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TOWN OF RIDGECREST, LOUISIANA
GENERAL PURPOSE FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT

YEAR ENDED DECEMBER 31, 1995
with
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

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 8-21-96

TOWN OF RIDGECREST, LOUISIANA
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SECTION I - GENERAL PURPOSE FINANCIAL STATEMENTS

SWITZER, HOPKINS & MANGE

Certified Public Accountants

DENNIS R. SWITZER, CPA
H. MYLES HOPKINS, CPA
SUSAN L. MANGE, CPA
ROXANNE B. JAMES, CPA

JOHN M. JONES, CPA 1921 - 1983

INDEPENDENT AUDITORS' REPORT

The Honorable David Cobb, Mayor
and Members of the Board of Aldermen
Town of Ridgecrest, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Ridgecrest, Louisiana as of December 31, 1995 and for the year then ended as listed in the table of contents. These general purpose financial statements are the responsibility of the Town of Ridgecrest, Louisiana's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with 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-128, Audits of State and Local Governments. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose 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 general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Ridgecrest, Louisiana as of December 31, 1995, and the results of its operations and cash flows of its proprietary fund for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated June 25, 1996 on our consideration of the Town of Ridgecrest's internal control structure and a report dated June 25, 1996 on its compliance with laws and regulations.

Ferriday, Louisiana
June 25, 1996

Switzer, Hopkins & Mange

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS-OVERVIEW)

TOWN OF RIDGECREST, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES-ALL GOVERNMENTAL FUND TYPES
 Year Ended December 31, 1995

	Governmental Fund Types			Totals (Memorandum Only)	
	General	Capital Projects	Debt Service	1995	1994
Revenues:					
Taxes	\$ 24,000	\$ -	\$ -	\$ 24,000	\$ 24,889
Licenses and permits	5,848	-	-	5,848	5,838
Intergovernmental	37,850	-	-	37,850	35,430
Charges for services	80	-	-	80	394
Fines	461	-	-	461	828
Grant income	-	297,511	-	297,511	25,089
Miscellaneous	38,033	-	-	38,033	7,066
Total revenues	<u>106,272</u>	<u>297,511</u>	<u>-</u>	<u>403,783</u>	<u>99,534</u>
Expenditures:					
General government	41,321	-	-	41,321	25,845
Public safety-					
Police	6,011	-	-	6,011	6,363
Fire	5,970	-	-	5,970	6,758
Capital outlay	-	297,511	-	297,511	25,089
Street and sanitation	38,125	-	-	38,125	27,743
Debt Service -					
Principal retirement	-	-	933	933	-
Interest expense	-	-	1,399	1,399	-
Total expenditures	<u>91,427</u>	<u>297,511</u>	<u>2,332</u>	<u>391,270</u>	<u>91,798</u>
(Deficiency) of revenues over expenditures	<u>14,845</u>	<u>-</u>	<u>(2,332)</u>	<u>12,513</u>	<u>7,736</u>
Other financing sources:					
Operating transfers (out)	-	-	(67,668)	(67,668)	(2,663)
Capital financing	-	-	70,000	70,000	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>2,332</u>	<u>2,332</u>	<u>(2,663)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	14,845	-	-	14,845	5,073
Fund balances, beginning	<u>21,341</u>	<u>-</u>	<u>-</u>	<u>21,341</u>	<u>16,268</u>
Fund balances, ending	<u>\$ 36,186</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,186</u>	<u>\$ 21,341</u>

The accompanying notes are an integral part of this statement.

