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04 SEP 29**TOWN OF OBERLIN, LOUISIANA****Financial Report****Year Ended June 30, 2004**

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Release Date 10-13-04

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INDEPENDENT AUDITORS' REPORT

The Honorable Phillip W. Beard, Mayor,
and Members of the Board of Aldermen
Town of Oberlin, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Oberlin, Louisiana, as of and for the year ended June 30, 2004, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these basic 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. These 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material aspects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Oberlin, Louisiana, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof 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 a report dated August 20, 2004 on our consideration of the Town of Oberlin'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.

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The required supplementary information on pages 33 through 37, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Town of Oberlin has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Oberlin's basic financial statements. The other supplementary information on pages 33 through 36 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Town of Oberlin, Louisiana. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which we expressed an unqualified opinion on the basic financial statements of the Town of Oberlin, Louisiana.

Kalder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Oberlin, Louisiana
August 28, 2004

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (G/WS)**

TOWN OF OBERLIN, LOUISIANA

Statement of Net Assets

June 30, 2004

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 546,060	\$ 93,100	\$ 639,160
Receivables, net	13,823	198,963	212,786
Interest balances	6,419	(8,417)	-
Due from other governmental units	77,961	-	77,961
Total current assets	644,263	192,646	836,909
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	-	83,624	83,624
Capital assets, net	1,370,791	4,173,659	5,544,450
Total noncurrent assets	1,370,791	4,257,283	5,628,074
Total assets	1,715,054	4,450,929	6,165,983
LIABILITIES			
Current liabilities:			
Accounts and other payables	30,863	37,900	68,763
Capital lease payable	24,818	-	24,818
Deferred revenue	61,154	-	61,154
Bonds and certificates payable	79,800	16,615	96,415
Accrued interest	1,264	-	1,264
Total current liabilities	197,702	54,515	252,217
Noncurrent liabilities:			
Customers' deposits payable	-	66,600	66,600
Capital lease payable	26,982	-	26,982
Bonds and certificates payable	120,800	1,460,651	1,581,451
Total noncurrent liabilities	147,782	1,527,251	1,675,033
Total liabilities	345,484	1,581,766	1,927,250
NET ASSETS			
Invested in capital assets, net of related debt	830,291	2,417,373	3,247,664
Restricted for debt service	190,212	-	190,212
Unrestricted	268,632	779,282	1,047,914
Total net assets	1,289,135	2,196,655	3,485,790

The accompanying notes are an integral part of the basic financial statements.

TOWN OF CORRALVILLE, LOUISIANA

Statement of Activities
Year Ended June 30, 2014

Activities	Program Expenses		Net (Expensed) Revenues and Changes in Net Assets	
	Perf. Fees, and Change for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities
Expenses:				
\$ 256,241	\$ 36,407	\$ 19,479	\$ (344,475)	\$ 4144,470
256,241	36,407	19,479	690,950	16,0849
16,084	31,081	-	11,179	11,179
152,487	30,149	-	11,181	2018
152,487	-	-	235,849	1,525,849
307,471	401,125	36,479	277,969	175,000
304,016	-	-	-	161,189
69,081	-	85,282	16,081	41,022
296,423	-	85,282	-	11,092
1,192,141	1,401,115	1,135,222	222,589	1,121,179
General revenues:				
Taxes:				
Property taxes, levied for general purposes			64,811	-
Sales and use taxes, levied for general purposes			170,211	-
Franchise taxes			11,044	-
Grants and contributions not restricted to specific programs:				
State sources			4,418	-
Federal and investment earnings			1,714	1,103
Miscellaneous			14,046	-
(Transfers)			(15,079)	15,079
			205,214	11,182
Total general revenues and transfers			1,016	14,909
Change in net assets			1,073,436	2,082,162
Net assets - July 1, 2013			1,129,641	1,071,092
Net assets - June 30, 2014			\$ 2,203,077	\$ 2,153,254

The accompanying notes are an integral part of the town's financial statements.

FUND FINANCIAL STATEMENTS (FYS)

MAJOR FUND DESCRIPTIONS

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenue Fund

Sales Tax Fund

To account for the receipt and use of proceeds of the Town's 1% sales and use tax approved by the voters on September 16, 1978. These taxes are dedicated and used for the purposes of constructing, acquiring, extending, improving, operating water-works, streets, recreational facilities and fire protection facilities and equipment, and purchasing and acquiring the necessary land, equipment and furnishings for any of the aforesaid public works, improvements and facilities, or for any one or more said purposes; and shall the Town be further authorized to fund the proceeds of the tax into bonds to be issued in series from time to time for improving and/or acquiring any one or more of the aforesaid capital improvements to the extent and in the manner permitted by the laws of Louisiana. To account for the receipt and use of proceeds of the Town's .3% sales and use tax approved by the voters on October 7, 1989. These taxes are dedicated and used for the purpose of constructing, improving, maintaining, and operating public streets, sidewalks, and alleys, and for acquiring, constructing, improving, maintaining and operating recreational facilities. The Town shall be further authorized to fund the proceeds of the tax into bonds to be issued into series from time to time for any capital purpose described above, to the extent and in the manner provided by Louisiana law.

Enterprise Funds

Gas Utility Fund

To account for the provision of gas service 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.

Water and Sewer Utility Fund

To account for the provision of water and sewerage 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.

TOPS OF OREBELLA, LOUISIANA

Budgetary Fund - Governmental Funds

June 30, 2004

With Comparative Totals for June 30, 2003

	General	Sales Tax	Other Governmental	Totals	
				2004	2003
ASSETS					
Cash	\$ 49,854	\$ 18,797	\$181,867	\$171,818	\$387,948
Interest-bearing deposits, at cost	11,404	114,362	246,479	375,245	161,844
Receivables:					
Taxes	306	13,251	388	13,943	20,196
Accrued interest	5	166	966	317	360
Others	447	-	-	447	943
Due from other funds	6,419	-	-	6,419	6,419
Due from other governmental units	17,861	-	-	17,861	82,152
Total assets	\$145,486	\$146,576	\$181,223	\$692,202	\$741,872
LIABILITIES AND FUND BALANCES					
Liabilities:					
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ 26,254
Accounts payable	96,299	-	-	96,299	18,871
Accrued liabilities	4,373	-	-	4,373	3,750
Deferred revenue	-	-	81,254	81,254	21,652
Total liabilities	20,862	-	81,254	82,617	170,527
Fund balances -					
Reserved for debt service	-	-	190,212	190,212	371,249
Unreserved, undesignated	124,623	146,576	99,854	270,853	124,272
Total fund balances	124,623	146,576	290,066	560,365	648,519
Total liabilities and fund balances	\$145,486	\$146,576	\$181,223	\$692,202	\$741,872

The accompanying notes are an integral part of the basic financial statements.

TOWN OF GREELIN, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2004

Total fund balances for governmental funds at June 30, 2004		\$ 560,265
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:		
Land	\$ 188,212	
Buildings, net of \$141,667 accumulated depreciation	39,848	
Infrastructure, net of \$207,197 accumulated depreciation	679,721	
Vehicles, net of \$166,036 accumulated depreciation	34,674	
Equipment, furniture, and fixtures net of \$115,553 accumulated depreciation	<u>138,244</u>	1,678,791
Long-term liabilities at June 30, 2004:		
Capital lease payable	(31,408)	
Bonds payable	(199,608)	
Accrued interest payable	<u>(1,794)</u>	<u>(231,790)</u>
Total net assets of governmental activities at June 30, 2004		<u>\$1,378,262</u>

The accompanying notes are an integral part of the basic financial statements.

TOWN OF CHEERLE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds

Year Ended June 30, 2004

With Comparative Totals for Year Ended June 30, 2003

	General	Sales Tax	Other Governmental	Totals (Memorandum Only)	
				2004	2003
Revenues:					
Taxes	\$ 48,700	\$ 172,210	\$ 43,190	\$ 264,101	\$ 284,791
Licenses and permits	10,716	-	-	10,716	39,684
Intergovernmental	184,664	-	123,586	307,850	488,939
Fees and tariffs	90,642	-	-	90,642	94,327
Charges for services	-	-	479	475	681
Miscellaneous	14,642	3,883	3,887	22,412	21,791
Total revenues	659,364	176,093	174,132	959,589	841,513
Expenditures:					
Current -					
General government	190,813	3,983	23,811	217,607	261,828
Public safety -					
Police and fire	204,503	-	-	204,503	303,336
Highways and streets	111,993	-	-	111,993	174,858
Urban redevelopment and housing	-	-	100,667	101,667	101,104
Debt service -					
Principal retirement	23,680	-	77,800	101,480	79,000
Interest and bond charges	3,983	-	18,834	22,817	20,384
Capital outlay	312,341	-	-	312,341	356,611
Total expenditures	816,913	3,983	220,316	1,044,212	1,052,362
Excess (deficiency) of revenues over expenditures	(157,549)	(178,890)	(46,184)	(382,623)	(210,749)
Other financing sources (uses):					
Proceeds from capital loans	75,000	-	-	75,000	-
Transfers in	162,941	-	68,851	231,792	258,484
Transfers out	(69,832)	(1,860,000)	-	(1,929,832)	(1,731,588)
Total other financing sources (uses)	168,109	(1,860,000)	68,851	(163,040)	(473,104)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(29,440)	(2,038,890)	22,667	(2,045,663)	(1,752)
Fund balances, beginning	121,188	171,223	284,428	576,839	613,281
Fund balances, ending	\$ 191,748	\$ (1,867,667)	\$ 207,095	\$ (1,468,824)	\$ (1,139,573)

The accompanying notes are an integral part of the basic financial statements.

