

***Financial Report***  
***Town of Golden Meadow, Louisiana***  
***December 31, 2003***

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 Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 10.9.04

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December 31, 2003

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**FINANCIAL SECTION**



**Bourgeois Bennett**

## **INDEPENDENT AUDITOR'S REPORT**

To the Honorable Joey Bouziga, Mayor,  
and the Members of the Town Council  
Town of Golden Meadow, Louisiana.

We have audited the accompanying general-purpose financial statements of the Town of Golden Meadow, Louisiana (the Town) as of and for the year ended December 31, 2003, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Golden Meadow, Louisiana, as of December 31, 2003, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated February 18, 2004 on our consideration of the Town of Golden Meadow, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general-purpose financial statements of the Town of Golden Meadow, Louisiana taken as a whole. The combining statements and individual fund schedules and other supplementary information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the Town of Golden Meadow, Louisiana. Such information, except for the Statistical Information Section marked "Unaudited", on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements, and, in our opinion, the information is fairly presented in, all material respects, in relation to the general-purpose financial statements taken as a whole.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, Louisiana,  
February 18, 2004.



**GENERAL-PURPOSE FINANCIAL STATEMENTS**

**COMBINED BALANCE SHEET -  
ALL FUND TYPES AND ACCOUNT GROUPS**

**Town of Golden Meadow, Louisiana**

December 31, 2003

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
<b>ASSETS AND OTHER DEBITS</b>			
<b>Assets</b>			
Cash and cash equivalents	\$ 326,710	\$ 882,458	\$ 50
Investments	8,279	8,310	-
Receivables (net, where applicable of allowances for uncollectibles):			
Taxes	27,164	70,467	-
Accounts	13,980	-	-
Unbilled service revenues	-	-	-
Due from other funds	19,919	74,745	-
Due from other governmental units	13,750	19,414	-
Restricted assets - cash and cash equivalents	-	-	-
Fixed assets - net	-	-	-
<b>Other Debits</b>			
Amount to be provided for retirement of general long-term obligations	-	-	-
	<u>\$ 409,802</u>	<u>\$ 1,055,394</u>	<u>\$ 50</u>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>			
<b>Liabilities</b>			
Accounts payable and accrued expenditures	\$ 70,978	\$ -	\$ -
Payable from restricted assets	-	-	50
Due to other funds	139,827	-	-
Deferred revenue	42,888	109,052	-
Capital leases payable	-	-	-
	<u>253,693</u>	<u>109,052</u>	<u>50</u>
<b>Equity and Other Credits</b>			
Contributed capital	-	-	-
Investment in general fixed assets	-	-	-
Retained earnings:			
Unreserved:			
Designated	-	-	-
Undesignated	-	-	-
Fund balances - unreserved	156,109	946,342	-
	<u>156,109</u>	<u>946,342</u>	<u>-</u>
<b>Total liabilities, equity and other credits</b>	<u>\$ 409,802</u>	<u>\$ 1,055,394</u>	<u>\$ 50</u>

See notes to financial statements.

Proprietary Fund Type	Account Groups		Total (Memorandum Only)
	General Fixed Assets	General Long-Term Obligations	
<u>Enterprise</u>			
\$ 212,692	\$ -	\$ -	\$ 1,421,910
1,607	-	-	18,196
			97,631
19,117	-	-	33,097
59,614	-	-	59,614
64,795	-	-	159,459
-	-	-	33,164
42,443	-	-	42,443
1,652,409	4,237,017	-	5,889,426
-	-	8,212	8,212
<u>\$ 2,052,677</u>	<u>\$ 4,237,017</u>	<u>\$ 8,212</u>	<u>\$ 7,763,152</u>
\$ 51,995		\$ -	\$ 122,973
42,443		-	42,443
19,582		-	159,459
-		-	151,940
-		8,212	8,212
<u>114,020</u>		<u>8,212</u>	<u>485,027</u>
1,709,564	\$ -		1,709,564
-	4,237,017		4,237,017
			32,889
32,889	-		196,204
196,204	-		1,102,451
-	-		
<u>1,938,657</u>	<u>4,237,017</u>		<u>7,278,125</u>
<u>\$ 2,052,677</u>	<u>\$ 4,237,017</u>	<u>\$ 8,212</u>	<u>\$ 7,763,152</u>

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

Town of Golden Meadow, Louisiana

For the year ended December 31, 2003

	General	Special Revenue	Capital Projects	Total (Memorandum Only)
<b>Revenues</b>				
Taxes	\$ 42,459	\$ 400,921	\$ -	\$ 443,380
Fines and forfeitures	211,204	-	-	211,204
Intergovernmental	230,145	30,877	20,000	281,022
Licenses and permits	96,684	-	-	96,684
Franchise fees	78,412	-	-	78,412
Charges for services	53,351	-	-	53,351
Investment income	2,773	9,563	-	12,336
Miscellaneous	58,356	-	-	58,356
<b>Total revenues</b>	<b>773,384</b>	<b>441,361</b>	<b>20,000</b>	<b>1,234,745</b>
<b>Expenditures</b>				
Current:				
General government	191,649		-	191,649
Public safety	301,999		-	301,999
Streets and highways	173,251		-	173,251
Sanitation	15,799		-	15,799
Drainage and levee	132,444		-	132,444
Culture and recreation	108,246		-	108,246
Debt service:				
Principal retirement	10,095		-	10,095
Interest and fiscal charges	724		-	724
Capital outlay	283,641		29,108	312,749
<b>Total expenditures</b>	<b>1,217,848</b>		<b>29,108</b>	<b>1,246,956</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(444,464)</b>	<b>441,361</b>	<b>(9,108)</b>	<b>(12,211)</b>
<b>Other Financing Sources (Uses)</b>				
Operating transfers in	341,653	-	9,108	350,761
Operating transfers out	-	(350,761)	-	(350,761)
<b>Total other financing sources (uses)</b>	<b>341,653</b>	<b>(350,761)</b>	<b>9,108</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>(102,811)</b>	<b>90,600</b>	<b>-</b>	<b>(12,211)</b>
<b>Fund Balances</b>				
Beginning of year	258,920	855,742	-	1,114,662
End of year	\$ 156,109	\$ 946,342	\$ -	\$ 1,102,451

See notes to financial statements.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - BUDGET AND ACTUAL - GENERAL AND SPECIAL REVENUE FUNDS**

Town of Golden Meadow, Louisiana

For the year ended December 31, 2003

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>Revenues</b>			
Taxes	\$ 46,499	\$ 42,459	\$ (4,040)
Fines and forfeitures	207,236	211,204	3,968
Intergovernmental	294,515	230,145	(64,370)
Licenses and permits	96,854	96,684	(170)
Franchise fees	76,687	78,412	1,725
Charges for services	51,299	53,351	2,052
Investment income	3,041	2,773	(268)
Miscellaneous	50,148	58,356	8,208
<b>Total revenues</b>	<u>826,279</u>	<u>773,384</u>	<u>(52,895)</u>
<b>Expenditures</b>			
Current:			
General government	192,124	191,649	475
Public safety	307,033	301,999	5,034
Streets and highways	166,781	173,251	(6,470)
Sanitation	14,496	15,799	(1,303)
Drainage and levee	128,623	132,444	(3,821)
Culture and recreation	104,658	108,246	(3,588)
Debt service:			
Principal retirement	10,095	10,095	-
Interest and fiscal charges	724	724	-
Capital Outlay	283,724	283,641	83
<b>Total expenditures</b>	<u>1,208,258</u>	<u>1,217,848</u>	<u>(9,590)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(381,979)</u>	<u>(444,464)</u>	<u>(62,485)</u>
<b>Other Financing Sources (Uses)</b>			
Operating transfers in	424,843	341,653	(83,190)
Operating transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>424,843</u>	<u>341,653</u>	<u>(83,190)</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>\$ 42,864</u>	<u>(102,811)</u>	<u>\$ (145,675)</u>
<b>Fund Balances</b>			
Beginning of year		258,920	
End of year		<u>\$ 156,109</u>	

See notes to financial statements.

