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VILLAGE OF GEORGETOWN  
LOUISIANA

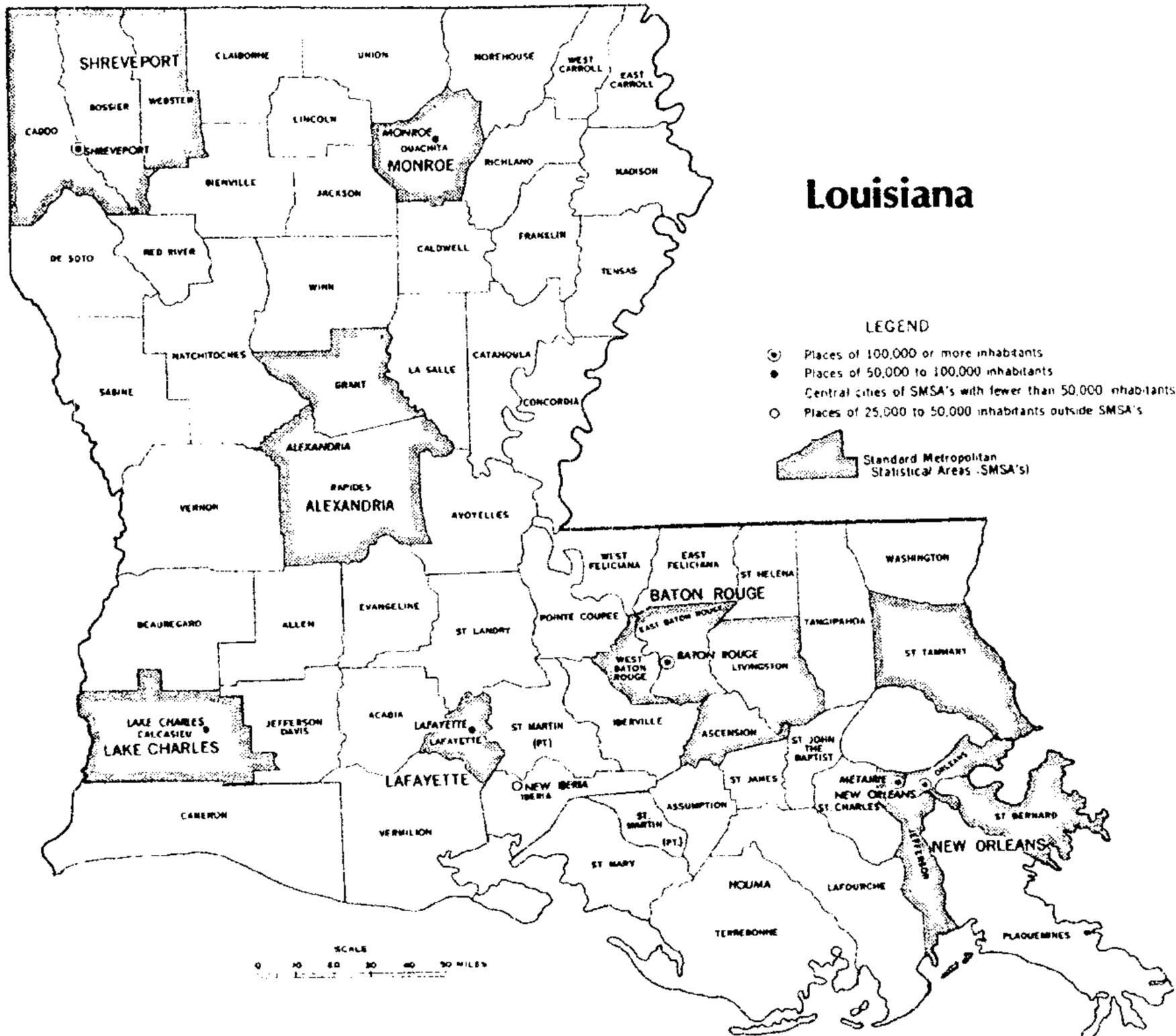
GENERAL PURPOSE FINANCIAL STATEMENTS  
COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SUPPLEMENTAL DATA

JUNE 30, 1996

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 19 1997

# VILLAGE OF GEORGETOWN GEORGETOWN, LOUISIANA



The Village of Georgetown was incorporated under the Lawrason Act and the Village operates under the Mayor-Board of Alderman form of government. The Village provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water and sewer services) and general administrative functions, including coordination of related services with Parish, State and Federal governing bodies.

**Village of Georgetown, Louisiana**  
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**June 30, 1996**

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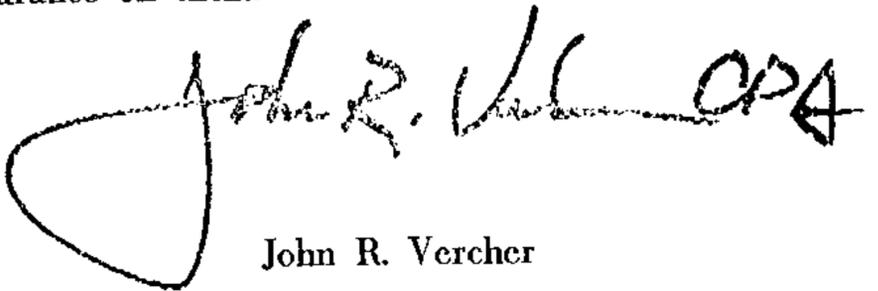
ACCOUNTANT'S COMPILATION REPORT ON  
GENERAL PURPOSE FINANCIAL STATEMENTS

The Honorable David Benard, Mayor  
and Members of the Board of Aldermen  
Georgetown, Louisiana

I have compiled the general purpose financial statements, individual fund statements and graphs of the Village of Georgetown, Louisiana, as of and for the fiscal year ended June 30, 1996, as listed in the table of contents, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

September 30, 1996  
Jena, Louisiana



John R. Vercher

# JOHN R. VERCHER PC

Certified Public Accountant

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

The Honorable David Benard, Mayor  
and Members of the Board of Aldermen  
Georgetown, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Village of Georgetown, Louisiana and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Village of Georgetown's compliance with certain laws and regulations during the year ended June 30, 1996 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Public Bid Law**

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

\* I found no such expenditures for materials and supplies exceeding \$5,000 or public works exceeding \$50,000.

2. Obtain from management a list of the immediate family members of each boardmember as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interest of all boardmembers and employees, as well as their immediate families.

\* Management provided me with the required list including the noted information.

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

\* Management provided me with the required list.

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

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

### **Budgeting**

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

\* The Village provided me a copy of the budget. There were no amendments to the budget during the year.

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

\* I observed the budget adoption in the Village's minutes. There were no amendments.

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

\* The Village underbudgeted its revenue by 38% and overspent budgeted expenditures by 49% in its general fund.

### **Accounting and Reporting**

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

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

(b) determine if payment were properly coded to the correct fund and general ledger account; and

\* All of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities

\* Inspection of documentation supporting each of the six selected disbursements indicated approvals from the clerk and the mayor.

### **Meetings**

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

\* The Village posts notice and agenda of town meetings on the Town Hall door.

### **Debt**

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

\* I inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

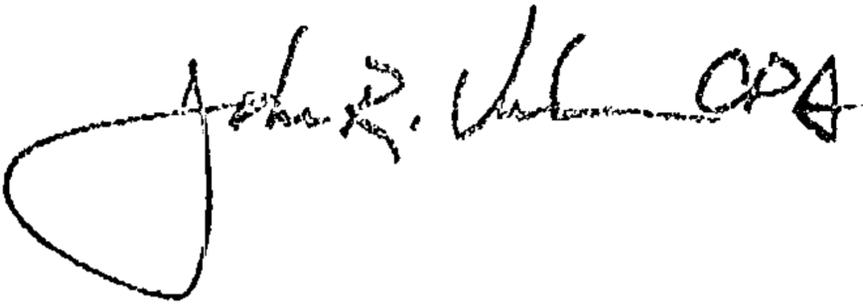
### Advances and Bonuses

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

\* A reading of the minutes of the district for the year indicated no approval for the payments noted. I also inspected cash disbursements for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

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

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

A handwritten signature in black ink, appearing to read "John R. Vercher CPA". The signature is stylized with a large loop on the left and a horizontal line extending to the right.

