
Fund Balance - Budget (GAAP Basis) and Actual  
Year Ended June 30, 1998

|   | <u>Budget</u>           | <u>Actual</u>        | Variance -<br>Favorable<br>(Unfavorable) |
|---|-------------------------|----------------------|--|
| <b>Revenues:</b>  |                         |                      |  |
| Sales taxes   | \$ 23,000               | 31,340               | 8,340                                    |
| Interest  | 600                     | 1,697                | 1,097                                    |
| Total revenues  | <u>23,600</u>           | <u>33,037</u>        | <u>9,437</u>                             |
| <b>Expenditures:</b>  |                         |                      |  |
| Operating   | 3,900                   | 3,612                | 288                                      |
| Capital outlay  | 11,060                  | -                    | 11,060                                   |
| Total expenditures  | <u>14,960</u>           | <u>3,612</u>         | <u>11,348</u>                            |
| Excess of revenues over<br>expenditures                                     | <u>8,640</u>            | <u>29,425</u>        | <u>20,785</u>                            |
| <b>Other financing uses:</b>  |                         |                      |  |
| Operating transfers:  |                         |                      |  |
| Debt service fund   | <u>(8,640)</u>          | <u>(8,640)</u>       | -  |
| Total other financing<br>uses   | <u>(8,640)</u>          | <u>(8,640)</u>       | -  |
| Excess of revenues and other<br>sources over expenditures<br>and other uses | -                       | 20,785               | 20,785                                   |
| Fund balance, beginning of year   | <u>37,530</u>           | <u>37,530</u>        | -  |
| Fund balance, end of year   | <u><u>\$ 37,530</u></u> | <u><u>58,315</u></u> | <u><u>20,785</u></u>                     |

See accompanying notes and accountant's report.

TOWN OF SAREPTA, LOUISIANA  
SPECIAL REVENUE FUND  
SEWER OPERATING FUND

Statement of Revenues, Expenditures, and Changes in  
Fund Balance - Budget (GAAP Basis) and Actual  
Year Ended June 30, 1998

|   | <u>Budget</u>    | <u>Actual</u>  | <u>Variance -<br/>Favorable<br/>(Unfavorable)</u> |
|---|------------------|----------------|---|
| Revenues:                               |                  |                |   |
| Sewer charges                           | \$ 58,000        | 57,500         | (500)   |
| Interest                                | 3,600            | 4,542          | 942   |
| Total revenues                          | <u>61,600</u>    | <u>62,042</u>  | <u>442</u>  |
| Expenditures:                           |                  |                |   |
| Operating:                              |                  |                |   |
| Salaries                                | 17,500           | 15,927         | 1,573   |
| Utilities                               | 5,000            | 3,423          | 1,577   |
| Insurance                               | 4,500            | 4,231          | 269   |
| Office and postage                      | 3,000            | 2,738          | 262   |
| Truck expense                           | 1,000            | 793            | 207   |
| Maintenance and repairs                 | 15,000           | 12,304         | 2,696   |
| Payroll taxes                           | 1,350            | 1,079          | 271   |
| Legal                                   | 200              | -              | 200   |
| All other                               | 4,050            | 3,027          | 1,023   |
| Total operating expenditures            | <u>51,600</u>    | <u>43,522</u>  | <u>8,078</u>                                      |
| Capital outlay                          | <u>10,000</u>    | <u>1,575</u>   | <u>8,425</u>                                      |
| Total expenditures                      | <u>61,600</u>    | <u>45,097</u>  | <u>16,503</u>                                     |
| Excess of revenues<br>over expenditures | -                | 16,945         | 16,945  |
| Fund balance, beginning of year         | <u>92,392</u>    | <u>92,392</u>  | -   |
| Fund balance, end of year               | <u>\$ 92,392</u> | <u>109,337</u> | <u>16,945</u>                                     |

See accompanying notes and accountant's report.

## DEBT SERVICE FUNDS

To accumulate monies for payment of the 1989 \$60,000 Certificate of Indebtedness, which is due in annual installments, plus interest, through maturity in 1998. Debt service is financed from proceeds of the Town's 1% sales and use tax. The \$60,000 Indebtedness was paid in full during the year ended June 30, 1998. However, the Town has designated these funds to service debt which may be legally incurred in the future.

TOWN OF SAREPTA, LOUISIANA  
DEBT SERVICE FUND

Balance Sheet  
June 30, 1998

|                                     | <u>Sales Tax<br/>Sinking Fund</u> |
|-------------------------------------|-----------------------------------|
| <b>ASSETS</b>                       |                                   |
| Cash                                | \$ 10,250                         |
| Certificates of deposit             | <u>10,000</u>                     |
| Total assets                        | <u>\$ 20,250</u>                  |
| <b>LIABILITIES AND FUND BALANCE</b> |                                   |
| Fund balance:                       |                                   |
| Designated for debt service         | <u>\$ 20,250</u>                  |
| Total fund balance                  | <u>\$ 20,250</u>                  |
| Total liabilities and fund balance  | <u>\$ 20,250</u>                  |

See accompanying notes and accountant's report.