<u>Special Revenue Funds</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 397,629	\$ 400,921	\$ 3,292
-	-	-
34,278	30,877	(3,401)
-	-	-
-	-	-
9,498	9,563	65
-	-	-
<u>441,405</u>	<u>441,361</u>	<u>(44)</u>

<u>441,405</u>	<u>441,361</u>	<u>(44)</u>
-	-	-
<u>(424,843)</u>	<u>(350,761)</u>	<u>74,082</u>
<u>(424,843)</u>	<u>(350,761)</u>	<u>74,082</u>
<u>\$ 16,562</u>	90,600	<u>\$ 74,038</u>
	<u>855,742</u>	
	<u>\$ 946,342</u>	

**COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN RETAINED EARNINGS - ALL PROPRIETARY FUND TYPES**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

	<u>Enterprise Funds</u>
<b>Operating Revenues</b>	
Sales and service charges	\$ 496,336
Miscellaneous	437
	<hr/>
<b>Total operating revenues</b>	<b>496,773</b>
	<hr/>
<b>Operating Expenses</b>	
Salaries	67,957
Per diem	13,293
Payroll taxes	5,983
Retirement	6,758
Hospitalization insurance	11,579
Utilities and telephone	11,020
Repairs and maintenance	39,942
Truck	4,916
Other insurance	8,955
Office	2,907
Postage and freight	1,900
Legal and auditing	7,558
Travel	3,289
Gas purchases	244,948
Depreciation	45,467
Miscellaneous	2,023
	<hr/>
<b>Total operating expenses</b>	<b>478,495</b>
	<hr/>
<b>Operating income</b>	<b>18,278</b>
	<hr/>
<b>Nonoperating Revenues</b>	
Investment income	2,116
	<hr/>
<b>Net income</b>	<b>20,394</b>
	<hr/>
<b>Depreciation Transferred to Contributed Capital</b>	<b>34,788</b>
	<hr/>
<b>Net Income Transferred to Retained Earnings</b>	<b>55,182</b>
	<hr/>
<b>Retained Earnings</b>	
Beginning of year	173,911
	<hr/>
End of year	<b>\$ 229,093</b>
	<hr/>

See notes to financial statements.

**COMBINED STATEMENT OF CASH FLOWS -**  
**ALL PROPRIETARY FUND TYPES**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

	<u>Enterprise Funds</u>
<b>Cash Flows from Operating Activities</b>	
Operating income	<u>\$ 18,278</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	45,467
(Increase) decrease in assets:	
Receivables	(3,789)
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	8,164
Customer deposits	(7,511)
Due to other funds	<u>2,017</u>
Total adjustments	<u>44,348</u>
Net cash provided by operating activities	<u>62,626</u>
<b>Cash Flows from Capital Activities</b>	
Purchases of property, plant and equipment	<u>(15,864)</u>
<b>Cash Flows from Investing Activities</b>	
Proceeds from maturities of investments	3,024
Investment income	<u>2,116</u>
Net cash provided by investing activities	<u>5,140</u>
<b>Net Increase in Cash and Cash Equivalents</b>	51,902
<b>Cash and Cash Equivalents</b>	
Beginning of year	<u>203,233</u>
End of year	<u>\$ 255,135</u>

See notes to financial statements.



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## **Town of Golden Meadow, Louisiana**

December 31, 2003

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**NOTES TO FINANCIAL STATEMENTS**

**Town of Golden Meadow, Louisiana**

December 31, 2003

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Town of Golden Meadow, Louisiana (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The more significant accounting policies of the Town are described below:

**a) Reporting Entity**

The Town of Golden Meadow, Louisiana was incorporated July 17, 1950, under the provisions of Act 136 (Lawrson Act) of 1898, State of Louisiana. The Town operates under a Mayor-Town Council form of government and provides the following services as authorized by its charter: public safety, streets and highways, drainage, sanitation, culture-recreation, gas distribution system, sewerage, planning and zoning, and general administrative services.

The Town's combined financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- The organization is legally separate (can sue and be sued in their own name).
- The Town holds the corporate powers of the organization.
- The Town appoints a voting majority of the organization's board.
- The Town is able to impose its will on the organization.
- The organization has the potential to impose a financial benefit/burden on the Town.
- There is fiscal dependency by the organization on the Town.

Based on the aforementioned criteria, the Town of Golden Meadow, Louisiana has no component units.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b) Basis of Presentation**

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The transactions of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures/expenses. Governmental 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. Funds are ordered into two major categories, governmental and proprietary. Funds within each major category are grouped by fund type in the combined financial statements. The funds and account groups used by the Town are as follows:

**Governmental Fund Types:**

Governmental Funds are those through which general governmental functions of the Town are financed. The acquisition, use and balances of the Town's expendable financial resources and the related liabilities (except those accounted for in Proprietary Funds) are accounted for through Governmental Funds. The following are the Town's Governmental Fund types.

**General Fund**

The General Fund is the main operating fund of the Town. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

**Special Revenue Funds**

The Special Revenue Funds are used to account for the proceeds of specific revenue resources (other than assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. These funds include sales tax, levee and drainage maintenance taxes, and street.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b) Basis of Presentation (Continued)**

**Governmental Fund Types: (Continued)**

**Capital Projects Funds**

The Capital Projects Funds are used to account for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds) being financed from General Obligation or Certificates of Obligation Bonds proceeds, grants or transfers from other funds. These funds include a walking trail, and the Williams Lane drainage project.

**Proprietary Fund Type:**

Proprietary Funds are accounted for on a flow of economic resources measurement focus. The accounting objectives are a determination of net income, financial position and changes in cash flow. All assets and liabilities associated with a Proprietary Fund's activities are included on its balance sheet. Proprietary Fund equity is segregated into contributed capital and retained earnings. The following is the Town's Proprietary Fund type:

**Enterprise Funds**

The Enterprise Funds are used for activities which are financed and operated in a manner similar to private business enterprise 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 where the governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. These funds include gas distribution and sewer systems.

**Account Groups:**

Account groups are used to establish accounting control and accountability for the Town's general fixed assets and general long-term debt obligations. The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b) Basis of Presentation (Continued)**

**Account Groups: (continued)**

**General Fixed Assets Account Group**

This account group is established to account for all fixed assets of the Town other than those assets accounted for in the Proprietary Funds. Capital outlays in funds other than Proprietary Funds are recorded as expenditures of those funds at the time of purchase and are subsequently recorded for control purposes in the General Fixed Assets Account Group.

**General Long-Term Obligation Account Group**

This account group is established to account for all of the Town's long-term obligations that will be financed from general governmental resources. Long-term liabilities of all Proprietary Funds are accounted for in those funds.

**c) Measurement Focus/Basis of Accounting**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

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. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Ad valorem taxes are recorded as revenue in the period for which levied; thus, the current year property taxes which are being levied to finance the subsequent year's budget are recorded as revenue for the subsequent fiscal year. The 2003 tax levy is recorded as deferred revenue in the Town's 2003 financial statements. Sales taxes are considered "measurable" when in the hands of merchants and are recognized as revenue at that time.

Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Other revenues susceptible to accrual are franchise fees, interest income and intergovernmental revenues. Licenses, permits, fines,

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Measurement Focus/Basis of Accounting (Continued)**

forfeitures, and miscellaneous revenues are recorded as revenues when received in cash by the Town or and intermediary collecting agency because they are generally not measurable until actually received.

The Proprietary Fund Types are accounted for on an economic resources measurement focus using the accrual basis of accounting. Revenues are recorded when they are earned, including unbilled gas and sewer services which are accrued. Expenses are recorded at the time liabilities are incurred.

**d) Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**e) Budgets**

The Town adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- a. Not later than December 16, a proposed operating budget for the year commencing the following January 1 shall be submitted to the Town Council. The operating budget includes proposed expenditures and the means of financing them.
- b. The Town Council conducts public hearings to obtain taxpayer comments.
- c. All actions necessary to adopt and otherwise finalize and implement the budget for an ensuing year are taken prior to the end of the year in progress.
- d. The level of budgetary control is at the fund, department or project level and any amendment involving the transfer of monies from one fund, department or project to another or any amendment for amounts exceeding any current expenditure amount budgeted must be approved by the Town Council.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**e) Budgets (Continued)**

- e. All budgeted amounts, which are not expended, or obligated through contracts, lapse at year end.
- f. Budgets for all governmental fund types are adopted on a basis consistent with GAAP.
- g. The budget was amended one time during the year. The financial statements reflect the amended budget amounts. The budget amendments are as follows:

	<u>Budget As Originally Enacted</u>	<u>Amendments</u>	<u>Budget As Revised</u>
<b>General Fund:</b>			
Revenues/operating transfers in	\$ 918,930	\$ 332,192	\$ 1,251,122
Expenditures/operating transfers out	879,390	328,868	1,208,258
<b>Special Revenue Funds:</b>			
Revenues/operating transfers in	366,167	75,238	441,405
Expenditures/operating transfers out	345,500	79,343	424,843

The amendments were in order to (1) reflect grant revenues and improvements within the Parks and Recreation Department and (2) adjust revenues and expenditures to come within five percent of actual revenues and expenditures as required by state law. The financial statements reflect the amended budget amounts.

Budget-to-actual comparisons are not presented for the Capital Project Funds. Formal budgetary accounting is not employed for the Capital Project Funds because those funds present project as opposed to annual budget amounts and are therefore not reported in the accompanying financial report. Effective control of costs is maintained by the Town Council, who approves each project budget.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**e) Budgets (Continued)**

Comparison of the budgeted and actual amounts as shown in Exhibit C in the accompanying financial report includes the General Fund and Special Revenue Funds which are included in the annual operating budget and for which a budget-to-actual comparison is required.

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers, is not utilized by the Town.

**f) Cash, Cash Equivalents and Investments**

Cash includes amounts in regular and money market accounts.

For purposes of the statement of cash flows, cash and cash equivalents include certificates of deposit, the investment in the Louisiana Asset Management Pool (LAMP), and securities with maturities of three months or less when purchased.

