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TOWN OF MANSURA
MANSURA, LOUISIANA

AUDITOR'S REPORT
JUNE 30, 1997

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

Release Date FEB 25 1998

Roy K. Derbonne, Jr.
Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Town Council
Town of Mansura, Louisiana

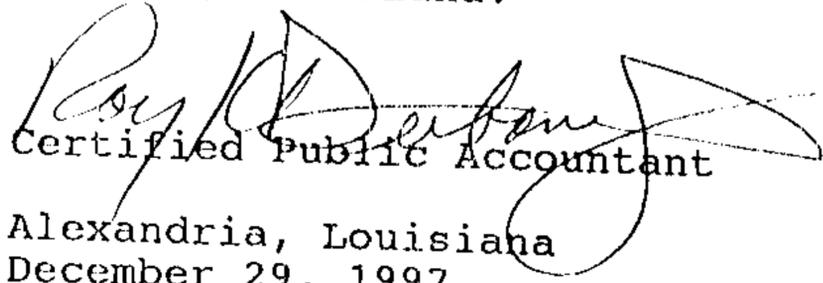
I have audited the accompanying general purpose financial statements and the combining and individual fund and account group financial statements of the Town of Mansura, Louisiana, as of and for the year ended June 30, 1997, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the management of the Town of Mansura, Louisiana. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards require that I 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 general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Mansura, Louisiana, as of June 30, 1997, and the results of its operations and the cash flows of its proprietary fund for the year then ended in conformity with generally accepted accounting principles. Also, in my opinion, the combining and individual fund and account group financial statement referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the Town of Mansura, Louisiana, as June 30, 1997, and the results of operations of such funds and the cash flows of the proprietary fund for the year then ended in conformity with generally accepted accounting principles.

The financial information for the preceding year which is included for comparative purposes was taken from the audit report for that year in which I expressed an unqualified opinion on the combined, combining,

individual fund, and account group financial statements of the Town of
Mansura, Louisiana.


Certified Public Accountant

Alexandria, Louisiana
December 29, 1997

Roy K. Derbonne, Jr.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor and Members
of the Town Council
Town of Mansura, Louisiana

I have audited the accompanying general purpose financial statements and the combining and individual fund and account group financial statements of the Town of Mansura, Louisiana, as of and for the year ended June 30, 1997, and have issued my report thereon dated December 29, 1997.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements and combining and individual fund and account group financial statements are free of material misstatement.

In planning and performing my audit of the general purpose financial statements and combining and individual fund and account group financial statements of the Town of Mansura, Louisiana, for the year ended June 30, 1997, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and the combining and individual fund and account group financial statements and not to provide assurance on the internal control structure.

The management of the Town of Mansura, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk

that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the general purpose financial statements and the combining and individual fund and account group financial statements of the Town of Mansura, Louisiana, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and the combining and individual fund and account group financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted a matter involving the internal control structure and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgement could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements and combining and individual fund and account group financial statements.

The reportable condition noted is as follows:

Inadequate segregation of duties. Due to the size of the Town's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial.

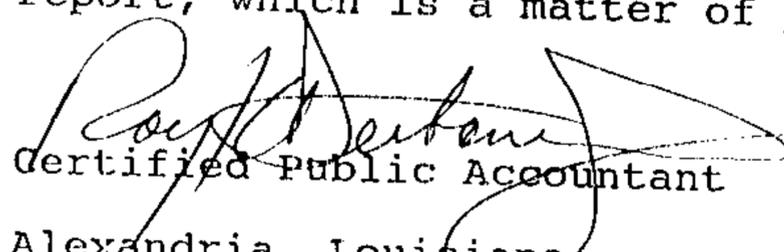
A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements and combining and individual fund and account group 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above.

I have reported the above weakness involving the internal control structure and its operation to the management of the Town of Mansura, Louisiana, in separate letter dated December 29, 1997.

This report is intended for the information of the Town Clerk, Mayor and Town Council, and the Legislative Auditor of the State of Louisiana

This restriction is not intended to limit the distribution of this report, which is a matter of public record.


Certified Public Accountant

Alexandria, Louisiana
December 29, 1997

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor and Members
of the Town Council
Town of Mansura, Louisiana

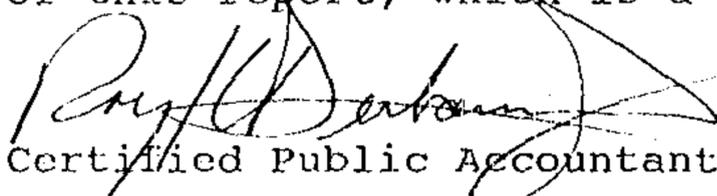
I have audited the general purpose financial statements and combining and individual fund and account group financial statements of the Town of Mansura, Louisiana, as of and for the year ended June 30, 1997, and have issued my report thereon dated December 29, 1997.

I conducted my audit in accordance with generally accepted Auditing Standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office and Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements and combining and individual fund and account group financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Town of Mansura, Louisiana, is the responsibility of the Town of Mansura, Louisiana's management. As a part of obtaining reasonable assurance about whether the general purpose financial statements and the combining and individual fund and account group financial statements are free of material misstatement, I performed tests of the Town's compliance with certain provisions of laws, regulations, contracts, and grants. However, my objective was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the Town Clerk, Mayor and Town Council, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.


Certified Public Accountant

Alexandria, Louisiana
December 29, 1997

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

TOWN OF MANSURA, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1997

	GOVERNMENTAL FUND TYPES		
	GENERAL FUND	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS
ASSETS AND OTHER DEBITS			
ASSETS			
Cash	\$ 43,076	\$ 28,138	\$ 2
Certificate of Deposit	0	0	0
Accounts Receivable, Net	0	0	0
Interfund Transfer Receivable	0	229	0
Grant Funds Receivable	0	0	0
Property Taxes	323	0	0
Intergovernmental Receivable	1,075	0	0
Franchise Fees Receivable	10,583	0	0
Police Fines Receivable	31,886	0	0
Sales Taxes Receivable	0	5,270	0
Due from Other Funds	3,789	0	0
Restricted Assets - Sewer System Investment, at Cost	0	0	0
Land	0	0	0
Buildings and Parks	0	0	0
Improvements Other than Buildings	0	0	0
Equipment	0	0	0
Sewer System, Plant and Equipment, Net	0	0	0
Construction in Progress	0	0	0
TOTAL ASSETS AND OTHER DEBITS	\$ 90,732	\$ 33,637	\$ 2

The accompanying notes are an

PROPRIETARY FUND TYPE	ACCOUNT GROUP	TOTALS (MEMORANDUM ONLY)	
		1997	1996
ENTERPRISE FUND	GENERAL FIXED ASSETS		
\$ 61,702	\$ 0	\$ 132,918	\$ 193,226
60,000	0	60,000	0
7,525	0	7,525	7,062
0	0	229	0
0	0	0	535,064
0	0	323	380
0	0	1,075	0
0	0	10,583	0
0	0	31,886	5,540
0	0	5,270	6,132
2,291	0	6,080	10,758
23,303	0	23,303	23,350
21,333	89,491	110,824	110,824
0	306,970	306,970	303,426
0	13,008	13,008	13,008
0	227,951	227,951	225,624
1,822,493	0	1,822,493	968,993
0	0	0	334,386
\$1,998,647	\$ 637,420	\$2,760,438	\$2,737,773

(Continued)

integral part of this statement.

TOWN OF MANSURA, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1997
 (CONTINUED)

	GOVERNMENTAL FUND TYPES		
	GENERAL FUND	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS
LIABILITIES, EQUITY AND OTHER CREDITS			
LIABILITIES			
Accounts Payable	\$ 591	\$ 2,549	\$ 0
Amount Due Farm Plan	0	0	0
Amount Due Contractor	0	0	0
Accrued Salaries Payable	3,841	0	0
Accrued Payroll Taxes Payable	3,217	192	0
Interest Coupons Payable (11/1)	0	0	0
Bonds Payable	0	0	0
Deferred Income	0	0	0
Due to Other Funds	539	5,541	0
Total Liabilities	8,188	8,282	0
EQUITY AND OTHER CREDITS			
Contributed Capital	0	0	0
Investment in General Fixed Assets	0	0	0
Retained Earnings:			
Reserved for Revenue Bond Retirement	0	0	0
Unreserved - Undesignated	0	0	0
Fund Balances			
Reserved for Streets, Drainage, Public Safety, and any General Fund Expenditure	0	19,287	0
Reserved for Debt Retirement	0	0	0
Unreserved:			
Undesignated	82,544	6,068	2
Total Equity and Other Credits	82,544	25,355	2
TOTAL LIABILITIES AND FUND BALANCE	\$ 90,732	\$ 33,637	\$ 2

The accompanying notes are an

PROPRIETARY FUND TYPE	ACCOUNT GROUP	TOTALS (MEMORANDUM ONLY)	
		1997	1996
ENTERPRISE FUND	GENERAL FIXED ASSETS		
\$ 3,495	\$ 0	\$ 6,635	\$ 18,233
0	0	0	295
0	0	0	15,000
0	0	3,841	1,793
288	0	3,697	137
246	0	246	282
42,000	0	42,000	49,000
0	0	0	535,064
0	0	6,080	10,758
-----	-----	-----	-----
46,029	0	62,499	630,562
1,764,331	0	1,764,331	1,237,066
0	637,420	637,420	631,549
23,303	0	23,303	23,350
164,984	0	164,984	164,886
0	0	19,287	6,531
0	0	0	0
0	0	88,614	43,829
-----	-----	-----	-----
1,952,618	637,420	2,697,939	2,107,211
-----	-----	-----	-----
\$1,998,647	\$ 637,420	\$2,760,438	\$2,737,773
=====	=====	=====	=====

integral part of this statement.