TOWN OF OSBERLIN, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2004

Total net changes in fund balances at June 30, 2004 per Statement of Revenues, Expenditures and Changes in Fund Balances			\$ (99,374)
The change in net assets reported for governmental activities in the statement of activities is different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.			
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 117,340		
Depreciation expense for the year ended June 30, 2004	<u>(80,826)</u>	11,514	
Governmental funds report bonded debt and capital lease repayments as expenditures. However, these expenditures do not appear in the statement of activities since the payments are applied against the bond payable and capital lease payable balances on the statement of net assets.			
			180,608
Proceeds from capital lease			(75,808)
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis			
			<u>799</u>
Total changes in net assets at June 30, 2004 per Statement of Activities			<u>\$ 1,816</u>

The accompanying notes are an integral part of the basic financial statements.

TOWN OF CHELSEA, LOUISIANA

Statement of Net Assets
Proprietary Funds
June 30, 2004

With Comparative Totals for June 30, 2003

	Gas Utility (Fund)	Water and Sewer Utility (Fund)	Totals	
			2004	2003
ASSETS				
Current assets:				
Cash	\$ 23,366	\$ 39,303	\$ 64,811	\$ 14,329
Interest-bearing deposits	11,329	18,875	30,229	22,496
Accounts receivable	81,887	87,311	169,644	87,212
Contract receivable	-	-	-	124,780
Accrued interest receivable	389	539	539	8
Due from other funds	-	15,111	15,111	15,772
Total current assets	116,971	151,019	268,384	264,602
Restricted assets:				
Cash	1,778	3,899	5,699	9,389
Interest-bearing deposits	21,498	25,655	47,044	97,664
Total restricted assets	23,276	29,554	52,743	107,053
Property, plant and equipment, at cost, net of accumulated depreciation (2004-\$1,411,174) (2003 \$1,348,356)	71,670	4,885,609	5,137,659	4,817,136
Total assets	160,917	4,726,282	4,448,687	4,588,792
LIABILITIES				
Current liabilities:				
Accounts payable	1,312	19,552	19,444	11,712
Contract payable	-	19,560	19,560	49,813
Retainage payable	-	-	-	88,569
Other accrued liabilities	1,764	2,829	3,391	4,384
Due to other funds	11,119	5,814	22,180	21,180
Payable from restricted assets - Revenue bonds	-	16,635	16,635	4,714
Accrued interest	-	-	-	31,698
Total current liabilities	24,195	54,390	79,615	219,780
Noncurrent liabilities:				
Revenue bonds payable	-	1,667,671	1,667,671	1,640,186
Customers' deposits	26,520	46,422	66,520	43,300
Total liabilities	50,715	1,714,183	1,697,606	1,663,176
NET ASSETS				
Invested in capital assets, net of related debt	81,640	3,489,323	3,697,371	3,497,686
Unrestricted	48,562	103,299	179,282	113,332
Total net assets	\$130,202	\$3,592,622	\$3,876,653	\$3,611,018

The accompanying notes are an integral part of the basic financial statements.

TOWN OF ORBELIN, LOUISIANA

Statement of Revenues, Expenses, and Changes in Net Assets
 Expendable Funds
 Year Ended June 30, 2004
 With Comparative Totals for Year Ended June 30, 2003

	Gas Utility Fund	Water and Sewer Utility Fund	Totals	
			2004	2003
Operating revenues:				
Charges for services -				
Gas sales	\$ 983,691	\$ -	\$ 983,691	\$ 160,992
Water sales	-	212,992	212,992	187,653
Sewer sales	-	183,084	183,084	122,087
Delinquent charges	4,281	2,186	6,467	12,688
Miscellaneous	316	2,209	2,625	1,514
Total operating revenues	<u>988,294</u>	<u>398,471</u>	<u>1,386,765</u>	<u>484,834</u>
Operating expenses:				
Gas department expense	355,435	-	355,435	364,881
Water and sewer department expenses	-	331,879	331,879	517,968
Total operating expenses	<u>355,435</u>	<u>331,879</u>	<u>687,314</u>	<u>882,849</u>
Operating income (loss)	<u>(47,141)</u>	<u>66,602</u>	<u>(11,539)</u>	<u>7,685</u>
Nonoperating revenues (expenses):				
Interest income	805	1,500	2,305	2,598
Interest expense	-	(14,297)	(14,297)	(31,699)
Total nonoperating revenues (expenses)	<u>805</u>	<u>(12,797)</u>	<u>(11,992)</u>	<u>(29,101)</u>
Income (loss) before transfers	<u>(47,336)</u>	<u>53,805</u>	<u>(9,531)</u>	<u>(21,416)</u>
Transfers in (out):				
Water and Sewer Utility Fund	-	(7,765)	(7,765)	(15,444)
Sales Tax Fund	58,008	-	58,008	-
General Fund	1,788	(14,735)	(14,947)	(81,978)
Gas Utility Fund	2,762	-	2,762	35,444
Total transfers in (out)	<u>52,558</u>	<u>(22,499)</u>	<u>30,059</u>	<u>(61,978)</u>
Net income (loss)	<u>12,222</u>	<u>(31,308)</u>	<u>(5,086)</u>	<u>(137,434)</u>
Capital contributions	<u>-</u>	<u>85,362</u>	<u>85,362</u>	<u>85,835</u>
Change in net assets	<u>12,222</u>	<u>54,054</u>	<u>34,299</u>	<u>48,401</u>
Net assets, beginning	<u>102,799</u>	<u>2,499,362</u>	<u>2,602,161</u>	<u>2,481,948</u>
Net assets, ending	<u>\$ 114,921</u>	<u>\$ 2,553,416</u>	<u>\$ 2,668,337</u>	<u>\$ 2,530,349</u>

The accompanying notes are an integral part of the basic financial statements.

TOWN OF OBERLIN, LOUISIANA

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2004

With Comparative Totals for Year Ended June 30, 2003

	Gas	Water and	Totals	
	Utility	Sewer Utility	2004	2003
	Fund	Fund		
Cash flows from operating activities:				
Receipts from customers	\$ 308,627	\$ 373,829	\$ 682,456	\$ 681,447
Payments to suppliers	(283,144)	(126,108)	(409,252)	(396,684)
Payments to employees	(78,627)	(76,681)	(155,308)	(149,313)
Other receipts	316	3,328	3,644	1,314
Net cash provided (used) by operating activities	<u>124,182</u>	<u>189,447</u>	<u>313,629</u>	<u>40,884</u>
Cash flows from noncapital financing activities:				
Cash paid in other funds	-	-	-	(1,834)
Transfers from other funds	28,152	-	28,152	11,444
Transfers to other funds	-	(24,493)	(24,493)	(104,412)
Net cash provided (used) by noncapital financing activities	<u>28,152</u>	<u>(24,493)</u>	<u>3,659</u>	<u>(94,802)</u>
Cash flows from capital and related financing activities:				
Proceeds from sewer revenue bonds	-	-	-	1,687,800
Principal paid on bond anticipation notes	-	-	-	(881,373)
Principal paid on revenue bonds payable	-	(6,714)	(6,714)	-
Interest paid on revenue bonds payable	-	(187,498)	(187,498)	-
Increase (decrease) in customers' meter deposits	1,494	1,891	3,385	(1,849)
Acquisition of property, plant and equipment	-	(81,263)	(81,263)	(1,447,212)
Contribution from federal grant	-	81,263	81,263	636,834
Net cash provided (used) by capital and related financing activities	<u>1,494</u>	<u>(112,377)</u>	<u>(110,884)</u>	<u>(16,987)</u>
Cash flows from investing activities:				
Purchase of interest-bearing deposits	(14,888)	(73,174)	(88,062)	(119,888)
Proceeds from maturities of interest-bearing deposits	34,414	83,314	117,728	91,427
Interest received on interest-bearing deposits	802	1,328	2,130	1,398
Net cash provided (used) by investing activities	<u>20,328</u>	<u>11,468</u>	<u>31,796</u>	<u>(27,063)</u>
Net increase (decrease) in cash and cash equivalents	<u>18,648</u>	<u>37,310</u>	<u>55,961</u>	<u>(64,842)</u>
Cash and cash equivalents, beginning of period	<u>11,498</u>	<u>3,952</u>	<u>15,450</u>	<u>111,671</u>
Cash and cash equivalents, end of period	<u>\$ 30,146</u>	<u>\$ 41,262</u>	<u>\$ 71,408</u>	<u>\$ 46,829</u>