Investments are stated at fair value as established by the open market, except for LAMP. LAMP is an external pool, which is operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met. Accordingly, the fair value of the Town's position in LAMP is the same as the value of its pool shares.

Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. Realized gains and losses on investments recorded at fair value are included in investment income.

Investment policies are governed by state statutes and bond covenants. Investments during the year consisted of the following:

- Certificate of Deposit
- Government National Mortgage (GNMA) Notes
- Louisiana Asset Management Pool (LAMP)



**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**g) Accounts Receivables**

Uncollectible amounts due for ad valorem taxes and customers' utility receivables are recognized as bad debts through an increase in the allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 2003, an allowance for uncollectible accounts was reported in the Enterprise Funds in the amount of \$8,530.

**h) Property, Plant and Equipment**

**General Fixed Assets Account Group**

Fixed assets used in Governmental Fund Type operations are accounted for in the General Fixed Assets Account Group, rather than in Governmental Funds. Public domain ("infrastructure") general fixed assets including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are capitalized for reporting purposes. No depreciation has been provided on general fixed assets. Interest has also not been capitalized on fixed assets in the Government Fund Type operations.

All fixed assets are valued at historical cost.

**Proprietary Fund Type**

Property, plant and equipment owned by the Proprietary Fund are recorded at cost or, if contributed property, at their fair market value at the time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment in the proprietary fund.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Gas Distribution and Sewer Systems	20 - 50 years
Machinery and Equipment	10 years
Vehicles, Furniture and Fixtures	5 years

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i) Compensated Absences**

A total of 5 to 10 days annual leave and 10 days sick leave per year may be accumulated by each employee. Employees may not carry over or accumulate annual leave. Any sick leave not used during any calendar year can be carried over and accumulated without limit. Any sick leave accumulated at the time of termination of employment by the Town shall not be paid.

**j) Long-Term Obligations**

Long-term obligations are recognized as a liability of a Governmental Fund when due, or when resources have been accumulated in the Debt Service Fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from unexpendable available financial resources is reported as a fund liability of a Governmental Fund. The remaining portion of such obligations is reported in the General Long-Term Obligations Account Group. Long-term liabilities expected to be financed from Proprietary Fund operations are accounted for in those funds.

**k) Fund Equity**

Contributed capital is recorded in Proprietary Funds that have received contributions from developers, customers or other funds. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

**l) Interfund Transactions**

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**m) GASB Pronouncements**

Governmental Accounting Standards Board (GASB) Statement No. 20 "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting," provides that Proprietary Funds may apply all GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements; Statements and interpretations of the Financial Accounting Standard Board (FASB), Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB's) of the Committee on Accounting Procedure. The Town has elected to apply only FASB, APB and ARB materials issued on or before November 30, 1989 to the Proprietary Funds and component units.

**n) Memorandum Only - Total Columns**

The total columns on the general-purpose financial statements are captioned "Memorandum Only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position, results of operations or cash flows in accordance with GAAP. Interfund eliminations have not been made in the aggregation of this data.

**Note 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Expenditures/Transfers Out**

The following individual funds had actual expenditures/transfers out exceeding appropriations:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund	\$1,208,258	\$1,217,848	\$9,590

**Note 3 - PROPERTY TAXES**

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Town. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana Law. A reevaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list of January 1, 2000. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The assessed value, upon which the 2003 levy was based was \$7,183,920.

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvements for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which are valued by the Louisiana Tax Commission (LRS 47:1957). The correctness of assessments by the assessor is subject to the review and certification by the Louisiana Tax Commission.

The Town has levied property taxes for maintenance of levees, drainage and streets and for general corporate purposes. The various tax rates for the year ended December 31, 2003 were as follows:

<u>Description</u>	<u>Tax Rate</u> <u>Per \$1,000</u>
Levee Maintenance	\$5.09
Drainage Maintenance	5.09
Street Maintenance	5.00
General	5.97

As indicated in Note 1c, property taxes are recorded as revenue by the Town in the year the taxes finance budgeted expenditures. Property taxes, which are paid under protest, are recorded as revenue in the year the taxes are collected.

**Note 4 - DEPOSITS AND INVESTMENTS**

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana or any other federally insured investment.

**Bank Deposits:**

State Law requires deposits (cash and certificates of deposits) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision, or with an unaffiliated bank, or with a trust company for the account of the political subdivision. In accordance with state law all cash and deposits were collateralized.

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by federal depository insurance or by collateral held by the Town or its agent, in the Town's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department, or its agent in the Town's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution, or its trust department or agent but not in the Town's name.

The year end balances of deposits are as follows:

	Bank Balances			Book Balances
	Category			
	1	2	3	
Cash	<u>\$224,828</u>	<u>\$-</u>	<u>\$294,601</u>	<u>\$513,261</u>

**Note 4 - DEPOSITS AND INVESTMENTS (Continued)**

At December 31, 2003, cash in excess of the FDIC insurance was collateralized by securities held by an unaffiliated bank for the account of the depositor. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities uncollateralized. Even though the pledged securities are considered uncollateralized 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 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

**Investments:**

State statutes authorize the Town to invest in obligations of the U.S. Treasury, agencies, and instrumentalities; commercial paper rated AAA 1, 2, or 3; repurchase agreements; and the Louisiana Asset Management Pool.

The Town's investments are categorized to give an indication of the level of risk assumed by the entity at year end.

Category 1 includes investments that are insured or registered or for which the securities are held by the Town or its agent in the Town's name.

Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Town's name.

Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent, but not in the Town's name.

At year end, the investment balances are as follows:

	Fair Value			Reported Amount
	Risk Category			
	1	2	3	
<b>Investments subject to categorization:</b>				
Government National Mortgage Association (GNMA) Notes	<u>\$ 18,196</u>			\$ 18,196
<b>Investments not subject to categorization:</b>				
Louisiana Asset Management Pool (LAMP)				<u>950,392</u>
<b>Total investments</b>				<u>\$ 968,588</u>

**Note 4 - DEPOSITS AND INVESTMENTS (Continued)**

Investments held at December 31, 2003 consist of \$950,392 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at December 31, 2003 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed or backed by the U.S. Treasury, the U.S. Government or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

**Note 4 - DEPOSITS AND INVESTMENTS (Continued)**

A reconciliation of deposits and investments as shown on the Balance Sheet is as follows:

Cash on hand	\$	700
Reported amount of deposits		513,261
Reported amount of investments		<u>968,588</u>
 Total	 \$	 <u><u>1,482,549</u></u>
 Cash and cash equivalents	 \$	 1,421,910
Cash and cash equivalents-restricted		42,443
Investments		<u>18,196</u>
 Total	 \$	 <u><u>1,482,549</u></u>

**Note 5 - INTERFUND RECEIVABLE AND PAYABLE BALANCES**

Individual fund interfund receivable and payable balances at December 31, 2003 were as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 19,919	\$ 139,827
Special Revenue Funds:		
Sales Tax Fund	74,082	-
Street Fund	663	-
Capital Projects Funds:		
Williams Lane Drainage Project	-	50
Enterprise Funds:		
Gas Distributions System Fund	62,872	6,773
Sewerage Fund	<u>1,923</u>	<u>12,809</u>
 Total from combined balance sheet	 <u><u>\$ 159,459</u></u>	 <u><u>\$ 159,459</u></u>



**Note 6 - DUE FROM OTHER GOVERNMENTAL UNITS**

Amounts due from other governmental units at December 31, 2003 consisted of the following:

		General Fund	Special Revenue Funds
Louisiana Department of Treasury	Video Poker	\$ 4,924	\$ -
Louisiana Department of Treasury	Parish Transportation Programs	-	2,747
Louisiana Department of Treasury	Beer Tax	603	-
Louisiana Department of Motor Vehicles	Office Rental	2,298	-
Louisiana Department of Transportation	State Maintenance Contract Agreement	-	-
Lafourche Parish School Board	Sales Tax	-	16,667
Lafourche Parish Housing Authority	Payment In-Lieu of Taxes	4,349	-
Lafourche Parish Council	Franchise Fee	1,576	-
		\$ 13,750	\$ 19,414
Totals			

**Note 7 - RESTRICTED ASSETS**

A summary of restricted assets at December 31, 2003 is indicated as follows:

	<u>Enterprise Funds</u>
Customer deposits	<u>\$42,443</u>

**Note 8 - PROPERTY, PLANT AND EQUIPMENT**

A summary of changes in the General Fixed Asset Account Group for the year ended December 31, 2003 follows:

	Balance January 1, 2003	Additions	Balance December 31, 2003
Land	\$ 92,100	\$ -	\$ 92,100
Buildings and improvements	159,320	26,906	186,226
Christmas fixtures	16,903	-	16,903
Protection levee	164,720	-	164,720
Swimming pool	153,486	180,688	334,174
Autos and trucks	171,759	27,947	199,706
Sidewalks, streets and drainage	2,039,120	32,337	2,071,457
Oakridge Park	575,170	29,108	604,278
Office furniture and fixtures	42,276	13,967	56,243
Equipment:			
Street department	179,885	-	179,885
Sanitation department	23,900	-	23,900
Police department	75,562	1,796	77,358
Civil defense	8,426	-	8,426
DMV Building	221,641	-	221,641
Total General Fixed Asset Asset Group	<u>\$ 3,924,268</u>	<u>\$ 312,749</u>	<u>\$ 4,237,017</u>