TOWN OF RIDGECREST, LOUISIANA
GENERAL FUND

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES-BUDGET (GAAP BASIS) AND ACUTAL
Year Ended December 31, 1995

	GENERAL FUND			CAPITAL PROJECTS FUND			DEBT SERVICE FUND		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:									
Taxes	\$ 24,951	\$ 24,000	\$ (951)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	4,459	5,848	1,389	-	-	-	-	-	-
Intergovernmental	37,303	37,850	547	-	-	-	-	-	-
Charges for services	80	80	-	-	-	-	-	-	-
Fines	721	461	(260)	-	-	-	-	-	-
Grant income	-	-	-	297,511	297,511	-	-	-	-
Miscellaneous	22,591	38,033	15,442	-	-	-	-	-	-
Total revenues	<u>90,105</u>	<u>106,272</u>	<u>16,167</u>	<u>297,511</u>	<u>297,511</u>	-	-	-	-
Expenditures:									
General government	36,269	41,321	(5,052)	-	-	-	-	-	-
Public safety									
Police	6,981	6,011	970	-	-	-	-	-	-
Fire	6,790	5,970	820	-	-	-	-	-	-
Capital outlay	-	-	-	297,511	297,511	-	-	-	-
Street and sanitation	39,036	38,125	911	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Principal retirement	-	-	-	-	-	-	933	933	-
Interest expense	-	-	-	-	-	-	1,399	1,399	-
Total expenditures	<u>89,076</u>	<u>91,427</u>	<u>(2,351)</u>	<u>297,511</u>	<u>297,511</u>	-	<u>2,332</u>	<u>2,332</u>	-
Excess of revenues over expenditures	<u>1,029</u>	<u>14,845</u>	<u>13,816</u>	-	-	-	<u>(2,332)</u>	<u>(2,332)</u>	-
Other financing sources:									
Operating transfers (out)	-	-	-	-	-	-	-	-	-
Capital financing	-	-	-	-	-	-	(67,668)	(67,668)	-
Total other financing sources	-	-	-	-	-	-	<u>70,000</u>	<u>70,000</u>	-
Excess of revenues and other sources over expenditures	<u>1,029</u>	<u>14,845</u>	<u>13,816</u>	-	-	-	-	-	-
Fund balances, beginning	<u>21,341</u>	<u>21,341</u>	-	-	-	-	-	-	-
Fund balances, ending	<u>\$ 22,370</u>	<u>\$ 36,186</u>	<u>\$ 13,816</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

TOWN OF RIDGECREST
ENTERPRISE FUND
UTILITY FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
 YEARS ENDED DECEMBER 31, 1995 AND 1994

	<u>1995</u>	<u>1994</u>
Operating revenues:		
Charges for services	\$ <u>111,771</u>	\$ <u>100,222</u>
Operating expenses:		
Salaries	41,158	40,766
Chemicals and supplies	9,399	12,290
Depreciation	30,797	30,635
Utilities and telephone	14,989	13,601
Insurance	8,042	6,729
Laboratory tests	735	755
Payroll taxes	3,370	3,432
Repairs	15,597	9,507
Other expenses	2,920	6,526
Accounting	1,116	1,000
Total operating expenses	<u>128,123</u>	<u>125,241</u>
Operating (loss)	<u>(16,352)</u>	<u>(25,019)</u>
Non-operating revenues (expenses):		
Interest income	244	578
Interest expense	<u>(1,978)</u>	<u>(2,168)</u>
Total nonoperating revenues (expenses)	<u>(1,734)</u>	<u>(1,590)</u>
(Loss) before operating transfers and other	(18,086)	(26,609)
General fixed assets acquired	(69,640)	-
Transfer from general fund	-	2,663
Transfer from debt service fund	67,667	-
Total transfers	<u>(1,973)</u>	<u>2,663</u>
Net (loss)	(20,059)	(23,946)
Retained earnings, beginning	<u>371,918</u>	<u>395,864</u>
Retained earnings, ending	<u>\$ 351,859</u>	<u>\$ 371,918</u>

The accompanying notes are an integral part of this statement.