TOWN OF MANSURA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
 JUNE 30, 1997

	GOVERNMENTAL FUND TYPES	
	GENERAL FUND	SPECIAL REVENUE
REVENUES		
Taxes	\$ 32,590	\$ 0
Licenses, Permits and Franchise Fees	102,358	0
Fines	45,955	0
Rental Income	7,500	0
Grant Funds Received	1,500	0
Video Poker Rebates	10,432	0
Interest Income	946	465
Sales Taxes Collected	0	70,457
Revenue Sharing - APPJ - Indian Affairs	51,249	0
Donations	0	0
Miscellaneous	7,886	0
Total Revenues	260,416	70,922
EXPENDITURES		
CURRENT		
General Government	44,565	19,011
Public Safety	110,854	14,199
Streets and Sanitation	34,589	23,696
Recreation	0	4,818
CAPITAL OUTLAYS	21,157	1,752
Total Expenditures	211,165	63,476
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	49,251	7,446

The accompanying notes are an

FUND TYPES	TOTALS (MEMORANDUM ONLY)	
	1997	1996
CAPITAL PROJECTS		
\$ 0	\$ 32,590	\$ 33,685
0	102,358	86,876
0	45,955	17,089
0	7,500	6,750
527,264	528,764	263,689
0	10,432	10,635
0	1,411	1,447
0	70,457	68,338
0	51,249	21,495
0	0	137,156
0	7,886	2,982
527,264	858,602	650,142
0	63,576	81,731
0	125,053	108,510
0	58,285	54,505
0	4,818	5,104
527,264	550,173	405,019
527,264	801,905	654,869
0	56,697	(4,727)

(Continued)

integral part of this statement.

TOWN OF MANSURA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
 JUNE 30, 1996
 (CONTINUED)

	GOVERNMENTAL FUND TYPES	
	GENERAL FUND	SPECIAL REVENUE
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 49,251	\$ 7,446
OTHER FINANCING SOURCES (USES)		
Operating Transfers In	844	6,112
Operating Transfers Out	(6,112)	0
Total Other Financing Sources (Uses)	(5,268)	6,112
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	43,983	13,558
FUND BALANCE, BEGINNING	38,561	11,797
FUND BALANCE, ENDING	\$ 82,544	\$ 25,355

The accompanying notes are an

FUND TYPES	TOTALS (MEMORANDUM ONLY)	
	1997	1996
CAPITAL PROJECTS		
\$ 0	\$ 56,697	\$ (4,727)
0	6,956	16,377
0	(6,112)	(5,542)
0	844	10,835
0	57,541	6,108
2	50,360	44,252
\$ 2	\$ 107,901	\$ 50,360

integral part of this statement.

TOWN OF MANSURA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL
 AND SPECIAL REVENUE FUND TYPES FOR THE YEAR ENDED
 JUNE 30, 1997

	GENERAL FUND	
	BUDGET	ACTUAL
REVENUES		
Taxes	\$ 35,900	\$ 32,590
Licenses, Permits and Franchise Fees	83,900	102,358
Fines	35,000	45,955
Rental Income	7,500	7,500
Video Poker Rebates	10,000	10,432
Interest Income	800	946
Sales Taxes Collected	0	0
Revenue Sharing - APPJ - Indian Affairs	42,000	51,249
Grant - Red River Delta	0	1,500
Donation of Land and Building - CLECO	0	0
Miscellaneous	2,850	7,886
Total Revenues	217,950	260,416
EXPENDITURES		
CURRENT		
General Government	54,050	44,565
Public Safety	113,800	110,854
Streets and Sanitation	42,900	34,589
Recreation	0	0
CAPITAL OUTLAYS	1,200	21,157
Total Expenditures	211,950	211,165
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,000	49,251
OTHER FINANCING SOURCES (USES)		
Operating Transfers In	0	844
Operating Transfers Out	(6,000)	(6,112)
Total Other Financing Sources (Uses)	(6,000)	(5,268)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	0	43,983

The accompanying notes are

SPECIAL REVENUE FUNDS

VARIANCE FAVORABLE (UNFAVOR.)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVOR.)
\$ (3,310)	\$ 0	\$ 0	\$ 0
18,458	0	0	0
10,955	0	0	0
0	0	0	0
432	0	0	0
146	0	0	0
0	60,000	465	465
9,249	0	70,457	10,457
1,500	0	0	0
0	0	0	0
5,036	0	0	0
----- 42,466	----- 60,000	----- 70,922	----- 10,922
9,485	18,000	19,011	(1,011)
2,946	18,000	14,199	3,801
8,311	24,000	23,696	304
0	6,000	4,818	1,182
(19,957)	0	1,752	(1,752)
----- 785	----- 66,000	----- 63,476	----- 2,524
43,251	(6,000)	7,446	13,446
844	6,000	6,112	112
(112)	0	0	0
----- 732	----- 6,000	----- 6,112	----- 112
43,983	0	13,558	13,558

(Continued)

an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL
 AND SPECIAL REVENUE FUND TYPES FOR THE YEAR ENDED
 JUNE 30, 1997
 (CONTINUED)

	GENERAL FUND	
	BUDGET	ACTUAL
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES (CONTINUED FROM PREVIOUS PAGE)	0	43,983
FUND BALANCE, BEGINNING	0	38,561
FUND BALANCE, ENDING	\$ 0	\$ 82,544

The accompanying notes are

SPECIAL REVENUE FUNDS

----- VARIANCE FAVORABLE (UNFAVOR.) -----	----- BUDGET -----	----- ACTUAL -----	----- VARIANCE FAVORABLE (UNFAVOR.) -----
43,983	0	13,558	13,558
30,640	0	11,797	13,610
-----	-----	-----	-----
\$ 74,623 =====	\$ 0 =====	\$ 25,355 =====	\$ 27,168 =====

an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS -- PROPRIETARY FUND TYPE
YEARS ENDED JUNE 30, 1997 AND 1996

	1997	1996
	-----	-----
OPERATING REVENUES		
Sewer Fees	\$ 89,995	\$ 88,471
OPERATING EXPENDITURES		
Salaries	12,600	12,275
Payroll Taxes	1,165	652
Repairs and Maintenance	6,279	12,215
EPA Reports	1,310	1,395
Miscellaneous	0	588
Depreciation	28,030	19,434
Bank Charges	23	12
Utilities	18,188	16,418
Insurance	4,582	4,579
Supplies	13,152	11,683
Uniforms	216	216
Certification Costs	658	0
Travel and Seminars	100	260
Legal and Audit Fees	850	1,167
Truck Gas and Maintenance	4,366	3,125
Backhoe Repairs	807	0
Total Expenditures	----- 92,973	----- 84,019
OPERATING INCOME (LOSS)	(2,978)	4,452
NONOPERATING REVENUES (EXPENSES)		
Interest Income	3,294	4,032
State Grant	3,815	15,000
State Grant Expense	(1,559)	0
Interest Expense	(1,677)	(1,890)
Total Nonoperating Revenues (Expenses)	----- 3,873	----- 17,142
INCOME BEFORE OPERATING TRANSFERS	895	21,594

The accompanying notes are an integral part of this statement.

(Continued)

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS - PROPRIETARY FUND TYPE
YEARS ENDED JUNE 30, 1997 AND 1996
(CONTINUED)

	1997	1996
	-----	-----
(CONTINUED FROM THE PREVIOUS PAGE)		
INCOME BEFORE OPERATING TRANSFERS	\$ 895	\$ 21,594
OTHER FINANCING SOURCES (USES)		
Operating Transfers Out	(844)	(10,835)
	-----	-----
NET INCOME (LOSS)	51	10,759
RETAINED EARNINGS, Beginning	188,236	177,477
	-----	-----
RETAINED EARNINGS, Ending	\$ 188,287	\$ 188,236
	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
YEARS ENDED JUNE 30, 1997 AND 1996
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	1997	1996
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 89,995	\$ 88,471
Cash Payments to Suppliers for Goods and Services	(63,694)	(29,081)
Cash Payments to Employees for Services	(12,600)	(12,275)
	-----	-----
Net Cash Provided by Operating Activities	13,701	47,115
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating Transfers Out to Other Funds	(844)	(10,835)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from Federal Grant	527,265	263,688
Proceeds from State Grant	2,256	15,000
Acquisition and Construction of Capital Assets	(547,144)	(280,189)
Principal Paid on Revenue Bond Maturities	(7,000)	(6,000)
Interest Paid on Revenue Bonds	(1,677)	(1,890)
	-----	-----
Net Cash Used for Capital and Related Financing Activities	(26,300)	(9,391)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on Investments	3,294	4,032
Investment in Certificate of Deposit	(60,000)	0
	-----	-----
Net Cash Provided By/(Used) in Investing Activities	(56,706)	4,032
	-----	-----
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(70,149)	30,921
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	155,154	124,233
	-----	-----
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	\$ 85,005	\$ 155,154
	=====	=====

The accompanying notes are an integral part of this statement.