John R. Vercher

Jena, Louisiana  
September 30, 1996

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

**VILLAGE OF GEORGETOWN, LOUISIANA  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
JUNE 30, 1996**

	Governmental Fund Types			Proprietary Fund Type Enterprise	Account Groups		Total (Memorandum Only)
	General Fund	Capital Projects	Debt Service		General Fixed Assets	General Long-Term Debt	
<b>ASSETS</b>							
Cash	\$ 2,478	\$ -0-	\$ -0-	\$ 2,432	\$ -0-	\$ -0-	\$ 4,910
Receivables	3,810	-0-	-0-	6,794	-0-	-0-	10,604
Restricted Assets:							
Cash	-0-	-0-	-0-	15,379	-0-	-0-	15,379
Amount Available in Debt Service for Debt Requirement	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Amount to be Provided for Retirement of Gen. Long-Term Debt	-0-	-0-	-0-	-0-	-0-	21,641	21,641
Plant & Equipment	-0-	-0-	-0-	1,652,638	75,694	-0-	1,728,332
Acc. Depreciation	-0-	-0-	-0-	(315,026)	-0-	-0-	(315,026)
Construction in Progress	-0-	-0-	-0-	14,450	-0-	-0-	14,450
<b>TOTAL ASSETS</b>	<b>\$ 6,288</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 1,376,667</b>	<b>75,694</b>	<b>\$ 21,641</b>	<b>\$ 1,480,290</b>
<b>LIABILITIES &amp; FUND EQUITY</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 2,356	\$ -0-	\$ -0-	\$ 1,679	\$ -0-	\$ -0-	\$ 4,035
Payable from Restricted Assets	-0-	-0-	-0-	2,953	-0-	-0-	2,953
Customers' Deposit	-0-	-0-	-0-	7,017	-0-	-0-	7,017
Long Term Payables: Bonds Payable	-0-	-0-	-0-	36,000	-0-	21,641	57,641
<b>TOTAL LIABILITIES</b>	<b>\$ 2,356</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 47,649</b>	<b>\$ -0-</b>	<b>21,641</b>	<b>\$ 71,646</b>
<b>Fund Equity</b>							
Contributed Capital	\$ -0-	\$ -0-	\$ -0-	\$ 1,529,008	\$ -0-	\$ -0-	\$ 1,529,008
Retained Earnings:							
Unreserved	-0-	-0-	-0-	(212,060)	-0-	-0-	(214,416)
Reserved				12,070	-0-	-0-	14,426
Investment in General Fixed Assets	-0-	-0-	-0-	-0-	75,694	-0-	75,694
Unreserved- Undesignated	\$ 3,932	-0-	-0-	-0-	-0-	-0-	3,932
<b>TOTAL FUND EQUITY</b>	<b>\$ 3,932</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 1,329,018</b>	<b>\$ 75,694</b>	<b>\$ -0-</b>	<b>\$ 1,408,644</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 6,288</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 1,376,667</b>	<b>\$ 75,694</b>	<b>\$ 21,641</b>	<b>\$ 1,480,290</b>

See Accountant's Report  
The accompanying notes are an integral part of this statement.

**VILLAGE OF GEORGETOWN, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL TYPES  
 YEAR ENDED JUNE 30, 1996**

	General Fund	Capital Projects	Debt Service Funds	Totals (Memorandum Only)
<b>REVENUES:</b>				
Taxes - Ad Valorem	\$ 4,929	\$ -0-	\$ 4,058	\$ 8,987
Occupational Licenses	11,715	-0-	-0-	11,715
Tobacco Tax	2,304	-0-	-0-	2,304
Franchise Fees	3,137	-0-	-0-	3,137
Intergovernmental - Grants	-0-	14,450	-0-	15,000
Miscellaneous	1,862	-0-	-0-	1,862
Fines	69,236	-0-	-0-	69,236
Road Maintenance Income	7,240	-0-	-0-	7,240
<b>TOTAL REVENUES</b>	<b>\$ 100,423</b>	<b>\$ 14,450</b>	<b>\$ 4,058</b>	<b>\$ 119,481</b>
<b>EXPENDITURES:</b>				
Administration	\$ 50,177	\$ -0-	\$ -0-	50,177
Police Expense	11,803	-0-	-0-	11,803
Office Expense	1,608	-0-	-0-	1,608
Insurance	7,956	-0-	-0-	7,956
Truck Expense	661	-0-	-0-	661
Advertising	505	-0-	-0-	505
Utilities	8,674	-0-	-0-	8,674
Professional Fees	3,718	-0-	-0-	3,718
Town Hall Renovations	1,203	-0-	-0-	1,203
Repairs & Maintenance	847	-0-	-0-	847
Other Operating Expense	3,466	-0-	-0-	3,466
Christmas Fund Expense	477	-0-	-0-	477
Road Maintenance Expense	1,441	-0-	-0-	1,441
Capital Purchases	39,795	-0-	-0-	39,795
Construction	-0-	29,450	-0-	15,000
<b>Debt Service:</b>				
Principle Retirement	-0-	-0-	1,000	1,000
Interest & Fiscal Charges	-0-	-0-	1,132	1,132
<b>TOTAL EXPENDITURES</b>	<b>\$ 132,331</b>	<b>\$ 29,450</b>	<b>\$ 2,132</b>	<b>\$ 149,463</b>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b>	<b>\$(31,908)</b>	<b>\$(15,000)</b>	<b>\$ 1,926</b>	<b>\$(29,982)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfers In	\$ 5,059	\$ -0-	\$ 2,132	\$ 7,191
Operating Transfers Out	(6,735)	-0-	(4,058)	(10,793)
Loan	39,314	-0-	-0-	39,314
Loan Payments	(1,987)	-0-	-0-	(1,987)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 35,651</b>	<b>\$ -0-</b>	<b>\$ (1,926)</b>	<b>\$ 33,725</b>
<b>EXCESS (DEFICIT) OF REVENUE &amp; OTHER SOURCES OVER EXPENDITURES &amp; OTHER</b>	<b>\$ 3,743</b>	<b>\$(15,000)</b>	<b>\$ -0-</b>	<b>\$ 3,743</b>
<b>FUND BALANCE BEGINNING OF YEAR</b>	<b>\$ 189</b>	<b>\$(15,000)</b>	<b>\$ -0-</b>	<b>\$ 189</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 3,932</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 3,932</b>

See Accountant's Report  
 The accompanying notes are an integral part of this statement.

**VILLAGE OF GEORGETOWN, LOUISIANA  
GENERAL FUND**

**STATEMENT OF REVENUES AND EXPENDITURES  
(BUDGET VS. ACTUAL)  
AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 1996**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Taxes - Ad Valorem	\$ 3,700	\$ 4,929	\$ 1,229
Occupational Licenses	9,500	11,715	2,215
Tobacco Tax	1,650	2,304	654
Franchise Fees	5,734	3,137	(2,597)
Misc. Revenues	4,245	1,862	(2,383)
Fines	76,506	69,236	(7,270)
Road Maintenance Income	-0-	7,240	7,240
	-----	-----	-----
<b>Total Revenues</b>	<b>\$ <u>101,335</u></b>	<b>\$ <u>100,423</u></b>	<b>\$ <u>(912)</u></b>
<b>Expenditures:</b>			
Salaries & Related Benefits	\$ 50,000	\$ 50,177	\$ (177)
Advertising	-0-	505	(505)
Police Expense	9,500	11,803	(2,303)
Office Expense	2,820	1,608	1,212
Insurance	11,500	7,956	3,544
Truck Expense	420	661	(241)
Utilities	7,500	8,674	(1,174)
Professional Fees	210	3,718	(3,508)
Town Hall Renovations	4,300	1,203	3,097
Repair & Maintenance	175	847	(672)
Other Operating Expense	-0-	3,466	(3,466)
Christmas Fund Expense	3,750	477	3,273
Road Maintenance Expense	-0-	1,441	(1,441)
Capital Purchases	-0-	39,795	(39,795)
	-----	-----	-----
<b>Total Expenditures</b>	<b>\$ <u>90,175</u></b>	<b>\$ <u>132,331</u></b>	<b>\$ <u>(42,156)</u></b>
<b>Excess (Deficiency) of Revenues and Over Expenditures</b>	<b>\$ <u>11,160</u></b>	<b>\$ <u>(31,908)</u></b>	<b>\$ <u>43,068</u></b>
<b>Other Financing Sources:</b>			
Operating Transfers In	\$ -0-	\$ 5,059	\$ 5,059
Operating Transfers Out	(11,160)	(6,735)	4,425
Loans	-0-	39,314	39,314
Loan Payments	-0-	(1,987)	(1,987)
	-----	-----	-----
<b>Total Other Financing Sources</b>	<b>\$ <u>(11,160)</u></b>	<b>\$ <u>35,651</u></b>	<b>\$ <u>46,811</u></b>
<b>Excess of Revenue &amp; Other Sources Over Expenditures</b>	<b>\$ -0-</b>	<b>\$ 3,743</b>	<b>\$ 3,743</b>
<b>Fund Balances, Beginning</b>	<b>-----0-</b>	<b>-----189</b>	<b>-----189</b>
<b>Fund Balances, Ending</b>	<b>\$ <u>-----0-</u></b>	<b>\$ <u>-----3,932</u></b>	<b>\$ <u>-----3,932</u></b>

See Accountant's Report  
The accompanying notes are an integral part of this statement.