TOWN OF RIDGECREST
STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 1995

	<u>1995</u>	(Memorandum Only) <u>1994</u>
Cash flows from operating activities:		
Cash received from customers	\$ 103,968	\$ 97,142
Cash payments to suppliers for goods and services	(59,017)	(50,454)
Cash payments to employees for services	<u>(41,158)</u>	<u>(40,766)</u>
Net cash provided (used) by operating activities	<u>3,793</u>	<u>5,922</u>
Cash flows from non-capital financing activities:		
General fixed assets acquired	(69,640)	-
Operating transfers from other funds	67,667	2,663
Increase in consumer deposits	<u>115</u>	<u>390</u>
Net cash provided by non-capital financing activities	<u>(1,858)</u>	<u>3,053</u>
Cash flows from capital and related financing activities:		
Interest paid on notes	(1,978)	(2,168)
Principal paid on notes	(3,118)	(2,927)
Acquisition of capital assets	<u>(389)</u>	<u>(22,066)</u>
	<u>(5,485)</u>	<u>(27,161)</u>
Cash flows from investing activities:		
Investment income	<u>244</u>	<u>457</u>
Net increase (decrease) in cash and cash equivalents	(3,306)	(17,729)
Cash and cash equivalents at January 1, 1995	<u>30,635</u>	<u>48,364</u>
Cash and cash equivalents at December 31, 1995	<u>\$ 27,329</u>	<u>\$ 30,635</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (16,352)	\$ (25,019)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	30,797	30,635
Changes in assets and liabilities:		
(Increase) in accounts receivable	(7,803)	(3,201)
Decrease in other assets	-	121
Increase (decrease) in accounts payable	(1,965)	3,386
(Decrease) in other accrued liabilities	<u>(884)</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ 3,793</u>	<u>\$ 5,922</u>

The accompanying notes are an integral part of this statement.

TOWN OF RIDGECREST, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 1995

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Ridgecrest, Louisiana was incorporated under the provisions of the Lawrason Act. The Town operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting policies of the Town of Ridgecrest, Louisiana conform to generally accepted accounting principles as applicable to governments. The following is a summary of certain significant accounting policies:

1. Financial Reporting Entity

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

2. Fund Accounting

The accounts of the Town of Ridgecrest 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 comprises 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 three generic fund types and two broad fund categories as follows:

Governmental Funds-

General Fund

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

Capital Projects Fund

Capital projects funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

TOWN OF RIDGECREST, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 1995

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Debt Service Fund

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

Proprietary Fund -

Enterprise Fund

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises-where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

3. Fixed assets

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets. Public domain (infrastructure) general fixed assets consisting of certain buildings, including roads, bridges, curbs, gutters, streets, sidewalks, drainage systems and lighting systems are not capitalized along with other general fixed assets.

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. No depreciation has been provided on general fixed assets.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

TOWN OF RIDGECREST, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

December 31, 1995

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Water Utility -

Wells	20 years
Storage tanks	40 years
Lines & meters	50 years
Purification plant	33 years

Sewerage Utility -

Pump stations	20 years
Lines	50 years
Autos & trucks	4 years
Other equipment	6-10 years

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated.

4. Basis of Accounting

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income and gross receipts are considered "measurable" when in the hands of collecting governments and is recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when earned and their expenses are recognized when incurred.

5. Budgets and budgetary accounting

The Town has total revenues of less than \$250,000 and does not have the same budgetary process that is required of municipalities

TOWN OF RIDGECREST, LOUISIANA

NOTES TO FINANCIAL STATEMENT

December 31, 1995

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

with total revenues of greater than \$250,000. The Town's budget is prepared by the Town Clerk and is adopted at a regular meeting of the Board of Aldermen. It may be amended during the year by the Board of Aldermen. All budgetary appropriations lapse at the end of each fiscal year.

6. Bad Debts

Uncollectable amounts due for ad valorem taxes and customers' utility receivables are recognized by the direct write off method.

7. Accumulated Unpaid Vacation Pay

The Town does not accrue unpaid vacation pay and has no policy concerning compensation for unpaid vacation pay.

8. Total columns on combined statements - overview

Total columns on 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.