(Continued)

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
YEARS ENDED JUNE 30, 1997 AND 1996
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
(CONTINUED)

	1997	1996
	-----	-----
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Revenue	\$ (2,978)	\$ 4,452
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	28,030	19,434
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(463)	455
(Increase) Decrease in Due from Other Funds	4,678	9,000
Increase (Decrease) in Accounts Payable	(15,531)	13,808
Increase (Decrease) in Interest Payable	(36)	(34)
	-----	-----
Total Adjustments	16,678	42,663
	-----	-----
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 13,700	\$ 47,115
	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1997

NOTE A. SUMMARY OF ACCOUNTING POLICIES

The Town of Mansura was incorporated in 1860 and is operated under the provision of the Lawrson Act. The Town operates under a Mayor - Board of Aldermen form of government and provides the following services: Public Safety, Streets, Sanitation, Cultural - Recreation, Public Improvements, and General Administrative Services. The accounting and reporting policies of the Town of Mansura conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the Industry Audit Guides, Audits of State and Local Governmental Units.

THE FOLLOWING IS A SUMMARY OF THE MORE SIGNIFICANT POLICIES:

1. THE REPORTING ENTITY

The Town of Mansura, Louisiana, for financial purposes includes all of the funds and account groups relevant to the operations of the Town of Mansura, Louisiana. Oversight responsibility on the part of the Town of Mansura was determined on the basis of the ability to create a component unit, the ability to appoint management or the governing board, and the scope of Public Service provided by the component unit. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the Town of Mansura, Louisiana.

2. FUND ACCOUNTING

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 operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent, and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into four generic fund types and two broad fund categories as follows:

General Fund - This 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.

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1997
(CONTINUED)

2. FUND ACCOUNTING (CONTINUED)

GOVERNMENTAL FUND TYPES

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

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

CAPITAL PROJECTS FUND

Capital Projects Fund is used to account for financial resources used in the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

PROPRIETARY FUND TYPES

Enterprise Fund - Enterprise Fund is used to account for Operations (A) that 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 (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.

GENERAL FIXED ASSETS AND GENERAL
LONG-TERM DEBT ACCOUNT GROUPS

The General Fixed Asset Account Group - The General Fixed Asset account group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1997
(CONTINUED)

2. FUND ACCOUNTING (CONTINUED)

General Long-Term Debt Account Group - The General Long-Term Debt Account Group is used to account for long-term liabilities to be financed from government funds.

These 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.

3. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The Proprietary Fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations of this fund is included on the balance sheet.

Fund Equity (I.E., Net total assets) is segregated into contributed capital and retained earnings components. Proprietary Fund-Type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one-year availability period is used for revenue recognition for all governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include; (1) sick pay and (2) principal and interest on general long-term debt which is recognized when due.

(Continued)

TOWN OF MANSURA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1997
(CONTINUED)

3. BASIS OF ACCOUNTING (CONTINUED)

Those revenues susceptible to accrual are property taxes, fines, licenses, sales taxes, and charges for services.

Purchases of various operating supplies are regarded as expenditures at the time purchased.

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

4. BUDGETS

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

1. The mayor and town clerk review the prior year revenue and expenditures as a basis for projecting the next fiscal years budget. They make anticipated changes for those things that are known and prepare a budget to present to the council for adoption.
2. The proposed budget is discussed at a Town Council meeting prior to the close of the previous fiscal year. The proposed budget hearing is advertised in the local newspaper prior to the meeting, so that all concerned citizens may have input.
3. Formal budgets are adopted during the year for the general and special revenue funds, and are adopted on a basis consistent with generally accepted accounting principals (GAAP).
4. Formal budgets are not employed as a management tool.
5. Unused appropriations for all annually budgeted funds lapse at the end of the year.

5. INVESTMENTS

The Town may invest in U. S. Government Securities, Certificate of Deposits, Passbooks, and other available bank investments provided that approved securities are pledged to secure those funds on deposit in an amount equal to the amount of those funds, including FDIC insurance.

Investments are recorded at cost.

(Continued)

TOWN OF MANSURA, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1997
 (CONTINUED)

6. CASH AND INVESTMENTS

At year end, the carrying amount of the Town's deposits, checking, savings accounts, and certificate of deposit were \$216,221 and the bank balances were \$213,762. The cash balances were covered by Federal Depository Insurance up to \$100,000, the amount which exceeds the \$100,000 of \$116,221 was covered by collateral pledged by the Town's depository, the Cottonport Bank. All funds on deposit were collateralized and insured. The market value of the collateral pledged at June 30, 1997 was \$186,962.

INVESTMENTS

Cash and cash equivalents for the Sewer System Fund statement of Cash Flows, considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalence.

The following is a list of the Town's funds which are in interest bearing accounts or which are invested:

	<u>RATE</u>	<u>MATURITY DATES</u>	<u>AMOUNTS</u>
General Fund	2.53%	Daily	\$43,076
Sales Tax Fund	2.53	Daily	22,163
Enterprise Fund			
Operating	2.78	Daily	61,702
Operating Certificate of Deposit	5.55	10-29-97	60,000
Bond and Interest	3.30	Daily	23,303

7. AD VALOREM TAXES

The Town collects property tax on assessed values of property within its corporate limits. The taxes attach as an enforceable lien as of January 1 of each year. For the year ended June 30, 1997, taxes 5.56 mills were levied on property with assessed valuations totaling \$3,129,496 and were dedicated for general maintenance.

Total taxes levied were \$17,400. There was \$323 of uncollected taxes at June 30, 1997.

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1997

(CONTINUED)

8. RESERVES OF FUND EQUITY

The Town records reserves to indicate that a portion of the fund equity is legally segregated for a specific future use. The following details the description and amount of all reserves used by the Town:

A. SALES TAX

Reserved for public safety, streets
and drainage and general purposes \$19,287

B. SEWER SYSTEM

Restricted for revenue bond sinking fund
Reserved for repair and replacement \$23,303

9. BAD DEBTS

Uncollectible amounts due for Ad Valorem taxes, customer's utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

10. COMPARATIVE DATA

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

11. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

Total columns of the combined statements - overview are captioned memorandum only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1997
 (CONTINUED)

NOTE B. INTERFUND RECEIVABLES, PAYABLES

	INTERFUND RECEIVABLES	INTERFUND PAYABLES
General Fund	\$3,789	\$ 539
Special Revenue Funds -		
Sales Tax Fund	0	5,541
Enterprise Fund	<u>2,291</u>	<u>0</u>
Totals	<u>\$6,080</u>	<u>\$6,080</u>

NOTE C. RESTRICTED ASSETS - PROPRIETARY FUND TYPE

Restricted assets were applicable to the following at June 30:

	<u>1997</u>	<u>1996</u>
Revenue Bond Sinking Fund	\$18,726	\$18,804
Repair and Replacement Fund	<u>4,577</u>	<u>4,546</u>
Totals	<u>\$23,303</u>	<u>\$23,350</u>

NOTE D. PROPERTY, PLANT AND EQUIPMENT

General Fixed Asset Account Group - fixed assets used in governmental fund type operations (General Fixed Assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the Governmental Fund Types when purchased. General Fixed Assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other General Fixed Assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their estimated fair value on the date of donation. Repairs and maintenance are recorded as expenditures; renewals and betterments are capitalized.

CHANGES IN GENERAL FIXED ASSETS

A summary of changes in General Fixed Assets follows:

	BALANCE JULY 1, <u>1996</u>	ADDITIONS	DELETIONS	BALANCE JUNE 30, <u>1997</u>
Land	\$ 89,491	\$ 0	\$ 0	\$ 89,491
Buildings	303,426	3,544	0	306,970
Other				
Improvements	13,008	0	0	13,008
Equipment	<u>225,624</u>	<u>19,365</u>	<u>17,038</u>	<u>227,951</u>
Totals	<u>\$631,549</u>	<u>\$22,909</u>	<u>\$17,038</u>	<u>\$637,420</u>

(Continued)

TOWN OF MANSURA, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1997
 (CONTINUED)

NOTE D. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Enterprise Fund - Additions to the utility plant and service are recorded at cost or, if contributed property, at their estimated fair value at time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Depreciation has been calculated on each class of depreciable property using the straight-line method, prorated from date purchased in year of acquisition. Estimated useful lives are as follows:

Sewer System	100 YEARS
Sewer Line Extension	50 YEARS
Equipment	5 YEARS

A summary of Proprietary Fund Type, Plant and Equipment at June 30, 1997, is as follows:

	ENTERPRISE FUND (SEWER)
Sewer lines, extensions and treatment	\$1,982,263
Machinery and equipment	<u>32,764</u>
Total	2,015,027
Less: Accumulated Depreciation	<u>192,534</u>
Net	<u>\$1,822,493</u>

NOTE E. PROPRIETARY FUND CHANGES IN LONG-TERM DEBT

The following is a summary of the bond transactions of the Town for the year ended June 30, 1997:

REVENUE BONDS	PAYABLE AT JULY 1, 1996	RETIRED	PAYABLE AT JUNE 30, 1997
SERIES 1964	<u>\$49,000</u>	<u>\$7,000</u>	<u>\$42,000</u>

(Continued)

TOWN OF MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1997
 (CONTINUED)

NOTE E. PROPRIETARY FUND CHANGES IN LONG-TERM DEBT (CONTINUED)

The annual requirement to retire the Revenue Bonds as of June 30, 1997 is as follows:

YEAR ENDING JUNE 30,	PRINCIPAL	INTEREST	TOTAL
1998	7,000	1,470	8,470
1999	7,000	1,225	8,225
2000	7,000	980	7,980
2001	7,000	735	7,735
2002	7,000	490	7,490
2003	<u>7,000</u>	<u>245</u>	<u>7,245</u>
Totals	<u>\$42,000</u>	<u>\$5,145</u>	<u>\$47,145</u>

REVENUE BONDS

\$162,000 Sewer Bonds dated 5/1/64; Due in annual installments of \$4,000 - \$5,000 - \$6,000 - \$7,000 through May 1, 2003; Interest at 3 1/2%.