**VILLAGE OF GEORGETOWN, LOUISIANA  
CAPITAL PROJECTS FUND**

**COMBINING BALANCE SHEET  
JUNE 30, 1996**

	<u>Budget</u>	<u>Capital Projects</u>	<u>Var.</u>
<b>REVENUES</b>			
Intergovernmental	\$ 600,000	\$ 14,450	\$ 585,555
	-----	-----	-----
<b>TOTAL REVENUES</b>	<b>\$ 600,000</b>	<b>\$ 14,450</b>	<b>\$ 585,555</b>
	-----	-----	-----
<b>EXPENDITURES</b>			
Construction	\$ 615,000	\$ 29,450	\$ 585,550
	-----	-----	-----
<b>TOTAL EXPENDITURES</b>	<b>\$ 615,000</b>	<b>\$ 29,450</b>	<b>\$ 585,550</b>
	-----	-----	-----
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURE</b>	<b>\$ (15,000)</b>	<b>\$ (15,000)</b>	<b>\$ -0-</b>
<b>FUND BALANCE BEGINNING OF YEAR</b>	<b>15,000</b>	<b>15,000</b>	<b>-0-</b>
	-----	-----	-----
<b>FUND BALANCE END OF YEAR</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
	-----	-----	-----

See Accountant's Report  
The accompanying notes are an integral part of this statement.

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**  
**ALL PROPRIETARY FUND TYPES**  
**ENTERPRISE FUNDS**  
**YEAR ENDED JUNE 30, 1996**

<b>OPERATING REVENUES:</b>	
Charges for Service	\$ 53,295
Taxes	10,519
Other Misc.	<u>107</u>
<b>TOTAL OPERATING REVENUES</b>	<b>\$ <u>63,921</u></b>
<b>OPERATING EXPENSES:</b>	
Office Supplies	\$ 372
Labor	32,196
Depreciation	41,316
Repairs/Maintenance and Supplies	13,365
Utilities	10,577
Insurance	1,688
Legal & Accounting	1,550
Other Operating Expense	2,742
Insurance	<u>826</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ <u>104,632</u></b>
<b>OPERATING INCOME (LOSS)</b>	<b><u>(40,711)</u></b>
<b>Non-Operating Revenue (Expenses):</b>	
Interest Income	\$ 346
Interest Expense	<u>(1,950)</u>
<b>TOTAL NON-OPERATING REVENUES (EXPENSE)</b>	<b>\$ <u>(1,604)</u></b>
<b>NET INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>\$ <u>(42,315)</u></b>
Transfers to Volunteer Fire Department	\$ (1,485)
Net Transfers From/To Other Funds	<u>3,604</u>
<b>TOTAL TRANSFERS</b>	<b>\$ <u>2,119</u></b>
<b>NET INCOME (LOSS)</b>	<b>\$ <u>(40,196)</u></b>
Retained Earnings (Deficit), Beginning	\$ <u>(159,794)</u>
Retained Earnings (Deficit), Ending	<b>\$ <u>(199,990)</u></b>

See Accountant's Report  
The accompanying notes are an integral part of this statement.

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY FUND TYPES**  
**ENTERPRISE FUND**  
**YEAR ENDED JUNE 30, 1996**

<b>Cash from Operations:</b>		
Income (Loss) Before Operating Transfers		\$ (42,315)
Operating Transfers		<u>2,119</u>
Net Income (Loss)		\$ <u><u>(40,196)</u></u>
<b>Adjustments to Net income (Loss):</b>		
Add - Depreciation	\$ 41,316	
Decrease in Accrued Expenses	(51)	
Decrease (Increase) in Accounts Receivable	(684)	
Increase (Decrease) in Accounts Payable	<u>(3,851)</u>	
Net Adjustments		<u>36,730</u>
Cash Provided by Operations		\$ (3,466)
Cash from Customer Deposits		612
Change in Contributions		14,539
Cash from Restricted Funds		<u>1,911</u>
Total Cash Provided		\$ <u>13,596</u>
<b>Cash Was Applied To:</b>		
Restricted Funds	\$ 431	
Fixed Assets	14,450	
Revenue Bonds	<u>2,000</u>	
Total Cash Applied		\$ <u>16,881</u>
Net Increase (Decrease) in Cash Flow		\$ (3,285)
Cash Beginning of Year		<u>5,717</u>
Cash End of Year		\$ <u><u>2,432</u></u>

See Accountant's Report  
 The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

# Village of Georgetown, Louisiana

## Notes to Financial Statements

### (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

The Village of Georgetown was incorporated under the Lawrason Act and the Village operates under the Mayor-Board of Alderman form of government. The Village provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water and sewer services) and general administrative functions, including coordination of related services with Parish, State and Federal governing bodies.

The accounting policies of the Village of Georgetown conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

#### A. Reporting Entity

This report includes all funds and the account group which are controlled by or dependent on the Village's executive and legislative branches (the Mayor and Board of Alderman). Control by or dependence on the Village was determined on the basis of adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

#### B. Fund Accounting

The accounts of the Village of Georgetown are organized on the basis of funds and on account groups, each of which is considered a separate accounting entity. The various funds and account groups are reported by generic fund type in the financial statements. Each fund operates with a group 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 the individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund categories, fund types and account groups are used by the Village:

### GOVERNMENTAL FUND TYPES

#### General Fund

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

#### Capital Projects

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds, special assessment funds and trust funds).

#### Debt Service Funds

The Debt Service Funds are used to account for the accumulation of resources to pay general long-term debt principal, interest, and related costs. The Debt Service is comprised of the accounts to service the Village's Public Improvement Bonds.

## Village of Georgetown, Louisiana

### Notes to Financial Statements (cont.)

#### PROPRIETARY FUND TYPES

##### Enterprise Fund

The Enterprise Funds are used to account for operations (a) that are financed and operated similar to private business enterprises whereby the intent of the governing body is that the costs, including depreciation, of providing goods or services to the general public be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Village's Enterprise Funds are comprised of its Utility Department's water and sewer systems.

#### ACCOUNTS GROUPS

##### General Fixed Assets Account Group

This account group is established to account for all fixed assets of the Village, except those accounted for in the Enterprise Fund.

##### General Long-Term Debt Account Group

This account group is established to account for all long-term obligations of the Village, except those long-term obligations accounted for in the Enterprise Fund.

#### C. BASIS OF ACCOUNTING

Basis of accounting refers to the time at which revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

##### Governmental Funds

These funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Ad Valorem taxes and charges for services are considered "measurable" at the time of billing. Licenses and permits, intergovernmental revenue, franchise taxes and miscellaneous other revenues are generally recorded as revenues when received in cash because they are generally not measurable until actually received.

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

##### Proprietary Fund

This fund is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned, and its expenses are recognized when they are incurred. Enterprise fund receivables are charged-off when collection efforts indicate that such account is doubtful of being collected.

## Village of Georgetown, Louisiana

### Notes to Financial Statements (cont.)

#### D. FIXED ASSETS AND LONG-TERM LIABILITIES

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are capitalized. Since no accounting records are maintained on infrastructure, these assets are not included in the financial statements.