**Note 8 - PROPERTY, PLANT AND EQUIPMENT (Continued)**

A summary of proprietary funds property, plant and equipment at December 31, 2003, follows:

	<u>Gas Distribution System Fund</u>	<u>Sewerage Fund</u>
Sewer system phase I	\$ -	\$ 756,659
Sewer system phase II	-	1,042,898
Gas distribution system	459,031	-
Land	2,500	-
Autos and trucks	32,314	-
Furniture and fixtures	83,877	3,653
Equipment and machinery	29,305	-
	<hr/>	<hr/>
Totals	607,027	1,803,210
	<hr/>	<hr/>
Less accumulated depreciation	451,931	305,897
	<hr/>	<hr/>
Net property, plant and equipment	<u>\$ 155,096</u>	<u>\$ 1,497,313</u>

**Note 9 - LONG-TERM OBLIGATIONS**

The Town purchased two tractors and equipment for \$25,793 through capital leasing arrangements. During the year ended December 31, 2003, the Town made lease payments of \$10,819 including \$724 of interest. The lease obligations mature during the year ending December 31, 2004, future minimum lease obligations as of December 31, 2003 are \$8,407 including \$195 of interest. The tractors under capital lease are included in the Town's general fixed assets as equipment.

**Note 10 - SEGMENT INFORMATION**

The Town maintains two enterprise funds, the Gas Distribution System Fund and Sewerage Fund, to account for sewer and gas distribution services for most citizens within the boundaries of the Town.

Selected segment information for the Sewerage and Gas Distribution System Funds for the year ended December 31, 2003, is as follows:

**Note 10 SEGMENT INFORMATION (Continued)**

	Gas Distribution System Fund	Sewerage Fund	Total
Operating revenue	\$ 439,230	\$ 57,543	\$ 496,773
Operating expenses:			
Depreciation	9,496	35,971	45,467
All other	383,326	49,702	433,028
Operating income (loss)	46,408	(28,130)	18,278
Other non-operating revenues, net	1,776	340	2,116
Net income (loss)	48,184	(27,790)	20,394
Fixed asset additions	9,975	5,889	15,864
Total assets	507,242	1,545,435	2,052,677
Total equity	412,436	1,526,221	1,938,657
Net working capital	214,897	28,908	243,805

**Note 11 - MAJOR SUPPLIERS - ENTERPRISE FUNDS**

During the year ended December 31, 2003 the Town made all of its purchases of natural gas from one supplier totaling \$244,948.

**Note 12 - CONTRIBUTED CAPITAL**

A cumulative summary of the Enterprise Funds' contributed capital at December 31, 2003 is as follows:

	Gas Distribution System Fund	Sewerage Fund
Federal grants	\$ -	\$ 1,490,801
Town of Golden Meadow	216,091	251,348
State grants	-	48,835
	<u>216,091</u>	<u>1,790,984</u>
Less depreciation	-	(297,511)
Totals	<u>\$ 216,091</u>	<u>\$ 1,493,473</u>

**Note 12 -CONTRIBUTED CAPITAL (Continued)**

A summary of changes in the Enterprise Funds' contributed capital is as follows:

	<u>Gas Distribution System Fund</u>	<u>Sewerage Fund</u>
Contributed capital at beginning of year	\$ 216,091	\$ 1,528,261
Less:		
Depreciation	<u>-</u>	<u>(34,788)</u>
Contributed capital at end of year	<u>\$ 216,091</u>	<u>\$ 1,493,473</u>

**Note 13 - RECONCILIATION OF OPERATING TRANSFERS**

A reconciliation of operating transfers for the year ended December 31, 2003 is as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
<b>General Fund:</b>		
Sales Tax Fund	\$ 215,892	\$ -
Levee Maintenance Tax Fund	30,000	-
Drainage Maintenance Tax Fund	30,000	-
Street Fund	65,761	-
Walking Trail Project Fund	<u>-</u>	<u>-</u>
	341,653	-
<b>Sales Tax Fund:</b>		
General Fund	-	215,892
Walking Trail Project Fund	-	9,108
<b>Levee Maintenance Tax Fund:</b>		
General Fund	-	30,000
<b>Drainage Maintenance Tax Fund:</b>		
General Fund	-	30,000
<b>Street Fund:</b>		
General Fund	-	65,761
<b>Walking Trail Project Fund:</b>		
Sales Tax Fund	<u>9,108</u>	<u>-</u>
<b>Totals</b>	<u>\$ 350,761</u>	<u>\$ 350,761</u>

**Note 14 - RISK MANAGEMENT**

The Town is exposed to various risks of loss related to general liability, auto, workers' compensation, property and group health benefits for which the Town carries commercial insurance. The Town is covered under a general liability contract for claims, including claims related to the gas distribution system, up to \$500,000. Any claims in excess of \$500,000 are to be paid by the Town. Various suits and claims arising from personal injury and property damage, some for substantial amounts, are pending against the Town, its insurers and others. The Town has not provided for estimated losses from the aforementioned pending suits and claims in its financial statements because the Town believes the ultimate settlement costs will not materially exceed the amounts provided by commercial insurance.

**Note 15 - COMMITMENTS AND CONTIGENCIES**

The Town received funding under grants from various federal and state governmental agencies. The agency grants specify the purpose for which the grant monies are to be used; the grants are subject to audit by the granting agency or its representative.

At December 31, 2003, the Town is named as a defendant in various legal claims arising in the ordinary course of operations. In the opinion of management, the ultimate resolution of these matters should not materially affect the financial statements of the Town.

**Note 16 - PENSION PLANS**

Employees of the Town, with the exception of the policemen, are members of the Municipal Employees' Retirement System of Louisiana. Full-time policemen, not participating in the Federal Social Security System, are members of the Municipal Police Employees' Retirement System of Louisiana (MPERS).

**a.) Municipal Employees' Retirement System**

**Plan Description** - The Town contributes to Plan A of the Municipal Employees' Retirement System of Louisiana (the System), a cost-sharing multiple-employer defined benefit public employee retirement system, which is controlled and administered by a separate Board of Trustees. The System provides retirement, deferred and disability benefits, survivor's benefits and cost of living adjustments to plan members and beneficiaries. Act 356 of the 1954 Louisiana Legislative Session established the plan. The

**Note 16 - PENSION PLANS (Continued)**

System is governed by Louisiana Revised Statutes 11:1731 through 11:1884, specifically, and other general laws of the State of Louisiana. The System issued a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Municipal Employees' Retirement System of Louisiana, 7937 Office Park Blvd., Baton Rouge, Louisiana 70809.

**Funding Policy** - Plan members are required to contribute 9.25% of their annual covered earnings, and the Town is required to contribute at an actuarially determined rate. The Town's contribution rate was 8.00% through June 30, 2003 then 11% thereafter. In addition, the System also receives a percentage of tax revenues from various taxing bodies. The contribution requirements of plan members and the Town are established and may be amended by state statute. The Town's contributions to the System for the years ended December 31, 2003, 2002, and 2001 were \$28,816, \$22,578 and \$19,500, respectively, equal to the required contributions for each year.

**b.) Municipal Police Employees' Retirement System**

**Plan Description** - The Town contributes to the Municipal Police Employees' Retirement System of Louisiana (the System), a cost-sharing multiple-employer defined benefit public employee retirement system, which is controlled and administered by a separate Board of Trustees. The System provides retirement, deferred and disability benefits, survivor's benefits and cost of living adjustments to plan members and beneficiaries. Act 189 of the 1973 Louisiana Legislative Session established the plan. The System is governed by Louisiana Revised Statutes 11:2211 through 11:2234, specifically, and other general laws of the State of Louisiana. The System issued a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Municipal Police Employees' Retirement System of Louisiana, 7722 Office Park Boulevard, Baton Rouge, Louisiana 70809.

**Funding Policy** - Plan members are required to contribute 7.50% of their annual covered earnings excluding overtime but including state supplemental pay, and the Town is required to contribute at an actuarially determined rate. The Town's contribution rate was 9.00% through July 31, 2003 and 15.25% thereafter. In addition, the System also receives a percentage of insurance premiums. The contribution requirements of plan members and the Town are established and may be amended by state statute. The Town's contributions to the System for the years ended December 31, 2003, 2002, and 2001 were \$8,196, \$971 and \$ -, respectively, equal to the required contributions for each year.