\$42,000

FLOW OF FUNDS; RESTRICTIONS ON USE - UTILITY REVENUES -

Provisions of the Revenue Bond Indenture requires all revenue be deposited in Sewer System Revenue Fund. This money is to be disbursed as follows:

1. To pay all reasonable expenses of administration, operations and maintenance of the Sewer System Fund.
2. The establishment and maintenance of Sewer System Revenue Bond and Interest Sinking Fund. This fund requires transfers, no later than the 10th day of each month, sufficient in amount to pay promptly and fully the principal and interest on the bonds, as they become due. There is also a reserve balance of \$9,000 to be accumulated out of the transfers from the Revenue Fund.
3. The establishment of a Sewer System Repair and Replacement Fund to care for depreciation, extensions, additions, improvements, repairs and replacements necessary to properly operate the system. This fund requires transfers of \$75 before the 10th of each month until such time as \$4,500 is accumulated in this fund. Transfers are required anytime the balance of this fund is lower than \$4,500.

(Continued)

TOWN OF MANSURA, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1997
 (CONTINUED)

NOTE E. PROPRIETARY FUND CHANGES IN LONG-TERM DEBT (CONTINUED)

The balance of the excess funds, on deposit in the Revenue Fund, may be used for any lawful corporate purposes as the governing authority of the Town may determine, whether such purposes are or are not related to the system.

All or part of the monies on reserve in any of the above funds may be invested in direct obligations of the United States of America.

NOTE F. MAYOR AND ALDERMEN PER DIEM

	Mayor - Harold Quebedeaux	\$2,040
	Aldermen - Leon Deshotel	600
	Edward Coco	500
	Nicky Bordelon	550
	Julia Boston	600
	J. M. Francisco	550

NOTE G. RETIREMENT COMMITMENTS

The Town of Mansura has no retirement commitments or pension plan for its employees.

NOTE H. LEASES

At June 30, 1997, the Town of Mansura, Louisiana, had the following lease commitments:

The Town leased to the Mansura Chamber of Commerce, Inc., a Non-Profit Organization, a building complex known as the "Mansura Pavillion" for \$1 a year for 20 years beginning April 1, 1990, with an option to lease said property for an additional 20 year period beginning April 1, 2009.

NOTE I. CONTRIBUTED CAPITAL

Contributed Capital of the Enterprise Fund, is as follows:

	GENERAL FUND	FEDERAL AND STATE GRANTS	TOTAL
Balance July 1, 1996	\$170,933	\$1,066,133	\$1,237,066
Additions (Deletions)	0	527,265	527,265
Balance June 30, 1997	\$170,933	\$1,593,398	\$1,764,331

The above amounts were for capital expenditures of the Sewer System and are recorded at amounts actually received.

(Continued)

TOWN OF MANSURA, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1997
 (CONTINUED)

NOTE J. COMPENSATED ABSENCES

The Town does not allow compensated absences to their employees.

NOTE K. LITIGATION

The Town of Mansura, Louisiana, had no claims against it that would exceed its liability insurance.

NOTE L. EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 1997, no fund of the Town of Mansura, Louisiana had expenditures which exceeded appropriations before operating transfers in.

NOTE M. EXPENDITURES OVER BUDGETED AMOUNTS

For the year ended June 30, 1997, no fund of the Town of Mansura, Louisiana had expenditures which exceeded budgeted amounts.

NOTE N. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The Town has one enterprise fund. Segment information for the year ended June 30, 1997 follows:

	Totals
Operating Revenues	\$ 89,995
Depreciation	28,030
Operating Income (Loss)	(2,978)
Net Income (Loss)	51
Plant, Property and Equipment, net additions	881,529
Net Working Capital	127,735
Total Assets	1,998,647
Long-term Liabilities Payable from Operating Revenue	42,000
Total Equity	1,952,618

SINGLE AUDIT

Roy K. Derbonne, Jr.

Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana 71301-6878

318-445-6778

Member
Society of Louisiana C.P.A.'s

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

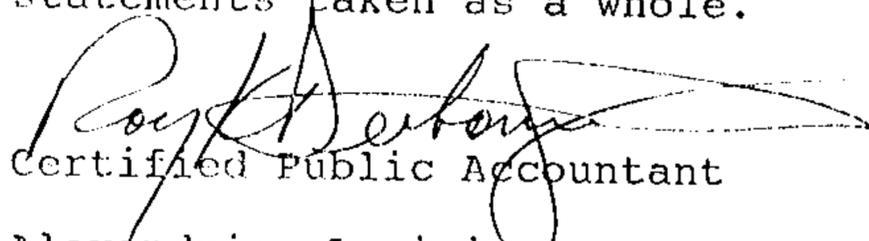
The Honorable Mayor and Members
of the Town Council
Town of Mansura, Louisiana

I have audited the accompanying general purpose financial statements and the combining and individual fund and account group financial statements of the Town of Mansura, Louisiana, as of and for the year ended June 30, 1997, and have issued my report thereon dated December 29, 1997. These general purpose financial statements and the combining and individual fund and account group financial statements are the responsibility of the Town of Mansura, Louisiana's, management. My responsibility is to express an opinion on these general purpose financial statements and the combining and individual fund and account group financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements and the combining and individual fund and account group financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements and the combining and individual fund and account group financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements and combining and individual fund and account group financial statements of the Town of Mansura, Louisiana, taken as a whole. The accompanying schedule of Expenditures of Federal Awards is presented for purposes of additional analysis and is not a required part of the general purpose financial statements and the combining and individual fund and account group financial statements. The information in this schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and the combining and individual fund and account group financial statements and, in my opinion is fairly presented in all

material respects in relation to the general purpose financial statements and combining and individual fund and account group financial statements taken as a whole.



Certified Public Accountant

Alexandria, Louisiana
December 29, 1997

TOWN OF MANSURA, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 1997

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Contractor's Fees	\$ 499,616
Engineering Fees	19,333
Other Construction Costs	200
Administration Costs	8,315

Total Expenditures	\$ 527,264
	=====

TOWN OF MANSURA, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 1997

	CFDA NUMBERS	PASS-THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT	CASH/ (DEFERRED) REVENUE AT JUNE 30, 1996	RECEIPTS OR REVENUE RECOGNIZED	DISBS. / EXPENDITURES	CASH/ (DEFERRED) REVENUE AT JUNE 30, 1997
FEDERAL GRANTS							
U. S. Department of Housing and Urban Development							
Community Development Block Grant: Passed through State of Louisiana Division of Administration							
CDBG/Small Cities Program	14.219	B-94-22-0001	\$ 852,950 *	\$ 535,064	\$ 527,264	\$ 527,264	\$ 0

* This is a major program.

Roy K. Derbonne, Jr.

Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana 71301-6878

Member
Society of Louisiana C.P.A.'s

318-445-6778

INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Mayor and Members
of the Town Council
Town of Mansura, Louisiana

I have audited the general purpose financial statements and the combining and individual fund and account group financial statements of the Town of Mansura, Louisiana, for the year ended June 30, 1997, and have issued my report thereon dated December 29, 1997. I have also audited the compliance of the Town of Mansura, Louisiana, with requirements applicable to major federal financial assistance programs and have issued my report thereon dated December 29, 1997.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements and the combining and individual fund and account group financial statements are free of material misstatement and whether the Town of Mansura, Louisiana, complied with the laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing my audit for the year ended June 30, 1997, I considered the internal control structure of the Town of Mansura, Louisiana, in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and the combining and individual fund and account group financial statements of Mansura, Louisiana, and on the compliance of Mansura, Louisiana, with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures relevant to my audit of the general purpose financial statements and the combining and individual fund and account group financial statements in a separate report dated December 29, 1997.

The management of the Town of Mansura, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgements by management

are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements and the combining and individual fund and account group financial statements in accordance generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projections of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

ACCOUNTING CONTROLS

BILLING
PURCHASING AND RECEIVING
PAYROLLS
GENERAL LEDGER

CASH RECEIPTS
CASH DISBURSEMENTS
PROPERTY AND EQUIPMENT

GENERAL REQUIREMENTS

POLITICAL ACTIVITY
CIVIL RIGHTS
RELOCATION ASSISTANCE
AND REAL PROPERTY
ACQUISITION
ALLOWABLE COSTS/ COST
PRINCIPLES

DAVIS-BACON ACT
CASH MANAGEMENT
FEDERAL FINANCIAL REPORTS
DRUG-FREE WORK PLACE
ADMINISTRATION REQUIREMENTS

SPECIFIC REQUIREMENTS

TYPES OF SERVICES ALLOWED
SPECIAL TESTS AND
PROVISIONS

REPORTING

For all of the internal control structure categories listed above, I have obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and I assessed control risk.

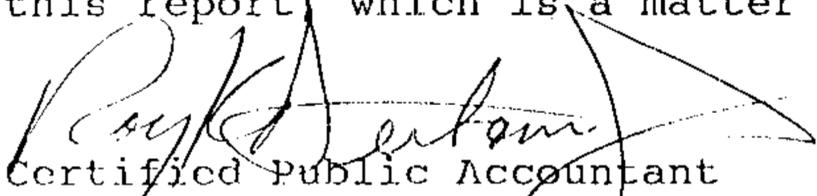
During the year ended June 30, 1997, the Town of Mansura, Louisiana, expended 100% of its total federal financial assistance under major federal financial assistance programs.