All fixed assets of the Proprietary Fund are valued at historical cost. The General Fixed Asset Account Group property records are not sufficiently detailed to provide data with respect to whether the assets acquired prior to June 30, 1994, are recorded at historical cost, estimated historical cost, or at estimated fair value on date donated. General fixed assets acquired subsequent to June 30, 1994 are recorded at historical cost.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations. Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Account Group.

The proprietary fund is accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with its activity is included on its balance sheets. Its reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

For the year ended June 30, 1996, no interest costs were capitalized for construction of fixed assets.

## Village of Georgetown, Louisiana

### Notes to Financial Statements (cont.)

#### D. FIXED ASSETS AND LONG-TERM LIABILITIES - (CONT.)

Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations. Accumulated depreciation is reported on the proprietary fund balance sheet. Depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives are as follows:

	Life in Years
Water System	40
Sewer System	40

#### E. BUDGETS AND BUDGETARY ACCOUNTING

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

- (1) The Village CPA prepares a proposed budget based on departmental group budget requests, and submits same to the Mayor and Board of Aldermen for approval.
- (2) The Village does not utilize the budget in comparison form in financial statement presentation during the year.
- (3) All budgetary appropriations lapse at the end of the fiscal year.
- (4) A budget was prepared for the Capital Projects Fund which accounts for the LCDBG Program. The Budget is prepared on a "project wide" basis which may consist of several years. The budget comparison includes the remaining budgeted amounts in the project.

#### F. CASH AND INVESTMENTS

All cash and investments are reported at cost and are on deposit at the following federally insured banks:

	Bank Statement Balance 6-30-96
<u>Bank</u>	
Southern Heritage Bank	\$ 30,485
	-----

Amounts on deposit at the bank are secured by the following:

	Market Value
<u>Description</u>	
FDIC	\$ 30,485
	-----

## Village of Georgetown, Louisiana

### Notes to Financial Statements (cont.)

#### G. INVENTORIES

Immaterial amounts of inventory are maintained for general fund and enterprise fund operations and, accordingly, supplies are expensed as purchased.

#### H. ACCOUNTS RECEIVABLE AND BAD DEBTS - GENERAL FUND AND ALLOWANCE FOR BAD DEBTS - ENTERPRISE FUND

At June 30, 1996 no reserve for bad debts was required since the estimated uncollectible receivables outstanding were considered immaterial.

	General Fund	Enterprise Fund	
		Water Fund	Sewer Fund
Receivable - Franchise	\$ 308	\$ -0-	\$ -0-
Customer	-0-	3,797	2,997
Intergovernmental	3,502	-0-	-0-
Allowance for Bad Debts	-0-	-0-	-0-
Total	\$ 3,810	\$ 3,797	\$ 2,997

#### I. COMPENSATED ABSENCES

The Village has no compensated absence policy.

#### J. RESERVES

The Village records reserves to indicate that a portion of its retained earnings/fund balances are legally restricted for a specific future use. The following is a list of such reserves and a description of each:

##### Reserved for System Maintenance

This amount represents monies reserved for repairs and replacement of the water system.

##### Reserved - Revenue Bonds

This amount represents monies reserved as required by the revenue bond indentures.

##### Reserved for Debt Service

Certain assets have been reserved in the Debt Service Fund for future payment of long-term liabilities of the governmental funds.

#### K. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position 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.

# Village of Georgetown, Louisiana

## Notes to Financial Statements (cont.)

### (2) AD VALOREM TAXES

The Village levies taxes on real and business personal property located within its boundaries. The Village utilizes the services of the Grant Parish Tax Assessor to assess the property values and prepare the Village's property tax roll. The Village bills and collects its own property taxes.

#### Property Tax Calendar

Assessment Date	January 1
Levy Date	No Later Than June 1
Tax Bills Mailed	On or About October 15
Total Taxes Are Due	December 31
Penalties and Interest are Added	January 1
Lien Date	January 1

For the year ended December 31, 1996, taxes of 19.21 mills were levied against property having a valuation of some \$ 415,822 which produced some \$ 8,987 in revenue.

Ad Valorem Taxes are broken down as follows:

	Mills
Georgetown Debt Service - General Obligation Bonds	5.00
Georgetown Sewer District No. 1 - General Obligation Bonds	5.00
General Alimony	9.21
Total	19.21

### (3) SALES TAX

Voters passed a 1% sales tax in February 1991 dedicated to the repair and maintenance of the Village's water system.

### (4) RESTRICTED ASSETS - PROPRIETARY FUND TYPES

At June 30, 1996, restricted assets of the Enterprise Funds were invested in either interest bearing checking accounts or time deposits and were restricted for the following purposes:

	Water	Sewer
Sales Tax Repair & Maintenance	\$ 9,200	\$ -0-
Tax Bond Sinking	-0-	6,179
Total	\$ 9,200	\$ 6,179

### (5) ENTERPRISE FUND PROPERTY PLANT AND EQUIPMENT

A summary of enterprise fund property, plant and equipment at June 30, 1996, is as follows:

	Balance 6-30-95	Additions (Deletions)	Balance 6-30-96	Accumulated Depreciation 6-30-96
<b>Water</b>				
Distribution System	\$ 678,080	\$ -0-	\$ 678,080	\$ 150,312
<b>Sewer</b>				
Plant	\$ 974,558	\$ -0-	\$ -0-	\$ 164,714

Village of Georgetown, Louisiana

Notes to Financial Statements (cont.)

(6) CHANGES IN LONG-TERM DEBT

The following is a summary of bond and installment notes payable transactions of Village of Georgetown for the year ended June 30, 1996.

	Balance 6-30-95	Additions	Deletions	Balance 6-30-96
General Obligation Bonds	\$ 22,641	\$ -0-	\$ 1,000	\$ 21,641
Installment Note Payable	-0-	7,970	371	7,599
Capital Lease Payable	-0-	12,258	738	11,520
Lease Purchase Payable	-0-	19,086	583	18,503
Revenue Bonds	40,000	-0-	2,000	38,000
<b>Total</b>	<b>\$ 62,641</b>	<b>\$ 39,314</b>	<b>\$ 4,692</b>	<b>\$ 97,263</b>

Bond and installment notes payable at June 30, 1996 are comprised of the following issues:

Revenue Bonds (Enterprise Fund)

\$ 60,000 Sewer Revenue Bonds dated 1975, due in monthly installments of \$1,000 to \$2,000 through January 1, 2015, interest at 5 percent. \$ 38,000

General Obligation Bonds (Ad Valorem Tax)

\$ 36,000 (2 at \$18,000 each) General Obligation Bonds dated 1-1-76 and 1-1-75, due in annual installments of \$1,000 (\$500 each) through 1-1-2015, interest at 5 percent. 21,641

Notes Payable

Southern Heritage Bank loan for the purchase of a tractor and bushhog originated for \$7,970, due in monthly installments of \$266 beginning 11/30/95 through 10/30/98, interest at 12.27%. 7,599

Lease purchase from Ford Motor Credit for the purchase of a 96 Ford Ranger, originated for \$12,258, due in monthly installments of \$290 beginning 4/22/96 through 3/22/00, interest at 6.7%. 11,520

Lease purchase from Ford Motor Credit for the purchase of a police car originated at \$19,086, due in monthly installments of \$583 beginning 6/14/96 through 5/14/99, interest at 6.6%. 18,503

**Total** **\$ 97,263**

The annual requirements to amortize all debt outstanding as of June 30, 1996, including interest payments of \$37,438 are as follows:

Year Ending June 30,	G.O. Bonds	Sewer Revenue Bonds	Tractor Note N/P	Police Car N/P	Ranger Truck N/P	Total
1997	2,232	3,150	3,192	6,996	3,485	19,055
1998	2,232	3,150	3,192	6,996	3,485	19,055
1999	2,232	3,150	1,053	6,414	3,485	16,334
2000	2,232	3,150	-0-	-0-	2,617	7,999
2001	2,232	3,150	-0-	-0-	-0-	5,382
Thereafter	18,889	48,898	-0-	-0-	-0-	67,787
<b>Total</b>	<b>\$ 30,049</b>	<b>\$ 64,648</b>	<b>\$ 7,437</b>	<b>\$ 20,406</b>	<b>\$ 13,072</b>	<b>\$ 135,612</b>

**Village of Georgetown, Louisiana**

**Notes to Financial Statements (cont.)**

**(6) CHANGES IN LONG-TERM DEBT - (CONT)**

Under the terms of the bond indenture on outstanding Sewer Revenue Bonds dated 1975, earnings of the sewer system are to be maintained separately and used for the following purposes:

- (a) Payment of all reasonable and necessary expenses of operating and maintaining the system.
- (b) Each month there will be set aside into a fund called the "Sewer Revenue Bond and Interest Sinking Fund" an amount constituting 1/12 of the next principal and interest payment.
- (c) Each month, there will be set aside into a "Sewer Reserve Fund" 5% of the amount paid into the Sinking Fund. These funds may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not available in the Sinking Fund.
- (d) There will also be set aside into a "Sewer Depreciation and Contingency Fund" 5% of the amount paid into the sinking fund. These funds will be used to care for depreciation, extensions, additions, improvements and replacements necessary to operate the system properly, and to pay interest and principal on bonds when there is not sufficient money in the Sinking or Reserve Fund.
- (e) All of the revenues received in any fiscal year and not required to be paid in such fiscal year into any of the above noted funds shall be regarded as surplus and may be used for any lawful purpose.