**Note 17 - ON-BEHALF PAYMENTS FOR SUPPLEMENTAL PAY**

The Town recognizes as revenues and expenditures salary supplements, which includes the police, that the State of Louisiana has paid directly to the Town's employees. As of December 31, 2003, the total on-behalf payments made amounted to \$17,680



**SUPPLEMENTARY INFORMATION SECTION**

**GENERAL FUND**

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

**BALANCE SHEET -**  
**GENERAL FUND**

**Town of Golden Meadow, Louisiana**

December 31, 2003

**Assets**

Cash and cash equivalents	\$ 326,710
Investments	8,279
Receivables:	
Taxes	27,164
Accounts	13,980
Due from other funds	19,919
Due from other governmental units	<u>13,750</u>
 Total assets	 <u><u>\$ 409,802</u></u>

**Liabilities**

Accounts payable and accrued expenditures	\$ 70,978
Due to other funds	139,827
Deferred revenue	<u>42,888</u>
 Total liabilities	 ** 253,693

**Fund Balance**

Unreserved - undesignated	<u>156,109</u>
 Total liabilities and fund balance	 <u><u>\$ 409,802</u></u>

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - GENERAL FUND**

Town of Golden Meadow, Louisiana

For the year ended December 31, 2003

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes - ad valorem	\$ 46,499	\$ 42,459	\$ (4,040)
Fines and forfeitures	207,236	211,204	3,968
Intergovernmental:			
Federal Government:			
Federal Emergency Management Agency	37,205	27,156	(10,049)
Department of Housing and Urban Development	149,500	82,000	(67,500)
State of Louisiana:			
Video poker	28,539	33,509	4,970
Beer taxes	3,115	4,274	1,159
Local Law Enforcement Grant	7,993	7,993	-
State supplemental pay	17,680	17,680	-
Lafourche Parish Council:			
Recreation District No. 3	35,800	34,800	(1,000)
Off track betting	900	600	(300)
Lafourche Housing Authority	4,283	8,633	4,350
Lafourche Parish Drainage District No. 1	9,500	13,500	4,000
Licenses and permits - occupational licenses	96,854	96,684	(170)
Franchise fees	76,687	78,412	1,725
Charges for services	51,299	53,351	2,052
Investment income	3,041	2,773	(268)
Miscellaneous:			
Donations	6,438	6,438	-
Mineral royalties	33,000	33,270	270
Other	10,710	18,648	7,938
<b>Total revenues</b>	<u>826,279</u>	<u>773,384</u>	<u>(52,895)</u>
<b>Expenditures</b>			
Current:			
General government	192,124	191,649	475
Public safety	307,033	301,999	5,034
Streets and highways	166,781	173,251	(6,470)
Sanitation	14,496	15,799	(1,303)
Drainage and levee	128,623	132,444	(3,821)
Culture and recreation	104,658	108,246	(3,588)
Debt service:			
Principal retirement	10,095	10,095	-
Interest and fiscal charges	724	724	-
Capital outlay	283,724	283,641	83
<b>Total expenditures</b>	<u>1,208,258</u>	<u>1,217,848</u>	<u>(9,590)</u>
<b>Deficiency of revenues over expenditures</b>	<u>(381,979)</u>	<u>(444,464)</u>	<u>(62,485)</u>
<b>Other Financing Sources</b>			
Operating transfers in	424,843	341,653	(83,190)
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures</b>	<u>\$ 42,864</u>	<u>(102,811)</u>	<u>\$ (145,675)</u>
<b>Fund Balance</b>			
Beginning of year		258,920	
End of year		<u>\$ 156,109</u>	

## SPECIAL REVENUE FUNDS

**Sales Tax** - To account for the receipt and appropriation of proceeds of the Town's 1% sales and use tax. The revenues derived from the tax are to be used for the purposes of constructing, acquiring, extending and/or improving drainage facilities, streets (including sidewalks and street lighting facilities), public buildings, public parks, and fire department and police stations and equipment; public works, buildings, improvements and facilities, title to which improvements shall be in the public, and for the purpose of paying principal and interest on any bonded debt or funded indebtedness of the Town. The tax may be subject to funding bonds by the Town, and it may be used for the purpose of paying any costs of salary and/or administrative costs of any employee of the Town and to pay any or all costs of any services and costs of any legal functions of the Town.

**Levee Maintenance Tax** - To account for the receipt and appropriation of proceeds from a 5.09 mill ad valorem tax levied on the assessed valuation of taxable property situated within the corporate limits of the Town of Golden Meadow. The tax is used to defray the cost of maintaining levees in the Town of Golden Meadow.

**Drainage Maintenance Tax** - To account for the receipt and appropriation of proceeds from a 5.09 mill ad valorem tax levied on the assessed valuation of taxable property situated within the corporate limits of the Town of Golden Meadow used to defray the cost of maintaining drainage works in the Town of Golden Meadow.

**Street** - To account for the receipt and appropriation of proceeds from a 5.0 mill ad valorem tax, levied on the assessed valuation of taxable property situated within the corporate limits of the Town of Golden Meadow used to defray the cost of maintaining streets in the Town of Golden Meadow and receipt of proceeds from Parish Transportation Fund, State Maintenance Agreement and Lafourche Parish Intergovernmental Agreement. The revenues derived are to be used for cost incurred to build, repair and maintain streets, culverts and other drainage facilities and to purchase equipment for road work.

**COMBINING BALANCE SHEET -  
SPECIAL REVENUE FUNDS**

**Town of Golden Meadow, Louisiana**

December 31, 2003

	<u>Sales Tax</u>	<u>Levee Maintenance Tax</u>	<u>Drainage Maintenance Tax</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 520,813	\$ 84,330	\$ 45,095
Investments	8,310	-	-
Receivables:			
Taxes	-	23,986	23,991
Due from other funds	74,082	-	-
Due from other governmental units	<u>16,667</u>	<u>-</u>	<u>-</u>
 Total assets	 <u>\$ 619,872</u>	 <u>\$ 108,316</u>	 <u>\$ 69,086</u>
 <b>Liabilities</b>			
Deferred revenue	\$ -	\$ 36,566	\$ 36,567
 <b>Fund Balances</b>			
Unreserved - undesignated	<u>619,872</u>	<u>71,750</u>	<u>32,519</u>
 Total liabilities and fund balances	 <u>\$ 619,872</u>	 <u>\$ 108,316</u>	 <u>\$ 69,086</u>

<u>Street</u>	<u>Total</u>
\$ 232,220	\$ 882,458
-	8,310
22,490	70,467
663	74,745
<u>2,747</u>	<u>19,414</u>
<u>\$ 258,120</u>	<u>\$ 1,055,394</u>
\$ 35,919	\$ 109,052
<u>222,201</u>	<u>946,342</u>
<u>\$ 258,120</u>	<u>\$ 1,055,394</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - SPECIAL REVENUE FUNDS**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

	<u>Sales Tax</u>	<u>Levee Maintenance Tax</u>	<u>Drainage Maintenance Tax</u>
<b>Revenues</b>			
<b>Taxes:</b>			
Sales	\$ 295,312	\$ -	\$ -
Ad valorem	-	35,412	35,412
<b>Intergovernmental:</b>			
State of Louisiana:			
Parish Transportation Fund	-	-	-
Maintenance Agreement	-	-	-
Lafourche Parish Council	-	-	-
Investment income	<u>5,692</u>	<u>879</u>	<u>441</u>
<b>Total revenues</b>	301,004	36,291	35,853
<b>Other Financing Uses</b>			
Operating transfers out	<u>(225,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>
<b>Excess of Revenues Over Other Uses</b>	76,004	6,291	5,853
<b>Fund Balances</b>			
Beginning of year	<u>543,868</u>	<u>65,459</u>	<u>26,666</u>
End of year	<u>\$ 619,872</u>	<u>\$ 71,750</u>	<u>\$ 32,519</u>



<u>Street</u>	<u>Total</u>
\$ -	\$ 295,312
34,785	105,609
17,433	17,433
3,154	3,154
10,290	10,290
<u>2,551</u>	<u>9,563</u>
68,213	441,361
<u>(65,761)</u>	<u>(350,761)</u>
2,452	90,600
<u>219,749</u>	<u>855,742</u>
<u>\$ 222,201</u>	<u>\$ 946,342</u>

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - SALES TAX FUND**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
<b>Revenues</b>			
Taxes - sales	\$ 295,582	\$ 295,312	\$ (270)
Investment income	5,610	5,692	82
<b>Total revenues</b>	301,192	301,004	(188)
<b>Other Financing Uses</b>			
Operating transfers out	<u>(299,082)</u>	<u>(225,000)</u>	74,082
<b>Excess of Revenues Over Other Uses</b>	<u>\$ 2,110</u>	76,004	<u>\$ 73,894</u>
<b>Fund Balance</b>			
Beginning of year		<u>543,868</u>	
End of year		<u>\$ 619,872</u>	

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - LEVEE MAINTENANCE TAX FUND**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes - ad valorem	\$ 34,219	\$ 35,412	\$ 1,193
Investment income	888	879	(9)
	<hr/>	<hr/>	<hr/>
Total revenues	35,107	36,291	1,184
 <b>Other Financing Uses</b>			
Operating transfers out	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
 <b>Excess of Revenues Over Other Uses</b>	<u>\$ 5,107</u>	6,291	<u>\$ 1,184</u>
 <b>Fund Balance</b>			
Beginning of year		<u>65,459</u>	
End of year		<u>\$ 71,750</u>	