I performed tests of controls, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed that are applicable

to the Town of Mansura, Louisiana's major federal financial assistance program, which is identified in the accompanying Schedule of Expenditures of Federal Awards. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

My consideration of the internal control structure policies and procedures used in administering federal financial assistance programs would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be a material weakness as defined above.

This report is intended for the information of the management of the Town of Mansura, Louisiana and the legislative auditor, for the State of Louisiana. This restriction is not intended to limit distribution of this report, which is a matter of public record.


Certified Public Accountant

Alexandria, Louisiana
December 29, 1997

Roy K. Derbonne, Jr.

Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana 71301-6878

318-445-6778

Member
Society of Louisiana C.P.A.'s

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Mayor and Members
of the Town Council
Town of Mansura, Louisiana

I have audited the general purpose financial statements and the combining and individual fund and account group financial statements of the Town of Mansura, Louisiana, as of and for the year ended June 30, 1997, and have issued my report thereon dated December 29, 1997.

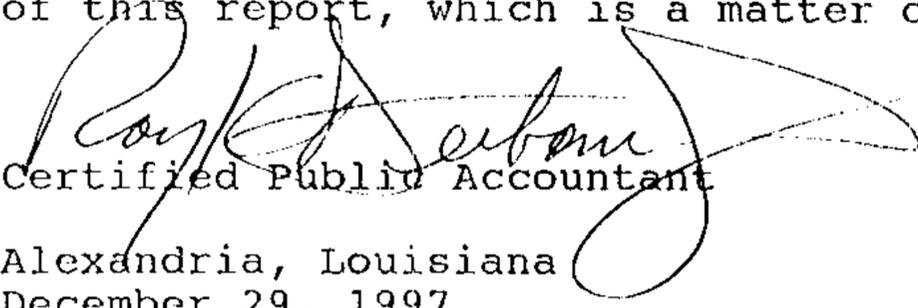
I have applied procedures to test the Town of Mansura, Louisiana's compliance with the following requirements applicable to its federal financial assistance program, which is identified in the Schedule of Expenditures of Federal Awards, for the fiscal year ended June 30, 1997:

POLITICAL ACTIVITY
DAVIS-BACON ACT
CIVIL RIGHTS
CASH MANAGEMENT
RELOCATION ASSISTANCE AND
REAL PROPERTY ACQUISITIONS
FEDERAL FINANCIAL REPORTS
ALLOWABLE COSTS/COST PRINCIPLE
DRUG FREE WORK PLACE
ADMINISTRATION REQUIREMENTS

My procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Town's compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that the Town, had not complied, in all material respects, with those requirements.

This report is intended for the information of management of the Town of Mansura, Louisiana and the Legislative Auditor, for the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.


Certified Public Accountant
Alexandria, Louisiana
December 29, 1997

Roy K. Derbonne, Jr.

Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana 71301-6878

318-445-6778

Member
Society of Louisiana C.P.A.'s

INDEPENDENT AUDITOR'S OPINION ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Mayor and Members
of the Town Council
Town of Mansura, Louisiana

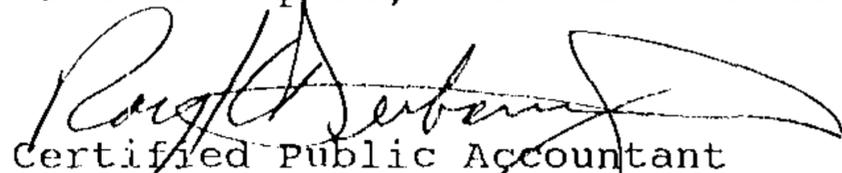
I have audited the general purpose financial statements and the combining and individual fund and account group financial statements of the Town of Mansura, Louisiana, as of and for the year ended June 30, 1997, and have issued my report thereon dated December 29, 1997.

I have also audited the Town of Mansura, Louisiana's compliance with the requirements governing types of service allowed or unallowed; eligibility; reporting; claims for advances and reimbursements that are applicable to its Major Federal Financial Assistance Program, which is identified in the accompanying Schedule of Expenditures of Federal Awards, for the year ended June 30, 1997. The management of the Town is responsible for the Town's compliance with those requirements. My responsibility is to express an opinion on compliance with those requirements based on my audit.

I conducted my audit of compliance with those requirements in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB A-133 require that I plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

The results of my audit procedures did not disclose any material instance of noncompliance with the requirements referred to above.

This report is intended for the information of management of the Town of Mansura, Louisiana and the Legislative Auditor, for the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.


Certified Public Accountant

Alexandria, Louisiana
December 29, 1997

TOWN OF MANSURA, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 1997

CURRENT YEAR FINDINGS:

There were no current year questioned costs.

PRIOR YEAR FINDINGS:

There were no prior year findings.

FINANCIAL STATEMENTS
OF INDIVIDUAL FUNDS
AND ACCOUNT GROUPS

GENERAL FUND

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

TOWN OF MANSURA, LOUISIANA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED JUNE 30, 1997
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1996

	1997		VARIANCE	1996
	BUDGET	ACTUAL	FAVORABLE (UNFAVOR.)	ACTUAL
REVENUES				
Taxes Collected	\$ 23,200	\$ 19,566	\$ (3,634)	\$ 20,054
Occupational Licenses	35,000	36,138	1,138	36,939
Liquor and Beer Permits	1,400	825	(575)	670
State Tobacco Tax	8,500	8,329	(171)	8,329
Franchise Fees	47,500	65,395	17,895	49,267
Fines	35,000	45,955	10,955	17,089
State Beer Tax	4,200	4,695	495	5,302
Cutting Grass	1,250	1,755	505	1,150
Rent	7,500	7,500	0	6,750
Interest Income	800	946	146	849
Revenue Sharing - APPJ				
Indian Affairs	42,000	51,249	9,249	21,495
Video Poker Rebate	10,000	10,432	432	10,635
Donations - Christmas				
Decorations	1,500	1,256	(244)	1,256
Donation to Police Dept.	0	0	0	2,500
Donation for DeFosse' Home	0	0	0	400
Donation of Land and				
Building from CLECO	0	0	0	133,000
Grant - Red River Delta	0	1,500	1,500	0
Miscellaneous	100	2,773	2,673	1,796
Total Revenues	217,950	258,314	40,364	317,481
EXPENDITURES				
CURRENT				
General Government	54,050	44,565	9,485	61,603
Public Safety	113,800	110,854	2,946	97,196
Streets and Sanitation	42,900	34,589	8,311	21,351
CAPITAL OUTLAYS	1,200	19,055	(17,855)	134,703
Total Expenditures	211,950	209,063	2,887	314,853
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,000	49,251	43,251	2,628

(Continued)

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED JUNE 30, 1997
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1996
 (CONTINUED)

	1997		VARIANCE FAVORABLE (UNFAVOR.)	1996 ACTUAL
	BUDGET	ACTUAL		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES (CONTINUED FROM THE PREVIOUS PAGE)	\$ 6,000	\$ 49,251	\$ 43,251	\$ 2,628
OTHER FINANCING SOURCES				
Operating Transfers In	0	844	844	10,835
Operating Transfers Out	(6,000)	(6,112)	(112)	(5,542)
Total Other Financing Sources (Uses)	(6,000)	(5,268)	732	5,293
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	0	43,983	43,983	7,921
FUND BALANCE, BEGINNING	0	38,561	38,561	30,640
FUND BALANCE, ENDING	\$ 0	\$ 82,544	\$ 82,544	\$ 38,561

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED JUNE 30, 1997
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1996

	1997		VARIANCE	1996
	BUDGET	ACTUAL	FAVORABLE (UNFAVOR.)	ACTUAL
GENERAL GOVERNMENT				
Mayor and Aldermen	\$ 5,600	\$ 4,840	\$ 760	\$ 4,990
Salaries	15,700	14,865	835	14,383
Utilities and Telephone	2,000	2,359	(359)	3,257
Office Supplies	650	561	89	800
Insurance	21,800	12,897	8,903	30,349
Printing and Publishing	250	114	136	40
Legal and Audit	2,000	2,000	0	1,167
Payroll Taxes	1,600	1,836	(236)	786
Dues	650	330	320	267
Assessor's Compensation	600	594	6	580
Tax Collection Fees	200	167	33	0
Building Rep. and Upkeep	300	147	153	350
Repairs - CLECO Bldg.	300	50	250	0
Insurance - CLECO Bldg.	400	359	41	0
Insurance - De'Fosse Home	800	729	71	0
Travel and Seminars	900	312	588	0
Mayor's Expenditures	0	306	(306)	0
Cochon De Lait Festival	0	1,838	(1,838)	0
Christmas Parade Float	0	0	0	300
Miscellaneous	300	261	39	4,334
	-----	-----	-----	-----
Total General Govern- ment Expenditures	\$ 54,050	\$ 44,565	\$ 9,485	\$ 61,603
	=====	=====	=====	=====
PUBLIC SAFETY				
POLICE DEPARTMENT				
Salaries	\$ 77,000	\$ 79,893	\$ (2,893)	\$ 77,493
Equipment	8,000	6,262	1,738	3,600
Automobile	9,000	5,642	3,358	9,995
Insurance	8,000	7,995	5	0
Uniforms	1,250	1,449	(199)	300
Training	0	119	(119)	0
Payroll Taxes	7,700	6,871	829	4,345
Law Enforcement and Convictions	500	428	72	0
Citations	350	47	303	0
Animal Control	0	217	(217)	0
	-----	-----	-----	-----
Total Police Dept. Expenditures	111,800	108,923	2,877	95,733

(Continued)

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED JUNE 30, 1997
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1996
 (CONTINUED)