**(7) CHANGES IN GENERAL FIXED ASSETS**

	Balance 6-30-95	Additions	Deletions	Balance 6-30-96
Library	\$ -0-	\$ 15,000	\$ -0-	\$ 15,000
Equipment	25,700	39,795	4,801	60,694
	-----	-----	-----	-----
Total	\$ <u>25,700</u>	\$ <u>54,795</u>	\$ <u>4,801</u>	\$ <u>75,694</u>

**(8) LITIGATION**

The Village of Georgetown is involved in no litigation at June 30, 1996, which is not covered by the Village's applicable insurance policies or is considered to be significant to the Village's financial statements.

**(9) ELECTED OFFICIAL'S SALARIES**

<u>Name</u>	<u>Title</u>	<u>Annualized Salary</u>
David Benard	Mayor	\$ 3,600
Terry Oliver	Alderman	1,200
Bill Budemer	Alderman	1,200
Ray Williamson	Alderman	1,200
Earl Self Jr.	Police Chief	24,440

**(10) CAPITAL CONTRIBUTIONS - WATER FUND**

Contributed Capital 6-30-95	\$ 599,911
Capital Projects - LCDBG 101-4052	<u>14,539</u>
Contributed Capital 6-30-96	<u>\$ 614,450</u>

**Village of Georgetown, Louisiana**

**Notes to Financial Statements (cont.)**

**(11) FUND DEFICITS**

The water fund and sewer fund have retained earnings deficits of \$65,387 and \$134,603 respectively because of depreciation taken on that part of the plant constructed with contributed capital. Accumulated depreciation taken on that part of the plant constructed with contributed capital amounted to \$150,312 for the water fund and \$164,714 for the sewer fund.

**(12) EXCESS EXPENDITURES OVER APPROPRIATIONS**

The Village overspent its General Fund Budget by 49% during the year.

FINANCIAL STATEMENTS  
OF INDIVIDUAL FUNDS

## GENERAL FUND

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

VILLAGE OF GEORGETOWN, LOUISIANA  
GENERAL FUND

BALANCE SHEET  
JUNE 30, 1996

<u>ASSETS</u>	
Cash	\$ 2,478
Receivables	3,810
	-----
Total Assets	\$ <u>6,288</u>

LIABILITIES AND FUND BALANCE

Liabilities	
Accounts Payable	\$ <u>2,356</u>
Total Liabilities	\$ <u>2,356</u>
Fund Balance	
Unreserved - Undesignated	\$ <u>3,932</u>
Total Liabilities and Fund Balance	\$ <u>6,288</u>

See Accountant's Report  
The accompanying notes are an integral part of this statement.

**VILLAGE OF GEORGETOWN, LOUISIANA  
GENERAL FUND**

**STATEMENT OF REVENUES AND EXPENDITURES  
AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 1996**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Taxes - Ad Valorem	\$ 3,700	\$ 4,929	\$ 1,229
Occupational Licenses	9,500	11,715	2,215
Tobacco Tax	1,650	2,304	654
Franchise Fees	5,734	3,137	(2,597)
Misc. Revenues	4,245	1,862	(2,383)
Fines	76,506	69,236	(7,270)
Road Maintenance Income	-0-	7,240	7,240
	-----	-----	-----
Total Revenues	\$ <u>101,335</u>	\$ <u>100,423</u>	\$ <u>(912)</u>
<b>Expenditures:</b>			
Salaries & Related Benefits	\$ 50,000	\$ 50,177	\$ (177)
Advertising	-0-	505	(505)
Police Expense	9,500	11,803	(2,303)
Office Expense	2,820	1,608	1,212
Insurance	11,500	7,956	3,544
Truck Expense	420	661	(241)
Utilities	7,500	8,674	(1,174)
Professional Fees	210	3,718	(3,508)
Town Hall Renovations	4,300	1,203	3,097
Repair & Maintenance	175	847	(672)
Other Operating Expense	-0-	3,466	(3,466)
Christmas Fund Expense	3,750	477	3,273
Road Maintenance Expense	-0-	1,441	(1,441)
Capital Purchases	-0-	39,795	(39,795)
	-----	-----	-----
Total Expenditures	\$ <u>90,175</u>	\$ <u>132,331</u>	\$ <u>(42,156)</u>
Excess (Deficiency) of Revenues and Over Expenditures	\$ <u>11,160</u>	\$ <u>(31,908)</u>	\$ <u>43,068</u>
<b>Other Financing Sources:</b>			
Operating Transfers In	\$ -0-	\$ 5,059	\$ 5,059
Operating Transfers Out	(11,160)	(6,735)	4,425
Loans	-0-	39,314	39,314
Loan Payments	-----	(1,987)	(1,987)
	-----	-----	-----
Total Other Financing Sources	\$ <u>(11,160)</u>	\$ <u>35,651</u>	\$ <u>46,811</u>
Excess of Revenue & Other Sources Over Expenditures	\$ -0-	\$ 3,743	\$ 3,743
Fund Balances, Beginning	-----0-	-----189	-----189
Fund Balances, Ending	\$ -----0-	\$ -----3,932	\$ -----3,932

See Accountant's Report  
The accompanying notes are an integral part of this statement.

## CAPITAL PROJECTS FUND

To account for the purchase of construction of major capital facilities which are not financed by proprietary funds, special assesement funds or trust funds.

LCDBG # 101-6013 in the amount of \$14,450 to construct a sewer system.

Demonstrated needs grant Project No. 94-06-162E in the amount of \$15,000 to construct library facilities.

**VILLAGE OF GEORGETOWN, LOUISIANA  
CAPITAL PROJECTS FUND**

**COMBINING BALANCE SHEET  
JUNE 30, 1996**

	<u>LCDBG 101-6013</u>	<u>Library Needs 94-06-162E</u>	<u>Total</u>
<b>ASSETS</b>			
<hr/>			
Cash	\$ -0-	\$ -0-	\$ -0-
	-----	-----	-----
<b>TOTAL ASSETS</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>
	-----	-----	-----
 <b>LIABILITIES AND EQUITY</b>			
<hr/>			
Contracts Payable	\$ -0-	\$ -0-	\$ -0-
Fund Balance	-0-	-0-	-0-
	-----	-----	-----
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>
	-----	-----	-----

See Accountant's Report  
The accompanying notes are an integral part of this statement.

**VILLAGE OF GEORGETOWN, LOUISIANA  
CAPITAL PROJECTS FUND  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
JUNE 30, 1996**

	<u>LCDBG 101-6013</u>	<u>Library Needs</u>	<u>Total</u>
<b>REVENUES</b>			
Intergovernmental	\$ 14,450	\$ -0-	\$ 14,450
	-----	-----	-----
<b>TOTAL REVENUES</b>	<b>\$ 14,450</b>	<b>\$ -0-</b>	<b>\$ 14,450</b>
	-----	-----	-----
<b>EXPENDITURES</b>			
Construction	\$ 14,450	\$ 15,000	\$ 29,450
	-----	-----	-----
<b>TOTAL EXPENDITURES</b>	<b>\$ 14,450</b>	<b>15,000</b>	<b>\$ 29,450</b>
	-----	-----	-----
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>\$ -0-</b>	<b>\$ (15,000)</b>	<b>\$ (15,000)</b>
<b>FUND BALANCE BEGINNING OF YEAR</b>	<b>-0-</b>	<b>15,000</b>	<b>15,000</b>
	-----	-----	-----
<b>FUND BALANCE END OF YEAR</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>
	-----	-----	-----

See Accountant's Report  
The accompanying notes are an integral part of this statement.