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL -**  
**DRAINAGE MAINTENANCE TAX FUND**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes- ad valorem	\$ 34,219	\$ 35,412	\$ 1,193
Investment income	440	441	1
	<hr/>	<hr/>	<hr/>
Total revenues	34,659	35,853	1,194
<b>Other Financing Uses</b>			
Operating transfers out	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
<b>Excess of Revenues Over Other Uses</b>	<u>\$ 4,659</u>	5,853	<u>\$ 1,194</u>
<b>Fund Balance</b>			
Beginning of year		<u>26,666</u>	
End of year		<u>\$ 32,519</u>	

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - STREET FUND**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes - ad valorem	\$ 33,609	\$ 34,785	\$ 1,176
Intergovernmental:			
State of Louisiana:			
Parish Transportation Fund	17,681	17,433	(248)
Maintenance Agreement	6,307	3,154	(3,153)
Lafourche Parish Council	10,290	10,290	-
Investment income	<u>2,560</u>	<u>2,551</u>	<u>(9)</u>
Total revenues	70,447	68,213	(2,234)
<b>Other Financing Uses</b>			
Operating transfers out	<u>(65,761)</u>	<u>(65,761)</u>	<u>-</u>
<b>Excess of Revenues Over Other Uses</b>	<u>\$ 4,686</u>	2,452	<u>\$ (2,234)</u>
<b>Fund Balance</b>			
Beginning of year		<u>219,749</u>	
End of year		<u>\$ 222,201</u>	

### **Capital Projects Funds**

**Walking Trail Project Fund - To account for the construction cost of a walking trail at Oakridge Park funded partially by the State of Louisiana's Office of Rural Development.**

**Williams Lane Drainage Project Fund - To account for drainage improvements on LA Highway 1 near Williams Lane funded by the State of Louisiana's Office of Facility Planning and Control.**

**COMBINING BALANCE SHEET -**  
**CAPITAL PROJECTS FUNDS**

**Town of Golden Meadow, Louisiana**

December 31, 2003

	<u>Walking Trail Project</u>	<u>Williams Lane Drainage Project</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	<u>\$ -</u>	<u>\$ 50</u>	<u>\$ 50</u>
<b>Liabilities</b>			
Due to other funds	\$ -	\$ 50	\$ 50
<b>Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 50</u>	<u>\$ 50</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - CAPITAL PROJECTS FUNDS**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

	<u>Walking Trail Project</u>	<u>Williams Lane Drainage Project</u>	<u>Total</u>
<b>Revenues</b>			
Intergovernmental:			
State grants	\$ 20,000		\$ 20,000
<b>Expenditures</b>			
Capital Outlay	<u>29,108</u>		<u>29,108</u>
Deficiency of revenues over expenditures	<u>(9,108)</u>		<u>(9,108)</u>
<b>Other Financing Sources</b>			
Operating transfers in	9,108		9,108
<b>Excess of Revenues and Other Sources Over Expenditures</b>	-		-
<b>Fund Balances</b>			
Beginning of year	<u>-</u>		<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



### **Enterprise Funds**

**Gas Distribution System Fund - To account for the distribution of natural gas 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.**

**Sewerage Fund - To account for sewer services to residents within the Sewer Service District 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.**

**COMBINING BALANCE SHEET -  
ENTERPRISE FUNDS**

**Town of Golden Meadow, Louisiana**

December 31, 2003

	Gas Distribution System Fund	Sewerage Fund	Total
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents	\$ 175,476	\$ 37,216	\$ 212,692
Investments	1,607	-	1,607
Receivables:			
Accounts (net of uncollectibles of \$7,003 and \$1,527, respectively)	14,972	4,145	19,117
Unbilled service revenues	54,776	4,838	59,614
Due from other funds	62,872	1,923	64,795
<b>Total current assets</b>	<u>309,703</u>	<u>48,122</u>	<u>357,825</u>
<b>Restricted</b>			
Cash and cash equivalents:			
Customer deposits	42,443	-	42,443
<b>Property, Plant and Equipment</b>	607,027	1,803,210	2,410,237
Less accumulated depreciation	451,931	305,897	757,828
<b>Net property, plant and equipment</b>	<u>155,096</u>	<u>1,497,313</u>	<u>1,652,409</u>
<b>Total assets</b>	<u>\$ 507,242</u>	<u>\$ 1,545,435</u>	<u>\$ 2,052,677</u>
<b>LIABILITIES</b>			
<b>Current</b>			
Payable from current assets:			
Accounts payable and accrued expenses	\$ 45,590	\$ 6,405	\$ 51,995
Due to other funds	6,773	12,809	19,582
<b>Total payable from current assets</b>	<u>52,363</u>	<u>19,214</u>	<u>71,577</u>
Payable from restricted assets:			
Customers' meter deposits	42,443	-	42,443
<b>Total current liabilities</b>	<u>94,806</u>	<u>19,214</u>	<u>114,020</u>
<b>EQUITY</b>			
<b>Contributed Capital</b>	<u>216,091</u>	<u>1,493,473</u>	<u>1,709,564</u>
<b>Retained Earnings</b>			
Unreserved:			
Designated for capital additions and contingencies	32,889	-	32,889
Undesignated	163,456	32,748	196,204
<b>Total retained earnings</b>	<u>196,345</u>	<u>32,748</u>	<u>229,093</u>
<b>Total equity</b>	<u>412,436</u>	<u>1,526,221</u>	<u>1,938,657</u>
<b>Total liabilities and equity</b>	<u>\$ 507,242</u>	<u>\$ 1,545,435</u>	<u>\$ 2,052,677</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN RETAINED EARNINGS - ENTERPRISE FUNDS**

**Town of Golden Meadow, Louisiana**

**For the year ended December 31, 2003**

	<u>Gas Distribution System Fund</u>	<u>Sewerage Fund</u>	<u>Total</u>
<b>Operating Revenues</b>			
Sales and service charges	\$ 438,793	\$ 57,543	\$ 496,336
Miscellaneous	437	-	437
<b>Total operating revenues</b>	<u>439,230</u>	<u>57,543</u>	<u>496,773</u>
<b>Operating Expenses</b>			
Salaries	65,257	2,700	67,957
Per diem	6,957	6,336	13,293
Payroll taxes	5,498	485	5,983
Retirement	6,758	-	6,758
Hospitalization insurance	11,579	-	11,579
Utilities and telephone	349	10,671	11,020
Repairs and maintenance	16,242	23,700	39,942
Truck	3,965	951	4,916
Other insurance	5,377	3,578	8,955
Office	2,907	-	2,907
Postage and freight	1,900	-	1,900
Legal and auditing	7,558	-	7,558
Travel	2,008	1,281	3,289
Gas purchases	244,948	-	244,948
Depreciation	9,496	35,971	45,467
Miscellaneous	2,023	-	2,023
<b>Total operating expenses</b>	<u>392,822</u>	<u>85,673</u>	<u>478,495</u>
<b>Operating income (loss)</b>	46,408	(28,130)	18,278
<b>Nonoperating Revenues</b>			
Investment income	1,776	340	2,116
<b>Net income (loss)</b>	48,184	(27,790)	20,394
<b>Depreciation Transferred to Contributed Capital</b>	-	34,788	34,788
<b>Net Income Transferred to Retained Earnings</b>	48,184	6,998	55,182
<b>Retained Earnings</b>			
Beginning of year	148,161	25,750	173,911
<b>End of year</b>	<u>\$ 196,345</u>	<u>\$ 32,748</u>	<u>\$ 229,093</u>

**COMBINING STATEMENT OF CASH FLOWS -**  
**ENTERPRISE FUNDS**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

	Gas Distribution System Fund	Sewerage Fund	Total
<b>Cash Flows from Operating Activities</b>			
Operating income (loss)	\$ 46,408	\$ (28,130)	\$ 18,278
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	9,496	35,971	45,467
(Increase) decrease in assets:			
Receivables	(2,989)	(800)	(3,789)
Increase (decrease) in liabilities:			
Accounts payable and accrued expenses	6,603	1,561	8,164
Customer deposits	(7,511)	-	(7,511)
Due to other funds	2,017	-	2,017
Total adjustments	7,616	36,732	44,348
Net cash provided by operating activities	54,024	8,602	62,626
<b>Cash Flows from Capital Activities</b>			
Purchases of property, plant and equipment	(9,975)	(5,889)	(15,864)
<b>Cash Flows from Investing Activities</b>			
Proceeds from maturities of investments	3,024	-	3,024
Investment income	1,776	340	2,116
Net cash provided by investing activities	4,800	340	5,140
<b>Net Increase in Cash and Cash Equivalents</b>	48,849	3,053	51,902
<b>Cash and Cash Equivalents</b>			
Beginning of year	169,070	34,163	203,233
End of year	\$ 217,919	\$ 37,216	\$ 255,135

**OTHER SUPPLEMENTARY INFORMATION**

COMPENSATION PAID TO MEMEBERS OF THE TOWN COUNCIL

Town of Golden Meadow

For the Year Ended December 31, 2003

2003

<u>Name</u>	<u>Office</u>	<u>Compensation</u>	<u>Per Diem*</u>
Joey Bouziga	Mayor	\$ 25,952	\$ -
David Adams	Councilman	-	6,612
Lawrence Mounic	Councilman	-	6,612
Frank Boura	Councilman	-	6,612
Gail Callais	Councilwoman	-	6,336
Gwendolyn Theriot	Councilwoman	-	6,336
		<u>\$ 25,952</u>	<u>\$ 32,508</u>

\* Per diem paid at the rate of \$551 for the regular monthly meeting.  
There are no additional per diem fees paid for attendance at special meetings of the Town.