(continued)

TOWN OF GREENLIN, LOUISIANA

Statement of Cash Flows (continued)
 Proprietary Funds
 Year Ended June 30, 2004
 With Comparative Totals for Year Ended June 30, 2003

	Gas Utility Fund	Water and Sewer Utility Fund	Totals	
			2004	2003
Reconciliation of operating income (loss) to net cash provided/(used) by operating activities:				
Operating income (loss)	\$148,118	\$ 34,962	\$ (17,086)	\$ 7,895
Adjustments to reconcile operating income (loss) to net cash provided by operating activities -				
Depreciation	3,864	189,056	114,830	69,209
Changes in current assets and liabilities:				
Increase in accounts receivable	(2,318)	(28,807)	(11,232)	(24,179)
Decrease (increase) in contracts receivable	-	134,781	134,781	(923)
Increase in accrued interest receivable	(188)	(533)	(914)	-
Increase (decrease) in accounts payable	(100)	571	212	(21,891)
Decrease in contracts payable	-	(29,988)	(29,858)	(61,731)
Increase (decrease) in retainage payable	-	(83,889)	(83,889)	61,936
Decrease in other accrued liabilities	(716)	(253)	(981)	(288)
Net cash provided (used) by operating activities	\$144,783	\$149,487	\$104,662	\$ 46,292
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:				
Cash and cash equivalents, beginning of period -				
Cash - unrestricted	\$ 14,411	\$ 3,889	\$ 14,530	\$164,108
Cash - restricted	1,273	4,054	3,689	7,341
Interest-bearing deposits - unrestricted	19,938	21,582	21,486	48,448
Interest-bearing deposits - restricted	21,490	73,974	97,664	97,958
Less: Interest-bearing deposits with a maturity over three months when purchased	(14,414)	(95,114)	(120,698)	(98,427)
Total cash and cash equivalents	11,668	7,286	15,672	112,622
Cash and cash equivalents, end of period -				
Cash - unrestricted	15,266	39,305	64,871	14,128
Cash - restricted	2,770	3,869	3,608	3,809
Interest-bearing deposits - unrestricted	11,590	18,879	36,229	32,466
Interest-bearing deposits - restricted	21,490	53,495	76,985	97,464
Less: Interest-bearing deposits with a maturity over three months when purchased	(24,848)	(75,278)	(117,214)	(128,218)
Total cash and cash equivalents	21,308	40,171	73,118	116,619
Net increase (decrease)	\$ 16,680	\$ 37,241	\$ 57,880	\$ (24,847)

The accompanying notes are an integral part of the basic financial statements.

TOWN OF OBERLIN, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Town of Oberlin (Town) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements in the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The Town of Oberlin was incorporated under the provisions of the Louisiana Act. The Town operates under the Mayor-Board of Aldermen form of government.

This report includes all funds that are controlled by or dependant on the Town's 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.

Based on the foregoing criteria, a certain governmental body is a related organization but is not a part of the Town and is thus excluded from the accompanying financial statements. This organization is the Oberlin Housing Authority. Although the Town does appoint its board, no control is exercised over its operations.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

TOWN OF OBERLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Town are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 1% percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 1 percent of the corresponding total for all governmental and enterprise funds combined.

The major funds of the Town are described below:

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 OBERLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

Special Revenue Funds

Sales Tax Fund -

The Sales Tax Fund is used to account for the proceeds of a one percent sales and use tax and a .35% sales and use tax that are legally restricted to expenditures for specific purposes.

Proprietary Funds -

Enterprise Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Town's enterprise funds are the Gas Utility Fund and the Water and Sewer Utility Fund.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present revenues and uses of available spendable financial resources during a given period. These funds are fund balances as their measure of available spendable financial resources at the end of the period.

TOWN OF OBERLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Town.

For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit with an original maturity of three months or less.

TOWN OF CHEBLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables."

Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes. Business-type activities report customer's utility service receivables as their major receivables. Uncollectible amounts due for sales and use taxes and customer's utility service receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), an allowance for uncollectible receivables is recorded due to immateriality at June 30, 2004. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are not recorded due to immateriality at June 30, 2004.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or fund financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Town maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to July 1, 2001, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

TOWN OF ORBILIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Vehicles and equipment	5 years
Utility systems and improvements	18-40 years
Infrastructure	20 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Restricted Assets

Restricted assets include cash and interest-bearing deposits of the proprietary funds that are legally restricted as to their use. The restricted assets are related to debt service and to the utility meter deposits.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type revenues are reported as liabilities in the government-wide statements. The long-term debt consists primarily of the revenue bonds payable and utility meter deposits payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

TOWN OF GREERLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

Compensated Absence

Vacation and sick leave are recorded as expenditures of the period in which paid. Each full-time, permanent employee earns five days of sick leave per year up to a maximum of thirty days for major illness. Employees who resign or retire or who are dismissed from employment shall not be paid for any accrued sick leave. Five days of annual leave are earned on the anniversary date of employment of each full-time, permanent employee with less than two full years of service with the municipality as a full-time, permanent employee. Ten days of annual leave are earned by each employee after two full years as a full-time, permanent employee. Fifteen days of annual leave are earned after ten full years and twenty days of annual leave are earned after twenty full years of employment as full-time, permanent employees. Employees may not carry over or accumulate annual leave or sick leave from one anniversary date to another. Any liability the town might have in this regard at June 30, 2004 is considered immaterial; therefore, no liability has been recorded in the accounts.

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund financial statements, governmental fund equity is classified as fund balances. Fund balances is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

TOWNSHIP OF CHEERLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

E. **Revenues, Expenditures, and Expenses**

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

- Governmental Funds - by character
- Proprietary Fund - by operating and nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

F. **Revenue Restrictions**

The Town has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Ad valorem tax	Debt service (see note 2)
Sales tax	See Note 3
Gas, water and sewer revenue	Debt service and utility operations

The Town uses unrestricted resources only when restricted resources are fully depleted.

TOWN OF OBERLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

G. Budget and Budgetary Accounting

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

1. Prior to June 15, the Town Clerk submits to the Mayor and Board of Aldermen a proposed operating budget for the fiscal year commencing the following July 1.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board of Aldermen. Such amendments were not material in relation to the original appropriations.

H. Capitalization of Interest Expense

It is the policy of the Town of Oberlin to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets in the Proprietary Funds. At June 30, 2004, there was no capitalized interest.

TOWN OF OBERLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Ad Valorem Taxes

All 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 taxpayers in November or December. Billed taxes become delinquent on January 1 of the following year. The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of Allen Parish. Property tax revenues are recognized when levied to the extent that they result in current receivables.

For the year ended June 30, 2004, taxes of 11.79 mills were levied on property with assessed valuations totaling \$5,313,348 and were dedicated as follows:

General corporate purposes	1.05 mills
Debt service	1.65 mills
Total	<u>11.79 mills</u>

Total taxes levied were \$64,240. Ad valorem tax receivable at June 30, 2004 amounted to \$794.

(3) Dedication of Proceeds and Flow of Funds - VTR and 1988 Sales and Use Tax

Proceeds of a 1% sales and use tax levied by the Town of Oberlin (2004 collections \$132,619; 2005 collections \$138,538) are dedicated to the following purposes:

To be used for the purposes of constructing, acquiring, extending, improving, operating and/or maintaining sewers and sewage disposal works, waterworks, streets, recreational facilities and fire protection facilities and equipment, and purchasing and acquiring the necessary land, equipment and furnishings for any of the aforesaid public works, improvements and facilities, or for any one or more said purposes; and shall the Town be further authorized to fund the proceeds of the tax into bonds to be issued in series from time to time for the purpose of defraying the costs of constructing, improving, and/or acquiring any one or more of the aforesaid capital improvements to the extent and in the manner permitted by the laws of Louisiana.

TOWN OF OBERLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

Proceeds of a .3% sales and use tax levied by the Town of Oberlin (2004 collections \$26,614; 2005 collections \$33,992) are dedicated to the following purposes:

Seventy percent is to be used for constructing, improving, maintaining and operating public streets, sidewalks, and alleys. Thirty percent is to be used for acquiring, constructing, improving, maintaining and operating recreational facilities. The Town of Oberlin shall be further authorized to fund the proceeds of the tax into bonds to be issued into series from time to time for any capital purpose described above, in the extent and in the manner provided by Louisiana Law.