**VILLAGE OF GEORGETOWN, LOUISIANA**  
**CAPITAL PROJECTS FUND**  
**LCDBG - 101-6013**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**(BUDGET VS ACTUAL)**

**FOR THE YEAR ENDED JUNE 30, 1996**

	<u>BUDGET</u>	<u>LCDBG 101-6013</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES:</b>			
Intergovernmental	\$ 600,000	\$ 14,450	\$ 585,550
	-----	-----	-----
TOTAL REVENUES	\$ 600,000	\$ 14,450	\$ 585,550
	-----	-----	-----
<b>EXPENDITURES</b>			
Construction	\$ 600,000	\$ 14,450	\$ 585,550
	-----	-----	-----
TOTAL EXPENDITURES	\$ 600,000	\$ 14,450	\$ 585,550
	-----	-----	-----
Excess (Deficiency) of Revenues Over Expenditures	-0-	-0-	-0-
Fund Balance Beginning of Year	-0-	-0-	-0-
	-----	-----	-----
Fund Balance End of Year	\$ -0-	\$ -0-	\$ -0-
	-----	-----	-----

See Accountant's Report  
 The accompanying notes are an integral part of this statement.

**VILLAGE OF GEORGETOWN, LOUISIANA  
CAPITAL PROJECTS FUND  
LIBRARY NEEDS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
(BUDGET VS ACTUAL)**

**FOR THE YEAR ENDED JUNE 30, 1996**

	<u>BUDGET</u>	<u>LIBRARY NEEDS</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES:</b>			
Intergovernmental	\$ -0-	\$ -0-	\$ -0-
	-----	-----	-----
<b>TOTAL REVENUES</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>
	-----	-----	-----
<b>EXPENDITURES</b>			
Construction	\$ 15,000	\$ 15,000	\$ -0-
	-----	-----	-----
<b>TOTAL EXPENDITURES</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ -0-</b>
	-----	-----	-----
Excess (Deficiency) of Revenues Over Expenditures	(15,000)	(15,000)	-0-
Fund Balance Beginning of Year	15,000	15,000	-0-
	-----	-----	-----
Fund Balance End of Year	\$ -0-	\$ -0-	\$ -0-
	-----	-----	-----

See Accountant's Report  
The accompanying notes are an integral part of this statement.

## DEBT SERVICE FUNDS

### Public Improvement Bond - Series A - Village Sewer

To accumulate monies for the payment of \$36,000 of Public Improvement bonds issued 1-1-75; and 1-1-76 due in annual installments of \$1,000 (\$500 each) through 1-1-2015; interest at 5%

**VILLAGE OF GEORGETOWN, LOUISIANA  
DEBT SERVICE FUNDS**

**COMBINING BALANCE SHEET  
JUNE 30, 1996**

	<u>Village of Georgetown</u>	<u>Sewer District No. 1</u>	<u>Total</u>
<b>ASSETS</b>			
<hr/>			
Cash	\$ -0-	\$ -0-	\$ -0-
	-----	-----	-----
<b>TOTAL ASSETS</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>
	-----	-----	-----
 <b>LIABILITIES AND FUND BALANCE</b>			
<hr/>			
Fund Balance	\$ -0-	\$ -0-	\$ -0-
	-----	-----	-----
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>
	-----	-----	-----

See Accountant's Report  
The accompanying notes are an integral part of this statement.

**VILLAGE OF GEORGETOWN, LOUISIANA  
DEBT SERVICE FUND**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 1996**

	<u>Village of Georgetown</u>	<u>Sewer District No. 1</u>	<u>Total</u>
<b>Revenues:</b>			
Ad Valorem Taxes	\$ 2,029	\$ 2,029	\$ 4,058
	-----	-----	-----
Total Revenue	\$ 2,029	\$ 2,029	\$ 4,058
	-----	-----	-----
<b>Expenditures:</b>			
Principal Retirement	\$ 500	\$ 500	\$ 1,000
Interest	587	545	1,132
	-----	-----	-----
Total Expenditures	\$ 1,087	\$ 1,045	\$ 2,132
	-----	-----	-----
<b>Excess Expenditures Over Revenues Before Operating Transfers</b>			
	\$ 942	\$ 984	\$ 1,926
	-----	-----	-----
<b>Operating Transfers:</b>			
Transfers to General	\$ (2,029)	\$ (2,029)	\$ (4,058)
Transfers from Sewer	1,087	1,045	2,132
	-----	-----	-----
Total	(942)	(984)	(1,926)
	-----	-----	-----
<b>Excess Expenditures Of Revenues After Operating Transfers</b>			
	\$ -0-	\$ -0-	\$ -0-
	-----	-----	-----
<b>Fund Balance Beginning of Year</b>			
	-0-	-0-	-0-
	-----	-----	-----
<b>Fund Balance End of Year</b>			
	\$ -0-	\$ -0-	\$ -0-
	-----	-----	-----

See Accountant's Report  
The accompanying notes are an integral part of this statement.

## PROPRIETARY FUND TYPE - ENTERPRISE FUNDS

To account for the operations of the water and sewer systems of the Village that are financed and operated in a manner similar to private business enterprises - where the intent is that the costs (expenses, including depreciation of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

**VILLAGE OF GEORGETOWN, LOUISIANA  
ENTERPRISE FUND**

**COMBINING BALANCE SHEET  
JUNE 30, 1996**

<u>ASSETS</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
<b>CURRENT ASSETS:</b>			
Cash	\$ 2,188	\$ 244	\$ 2,432
Receivables:			
Utility Bills	<u>3,797</u>	<u>2,997</u>	<u>6,794</u>
<b>TOTAL CURRENT ASSETS</b>	<b>\$ <u>5,985</u></b>	<b>\$ <u>3,241</u></b>	<b>\$ <u>9,226</u></b>
<b>RESTRICTED ASSETS:</b>			
Sales Tax Maintenance Fund	\$ 9,200	\$ -0-	\$ 9,200
Bond Sinking Fund	<u>-0-</u>	<u>6,179</u>	<u>6,179</u>
<b>TOTAL RESTRICTED ASSETS</b>	<b>\$ <u>9,200</u></b>	<b>\$ <u>6,179</u></b>	<b>\$ <u>15,379</u></b>
<b>PROPERTY, PLANTS AND EQUIPMENT:</b>			
Property, Plant and Equipment	\$ 678,080	\$ 974,558	\$ 1,652,638
Construction in Progress	14,450	-0-	14,450
Less Accumulated Depreciation	<u>(150,312)</u>	<u>(164,714)</u>	<u>(315,026)</u>
<b>NET PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>\$ <u>542,218</u></b>	<b>\$ <u>809,844</u></b>	<b>\$ <u>1,352,062</u></b>
<b>TOTAL ASSETS</b>	<b>\$ <u>557,403</u></b>	<b>\$ <u>819,264</u></b>	<b>\$ <u>1,376,667</u></b>
 <b><u>LIABILITIES &amp; FUND EQUITY</u></b>			
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
(Payable from Current Assets):			
Accounts Payable	\$ <u>1,323</u>	\$ <u>356</u>	\$ <u>1,679</u>
(Payable from Restricted Assets):			
Accrued Interest	\$ -0-	\$ 953	\$ 953
Revenue Bonds Payable	<u>-0-</u>	<u>2,000</u>	<u>2,000</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 1,323</b>	<b>\$ 3,309</b>	<b>\$ 4,632</b>
<b>LONG-TERM LIABILITIES:</b>			
Customer Deposits	\$ 7,017	\$ -0-	\$ 7,017
Revenue Bonds Payable	<u>-0-</u>	<u>36,000</u>	<u>36,000</u>
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>\$ <u>7,017</u></b>	<b>\$ <u>36,000</u></b>	<b>\$ <u>43,017</u></b>
<b>TOTAL LIABILITIES</b>	<b>\$ <u>8,340</u></b>	<b>\$ <u>39,309</u></b>	<b>\$ <u>47,649</u></b>
<b>FUND EQUITY:</b>			
<b>CONTRIBUTED CAPITAL</b>			
Municipality and Other	\$ <u>614,450</u>	\$ <u>914,558</u>	\$ <u>1,529,008</u>
<b>TOTAL CONTRIBUTED CAPITAL</b>	<b>\$ <u>614,450</u></b>	<b>\$ <u>914,558</u></b>	<b>\$ <u>1,529,008</u></b>
<b>RETAINED EARNINGS</b>			
Reserved for System Maintenance	\$ 9,200	\$ -0-	\$ 9,200
Reserved for Revenue Bonds	-0-	2,870	2,870
Unreserved	<u>(74,587)</u>	<u>(137,473)</u>	<u>(212,060)</u>
<b>TOTAL RETAINED EARNINGS</b>	<b>\$ <u>(65,387)</u></b>	<b>\$ <u>(134,603)</u></b>	<b>\$ <u>(199,990)</u></b>
<b>TOTAL FUND EQUITY</b>	<b>\$ <u>549,063</u></b>	<b>\$ <u>779,955</u></b>	<b>\$ <u>1,329,018</u></b>
<b>TOTAL LIABILITIES &amp; FUND EQUITY</b>	<b>\$ <u>557,403</u></b>	<b>\$ <u>819,264</u></b>	<b>\$ <u>1,376,667</u></b>