**STATISTICAL SECTION**

Table 1

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)

Town of Golden Meadow

Last Ten Years

(Unaudited)

Year	General Government	Public Safety Police	Streets and Highways	Sanitation	Civil Defense	Drainage and Levee	Culture and Recreation	Debt Service	Total
1994	\$ 120,325	\$ 207,941	\$ 130,586	\$ 12,603	\$ 399	\$ 89,368	\$ 55,042	\$ 61,267	\$ 677,531
1995	110,559	215,600	163,216	14,781	168	86,863	51,601	62,464	705,252
1996	110,382	211,637	144,646	11,334	1,189	112,213	58,492	48,514	698,407
1997	126,193	226,727	137,043	12,723	206	90,292	38,295	44,299	675,778
1998	120,449	262,400	150,341	15,808	1,022	81,746	62,492	38,786	733,044
1999	112,916	286,942	190,091	20,920	388	127,593	71,047	39,909	849,806
2000	144,978	272,104	153,075	22,969	226	132,356	62,541	40,815	829,064
2001	155,716	292,189	164,252	15,201	70	98,557	62,006	36,656	824,647
2002	213,477	287,815	126,560	21,286	858	134,170	64,975	47,906	897,047
2003	191,649	301,999	173,251	15,799	-	132,444	108,246	10,819	934,207

Note:

(1) Includes General, Special Revenue, and Debt Service Funds (amounts do not include the Capital Expenditures of the funds).



GENERAL GOVERNMENTAL REVENUE BY SOURCE (1)

Town of Golden Meadow

Last Ten Years

(Unaudited)

Year	Taxes	Fines and Forfeitures	Intergovernmental Revenues	License, Permits and Franchises	Charges for Services	Investment Income	Miscellaneous Revenues	Total
1994	\$ 249,493	\$ 255,552	\$ 85,274	\$ 107,737	\$ 7,069	\$ 17,595	\$ 52,720	\$ 775,440
1995	254,331	287,925	104,490	126,595	6,455	9,316	37,915	827,027
1996	282,479	292,531	96,184	126,680	7,208	32,138	34,237	871,457
1997	332,624	277,317	979,072	154,234	303	38,610	35,258	1,817,418
1998	376,309	298,446	310,361	128,151	871	53,485	33,074	1,200,697
1999	336,170	248,428	277,119	153,547	950	47,034	29,299	1,092,547
2000	424,590	295,791	101,285	167,301	850	47,141	38,706	1,075,664
2001	402,026	272,498	245,275	156,592	25,438	36,673	19,328	1,157,830
2002	412,222	259,663	196,250	162,397	31,926	20,843	40,289	1,123,590
2003	443,380	211,204	281,022	175,096	53,351	12,336	58,356	1,234,745

Note:

(1) Includes General, Special Revenue, and Debt Service Funds.

**PROPERTY TAX LEVIES AND COLLECTIONS**

**Town of Golden Meadow**

Last Ten Years

(Unaudited)

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Delinquent Taxes to Tax Levy</u>
1994	\$ 122,971	\$ 122,386	99.5%	\$ -	\$ 122,386	99.5%	\$ 1,491	1.2%
1995	124,557	124,353	99.8%	-	124,353	99.8%	1,705	1.4%
1996	128,048	127,172	99.3%	218	127,390	99.5%	2,155	1.7%
1997	144,237	141,349	98.0%	162	141,511	98.1%	2,684	1.9%
1998	151,978	148,928	97.9%	1,966	150,894	99.3%	3,768	2.5%
1999	146,466	139,600	95.3%	882	140,482	95.9%	5,984	4.1%
2000	167,940	159,706	95.1%	2,897	162,603	96.8%	11,321	6.7%
2001	148,543	142,828	96.2%	5,876	148,704	100.1%	11,160	7.5%
2002	147,142	141,956	96.5%	2,883	144,839	98.4%	13,463	9.1%
2003	151,942	190,838	125.6%	1,671	192,509	126.7%	16,817	11.1%

**PRINCIPAL TAXPAYERS**

**Town of Golden Meadow**

December 31, 2003

(Unaudited)

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2003 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
State Bank & Trust Co.	Bank	\$ 1,013,270	14.10%
Lafourche Telephone Co.	Telephone	765,820	10.66%
Community Bank	Bank	336,940	4.69%
Hibernia National Bank	Bank	303,090	4.22%
Apache Company	Oil & Gas	109,690	1.53%
Golden Meadow Hardware	Retail	86,970	1.21%
Entergy	Electric Utility	71,760	1.00%
Jo-De Equipment	Equipment	71,070	0.99%
Golden Motors	Auto Dealer	64,150	0.89%
<b>Totals</b>		<b><u>\$ 2,822,760</u></b>	<b><u>39.29%</u></b>

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED  
VALUE AND NET BONDED DEBT PER CAPITA**

**Town of Golden Meadow**

Last Ten Years

(Unaudited)

Year	Population	Assessed Value	Gross Bonded Debt (1)	Debt		Net Bonded Debt	Percent of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
				Service Monies Available	Net Bonded Debt			
1994	2,032	\$ 4,992,638	\$ 260,000	\$ 39,525	\$ 220,475	4.42%	\$ 108.50	
1995	2,032	5,057,125	226,000	34,552	191,448	3.78%	94.22	
1996	2,032	5,198,863	199,000	40,062	158,938	3.06%	78.22	
1997	2,032	5,851,400	169,000	50,307	118,693	2.03%	58.41	
1998	2,032	6,165,456	140,000	67,100	72,900	1.18%	35.88	
1999	2,032	5,941,826	108,000	81,009	26,991	0.45%	13.28	
2000	2,271	6,992,640	73,000	102,394	-	-	-	
2001	2,271	7,004,060	40,000	68,487	-	-	-	
2002	2,271	6,956,970	-	-	-	-	-	
2003	2,271	7,183,920	-	-	-	-	-	

Note:

(1) Includes all long-term general obligation debt.

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR  
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES**

**Town of Golden Meadow**

Last Ten Years

(Unaudited)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures (1)</u>	<u>Ratio of Debt Service to Total General Expenditures</u>
1993	\$ 29,000	\$ 19,180	\$ 48,180	\$ 647,421	7.4%
1994	34,000	16,918	50,918	677,531	7.5%
1995	34,000	15,026	49,026	705,252	6.9%
1996	27,000	13,266	40,266	698,407	5.8%
1997	30,000	11,738	41,738	675,778	6.2%
1998	29,000	9,786	38,786	733,044	5.3%
1999	32,000	7,909	39,909	849,806	4.7%
2000	35,000	5,815	40,815	829,064	4.9%
2001	33,000	3,656	36,656	824,647	4.4%
2002	40,000	1,300	41,300	897,047	4.6%
2003	-	-	-	934,207	0.0%

Note:

(1) Includes General, Special Revenue, and Debt Service Funds (amounts do not include the capital expenditures of the funds).

**MISCELLANEOUS STATISTICS**

**Town of Golden Meadow**

December 31, 2003

(Unaudited)

Date of incorporation	July 17, 1950
Form of government	Mayor - Council
Area	4 square miles
Miles of street	11.5
Number of street lights	400
Fire protection: (volunteer firemen)	
Number of stations	1
Number of firemen	38
Police protection:	
Number of stations	1
Number of policemen and officers	5
Municipal gas department:	
Number of consumers - December 31, 2002	619
Average annual consumption	49.20 MCF
Miles of gas mains	29
Municipal sewer department	
Number of consumers - December 31, 2002	299
Recreation and culture:	
Number of parks	1 with 40 acres
Number of libraries	1
Employees:	
Excluding policemen and summer pool workers	12

**INSURANCE IN FORCE****Town of Golden Meadow**

December 31, 2003

(Unaudited)