	1997		VARIANCE	1996
	BUDGET	ACTUAL	FAVORABLE (UNFAVOR.)	ACTUAL
DONATION TO VOLUNTEER				
FIRE DEPARTMENT				
Gas, Oil, Etc.	\$ 0	\$ 176	\$ (176)	\$ 229
Insurance	2,000	1,755	245	1,106
Utilities	0	0	0	128
Total Volunteer Fire Department	2,000	1,931	69	1,463
Total Public Safety Expenditures	\$ 113,800	\$ 110,854	\$ 2,946	\$ 97,196
STREETS AND SANITATION				
Labor	\$ 32,000	\$ 26,689	\$ 5,311	\$ 17,712
Insurance	5,000	3,106	1,894	761
Truck Gas and Repairs	0	13	(13)	0
Street Repairs and Maint.	0	0	0	236
Uniforms	1,200	1,347	(147)	703
Payroll Taxes	3,200	2,296	904	965
Street Supplies	0	41	(41)	0
Waste Management	1,500	1,097	403	974
Total Streets and Sanitation Expenditures	\$ 42,900	\$ 34,589	\$ 8,311	\$ 21,351
CAPITAL OUTLAYS				
General Government	\$ 0	\$ 3,544	\$ (3,544)	\$ 133,000
Public Safety	1,200	15,511	(14,311)	1,703
Total Capital Outlays	\$ 1,200	\$ 19,055	\$ (17,855)	\$ 134,703
TOTAL EXPENDITURES	\$ 211,950	\$ 209,063	\$ 2,887	\$ 314,853

The accompanying notes are an integral part of this statement.

SPECIAL REVENUE FUNDS

PARK AND RECREATION FUND - To account for receipt and expenditure of funds acquired through donations and fund raising activities for parks and recreation.

SALES TAX FUND - To account for the receipt and expenditures of funds received from a sales tax passed by the residents of Mansura, Louisiana. The money in this fund is to be spent only for streets, drainage, public safety and any other general fund expenditure.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEETS
 JUNE 30, 1997

WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 1996

	RECREATION AND PARK FUND	SALES TAX FUND
ASSETS	-----	-----
ASSETS		
Cash	\$ 5,975	\$ 22,163
Sales Taxes Receivable	0	5,270
Interfund Transfer Receivable	229	0
	-----	-----
TOTAL ASSETS	\$ 6,204	\$ 27,433
	=====	=====
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 136	\$ 2,413
Amount Due Farm Plan	0	0
Accrued Payroll Taxes Payable	0	192
Due to General Fund	0	3,789
Due to Sewer System Revenue Fund	0	1,752
	-----	-----
Total Liabilities	136	8,146
FUND BALANCE		
Reserved	0	19,287
Unreserved -- Undesignated	6,068	0
	-----	-----
Total Fund Balance	6,068	19,287
	-----	-----
TOTAL LIABILITIES AND FUND BALANCE	\$ 6,204	\$ 27,433
	=====	=====

The accompanying notes are

TOTALS	
1997	1996
\$ 28,138	\$ 21,450
5,270	6,132
229	0
<hr/>	<hr/>
\$ 33,637	\$ 27,582
=====	=====
\$ 2,549	\$ 5,271
0	295
192	0
3,789	3,789
1,752	6,430
<hr/>	<hr/>
8,282	15,785
19,287	6,531
6,068	5,266
<hr/>	<hr/>
25,355	11,797
<hr/>	<hr/>
\$ 33,637	\$ 27,582
=====	=====

an intergral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 YEAR ENDED JUNE 30, 1997

WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 1996

	RECREATION AND PARK FUND	SALES TAX FUND
	-----	-----
REVENUES		
Sales Taxes Collected	\$ 0	\$ 70,457
Interest Income	0	465
Miscellaneous	0	0
	-----	-----
Total Revenues	0	70,922
EXPENDITURES		
CURRENT		
General Government	492	18,519
Public Safety	0	14,199
Streets and Sanitation	0	23,696
Recreation	4,818	0
CAPITAL OUTLAYS	0	1,752
	-----	-----
Total Expenditures	5,310	58,166
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(5,310)	12,756
OTHER FINANCING SOURCES (USES)		
Operating Transfers In	6,112	0
Operating Transfers Out	0	0
	-----	-----
Total Other Financing Sources (Uses)	6,112	0
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	802	12,756
FUND BALANCE, Beginning	5,266	6,531
	-----	-----
FUND BALANCE, Ending	\$ 6,068	\$ 19,287
	=====	=====

The accompanying notes are

TOTALS	
1997	1996
\$ 70,457	\$ 68,338
465	598
0	36
70,922	68,972
19,011	20,128
14,199	11,314
23,696	33,154
4,818	5,104
1,752	6,627
63,476	76,327
7,446	(7,355)
6,112	5,542
0	0
6,112	5,542
13,558	(1,813)
11,797	13,610
\$ 25,355	\$ 11,797
=====	=====

an intergral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
RECREATION AND PARK FUND

COMPARATIVE BALANCE SHEET
JUNE 30, 1997 AND 1996

	<u>1997</u>	<u>1996</u>
ASSETS		
ASSETS		
Cash	\$ 5,975	\$ 7,410
Interfund Transfer Receivable	229	0
	<u> </u>	<u> </u>
TOTAL ASSETS	\$ 6,204	\$ 7,410
	<u> </u>	<u> </u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 136	\$ 2,144
Total Liabilities	136	2,144
	<u> </u>	<u> </u>
FUND BALANCE		
Unreserved - Undesignated	5,068	5,266
	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCE	\$ 6,204	\$ 7,410
	<u> </u>	<u> </u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
RECREATION AND PARK FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE --
BUDGET (GAAP BASIS) AND ACTUAL YEAR ENDED JUNE 30, 1997 WITH
COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1996

	1997		VARIANCE FAVORABLE (UNFAVOR.)	1996 ACTUAL
	BUDGET	ACTUAL		
REVENUES				
Donations	\$ 0	\$ 0	\$ 0	\$ 0
Miscellaneous and Tokens	0	0	0	0
Total Revenues	0	0	0	0
EXPENDITURES				
CURRENT				
Administrative	0	492	(492)	0
Recreation	6,000	4,818	1,182	5,104
CAPITAL OUTLAYS	0	0	0	0
Total Expenditures	6,000	5,310	690	5,104
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,000)	(5,310)	690	(5,104)
OTHER FINANCING SOURCES OPERATING TRANSFERS IN	6,000	6,112	112	5,542
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	0	802	802	438
FUND BALANCE, BEGINNING	0	5,266	5,266	4,828
FUND BALANCE, ENDING	\$ 0	\$ 6,068	\$ 6,068	\$ 5,266

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
RECREATION AND PARK FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL YEAR ENDED JUNE 30, 1997 WITH
COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1996

	1997		VARIANCE FAVORABLE (UNFAVOR.)	1996 ACTUAL
	BUDGET	ACTUAL		
ADMINISTRATIVE				
Office Supplies	\$ 0	\$ 95	\$ (95)	\$ 0
Town Hall and Depot Repairs	0	72	(72)	0
Travel and Conventions	0	325	(325)	0
Total Administrative	\$ 0	\$ 492	\$ (492)	\$ 0
RECREATION				
Gas	\$ 0	\$ 0	\$ 0	\$ 11
Utilities	500	481	19	423
Insurance	1,200	1,107	93	276
Repairs and Maintenance	1,700	1,037	663	3,889
Supplies	500	186	314	106
Grounds Maintenance	100	10	90	0
Miscellaneous	1,000	1,037	(37)	399
Cochon DeLait Festival	1,000	960	40	0
Total Recreation	\$ 6,000	\$ 4,818	\$ 1,182	\$ 5,104
CAPITAL OUTLAYS	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL EXPENDITURES	\$ 6,000	\$ 5,310	\$ 690	\$ 5,104

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
SALES TAX FUND

COMPARATIVE BALANCE SHEET
JUNE 30, 1997 AND 1996

	1997	1996
	-----	-----
ASSETS		
ASSETS		
Cash	\$ 22,163	\$ 24,040
Sales Taxes Receivable	5,270	6,132
	-----	-----
TOTAL ASSETS	\$ 27,433	\$ 20,172
	=====	=====
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 2,413	\$ 3,127
Amount Due Farm Plan	0	295
Accrued Payroll Taxes Payable	192	0
Due to General Fund	3,789	3,789
Due to Sewer System Fund	1,752	6,430
	-----	-----
Total Liabilities	8,146	13,641
FUND BALANCE		
Reserved	19,287	6,531
	-----	-----
TOTAL LIABILITIES AND FUND BALANCE	\$ 27,433	\$ 20,172
	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL YEAR ENDED JUNE 30, 1997 WITH
COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1996

	1997		VARIANCE FAVORABLE (UNFAVOR.)	1996 ACTUAL
	BUDGET	ACTUAL		
REVENUES				
Sales Taxes Collected	\$ 60,000	\$ 70,457	\$ 10,457	\$ 68,338
Interest	0	465	465	598
Miscellaneous	0	0	0	36
Total Revenues	60,000	70,922	10,922	68,972
EXPENDITURES				
CURRENT				
General Government	18,000	18,519	(519)	20,128
Public Safety	18,000	14,199	3,801	11,314
Streets and Sanitation	24,000	23,696	304	33,154
CAPITAL OUTLAYS	0	1,752	(1,752)	6,627
Total Expenditures	60,000	58,166	1,834	71,223
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	0	12,756	12,756	(2,251)
FUND BALANCE, BEGINNING	0	6,531	6,531	8,782
FUND BALANCE, ENDING	\$ 0	\$ 19,287	\$ 19,287	\$ 6,531