See Accountant's Report  
The accompanying notes are an integral part of this statement.

**VILLAGE OF GEORGETOWN, LOUISIANA  
 COMBINING STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN RETAINED EARNINGS  
 ENTERPRISE FUNDS  
 YEAR ENDED JUNE 30, 1996**

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>			
Charges for Service	\$ 28,318	\$ 24,977	\$ 53,295
Sales Taxes	10,519	-0-	10,519
Other Misc.	107	-0-	107
	-----	-----	-----
<b>TOTAL</b>	<b>\$ 38,944</b>	<b>\$ 24,977</b>	<b>\$ 63,921</b>
	-----	-----	-----
<b>OPERATING EXPENSES:</b>			
Office Supplies	\$ 232	\$ 140	\$ 372
Labor	16,863	15,333	32,196
Depreciation	16,952	24,364	41,316
Repairs/Maintenance and Supplies	10,892	2,473	13,365
Utilities	5,666	4,911	10,577
Truck Expense	926	762	1,688
Legal & Accounting	-0-	1,550	1,550
Other Operating Expense	1,439	1,303	2,742
Insurance	413	413	826
	-----	-----	-----
<b>TOTAL</b>	<b>\$ 53,383</b>	<b>\$ 51,249</b>	<b>\$ 104,632</b>
	-----	-----	-----
<b>OPERATING INCOME (LOSS)</b>	<b>(14,439)</b>	<b>(26,272)</b>	<b>(40,711)</b>
	-----	-----	-----
<b>NON-OPERATING REVENUE (EXPENSES):</b>			
Interest Income	\$ 202	\$ 144	\$ 346
Interest Expense	-0-	(1,950)	(1,950)
	-----	-----	-----
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>\$ 202</b>	<b>\$ (1,806)</b>	<b>\$ (1,604)</b>
	-----	-----	-----
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>\$ (14,237)</b>	<b>\$ (28,078)</b>	<b>\$ (42,315)</b>
	-----	-----	-----
Transfers To Volunteer Fire	\$ (1,485)	\$ -0-	\$ (1,485)
Transfers From (To) Other Funds	(1,817)	5,421	3,604
	-----	-----	-----
<b>TOTAL TRANSFERS</b>	<b>\$ (3,302)</b>	<b>\$ 5,421</b>	<b>\$ 2,119</b>
	-----	-----	-----
<b>NET INCOME (LOSS)</b>	<b>\$ (17,539)</b>	<b>\$ (22,657)</b>	<b>\$ (40,196)</b>
	-----	-----	-----
<b>RETAINED EARNINGS (DEFICIT), BEGINNING</b>	<b>\$ (47,848)</b>	<b>\$ (111,946)</b>	<b>\$ (159,794)</b>
	-----	-----	-----
<b>RETAINED EARNINGS (DEFICIT), ENDING</b>	<b>\$ (65,387)</b>	<b>\$ (134,603)</b>	<b>\$ (199,990)</b>
	-----	-----	-----

See Accountant's Report  
 The accompanying notes are an integral part of this statement.

**VILLAGE OF GEORGETOWN, LOUISIANA  
COMBINING STATEMENT OF CASH FLOWS**

**ENTERPRISE FUND  
YEAR ENDED JUNE 30, 1996**

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
<b>Cash from Operations:</b>			
Income (Loss) Before Operating Transfers	\$ (14,237)	\$ (28,078)	\$ (42,315)
Operating Transfers	<u>(3,302)</u>	<u>5,421</u>	<u>2,119</u>
Net Income (Loss)	\$ (17,539)	\$ (22,657)	\$ (40,196)
Adjustments to Net income (Loss):			
Add - Depreciation	16,952	24,364	41,316
Decrease in Accrued Interest	-0-	(51)	(51)
Decrease (Increase) in Accounts Receivable	235	(919)	(684)
Increase (Decrease) in Accounts Payable	<u>(2,063)</u>	<u>(1,788)</u>	<u>(3,851)</u>
Net Adjustments	\$ 15,124	\$ 21,606	\$ 36,730
Cash Provided by Operations	\$ (2,415)	\$ (1,051)	\$ (3,466)
Cash from Customer Deposits	612	-0-	612
Cash from Grants	14,539	-0-	14,539
Cash from Restricted Funds	<u>-0-</u>	<u>1,911</u>	<u>1,911</u>
Total Cash Provided	\$ 12,736	\$ 860	\$ 13,596
Cash Was Applied To:			
Restricted Funds	\$ 431	\$ -0-	\$ 431
Fixed Assets	14,450	-0-	14,450
Revenue Bonds	<u>-0-</u>	<u>2,000</u>	<u>2,000</u>
Total Cash Applied	\$ 14,881	\$ 2,000	\$ 16,881
Net Increase (Decrease) in Cash Flow	\$ (2,145)	\$ (1,140)	\$ (3,285)
Cash Beginning of Year	<u>4,333</u>	<u>1,384</u>	<u>5,717</u>
Cash End of Year	<u>\$ 2,188</u>	<u>\$ 244</u>	<u>\$ 2,432</u>

See Accountant's Report  
The accompanying notes are an integral part of this statement.

# VILLAGE OF GEORGETOWN, LOUISIANA

## MANAGEMENT LETTER COMMENTS

During the course of the compilation, the Village's independent accountant observed conditions and circumstances that may be improved. Below are situations noted for improvement, the accountant's recommendation for improvement and the Village's response.

### 1) AMENDED BUDGETS

Situation: The Village is not amending its budget when expenditures exceed 5% of budgeted expenditures in its general fund.

Recommendation: The Village should amend its budget when actual revenues fall below budgeted revenues by 5% or actual expenditures exceed budgeted expenditures by 5%. The amended budget should be adopted by the Village council and noted in the town minutes.

Village's Response: The Village will begin amending its budget when actual revenues fall below budgeted revenues by 5% or actual expenditures exceed budgeted expenditures by 5%.

### 2) DEBT SERVICE FUND

Situation: Although the Village's independent accountant segregated and reported debt service activity of its general obligation bonds for the year ended June 30, 1996, the Village has in the past accounted for these activities in the Sewer Fund. This practice prevents the accumulation of a Debt Service fund balance.

Recommendation: The Village should deposit ad valorem tax collections dedicated to the debt service of the Village's general obligation bonds into a separate account and pay principal and interest payments only from this account.

Village's Response: The Village will establish a Debt Service Fund.

### 3) BOND COVENANTS

Situation: The Village does not maintain its bond reserves as required by its bond covenants.