(4) Cash and Interest-Bearing Deposits

Under state law, the Town may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Town may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2004, the Town had cash and interest-bearing deposits (bank balances) totaling \$734,807 as follows:

Demand deposits	\$245,328
Time and money market accounts	479,479
Total	<u>\$734,807</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 equal the amount on deposit with the fiscal agent bank. 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. Deposit balances (bank balances) at June 30, 2004 were secured as follows:

Bank balances	<u>\$ 734,796</u>
Federal deposit insurance	800,000
Pledged securities (Category 3)	<u>315,481</u>
Total FDIC insurance and pledged securities	<u>\$ 1,350,277</u>

Pledged securities in Category 3 include uninsured or unguaranteed investments, for which securities are held by the broker or dealer, or by its trust department or agent, but not in the Town's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and call the pledged securities within 10 days of being notified by the Town that the fiscal agent has failed to pay deposited funds upon demand.

TOWN OF OBERLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

(16) Receivables

Receivables at June 30, 2004 of \$123,386 consist of the following:

	General	Sales Tax	Other Governmental	Utility	Total
Accounts	\$ 441	\$ -	\$ -	\$108,644	\$ 109,085
Taxes:					
Ad valorem	206	-	588	-	794
Sales tax	-	12,211	-	-	12,211
Interest	<u>2</u>	<u>165</u>	<u>358</u>	<u>512</u>	<u>1,238</u>
Totals	<u>\$ 652</u>	<u>\$12,417</u>	<u>\$ 946</u>	<u>\$109,156</u>	<u>\$123,386</u>

(16) Due from Other Governmental Units

The amount due from other governmental units is the amount of \$77,961 at June 30, 2004 is from the Coahuata Tribe of Louisiana for the Town's share of grant revenue earned through June 30, 2004. The grant revenue is received from a compact agreed upon by the Coahuata Tribe and the State of Louisiana. The revenues are received by the Town of Oberlin directly from the Coahuata Tribe. The compact states that the Town of Oberlin is to use the funds to assist in the furnishing of fire protection to the tribal-owned casino resort in Kinder, Louisiana; to assist in the development, construction, maintenance and repair of apartment housing; to assist in furnishing municipal police services; and to assist in the construction, maintenance and repair of municipal infrastructure and housing.

Grant revenue for fiscal year ended June 30, 2004 was \$124,445. The amount receivable at June 30, 2004 of \$77,961 was dedicated for police protection and maintenance of municipal infrastructure.

(17) Restricted Assets - Proprietary Fund Types

Restricted assets consisted of the following at June 30, 2004:

Revenue bond and interest sinking account	\$ 8,214
Revenue bond reserve account	5,380
Revenue bond contingency account	5,160
Customer deposits - gas	28,280
Customer deposits - water and sewer	<u>48,432</u>
Total restricted assets	<u>\$ 85,624</u>

TOWN OF OBERLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Capital Assets

Capital asset activity for the year ended June 30, 2004 was as follows:

	Balance 2003/03	Additions	Deletions	Balance 2004/04
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 188,312	\$ -	\$ -	\$ 188,312
Other capital assets:				
Buildings	145,987	-	-	145,987
Infrastructure	888,918	-	-	888,918
Vehicles	138,230	2,500	-	140,730
Equipment, furniture and fixtures	364,338	108,841	-	473,179
Total	1,735,285	112,341	-	1,847,626
Less accumulated depreciation:				
Buildings	141,580	4,887	-	146,467
Infrastructure	883,699	25,478	-	909,177
Vehicles	87,348	18,688	-	106,036
Equipment, furniture and fixtures	81,563	34,771	-	116,334
Total accumulated depreciation	1,194,190	63,834	-	1,258,024
Governmental activities, capital assets, net	\$ 541,095	\$ 48,507	\$ -	\$ 589,571
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 3,324	\$ -	\$ -	\$ 3,324
Construction in progress	2,312,440	83,263	2,187,744	-
Other capital assets:				
Gas system	588,499	-	-	588,499
Water and sewer system	2,822,817	2,281,794	-	5,104,611
Equipment	76,858	-	-	76,858
Total	5,821,938	2,365,057	2,187,744	6,000,251
Less accumulated depreciation:				
Gas system	258,421	3,659	-	262,080
Water and sewer system	1,068,819	183,271	-	1,252,090
Equipment	10,882	3,660	-	14,542
Total accumulated depreciation	1,338,122	190,590	-	1,528,712
Business-type activities, capital assets, net	\$ 4,483,816	\$ 2,174,467	\$ 2,187,744	\$ 4,635,539

TOWN OF CHERLIE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 8,680
Police	20,789
Highways and streets	<u>11,441</u>
Total depreciation expense	<u>\$ 30,910</u>

Depreciation expense was charged to business-type activities as follows:

Gas	\$ 1,864
Water and sewer	<u>109,816</u>
Total depreciation expense	<u>\$ 111,680</u>

(9) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following at June 30, 2004:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts	\$ 16,298	\$ 13,444	\$ 29,744
Contracts and retainage	-	19,863	19,863
Other liabilities	<u>4,272</u>	<u>3,292</u>	<u>7,564</u>
Totals	<u>\$ 20,570</u>	<u>\$ 37,000</u>	<u>\$ 57,570</u>

(10) Changes in Long-term Debt

The following is a summary of long-term debt transactions of the Town for the year ended June 30, 2004:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Long-term debt payable, July 1, 2003	\$ 176,800	\$ 1,687,000
Long-term debt issued	71,800	-
Long-term debt retired	<u>(108,600)</u>	<u>(5,714)</u>
Long-term debt payable, June 30, 2004	<u>\$ 139,900</u>	<u>\$ 1,681,286</u>

TOWN OF COBBLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

Long-term debt payable at June 30, 2004 is comprised of the following individual issues:

Capital lease -

\$75,000 equipment lease dated May 18, 2003, due in monthly installments of \$2,398, including interest at 5.09%, through April 28, 2006, secured by General Fund revenues \$ 51,408

General obligation bonds -

\$271,800 General Obligation Bonds Series 1990 dated March 1, 1990, due in annual installments of \$28,000 to \$24,800 through March 1, 2003; interest at 7.4 percent, secured by levy and collection of ad valorem taxes 24,608

Certificates of indebtedness -

Certificates of Indebtedness Series 1997 dated June 1, 1997, due in annual installments of \$28,000 to \$60,800 through June 1, 2007; interest at 3.5 percent, secured by General Fund revenues 175,000
\$ 258,408

Sewer revenue bonds -

\$1,681,000 Sewer Revenue Bonds Series 2000 dated January 28, 2001, due in monthly installments of \$1,619 through January 28, 2040; interest at 4.3 percent, secured by Utility Fund revenues \$ 1,680,286

The bonds and certificates are due as follows:

Year ending June 30,	Governmental Activities		Business-Type Activities	
	Principal payments	Interest payments	Principal payments	Interest payments
2005	\$ 183,818	\$ 14,168	\$ 18,815	\$ 79,273
2006	84,582	7,603	17,460	74,508
2007	80,800	3,308	18,199	73,789
2008	-	-	18,035	72,873
2009	-	-	18,089	71,999
2010-2014	-	-	114,135	345,483
2015-2019	-	-	142,874	318,684
2020-2024	-	-	178,859	288,689
2025-2029	-	-	225,883	238,636
2030-2034	-	-	288,256	179,283
2035-2039	-	-	258,823	108,716
2040-2041	-	-	298,287	24,732
Total	<u>\$ 258,400</u>	<u>\$ 21,867</u>	<u>\$ 1,680,286</u>	<u>\$ 1,813,343</u>

TOWN OF OBERLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

(11) **Employee Retirement**

All employees of the Town of Oberlin participate in the Social Security System. The Town and its employees contribute a percentage of each employee's salary to the System (7.62% contributed by the Town, 7.62% by the employees). The Town's contributions during the years ended June 30, 2004, 2003 and 2002 amounted to \$52,953, \$34,033, and \$29,714, respectively, equal to the required contribution for each year.

The Town of Oberlin employees also contribute to tax-deferred individual retirement accounts or Internal Revenue Code Section 457(b) retirement accounts. The Town matches a portion of each of these plans for employees. Retirement contributions for the Town amounted to \$2,792 and \$2,349 for the years ended June 30, 2004 and 2003, respectively. Neither the Town nor its employees are obligated to make contributions and the Town has no further liability to these retirement plans. Data concerning the account status of the plans are not available.

Municipal Police Employees' Retirement System of Louisiana

The Chief of Police and one police officer belong to the Municipal and State Police Retirement System. This System is a cost-sharing, multiple-employer defined benefit pension plan, controlled and administered by a separate board of trustees. Pertinent information relative to the plan follows.

Plan members are required to contribute 7.5 percent of their annual covered salary to the system while the Town is required to contribute the statutory rate of 13.25 percent of the total annual covered salary. The Town's contributions to the system for the years ended June 30, 2004, 2003, and 2002 were \$10,317, \$1,812, and \$1,713, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Police Employee's Retirement System, P.O. Box 94895 - Capital Station, Baton Rouge, Louisiana 70894-9995.