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE --
BUDGET (GAAP BASIS) AND ACTUAL YEAR ENDED JUNE 30, 1997 WITH
COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1996

	1997		VARIANCE	1996
	BUDGET	ACTUAL	FAVORABLE (UNFAVOR.)	ACTUAL
GENERAL GOVERNMENT				
Utilities	\$ 8,500	\$ 9,596	\$ (1,096)	\$ 8,659
Telephone	1,500	1,233	267	0
Office and Postage	1,500	1,652	(152)	892
Insurance	100	181	(81)	3,245
Printing and Publishing	1,500	1,160	340	1,753
Legal and Audit	1,000	850	150	1,167
Town Hall Supplies	1,000	958	42	1,278
Repairs to Equipment	500	281	219	255
Dues	500	442	58	0
Repairs and Maintenance	500	168	332	1,958
Bank Charges	0	12	(12)	0
Advertising	0	214	(214)	305
Utilities - De'Fosse Home	0	44	(44)	0
Repairs - De'Fosse Home	0	6	(6)	0
Travel and Conventions	1,000	1,029	(29)	548
Miscellaneous	400	693	(293)	68
Total Administrative	\$ 18,000	\$ 18,519	\$ (519)	\$ 20,128
PUBLIC SAFETY				
POLICE DEPARTMENT				
Supplies and Equip.	\$ 4,000	\$ 3,016	\$ 984	\$ 1,108
Police Car, Gas and Repairs	10,000	9,237	763	7,280
Equipment Repairs	300	0	300	165
Office and Postage	350	85	265	169
Insurance	100	200	(100)	0
Uniforms	500	397	103	569
Miscellaneous	1,000	67	933	737
Animal Control	750	421	329	358
Total Police Dept.	17,000	13,423	3,577	10,386

The accompanying notes are an integral part of this statement.

(Continued)

TOWN OF MANSURA, LOUISIANA

SPECIAL REVENUE FUNDS
SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL YEAR ENDED JUNE 30, 1997 WITH
COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1996
(CONTINUED)

	1997		VARIANCE	1996
	BUDGET	ACTUAL	FAVORABLE (UNFAVOR.)	ACTUAL
DONATION TO VOLUNTEER				
FIRE DEPARTMENT				
Truck gas & Repairs	\$ 800	\$ 716	\$ 84	\$ 680
Utilities	100	30	70	180
Miscellaneous	100	30	70	68
Total Volunteer Fire Department	1,000	776	224	928
Total Public Safety	\$ 18,000	\$ 14,199	\$ 3,801	\$ 11,314
STREETS AND SANITATION				
Labor	\$ 10,000	\$ 9,395	\$ 605	\$ 8,163
Insurance	2,000	3,320	(1,320)	1,408
Truck Gas and Repairs	4,000	3,954	46	3,847
Street repairs	1,000	319	681	13,861
Equipment Repairs	400	169	231	336
Uniform Rentals	150	100	50	0
Payroll Taxes	750	841	(91)	482
Street Supplies	2,000	2,108	(108)	1,644
Tractor Gas and Repairs	1,500	1,177	323	2,110
Waste Disposal	500	238	262	485
Insurance - Tractor	800	804	(4)	0
Utilities	800	1,228	(428)	818
Miscellaneous	100	43	57	0
Total Streets and Sanitation	\$ 24,000	\$ 23,696	\$ 304	\$ 33,154
CAPITAL OUTLAYS				
Public Safety - Police	\$ 0	\$ 1,752	\$ (1,752)	\$ 457
Streets and Sanitation	0	0	0	6,170
Total Capital Outlays	\$ 0	\$ 1,752	\$ (1,752)	\$ 6,627
TOTAL EXPENDITURES	\$ 60,000	\$ 58,166	\$ 1,834	\$ 71,223

The accompanying notes are an integral part of this statement.

CAPITAL PROJECTS FUND

LCDBG CONTRACT 14.219 - To account for receipt and expenditures of funds received through LCDBG for improvements to the Town's existing waste water facility.

TOWN OF MANSURA, LOUISIANA

CAPITAL PROJECTS FUND

COMPARATIVE BALANCE SHEET
JUNE 30, 1997 AND 1996

	<u>1997</u>	<u>1996</u>
ASSETS		
ASSETS		
Cash	\$ 2	\$ 2
Grant Funds Receivable	0	535,064
	<u> </u>	<u> </u>
TOTAL ASSETS	\$ 2	\$ 535,066
	<u> </u>	<u> </u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Contracts Payable	\$ 0	\$ 0
Deferred Revenue	0	535,064
	<u> </u>	<u> </u>
Total Liabilities	0	535,064
FUND BALANCE		
Reserved for Sewer Improvements	0	2
Unreserved - Undesignated	2	0
	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCE	\$ 2	\$ 535,066
	<u> </u>	<u> </u>

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

CAPITAL PROJECTS FUND

COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES
AND CHANGES IN FUND BALANCE FOR THE YEARS ENDED
JUNE 30, 1997 AND 1996

	1997	1996
	-----	-----
REVENUES		
Grant Funds	\$ 527,264	\$ 263,689
Total Revenues	----- 527,264	----- 263,689
EXPENDITURES		
Contractor's Fees	499,616	232,430
Engineering Fees	19,133	20,517
Other Construction Costs	200	0
Administrative Costs	8,315	10,742
Total Expenditures	----- 527,264	----- 263,689
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	0	0
OTHER FINANCING SOURCES (USES)		
Operating Transfers In	0	0
Operating Transfers Out	0	0
Total Other Financing Sources (Uses)	----- 0	----- 0
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	0	0
FUND BALANCE, Beginning	----- 2	----- 2
FUND BALANCE, Ending	\$ 2 =====	\$ 2 =====

The accompanying notes are an integral part of this statement.

ENTERPRISE FUND

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

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE BALANCE SHEET
JUNE 30, 1997 AND 1996

	1997	1996
ASSETS		
CURRENT ASSETS		
Cash	\$ 61,702	\$ 131,803
Investment in Certificate of Deposit	60,000	0
Accounts Receivable	7,525	7,062
Due from General Fund	539	539
Due from Sales Tax Fund	1,752	6,430
Total Current Assets	131,518	145,834
RESTRICTED ASSETS		
Revenue Bond Sinking Fund Investment, at cost	18,726	18,804
Repair and Replacement Fund Investment, at cost	4,577	4,546
Total Restricted Assets	23,303	23,350
PLANT AND EQUIPMENT		
Sewer System - at Cost, Net of Accumulated Depreciation (1997 -- \$192,534, and 1996 - \$164,504)	1,822,493	968,993
Land	21,333	21,333
Construction in Progress	0	334,386
Total Plant and Equipment	1,843,826	1,324,712
TOTAL ASSETS	\$1,998,647	\$1,493,896

The accompanying notes are

	1997	1996
	-----	-----
LIABILITIES AND FUND EQUITY		
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)		
Accounts Payable	\$ 3,495	\$ 4,312
Amount due Contractor	0	15,000
Accrued Payroll Taxes	288	0
	-----	-----
Total Current Liabilities (Payable from Current Assets)	3,783	19,312
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)		
Revenue Bonds Payable	7,000	7,000
Interest Coupons Payable (11/1)	246	282
	-----	-----
Total Current Liabilities (Payable from Restricted Assets)	7,246	7,282
LONG-TERM LIABILITIES		
Revenue Bonds Payable	35,000	42,000
	-----	-----
Total Liabilities	46,029	68,594
FUND EQUITY		
CONTRIBUTED CAPITAL		
Municipality	170,933	170,933
Federal Grant	1,593,398	1,066,133
	-----	-----
Total Contributed Capital	1,764,331	1,237,066
RETAINED EARNINGS		
Reserved for Revenue Bond Retirement	23,303	23,350
Unreserved	164,984	164,886
	-----	-----
Total Retained Earnings	188,287	188,236
	-----	-----
Total Fund Equity	1,952,618	1,425,302
	-----	-----
TOTAL LIABILITIES AND FUND EQUITY	\$1,998,647	\$1,493,896
	=====	=====

an intergral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS -- PROPRIETARY FUND TYPE
YEARS ENDED JUNE 30, 1997 AND 1996

	1997	1996
	-----	-----
OPERATING REVENUES		
Sewer Fees	\$ 89,995	\$ 88,471
OPERATING EXPENDITURES		
Salaries	12,600	12,275
Payroll Taxes	1,165	652
Office and Postage	0	0
Repairs and Maintenance	6,279	12,215
EPA Reports	1,310	1,395
Miscellaneous	0	588
Depreciation	28,030	19,434
Bank Charges	23	12
Utilities	18,188	16,418
Insurance	4,582	4,579
Supplies	13,152	11,683
Lab Tests	0	0
Engineering Fees	0	0
Uniform Rental	216	216
Certification Costs	658	0
Travel and Seminars	100	260
Dues	0	0
Legal and Audit	850	1,167
Printing and Publishing	0	0
Fees	647	0
Truck Gas and Maintenance	4,366	3,125
Backhoe Repairs	807	0
	-----	-----
Total Expenditures	92,973	84,019
	-----	-----
OPERATING INCOME (LOSS)	(2,978)	4,452
NONOPERATING REVENUES (EXPENSES)		
Interest Income	3,294	4,032
State Grant	3,815	15,000
State Grant Expense	(1,559)	0
Interest Expense	(1,677)	(1,890)
	-----	-----
Total Nonoperating Revenues (Expenses)	3,873	17,142
	-----	-----
INCOME BEFORE OPERATING TRANSFERS	895	21,594

The accompanying notes are an integral part of this statement.