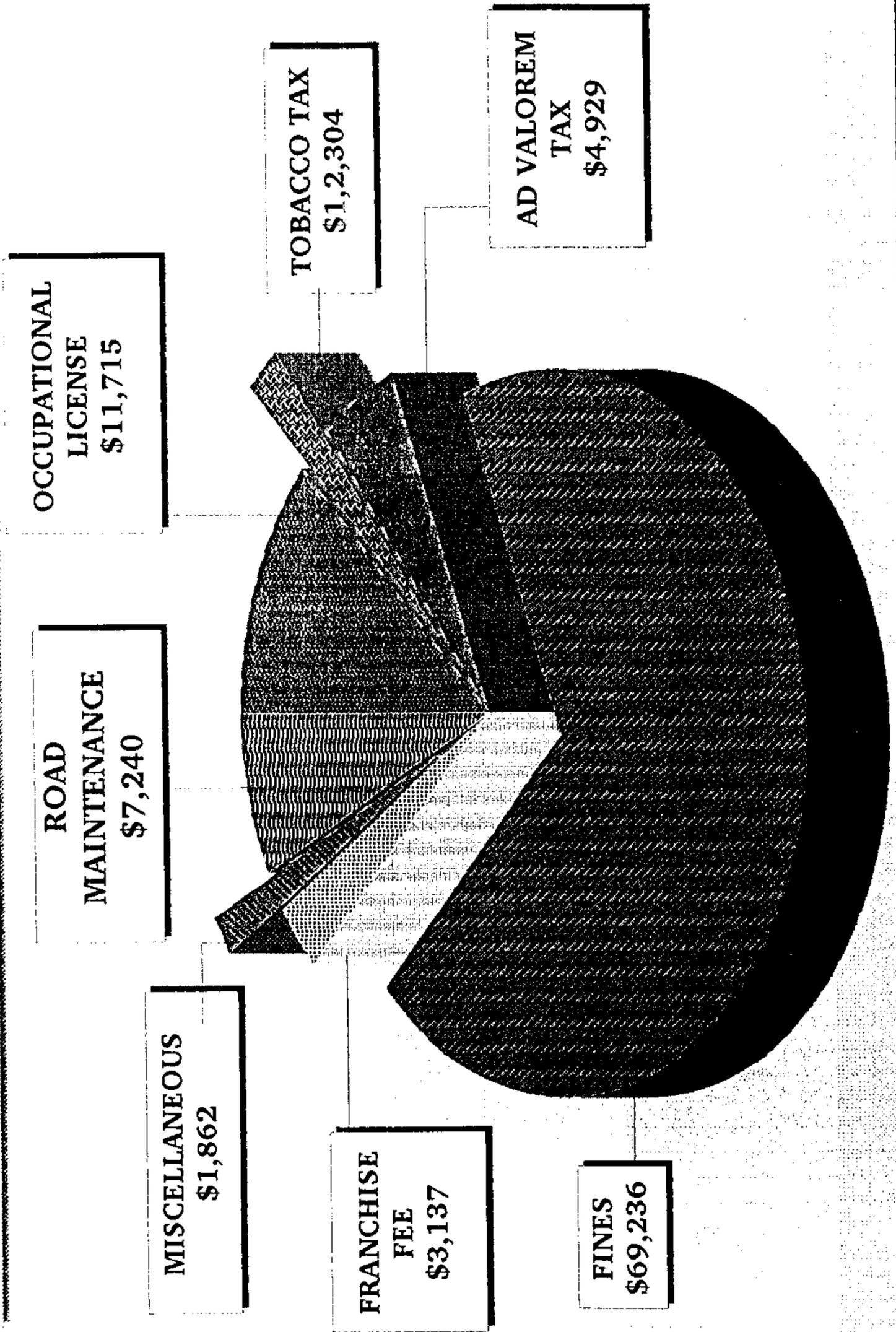
Recommendation: The Village should maintain all bond reserves to prevent cash flow problems in servicing bond debt and maintaining its sewer plant.

Village's Response: The Village will begin maintaining its bond reserves.

GRAPHS

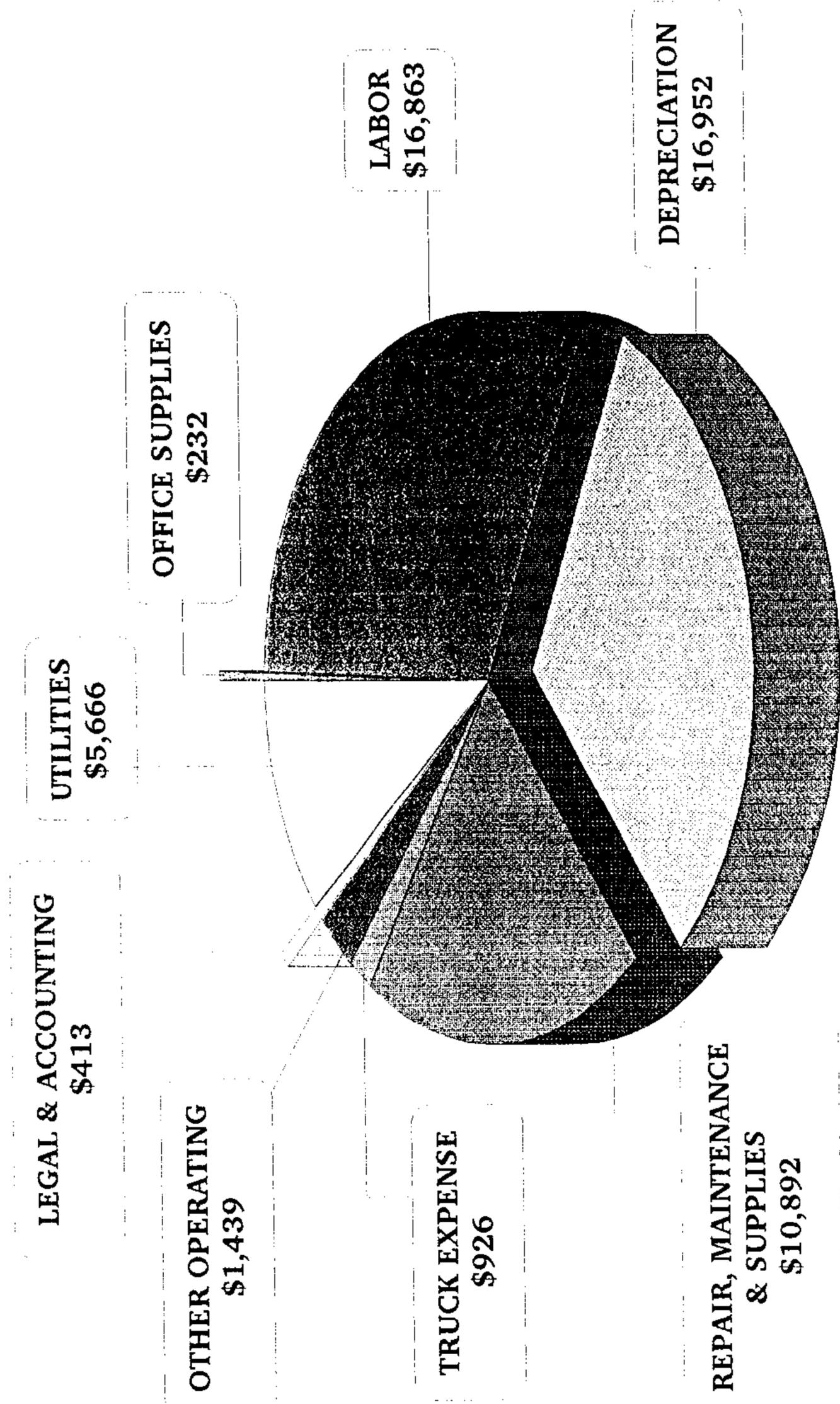
# VILLAGE OF GEORGETOWN

## GENERAL FUND REVENUE JUNE 30, 1996



# VILLAGE OF GEORGETOWN

## WATER FUND EXPENSES JUNE 30, 1996



See Accountant's Report

# VILLAGE OF GEORGETOWN

## SEWER FUND EXPENSES JUNE 30, 1996

OFFICE SUPPLIES  
\$140

LEGAL &  
ACCOUNTING  
\$1,550

INSURANCE  
\$413

LABOR  
\$15,333

UTILITIES  
\$4,911

OTHER OPERATING  
\$1,303

TRUCK  
EXPENSE  
\$762

REPAIR, MAINTENANCE  
& SUPPLIES  
\$2,473

DEPRECIATION  
\$24,364