(12) **Segment Information - Enterprise Fund**

The Town of Oberlin maintains two utility departments within its two enterprise funds which provide gas, water, and sewer services. Segment information for the year ended June 30, 2004 is as follows:

	<u>Gas Department</u>	<u>Water and Sewer Department</u>	<u>Total Enterprise Fund</u>
Operating revenues	\$218,118	\$186,201	\$404,319
Operating expenses	<u>318,436</u>	<u>151,839</u>	<u>470,275</u>
Operating income (loss)	<u>\$ (98,118)</u>	<u>\$ 34,362</u>	<u>\$ (63,756)</u>

TOWN OF OBERLIN, LOUISIANA

Notes to Basic Financial Statements (Continued)

(13) Litigation and Claims

At June 30, 2004, the Town is involved in several lawsuits claiming damages. In the opinion of the Town's legal counsel, the exposure to the Town at June 30, 2004 is not determinable.

(14) Compensation of Town Officials

A detail of compensation paid to the Mayor and Board of Aldermen for the year ended June 30, 2004 follows:

Mayor:		
Philip Board		\$14,400
Aldermen:		
Wilson Berry		1,800
Devick Casrie (July 1, 2003 - December 31, 2003)		812
Keith Guillory (January 1, 2004 - June 30, 2004)		847
Becky Mansel		1,800
Mark Mansel		1,800
James Kydar		<u>1,800</u>
Total		<u>\$23,279</u>

(15) Risk Management

The Town is exposed to risks of loss in the areas of health care, general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

(16) Prior Year Debt Defeasance

In prior years, the Town defeased \$87,800 of outstanding Public Improvement Bonds, Series ST-1998 by creating a separate irrevocable trust fund. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore, has been removed as a liability from the Town's financial statements. As of June 30, 2004, the amount of defeased general obligation debt outstanding but removed from the financial statements amounted to \$11,600.

TOWN OF ORBERLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(17) Interfund Transactions

A. Receivables and Payables

Interfund receivables and payables consisted of the following at June 30, 2004:

Due to the General Fund from the Utility Funds representing short-term loans	\$ 6,415
Due to the Water and Sewer Utility Fund from the Gas Utility Fund for reimbursement for expenditures paid	<u>15,733</u>
Total	<u>\$ 22,148</u>

Summary of balances due from other funds reported in fund financial statements:

Due from other funds, Balance Sheet - Governmental Funds	\$ 6,415
Due from other funds, Statement of Net Assets - Proprietary Funds	<u>15,733</u>
Total	<u>\$ 22,148</u>

B. Transfers

Transfers consisted of the following at June 30, 2004:

	<u>Transfer In</u>	<u>Transfer Out</u>
Major governmental funds:		
General Fund	\$ 162,941	\$ 48,851
Sales Tax Special Revenue Fund	-	198,080
Non-major governmental funds	49,851	-
Proprietary funds:		
Gas Utility Fund	59,552	-
Water and Sewer Utility Fund	-	<u>24,093</u>
Total	<u>\$ 272,344</u>	<u>\$ 272,944</u>

Transfers are used to: (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**REQUIRED SUPPLEMENTARY
INFORMATION**

TOWN OF OBERLIN, LOUISIANA
General Fund

Budgetary Comparison Schedule
Year Ended June 30, 2004

With Comparative Actual Accounts for Year Ended June 30, 2003

	2004				
	Budget		Actual	Variance with	2003 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues:					
Taxes	\$ 66,450	\$ 70,000	\$ 68,700	\$ (1,300)	\$ 76,148
Licenses and permits	44,000	39,800	33,756	6,044	38,604
Intergovernmental	189,500	215,800	204,064	(11,736)	178,000
Fees and forfeits	100,000	100,000	98,042	(1,958)	94,727
Miscellaneous	15,500	14,700	14,642	(758)	17,588
Total revenues	<u>615,250</u>	<u>650,200</u>	<u>601,202</u>	<u>(49,000)</u>	<u>601,000</u>
Expenditures:					
Current -					
General government	184,300	171,488	180,000	(11,512)	176,648
Public safety - police	150,000	240,000	224,500	(15,500)	163,158
Highways and streets	178,150	114,615	131,580	1,965	174,558
Capital outlay	-	111,716	131,240	(19,524)	131,000
Debt service					
Principal retirement	-	20,400	21,488	-	-
Interest expense	-	3,811	3,263	-	-
Total expenditures	<u>712,450</u>	<u>762,019</u>	<u>812,067</u>	<u>(149,617)</u>	<u>811,356</u>
Deficiency of revenues over expenditures	<u>(107,200)</u>	<u>(111,819)</u>	<u>(210,865)</u>	<u>(100,617)</u>	<u>(210,356)</u>
Other financing sources (uses):					
Proceeds from Capital Lease	-	75,000	75,000	-	-
Transfer from Utility Funds	91,500	128,000	14,941	(105,059)	81,078
Transfer from Sales Tax Fund	160,000	150,000	148,080	(2,000)	159,000
Transfer to Cemetery Fund	(1,000)	(2,000)	(2,000)	(111)	(1,988)
Transfer to Debt Service Fund	(27,500)	(27,500)	(27,500)	-	(27,500)
Total other financing sources (uses)	<u>112,500</u>	<u>293,500</u>	<u>106,521</u>	<u>(107,170)</u>	<u>141,690</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>5,300</u>	<u>181,681</u>	<u>(104,344)</u>	<u>(106,787)</u>	<u>(68,666)</u>
Fund balances, beginning	<u>151,148</u>	<u>151,318</u>	<u>141,289</u>	<u>-</u>	<u>228,456</u>
Fund balances, ending	<u>\$183,348</u>	<u>\$250,000</u>	<u>\$136,945</u>	<u>\$110,905</u>	<u>\$159,790</u>

TOWN OF OBERLIN, LOUISIANA
Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
Year Ended June 30, 2004

With Comparative Actual Amounts for Year Ended June 30, 2003

	2004			Variance with Final Budget Positive (Negative)	2003 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$ 162,000	\$ 162,000	\$ 173,203	\$ 4,733	\$ 169,500
Miscellaneous - interest	<u>3,500</u>	<u>3,500</u>	<u>3,683</u>	<u>183</u>	<u>3,879</u>
Total revenues	165,500	165,500	176,886	4,916	173,379
Expenditures:					
Current -					
General government:					
Collection fee	<u>3,800</u>	<u>4,000</u>	<u>3,982</u>	<u>18</u>	<u>3,752</u>
Excess of revenues over expenditures	<u>161,700</u>	<u>161,500</u>	<u>170,813</u>	<u>4,833</u>	<u>173,817</u>
Other financing uses:					
Transfer to Utility Fund	-	(36,000)	(36,000)	-	-
Transfer to General Fund	<u>(160,800)</u>	<u>(128,000)</u>	<u>(138,880)</u>	<u>2,800</u>	<u>(119,800)</u>
Total other financing uses	(160,800)	(128,000)	(174,880)	2,800	(120,800)
Excess of revenues over expenditures and other uses	5,850	(36,000)	(21,147)	5,813	11,817
Fund balances, beginning	<u>172,531</u>	<u>172,172</u>	<u>172,531</u>	<u>-</u>	<u>161,799</u>
Fund balances, ending	<u>\$ 172,531</u>	<u>\$ 136,172</u>	<u>\$ 141,576</u>	<u>\$ 4,813</u>	<u>\$ 172,531</u>

OTHER SUPPLEMENTARY INFORMATION

OTHER FINANCIAL INFORMATION

TOWN OF CHELSEA, LOUISIANA
General Fund

Budgetary Comparison Schedule - Revenues
Year Ended June 30, 2004

With Comparative Actual Amounts for Year Ended June 30, 2003

	2004				2003 Actual
	Budget		Actual	Variance with Final Budget Positive (Negative)	
	Original	Final			
Taxes:					
Ad valorem	\$ 14,000	\$ 18,300	\$ 16,617	\$ (1,683)	\$ 11,981
Franchise -					
Electric	17,000	40,000	40,041	(155)	17,688
Telephone	4,300	4,300	4,481	181	9,328
Cable	7,450	7,450	7,450	-	7,248
Total taxes	<u>42,750</u>	<u>70,050</u>	<u>68,789</u>	<u>(1,261)</u>	<u>46,245</u>
Licenses and permits	<u>44,000</u>	<u>39,000</u>	<u>34,796</u>	<u>4,204</u>	<u>39,684</u>
Intergovernmental:					
Federal:					
Grants	10,000	-	-	-	40,188
State of Louisiana -					
Grants	25,000	32,000	35,881	2,304	36,188
Beer taxes	4,500	4,500	4,518	18	4,918
Casino revenue	<u>158,000</u>	<u>118,000</u>	<u>114,541</u>	<u>(4,459)</u>	<u>383,742</u>
Total intergovernmental	<u>197,500</u>	<u>154,500</u>	<u>155,940</u>	<u>(41,560)</u>	<u>464,718</u>
Fees and forfeits	<u>100,000</u>	<u>100,000</u>	<u>98,841</u>	<u>(1,159)</u>	<u>94,722</u>
Miscellaneous:					
Interest on interest-bearing accounts	200	200	182	(118)	161
Service & housing administration fees	2,000	3,000	3,098	(92)	3,742
Other sources	<u>12,500</u>	<u>11,500</u>	<u>11,541</u>	<u>(959)</u>	<u>14,685</u>
Total miscellaneous	<u>14,700</u>	<u>14,700</u>	<u>14,821</u>	<u>(879)</u>	<u>18,588</u>
Total revenues	<u>\$415,250</u>	<u>\$398,250</u>	<u>\$388,287</u>	<u>\$ 27,963</u>	<u>\$388,002</u>