(Continued)

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS -- PROPRIETARY FUND TYPE
YEARS ENDED JUNE 30, 1997 AND 1996
(CONTINUED)

	1997	1996
	-----	-----
(CONTINUED FROM THE PREVIOUS PAGE)		
INCOME BEFORE OPERATING TRANSFERS	\$ 895	\$ 21,594
OTHER FINANCING SOURCES (USES)		
Operating Transfers Out	(844)	(10,835)
	-----	-----
NET INCOME (LOSS)	51	10,759
RETAINED EARNINGS, Beginning	188,236	177,477
	-----	-----
RETAINED EARNINGS, Ending	\$ 188,287	\$ 188,236
	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
YEARS ENDED JUNE 30, 1997 AND 1996
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	1997	1996
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 89,995	\$ 88,471
Cash Payments to Suppliers for Goods and Services	(63,694)	(29,081)
Cash Payments to Employees for Services	(12,600)	(12,275)
	-----	-----
Net Cash Provided by Operating Activities	13,701	47,115
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating Transfers Out to Other Funds	(844)	(10,835)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from Federal Grants	527,265	263,688
Proceeds from State Grant	2,256	15,000
Acquisition and Construction of Capital Assets	(547,144)	(280,189)
Principal Paid on Revenue Bond Maturities	(7,000)	(6,000)
Interest Paid on Revenue Bonds	(1,677)	(1,890)
	-----	-----
Net Cash Used for Capital and Related Financing Activities	(26,300)	(9,391)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on Investments	3,294	4,032
Investment in Certificate of Deposit	(60,000)	0
	-----	-----
Net Cash Provided By/(Used) in Investing Activities	(56,706)	4,032
	-----	-----
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(70,149)	30,921
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	155,154	124,233
	-----	-----
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	\$ 85,005	\$ 155,154
	=====	=====

The accompanying notes are an integral part of this statement.

(Continued)

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
YEARS ENDED JUNE 30, 1997 AND 1996
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
(CONTINUED)

	<u>1997</u>	<u>1996</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Revenue	\$ (2,978)	\$ 4,452
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	28,030	19,434
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(463)	455
(Increase) Decrease in Due from Other Funds	4,678	9,000
Increase (Decrease) in Accounts Payable	(15,531)	13,808
Increase (Decrease) in Interest Payable	(36)	(34)
Total Adjustments	<u>16,678</u>	<u>42,663</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 13,700 =====	\$ 47,115 =====

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

COMPARATIVE STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEARS ENDED JUNE 30, 1997 AND 1996

	1997	1996
	-----	-----
CASH BALANCE, Beginning of the Year	\$ 131,803	\$ 100,997
RECEIPTS		
Sewer Fees	89,533	88,925
Interest	2,445	3,206
Loan Repayment - Sales Tax Fund	6,430	9,000
State Grants	3,815	15,000
Miscellaneous	0	0
	-----	-----
Total Receipts	102,223	116,131
	-----	-----
TOTAL CASH AVAILABLE	234,026	217,128
DISBURSEMENTS		
Loan to Sales Tax Fund	1,752	0
Transfers to Bond and Interest Sinking Fund	8,675	8,056
Salaries	12,600	12,275
Payroll Taxes	1,018	927
Repairs and Maintenance	6,461	12,326
EPA Lab and Test Fees	1,310	1,395
Service Charge	11	4
Utilities	17,816	16,249
Supplies	13,736	10,893
Miscellaneous	0	646
Insurance	4,986	4,526
Certification Costs	658	0
Uniform Rental	176	216
Travel and Seminars	100	260
Dues	0	0
Legal and Audit	850	1,167
Printing and Publishing Fees	0	0
Truck Gas and Maintenance	647	527
Grant Expense	4,284	2,944
Capital Outlay	1,559	2,914
Investment in Certificate of Deposit	34,879	0
Backhoe Repairs	60,000	0
Transfer to General Fund	806	0
	0	10,000
	-----	-----
Total Expenditures	172,324	85,325
	-----	-----
CASH BALANCE, End of Year	\$ 61,702	\$ 131,803
	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

ENTERPRISE FUND
SEWER SYSTEM FUND

SCHEDULE OF CHANGES IN ASSETS RESTRICTED FOR REVENUE BOND DEBT SERVICE
YEAR ENDED JUNE 30, 1997

	REVENUE BOND SINKING FUND	REPAIR AND REPLACEMENT FUND	TOTAL
	-----	-----	-----
CASH AND INVESTMENTS, July 1, 1996	\$ 18,804	\$ 4,546	\$ 23,350
CASH RECEIPTS			
Transfers - Sewer Operating	8,675	0	8,675
Interest	818	31	849
Total Cash Receipts	9,493	31	9,524
TOTAL CASH AND INVESTMENTS AVAILABLE	28,297	4,577	32,874
CASH DISBURSEMENTS			
Principal Payments	7,000	0	7,000
Interest Payments	1,715	0	1,715
Bank and Check Charges	12	0	12
Transfers to General Fund	844	0	844
Total Disbursements	9,571	0	9,571
CASH AND INVESTMENTS, June 30, 1997	\$ 18,726 =====	\$ 4,577 =====	\$ 23,303 =====

The accompanying notes are an integral part of this statement.

GENERAL FIXED ASSET ACCOUNT GROUP

To account for fixed assets not used in Proprietary Fund operations.

TOWN OF MANSURA, LOUISIANA

COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS

JUNE 30, 1997 AND 1996

	1997	1996
	-----	-----
GENERAL FIXED ASSETS		
Land	\$ 89,491	\$ 89,491
Buildings	306,970	303,426
Improvements other than Buildings	13,008	13,008
Equipment	227,951	225,624
	-----	-----
TOTAL GENERAL FIXED ASSETS	\$ 637,420	\$ 631,549
	=====	=====
INVESTMENT IN GENERAL FIXED ASSETS		
General Fund Revenues	\$ 201,430	\$ 183,139
Federal Revenue Sharing Fund Revenues	33,454	33,454
Volunteer Fire Department Fund Revenues	34,973	34,973
Cochon De Lait Civic Center Fund Revenues	4,247	4,247
Mini-Fest Fund Revenues	5,958	5,958
Sewer System Fund Revenues	3,324	3,324
Federal Grants	118,848	118,848
State Grants	54,561	54,561
Sales Tax Fund Revenues	47,625	60,045
Donations	133,000	133,000
	-----	-----
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	\$ 637,420	\$ 631,549
	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF MANSURA, LOUISIANA

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS
 YEAR ENDED JUNE 30, 1997

	LAND	BUILDINGS
	-----	-----
GENERAL FIXED ASSETS, Beginning of Year	\$ 89,491	\$ 303,426
ADDITIONS	0	3,544
DEDUCTIONS	0	0
	-----	-----
GENERAL FIXED ASSETS, End of Year	\$ 89,491 =====	\$ 306,970 =====

The accompanying notes are an

IMPROVEMENTS OTHER THAN BUILDINGS	EQUIPMENT	TOTALS
\$ 13,008	\$ 225,624	\$ 631,549
0	19,365	22,909
0	(17,038)	(17,038)
-----	-----	-----
\$ 13,008	\$ 227,951	\$ 637,420
=====	=====	=====

integral part of this statement.

Roy K. Derbonne, Jr.

Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana 71301-6878

318-445-6778

Member
Society of Louisiana C.P.A.'s

The Honorable Mayor and Members
of the Town Council
Town of Mansura, Louisiana

In planning and performing my audit of the general purpose financial statements and the combining and individual fund and account group financial statements of the Town of Mansura, Louisiana, for the year ended June 30, 1997, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and the combining and individual fund and account group financial statements and not to provide assurance on the internal control structure. However, I noted one matter involving internal control structure and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgement, could adversely affect the Town of Mansura, Louisiana's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements and the combining and individual fund and account group financial statements.

As reported last year, I find that there is not a sufficient segregation of duties in the receipting of money and the recording of transactions in the accounting records. However, I also realize that due to the size of the Town's operations, it may not be cost effective to employ the necessary controls to effect a sufficient segregation of duties.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in the amounts that would be material in relation to the general purpose financial statements and the combining and individual fund and account group 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above.

The Honorable Harold Quebedeaux
and Members of the Town Council
Mansura, Louisiana

Page 2

Prior Year Comments:

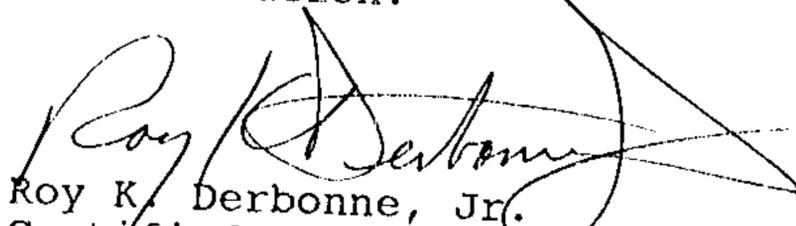
There were no prior comments which needed action or a response, only suggestions.

Additional Matters:

There are no additional matters for the Town's consideration this year.

I wish to take this opportunity to thank Mayor Quebedeaux, your Town Clerk, the Chief of Police and other town employees who made all the Town's records available to me. I also wish to thank them for assisting me in finding all the information that I requested to review and document.

This report is intended solely for the information and use of the Town of Mansura, Louisiana's management, and others within the administration.



Roy K. Derbonne, Jr.
Certified Public Accountant

December 29, 1997