Name of Insurer	Policy Period From      To	Details of Coverage	Amount
First Community Insurance Company	3/1/2003 - 3/1/2004	Flood Insurance - Town Hall Town Hall - Contents Deductible	\$ 50,000 55,000 500
Western Surety	12/1/2003 - 12/1/2004	Public Official's Bond	10,000
Travelers Casualty & Surety	7/27/2002 - 7/27/2007	Public Official's Bond	5,000
Western Surety	1/8/2003 - 1/8/2004	Public Employee's Blanket Bond	10,000
Travelers Casualty & Surety	7/27/2002 - 7/27/2007	Notary Bond	5,000
Travelers Casualty & Surety	1/1/2001 - 1/1/2005	Public Official's Bond - Chief of Police / Tax Collector	5,000
Louisiana Municipal Risk Management Agency	1/1/2003 - 1/1/2004	Workmen's Compensation	LA Statutes
Lexington Insurance Company	3/6/2003 - 3/6/2004	Automobile Collision/Comprehension - Various Autos Total Deductible	115,008 250
Lloyds, London	2/5/2003 - 2/5/2004	Contractor's Equipment Total Physical damage Deductible	109,963 250
Scottsdale Insurance Company	11/20/2003 - 11/20/2004	DMV Building 90% Replacement Cost Deductible  DMV Building - Contents 80% Replacement Cost Deductible  Wind and Hail - 10% deductible	151,700 1,000 52,000 1,000
Fidelity National Insurance Company	12/19/2003 - 12/19/2004	Flood Insurance DMV Building Contents Deductible	150,000 50,000 500
First Community Insurance Company	4/16/2003 - 4/16/2004	Flood Insurance Meter Station - Contents Deductible	7,500 500
First Community Insurance Company	5/16/2003 - 5/16/2004	Flood Insurance Old DMV/Jail Cell - Contents Deductible	35,400 500

**INSURANCE IN FORCE**

**Town of Golden Meadow**

December 31, 2003

(Unaudited)

Name of Insurer	Policy Period		Details of Coverage	Amount
	From	To		
Travelers Property Casualty	1/7/2003	1/7/2004	Water Pumping Station - Durselle Street Limit per accident Deductible Spoilage - 10% of loss; \$2,500 minimum	975,000 2,500
Audubon Insurance Group	8/20/2003	8/20/2004	Fire, Extended Coverage, V. & M. M. on Buildings Town Hall Town Hall Contents Town Hall Addition and Town Hall Jail Swimming Pool Bathhouse Town Maintenance Building Pumping Station Park - Dressing/Restrooms Senior Citizens Building Senior Citizens Ceramic Shop Deductible 80% Co-Insurance	86,000 30,000 35,000 57,000 37,000 10,000 25,000 50,000 10,000 500
Louisiana Municipal Risk Management Agency Liability Pool	5/1/2003	5/1/2004	Comprehensive Liability Coverage under the LMA Plan: 1 Comprehensive General Liability Deductible per person Deductible per accident Deductible per occurrence 2 Automobile Liability Deductible 3 Law Enforcement Officers' Comprehensive Liability Deductible 4 Public Official's Errors and Omissions Liability Deductible	500,000 1,000 10,000 100,000 500,000 - 500,000 1,000 500,000 1,000
Lloyd's, London	5/5/2003	5/5/2004	Computer Related Losses Deductible	35,378 500



**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**



Bourgeois Bennett

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

To the Honorable Joey Bouziga, Mayor,  
and the Members of the Town Council  
Town of Golden Meadow, Louisiana.

We have audited the general-purpose financial statements of the Town of Golden Meadow, Louisiana (the Town) as of and for the year ended December 31, 2003, and have issued our report thereon dated February 18, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings as item 03-1.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Town's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control 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 operations that we consider to be material weaknesses.

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This report is intended for the information of the Town Council, management, and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, Louisiana,  
February 18, 2004.

**SCHEDULE OF FINDINGS**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

**Section I Summary of Auditor's Results**

**a) Financial Statements**

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified?                     yes     no
- Reportable condition(s) identified that are not  
  considered to be material weaknesses?             yes     none reported

Noncompliance material to financial statements noted?     yes     no

**b) Federal Awards**

The Town of Golden Meadow, Louisiana did not receive federal awards in excess of \$300,000 during the year ended December 31, 2003 and therefore is exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

**Section II Financial Statement Findings**

**Compliance**

03-1 **Criteria** – Louisiana Revised Statutes 39:1304-1314 requires the chief executive or administrative officer must advise the governing authority or independently elected official when actual revenues are less than budgeted revenues by five percent or more, actual expenditures exceed budgeted expenditures by five percent or more, or actual beginning fund balance is less than budgeted fund balance by five percent of more.

**Condition** – The Town has actual revenues that fell short of budget by greater than the five percent allowed by state law.

**Questioned costs** - None

**Context** – This was an isolated instance.

**SCHEDULE OF FINDINGS**  
**(Continued)**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

**Section II Financial Statement Findings (Continued)**

**Compliance (Continued)**

**03-1 (Continued)**

**Effect** – The Town was not in compliance with state law.

**Cause** - The Town anticipated receiving grant funds prior to the end of the year.

**Recommendation** -We recommend that the Town comply with the State budget laws by amending its budget to ensure actual revenues are less than budgeted revenues by five percent or more and for actual expenditures not to exceed budgeted expenditures by five percent or more.

**Views of responsible officials of the auditee when there is disagreement with the finding, to the extent practical** - None

**Section III Federal Award Findings and Questioned Costs**

Not applicable

**REPORTS BY MANAGEMENT**

## **SCHEDULE OF PRIOR YEAR FINDINGS**

### **Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

#### **Section I Internal Control and Compliance Material to the General-Purpose Financial Statements**

##### **Internal Control and Compliance**

02-1 **Recommendation** – We recommend that the Town adopt a formal investment policy in accordance with current state law.

**Current Status** – The Town adopted an investment policy as required by state law. No similar finding was found in the 2003 audit.

02-2 **Recommendation** – We recommend that the Town monitor its deposit collateralization by having the financial institution periodically confirm adequate securities pledged.

**Current Status** – The Town makes sure that the securities are adequately pledged at all times. The Town has notified its financial institution and taken the steps necessary to comply with state law. No similar finding was noted in the 2003 audit.

#### **Section II Internal Control and Compliance Material to Federal Awards**

The Town of Golden Meadow, Louisiana did not receive federal awards in excess of \$300,000 during the year ended December 31, 2001 and therefore was exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

#### **Section III Management Letter**

02-1 **Recommendation** – The Town should study and evaluate the adequacy of the fee structure it currently uses to charge sewerage system customers to provide for a long-term perspective to better finance repair and replacement costs for the future.

**SCHEDULE OF PRIOR YEAR FINDINGS**  
**(Continued)**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

02-1 (Continued)

**Management's Response** – The Town evaluated its current fee structure and at its August 18, 2003 meeting increased its flat fee as it relates to the costs of operating the sewerage system and for repair and replacement costs of the systems. Resolved.

02-2 **Recommendation** – The Town should utilize serially-numbered forms as part of a work order log system to document the progress of jobs. The system should document the date, time and location of the work performed, including the personnel and equipment utilized.

**Management's Response** – The Town has investigated the costs and benefits of using such a system and implemented a daily log book to document the use of Town equipment. Resolved.

02-3 **Recommendation** – The Town should include documentation of each employee's hourly pay rate as authorized by the appropriate official in the personnel file. Subsequent pay rate changes should also be documented in such a way. The Town should also consider performing annual employee evaluations and retaining the documentation of those evaluations in the personnel file.

**Management's Response** – The Town added the appropriate documentation regarding authorized wage rates and wage increases to employee personnel files. The Town began performing employee evaluations and retaining documentation of those evaluations in the personnel files. Resolved.

02-4 **Recommendation** – The Town should ensure that the public notice regarding the public hearing on the proposed budget be published at least ten days prior to the date of the first public hearing.

**Management's Response** – For the Town's 2004 budget, the Town published a notice of public hearing on the proposed budget at least ten days prior to the date of the hearing. Resolved.

02-5 **Recommendation** - The Town should properly document the reason for entering into executive session as part of its official published meeting minutes in accordance with the requirements of state law.

**Management's Response** – The Town Clerk has assured us the future executive sessions will be documented in the minutes in accordance with state law. Resolved.



**SCHEDULE OF PRIOR YEAR FINDINGS**  
**(Continued)**

**Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

02-6 **Recommendation** – The Town should consider automating manually prepared journals, logs and listing through the use of a computer spreadsheet application such as Excel to facilitate workflow and build efficiencies in clerical tasks.

**Management's Response** – The Town Administration has begun to use computers to automate functions by utilizing spreadsheet applications. Resolved.

# MANAGEMENT'S CORRECTIVE ACTION PLAN

## **Town of Golden Meadow, Louisiana**

For the year ended December 31, 2003

### **Section I Internal Control and Compliance Material to the General-Purpose Financial Statements**

#### **Internal Control**

No material weaknesses were reported during the audit for the year ended December 31, 2003.  
No reportable conditions were reported during the audit for the year ended December 31, 2003.

#### **Compliance**

03-1 **Recommendation** -We recommend that the Town comply with the State budget laws by amending its budget to ensure actual revenues are less than budgeted revenues by five percent or more and for actual expenditures not to exceed budgeted expenditures by five percent or more.

**Management's Corrective Action Plan** – The Town will comply with the State budget laws in the future.

### **Section II Internal Control and Compliance Material to Federal Awards**

The Town of Golden Meadow, Louisiana did not receive federal awards in excess of \$300,000 during the year ended December 31, 2003 and therefore is exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

### **Section III Management Letter**

A management letter was not issued in connection with the audit for the year ended December 31, 2003.