TOWN OF OBERLIN, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
Year Ended June 30, 2004

With Comparative Actual Amounts For Year Ended June 30, 2003

	2004			Variance with Final Budget Positive (Negative)	2003 Actual
	Budget		Actual		
	Original	Final			
Current:					
 General government:					
Salaries - Mayor and council	\$ 23,400	\$ 23,400	\$ 22,179	\$ 1,221	\$ 23,400
Other salaries	30,000	48,000	48,744	(744)	37,426
Payroll taxes	1,340	1,000	1,978	1,022	4,871
Retirement	4,000	1,500	2,150	707	1,949
Utilities and telephone	1,500	1,200	1,919	781	2,401
Travel	100	1,600	1,500	80	49
Advertising	1,400	1,500	500	(1,021)	1,500
Repairs and maintenance	500	100	1,189	(1,089)	4,040
Professional fees	25,000	20,000	27,178	(2,178)	29,608
Insurance	6,500	4,500	9,871	(1,871)	6,404
Health insurance	40,000	10,850	41,271	(8,351)	39,483
Office supplies	9,500	12,500	15,831	(3,331)	11,049
Uniforms	1,200	1,140	1,144	1	948
Miscellaneous	6,500	3,200	4,822	1,171	3,826
Total general government	<u>184,100</u>	<u>174,450</u>	<u>198,615</u>	<u>(13,210)</u>	<u>116,648</u>
 Public safety:					
 Police and fire:					
Salaries	165,000	188,000	186,089	1,911	175,871
Payroll taxes	14,000	16,000	11,783	2,817	14,208
Health insurance	120,000	94,500	95,889	(1,689)	112,122
Retirement	3,000	9,000	10,377	(1,377)	3,800
Repairs and maintenance	4,500	7,000	8,124	(1,124)	7,588
Utilities and telephone	1,500	3,700	3,811	(211)	2,109
Insurance	1,000	7,000	9,094	(2,094)	1,128
Professional fees	1,500	4,000	4,418	(418)	1,009
Auto expenditures	11,000	14,000	14,319	(319)	14,241
Uniforms and supplies	11,000	8,828	8,140	1,500	10,844
Dog pound expenditures	1,000	1,500	1,517	(17)	846
Contract labor	-	-	1,574	(1,574)	-
Boarding prisoners	1,200	10,000	18,819	91	1,710
Training	1,000	500	-	500	280
Miscellaneous	8,000	1,500	1,508	-	8,231
Total public safety	<u>\$ 1,020,000</u>	<u>\$ 1,148,128</u>	<u>\$ 1,214,521</u>	<u>\$ 26,283</u>	<u>\$ 1,163,128</u>

(continued)

TOWN OF ORLEANS, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (continued)
Year Ended June 30, 2004

With Comparative Actual Amounts for Year Ended June 30, 2003

	2004				
	Budget		Actual	Variance - with	2003
	Original	Final		Final Budget	
			Positive (Negative)	Actual	
Highways and streets -					
Salaries	\$ 46,500	\$ 27,000	\$ 27,583	\$ (200)	\$ 41,628
Payroll taxes	4,620	2,700	2,274	426	1,405
Supplies, materials and repairs	28,000	28,000	26,857	90	13,619
Utilities and telephone	5,000	6,700	7,277	(577)	7,833
Insurance	7,000	7,200	8,294	(1,094)	2,116
Street lighting	28,000	28,200	26,190	190	26,298
Health insurance	22,000	22,200	13,481	8,719	26,809
Traffic loans	18,000	12,000	13,931	-	21,647
Intercity transit	2,200	2,200	6,490	(4,290)	4,861
Total highways and streets	<u>179,520</u>	<u>189,800</u>	<u>183,993</u>	<u>3,282</u>	<u>171,138</u>
Capital outlay					
General government -					
Land	-	-	-	-	20,000
Public safety -					
Police vehicles	-	-	-	-	22,617
Police equipment	-	3,000	4,914	186	-
Streets -					
Park paving and lighting project	-	-	-	-	1,506
Vehicles and equipment	-	126,216	127,527	(1,311)	20,828
Total capital outlay	<u>-</u>	<u>131,736</u>	<u>132,441</u>	<u>(705)</u>	<u>42,431</u>
Debt service					
Principal retirement	-	21,600	21,600	-	-
Interest expense	-	2,882	2,882	-	-
Total debt service	<u>-</u>	<u>24,482</u>	<u>24,482</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 218,620</u>	<u>\$ 206,572</u>	<u>\$ 206,662</u>	<u>\$ (12,058)</u>	<u>\$ 213,569</u>

NONMAJOR FUNDS

Special Revenue Funds

Cemetery Fund

Monies in this fund are received from sales of burial spaces. The cost of improvements to the cemetery grounds are accounted for in this fund.

Section 8 Housing Fund

To account for the administration of grant funds received from the U.S. Department of Housing and Urban Development to provide rental assistance to low income persons.

Debt Service Funds

Certificates of Indebtedness, Series 1997

To accumulate monies for payment of the \$400,000 Certificates of Indebtedness. Debt service is financed from General Fund revenues.

General Obligation Bonds, Series 1998

To accumulate monies for payment of the \$175,000 General Obligation Street Improvement Bonds. Debt service is financed by the levy of ad valorem taxes assessed on all properties and improvements in the Town of Overlin.

TOWNSHIP OF ORBEGINO, LOUISIANA
 Continuing Balance Sheet
 November Governmental Funds
 June 30, 2004
 With Comparative Totals for June 30, 2003

	Special Revenue		Debt Service		Totals	
	2004	2003	Certificates of Indebtedness Series 1997	General Obligations Series 1990	2004	2003
ASSETS						
Cash	\$ 1,479	\$ 61,422	\$ -	\$ 21,293	\$ 63,902	\$ 127,684
Interest-bearing deposits, at cost	6,999	-	181,243	74,207	246,450	314,287
Receivables:						
Taxes	-	-	-	285	285	3,713
Interest	18	-	81	75	166	179
Total assets	<u>\$ 8,476</u>	<u>\$ 63,422</u>	<u>\$ 181,324</u>	<u>\$ 111,855</u>	<u>\$ 353,129</u>	<u>\$ 445,877</u>
LIABILITIES AND FUND BALANCES:						
Liabilities:						
Deferred revenue	\$ -	\$ 61,154	\$ -	\$ -	\$ 61,154	\$ 71,692
FUND BALANCES:						
Fund balances:						
Reserved for debt service	-	-	183,124	24,899	198,023	271,248
Unreserved, undesignated	8,476	4,268	-	87,002	95,478	174,679
Total fund balances	<u>8,476</u>	<u>4,268</u>	<u>183,124</u>	<u>111,899</u>	<u>298,092</u>	<u>286,428</u>
Total liabilities and fund balances	<u>\$ 8,476</u>	<u>\$ 65,422</u>	<u>\$ 183,124</u>	<u>\$ 111,899</u>	<u>\$ 353,129</u>	<u>\$ 445,877</u>

TOWN OF OBERLIN, LOUISIANA
Manager Governmental Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2004
With Comparative Totals for Year Ended June 30, 2003