TOWN OF SAREPTA, LOUISIANA  
DEBT SERVICE FUND

Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Year Ended June 30, 1998

|   | Sales Tax<br>Sinking Fund |
|---|---------------------------|
| Revenues - interest                                       | \$ 747                    |
| Total revenues  | 747                       |
| Expenditures:   |                           |
| Principal retirement                                      | 8,000                     |
| Interest  | 640                       |
| Total expenditures  | 8,640                     |
| (Deficiency) of revenues<br>over expenditures             | (7,893)                   |
| Other financing sources -                                 |                           |
| Transfers from sales tax fund                             | 8,640                     |
| Total other financing sources                             | 8,640                     |
| Excess of revenues and other<br>sources over expenditures | 747                       |
| Fund balance, beginning of year                           | 19,503                    |
| Fund balance, end of year                                 | \$ 20,250                 |

See accompanying notes and accountant's report.

**CAPITAL PROJECTS FUND**

**To account for Louisiana Community Development Block Grant funds to be used in the construction of sewer system improvements.**

TOWN OF SAREPTA, LOUISIANA  
CAPITAL PROJECTS FUND

Balance Sheet  
June 30, 1998

ASSETS

Cash \$ 6

Total assets \$ 6

LIABILITIES AND FUND BALANCE

Liabilities: \$ -

Fund balance:  
Reserved for capital projects 6

Total liabilities and fund balance \$ 6

See accompanying notes and accountant's report.



TOWN OF SAREPTA, LOUISIANA  
CAPITAL PROJECTS FUND

Statement of Revenues, Expenditures,  
and Changes in Fund Balance  
Year Ended June 30, 1998

|   | <u>LCDBG</u>  |
|---|---------------|
| Revenues                                |               |
| LCDBG Grant                             | \$ 38,821     |
| Other revenue                           | <u>7</u>      |
| Total revenues                          | <u>38,828</u> |
| Expenditures:                           |               |
| Administrative                          | 11,757        |
| Engineering                             | <u>27,065</u> |
| Total expenditures                      | <u>38,822</u> |
| Excess of revenues<br>over expenditures | <u>6</u>      |
| Fund balance, beginning of year         | <u>-</u>      |
| Fund balance, end of year               | <u>\$ 6</u>   |

See accompanying notes and accountant's report.

GENERAL FIXED ASSETS ACCOUNT GROUP

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

TOWN OF SAREPTA, LOUISIANA

Statement of General Fixed Assets  
June 30, 1998

|  |                  |
|--|------------------|
| General fixed assets, at cost:           |                  |
| Land                                     | \$ 18,076        |
| Buildings                                | 121,144          |
| Improvements other than buildings        | 38,221           |
| Sewerage system                          | 465,056          |
| Construction in progress                 | 38,822           |
| Vehicles                                 | 20,123           |
| Equipment, office and other              | <u>42,478</u>    |
| Total general fixed assets               | <u>\$743,920</u> |
| Investment in general fixed assets:      |                  |
| General obligation bonds                 | \$376,209        |
| Federal and/or state funds and grants    | 226,469          |
| General fund revenues                    | 99,860           |
| Sewer operating and maintenance fund     | 35,049           |
| Sales tax fund                           | <u>6,333</u>     |
| Total investment in general fixed assets | <u>\$743,920</u> |

See accompanying notes and accountant's report.

TOWN OF SAREPTA, LOUISIANA

Statement of Changes in General Fixed Assets  
Year Ended June 30, 1998

|  | Land      | Buildings | Improvements<br>Other Than<br>Buildings | Sewerage<br>System | Construction<br>in<br>Progress | Vehicles | Equip. -<br>Office &<br>Other | Totals  |
|--|-----------|-----------|---|--------------------|--------------------------------|----------|-------------------------------|---------|
| General fixed assets,<br>beginning of year | \$ 18,076 | 121,144   | 38,221                                  | 463,481            | -                              | 20,123   | 38,523                        | 699,568 |
| Additions:                                 |           |           |   |                    |                                |          |                               |         |
| LCDBG Grant funds                          | -         | -         | -                                       | -                  | 38,822                         | -        | -                             | 38,822  |
| Police equipment grant                     | -         | -         | -                                       | -                  | -                              | -        | 3,560                         | 3,560   |
| Sewer operating and maintenance fund       | -         | -         | -                                       | 1,575              | -                              | -        | -                             | 1,575   |
| General fund revenues                      | -         | -         | -                                       | -                  | -                              | -        | 395                           | 395     |
| Total additions                            | -         | -         | -                                       | 1,575              | 38,822                         | -        | 3,955                         | 44,352  |
| General fixed assets,<br>end of year       | \$ 18,076 | 121,144   | 38,221                                  | 465,056            | 38,822                         | 20,123   | 42,478                        | 743,920 |

See accompanying notes and accountants report.