	Special Revenues		Fees Service		Totals	
	County	Section 8	Certificate of	General	Appropriation Only	
			Institutions	Obligations	2004	2003
		Items 1-197	Items 198			
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ 47,994	\$ 47,994	\$ 48,892
Intergovernmental - Federal grant	-	121,294	-	-	121,294	108,876
Charges for services	473	-	-	-	473	684
Miscellaneous	48	113	1,895	623	2,979	4,340
Total revenues	<u>569</u>	<u>121,407</u>	<u>1,895</u>	<u>48,617</u>	<u>174,471</u>	<u>173,092</u>
Expenditures:						
Current:						
General government:						
Administration	-	28,417	-	-	28,417	31,878
Salaries	1,125	-	-	-	1,125	1,828
Payroll taxes	99	-	-	-	99	182
Insurance	1,682	-	-	-	1,682	1,812
Miscellaneous	-	-	-	143	143	333
Total general government:	<u>2,906</u>	<u>28,417</u>	<u>-</u>	<u>143</u>	<u>31,411</u>	<u>33,898</u>
Other sub-division and housing:						
Housing assistance payments	-	103,662	-	-	103,662	83,184
Debt service:						
Principal payments	-	-	11,000	22,000	33,000	32,000
Interest and fiscal charges	-	-	11,630	3,404	15,034	20,281
Total debt service	<u>-</u>	<u>-</u>	<u>22,630</u>	<u>25,404</u>	<u>48,034</u>	<u>52,281</u>
Total expenditures	<u>2,906</u>	<u>124,079</u>	<u>22,630</u>	<u>25,756</u>	<u>175,371</u>	<u>171,176</u>
Excess (deficiency) of						
revenues over expenditures	<u>(2,337)</u>	<u>-</u>	<u>(10,735)</u>	<u>22,879</u>	<u>(4,900)</u>	<u>(11,184)</u>
Other financing sources (uses):						
Transfer into from General Fund	2,337	-	10,735	(28,889)	49,421	60,444
Excess (deficiency) of						
revenues and other sources	<u>2,337</u>	<u>-</u>	<u>11,469</u>	<u>(7,014)</u>	<u>1,521</u>	<u>49,260</u>
Fund balances, beginning	<u>4,111</u>	<u>4,368</u>	<u>118,428</u>	<u>(108,702)</u>	<u>200,422</u>	<u>150,122</u>
Fund balances, ending	<u>\$ 6,448</u>	<u>\$ 4,368</u>	<u>\$ 109,163</u>	<u>\$ 101,688</u>	<u>\$ 201,943</u>	<u>\$ 198,942</u>

TEPWAU-OR CHARITIES, LOCALS, AND
 Nonmajor Special Revenue Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Budget (by Major Funds) and Actual
 Year Ended June 30, 2003

With Comparative Actual Amounts for Year Ended June 30, 2002

	Current Year				Fiscal Year			
	2003		2002		2003		2002	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Revenues								
Charges for services	\$ 411	\$ 411	\$ 48	\$ 60	\$ -	\$ -	\$ -	\$ -
Intergovernmental - federal grant	-	-	-	-	113,498	113,498	126	113,494
Miscellaneous - interest	80	80	8	80	288	118	11	1,118
Total revenues	<u>491</u>	<u>491</u>	<u>56</u>	<u>140</u>	<u>113,786</u>	<u>113,616</u>	<u>112</u>	<u>114,612</u>
Expenditures								
Current operations								
General government	-	-	-	-	26,480	26,417	48	26,405
Administration	1,124	1,124	-	1,049	-	-	-	-
Salaries	136	88	1	141	-	-	-	-
Deposit loans	3,200	1,480	249	1,211	-	-	-	-
Benefits	-	-	-	-	-	-	-	-
Other nonpersonal and benefit	-	-	-	-	100,186	100,862	(267)	101,094
Bond retirement payments	3,405	3,405	389	2,841	127,641	125,321	(405)	125,078
Total expenditures								
	13,009	13,009	647	11,883	500	-	(600)	1,128
Excess (deficiency) of revenues over expenditures	<u>3,682</u>	<u>3,682</u>	<u>(591)</u>	<u>252</u>	<u>113,286</u>	<u>113,201</u>	<u>1,712</u>	<u>113,484</u>
(Other) Financing source:								
Transfer from General Fund	700	48	608	80	500	-	(600)	1,128
Excess (deficiency) of revenues and other source over expenditures	<u>4,382</u>	<u>4,130</u>	<u>108</u>	<u>332</u>	<u>1,000</u>	<u>1,000</u>	<u>1,112</u>	<u>2,256</u>
Fund balances, beginning	<u>1,241</u>	<u>1,241</u>	<u>1,598</u>	<u>1,440</u>	<u>1,328</u>	<u>1,328</u>	<u>1,000</u>	<u>1,454</u>
Fund balances, ending								

2009-10 OPERATING BUDGETS
 Strategic Skills Service Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances
 Budget (Y-A-Y) (2009) and Actual
 Year Ended June 30, 2009

With Comparative Actual Accounts for Year Ended June 30, 2008

	2008			2009			General Management Funds Series 1792		
	Budget		2008 Actual	Budget		2009 Actual	Budget		2009 Actual
Revenues									
Ad valorem taxes	-	-	\$ -	-	\$ 11,500	\$ 12,100	\$ 14,000	\$ 49,000	\$ 49,000
Interfund - income	3,000	3,000	3,000	3,000	50	50	100	1,000	1,000
Total revenues	3,000	3,000	3,000	3,000	11,550	12,150	14,100	50,000	50,000
Expenditures									
Current:									
General government	-	-	-	-	50	50	50	50	50
Manufacturing	-	-	-	-	21,000	21,000	21,000	21,000	21,000
Other services -	-	-	-	-	5,000	5,000	5,000	5,000	5,000
Principal retirement	-	-	-	-	5,000	5,000	5,000	5,000	5,000
Interest and bond charge	-	-	-	-	20,000	20,000	20,000	20,000	20,000
Total debt service	-	-	-	-	25,000	25,000	25,000	25,000	25,000
Total expenditures	-	-	-	-	26,050	26,050	26,050	26,050	26,050
Excess (deficiency) of revenues over expenditures	3,000	3,000	3,000	3,000	(14,500)	(13,900)	(11,950)	(11,050)	(11,050)
Other financing sources (uses)	-	-	-	-	97,500	97,500	97,500	97,500	97,500
Transfer (to) from General Fund	-	-	-	-	20,000	20,000	20,000	20,000	20,000
Excess of revenues and other sources over expenditures and other uses	3,000	3,000	3,000	3,000	(14,500)	(13,900)	(11,950)	(11,050)	(11,050)
Fund balances, beginning	115,078	115,078	115,078	115,078	109,400	109,400	109,400	109,400	109,400
Fund balances, ending	118,078	118,078	118,078	118,078	94,900	95,500	97,450	98,350	98,350

TOWN OF GIBBLIN, LOUISIANA
Enterprise Fund
Utility Funds

Schedule of Number of Utility Customers
(Unaudited)
June 30, 2004

Records maintained by the Town indicated the following number of customers were being served during the month of June 2004 and 2003:

<u>Department</u>	<u>2004</u>	<u>2003</u>
Gas (metered)	334	349
Water (metered)	753	737
Sewerage	647	632

TOWN OF OBERLIN, LOUISIANA

Schedule of Insurance in Force
(Unaudited)
June 30, 2014

Description of Coverage	Coverage Amounts
Workers' Compensation - Employer's liability	\$ 100,000
Surety Bonds -	
Town clerk	414,000
Mayor	5,000
Police chief	5,000
Utility collection clerk	10,000
Other	15,000
General liability:	
Town -	
Each occurrence	1,750,000
Aggregate	3,600,000
Police -	
Each occurrence	1,750,000
Aggregate	3,500,000
Fire, extended coverage, Market policy:	
Buildings	410,000
Contents	115,000
Comprehensive liability and collision:	
Liability	2,000,000
Uninsured motorist - bodily injury	30,000

TOWN OF OBERLIN, LOUISIANA

Condensed Schedule of Interest-Bearing Deposits - All Funds

June 30, 2004

	Financial Institution	Maturity Date	Interest Rate	Amount
General Funds:				
Emergency reserve certificate of deposit	(F)	10/27/2004	4.25%	\$ 5,017
Section 8 Administration money market account	(F)	NA	4.25%	5,882
Total General Fund				<u>10,900</u>
Special Revenue Funds:				
Sales Tax Fund certificate of deposit	(C)	10/13/2004	1.00%	21,071
Sales Tax Fund certificate of deposit	(C)	7/19/2004	1.00%	28,728
Sales Tax Fund certificate of deposit	(F)	7/13/2004	1.00%	71,483
County Fund certificate of deposit	(C)	11/18/2004	1.00%	3,779
County Fund certificate of deposit	(C)	10/26/2004	1.00%	3,628
Total Special Revenue Funds				<u>121,689</u>
Debt Service Funds:				
Certificate of Indebtedness Series 1997 - Certificate of deposit	(B)	7/11/2004	1.00%	64,343
General Obligation Bonds Series 1998 - Certificate of deposit	(C)	11/18/2004	1.00%	74,377
Total Debt Service Funds				<u>138,720</u>
Utility Funds:				
Unrestricted assets -				
Certificate of deposit	(F)	11/11/2004	2.00%	8,443
Certificate of deposit	(F)	11/11/2004	2.00%	8,580
Certificate of deposit	(C)	11/10/2004	1.00%	1,715
Water Construction fund money market account	(F)	NA	variable	1,312
Restricted assets -				
Street Revenue Bond Sinking fund money market account	(C)	NA	variable	100
Street Revenue Bond Contingency fund money market account	(C)	NA	variable	1,100
Street Revenue Bond Reserve fund money market account	(C)	NA	variable	1,100
Certificate of deposit	(C)	9/11/2004	0.80%	7,099
Certificate of deposit	(F)	11/11/2004	2.00%	40,150
Certificate of deposit	(F)	11/11/2004	2.00%	20,000
Total Utility Funds				<u>70,202</u>
Total - all funds				<u>349,602</u>

Investments with:

(C) Citicorp State Bank, Lake Charles, Louisiana

(F) First Federal of Allen Parish

(B) Filomena National Bank, Oberlin, Louisiana

TOWN OF SHELLHOLE, LOUISIANA
Expense Funds
Utility Funds

Comparative Departmental Analysis of Revenue and Expense
Years Ended June 30, 2004 and 2003

	Total		City		Water and Sewer	
	2004	2003	2004	2003	2004	2003
Operating revenues:						
Change in services -						
Customers	\$ 476,527	\$ 475,123	\$463,493	\$368,982	\$ 131,476	\$ 389,658
Delinquency charges	14,817	13,488	4,331	7,128	8,388	8,229
Miscellaneous	2,472	1,514	318	282	1,228	1,228
Total operating revenues	<u>493,816</u>	<u>490,125</u>	<u>149,142</u>	<u>376,492</u>	<u>141,092</u>	<u>119,115</u>
Operating expenses:						
Salaries	138,459	138,126	83,319	89,081	55,128	69,600
Payroll taxes	38,819	37,289	3,488	16,028	1,410	3,498
Health insurance	73,028	89,898	37,028	48,121	17,888	44,887
Normal gas purchases	68,811	69,884	68,811	68,884	-	-
Repairs and maintenance	8,286	17,620	3,387	8,908	4,899	8,114
Insurance	66,478	72,884	31,179	38,982	14,299	17,382
Office expenses	4,609	4,176	1,619	654	1,480	3,022
Supplies	48,894	51,818	13,984	13,368	13,447	17,789
Professional fees	38,881	38,487	18,381	18,624	11,888	38,825
Telephone and utilities	43,628	43,886	4,881	1,111	39,881	38,748
Rent/lease	3,814	4,888	1,612	1,641	1,118	2,988
Depreciation	114,808	89,828	8,881	7,111	108,818	63,128
Miscellaneous	4,882	13,126	1,312	4,881	4,442	8,222
Total operating expenses	<u>738,812</u>	<u>682,789</u>	<u>184,428</u>	<u>364,841</u>	<u>321,428</u>	<u>173,888</u>
Operating income (loss)	<u>(14,596)</u>	<u>7,446</u>	<u>(35,286)</u>	<u>8,651</u>	<u>19,664</u>	<u>(54)</u>
Nonoperating revenues (expenses):						
Interest income	3,228	3,188	888	1,111	1,428	2,428
Interest expense	(24,782)	(22,689)	-	-	(24,782)	(22,689)
Total nonoperating revenues (expenses)	<u>(21,554)</u>	<u>(19,501)</u>	<u>888</u>	<u>1,111</u>	<u>(23,354)</u>	<u>(20,261)</u>
Income (loss) before transfers	<u>(36,152)</u>	<u>(12,055)</u>	<u>(24,398)</u>	<u>9,762</u>	<u>(10,212)</u>	<u>(20,315)</u>
Transfers in (out):						
Water and Sewer Utility Fund	(7,782)	(8,844)	-	(8,444)	(7,782)	-
General Fund	(84,841)	(81,828)	1,788	(84,821)	(84,788)	(81,827)
Sales Tax Fund	88,888	-	88,888	-	-	-
Gas Utility Fund	7,781	(8,884)	7,781	-	-	(8,888)
Total transfers in (out)	<u>(2,054)</u>	<u>(92,676)</u>	<u>98,677</u>	<u>(93,265)</u>	<u>(92,670)</u>	<u>(90,715)</u>
Net income (loss)	<u>(38,206)</u>	<u>(102,444)</u>	<u>(24,721)</u>	<u>(83,503)</u>	<u>(102,882)</u>	<u>(111,030)</u>
Capital contributions:	<u>81,281</u>	<u>828,828</u>	<u>-</u>	<u>-</u>	<u>81,281</u>	<u>828,828</u>
Income/(decrease)/in net assets	<u>42,975</u>	<u>726,384</u>	<u>22,959</u>	<u>(82,741)</u>	<u>22,959</u>	<u>707,313</u>
Net assets, beginning	<u>1,482,588</u>	<u>1,482,588</u>	<u>181,789</u>	<u>181,827</u>	<u>1,482,588</u>	<u>1,482,588</u>
Net assets, ending	<u>1,525,563</u>	<u>2,208,972</u>	<u>204,748</u>	<u>109,086</u>	<u>1,504,847</u>	<u>2,191,873</u>

**COMPLIANCE
AND
INTERNAL CONTROL**

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

The Honorable Phillip W. Board, Mayor
and Members of the Board of Aldermen
Town of Oberlin, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Oberlin, Louisiana (the Town) as of and for the year ended June 30, 2004, which collectively comprise the Town's basic financial statements and have issued our report thereon dated August 30, 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 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 these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards*. The reportable condition is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 04-11(C).

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 opinions on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters relating to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Town's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 04-31(C).

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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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness.

We also noted other matters involving the internal control over financial reporting that we have reported to management of the Town in a separate letter dated August 20, 2004.

This report is intended for the information of management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:503, this report is distributed by the Legislative Auditor as a public document.

Koehler, Champagne, Simon & Company, LLC
Certified Public Accountants

Orleans, Louisiana
August 20, 2004

TOPIC OF CONCERN, U.S. BUSINESS

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plans
Year Ended June 30, 2004

Ref. No.	Fiscal Year Finding Initially Reported	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
CURRENT YEAR CONCERNS						
Completion:						
04-037	2003	The Trust did not comply with R.L. 28-1413A, stating that its methodology did not comply in four areas, within the context and approval of the State Board of Contributions. The Trust entered into a capital lease for the purchase of equipment over a three year period.	Yes	In the future, Trust officials will obtain State Board Commission approval before incurring debt.	Barbara Murray, Trust Clerk	N/A
Unsettled:						
04-052	Unknown	Due to the small number of employees, the Trust did not have adequate segregation of functions within the accounting system.	NA	No response is considered necessary.	Barbara Murray, Trust Clerk	N/A
Management Letter:						
04-054.1	2003	Contributions should be given to increasing rates under decreasing expenses in order to generate a profit in the Gas and Water and Sewer Utility Funds.	No	The Trust has increased rates for water and sewer fees. No fee increase was made for the gas department. However, the water and sewer will monitor operations and adjust rates as needed.	Barbara Murray, Trust Clerk	03/03/04

(continued)

TOWNS OF ORLEANS, LOUISIANA

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan (Continued)
Year Ended June 30, 2004

Ref No.	Findings of Finding	Corrective Action Taken	Compliance Action Planned	Name of Contact Person	Anticipated Completion Date
Financial Control					
01-1001	Due to the small number of employees, the Town did not have adequate segregation of functions within the accounting system.	NA	No response is considered necessary.	Barbara Murray, Town Clerk	N/A
Management Letter:					
01-1004.1 Item 1	Consideration should be given to increasing rates and/or decreasing expenses in order to generate a profit in the Gas and Water and Sewer Utility Funds.	Yes	Town officials will closely monitor gas, water and sewer department expenses in the future. Utility rates were increased during 2003 and the town anticipates improved profits.	Barbara Murray, Town Clerk	6/30/2004
01-1004.3 Item 3	The town should explore the possibility of obtaining more competitive rates for group insurance.	Yes	The town officials will adhere to this recommendation. The town contracted with a different insurance provider subsequent to June 30, 2003 that will result in lower group insurance rates.	Barbara Murray, Town Clerk	6/30/2004

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MANAGEMENT LETTER

The Honorable Phillip W. Board, Mayor,
and Members of the Board of Aldermen
Town of Oberlin, Louisiana

We have completed our audit of the basic financial statements of the Town of Oberlin for the year ended June 30, 2004 and submit the following suggestion for your information and consideration in improving the efficiency and effectiveness of the operations of the Town of Oberlin's office. This comment was also included in our management letter dated October 18, 2003 relative to our audit of the financial statements for the year ended June 30, 2003, but is mentioned again for re-emphasis:

Consideration should be given to increasing rates and/or decreasing expenses in order to generate a profit in the Gas and Water and Sewer Utility Funds.

We would like to express our appreciation to you and your office staff for the courtesies and assistance rendered to us during the performance of our audit. Should you have any questions or need assistance in implementing our recommendations, please feel free to contact us.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Oberlin, Louisiana
August 20, 2004

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