NOTE B - PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied in December and payable by June 15, of the following year. A list of property taxes due the Town is prepared by the Concordia Parish Assessor, but the Town is responsible for billings and collections. The Town's total millage is 6.03 mills and is dedicated to the general fund.

NOTE C - DUE FROM OTHER GOVERNMENTS

Amounts due from other governmental units at December 31, 1995 consisted of the following:

Garbage fees due from Concordia Parish Police Jury	\$ <u>3,628</u>
--	-----------------

TOWN OF RIDGECREST, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 1995

NOTE D - RESTRICTED ASSETS-PROPRIETARY FUND TYPE

Restricted assets were applicable to the following at December 31, 1995:

Customer meter deposits \$ 10,540

NOTE E - CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>12-31-94</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12-31-95</u>
Land	\$ 1,700	\$ -	\$ -	\$ 1,700
Building	48,002	-	-	48,002
Equipment	70,610	2,539	-	73,149
Total	<u>\$ 120,312</u>	<u>\$ 2,539</u>	<u>\$ -</u>	<u>\$ 122,851</u>

A summary of proprietary fund type property, plant and equipment at December 31, 1995 follows:

Water system	\$ 877,508
Sewer system	219,733
Equipment	52,758
Total	<u>1,149,999</u>
Accumulated depreciation	(452,854)
Net	<u>\$ 697,145</u>

NOTE F - LONG-TERM DEBT

Following is a summary of long-term debt at December 31, 1995.

Proprietary Fund	<u>1995</u>
8% unsecured note due bank, payable in equal monthly installments of principal and interest of approximately \$425 thru 2001	\$ 22,730
Less amount due within one year	<u>3,250</u>
	<u>\$ 19,480</u>

The annual requirements to amortize the notes payable as of December 31, 1995 are as follows:

TOWN OF RIDGECREST, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
 December 31, 1995

NOTE F - LONG-TERM DEBT CONTINUED

<u>Year Ended</u> <u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1996	\$ 3,250	\$ 1,845	\$ 5,095
1997	3,500	1,595	5,095
1998	3,700	1,395	5,095
1999	3,900	1,195	5,095
2000	4,100	995	5,095
Thereafter	4,280	815	5,095
	<u>\$ 22,730</u>	<u>\$ 7,840</u>	<u>\$ 30,570</u>

General Long Term Debt

6% note due bank, payable in equal monthly installments of principal and interest of approximately \$777 thru 2005	\$ 69,067
Less amount due within on year	<u>5,180</u>
	<u>\$ 63,887</u>

The annual requirements to amortize all debt as of December 31, 1995 are as follows:

<u>Year Ended</u> <u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1996	\$ 5,180	\$ 4,144	\$ 9,324
1997	5,491	3,833	9,324
1998	5,820	3,504	9,324
1999	6,169	3,155	9,324
2000	6,540	2,784	9,324
Thereafter	39,867	7,544	47,411
	<u>\$ 69,067</u>	<u>\$ 24,964</u>	<u>\$ 94,031</u>

NOTE G - RETIREMENT COMMITMENTS

The Town of Ridgcrest employees are all members of the social security system and are members of no other retirement plan. The expense of the social security is reflected in payroll taxes in the various statements of income.

NOTE H - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

1. All bank balances are insured 100% by the FDIC.

SECTION II - SUPPLEMENTAL INFORMATION SCHEDULES

GENERAL FUND

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

TOWN OF RIDGECREST, LOUISIANA
GENERAL FUND

COMPARATIVE BALANCE SHEET
 DECEMBER 31, 1995 AND 1994

<u>ASSETS</u>	<u>1995</u>	<u>1994</u>
Cash	\$ 32,687	\$ 19,183
Receivables:		
Ad valorem taxes	3,305	4,400
Due from other governmental units	<u>3,628</u>	<u>3,057</u>
Total assets	<u>39,620</u>	<u>26,640</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	<u>3,434</u>	<u>5,299</u>
Fund balance - unreserved	<u>36,186</u>	<u>21,341</u>
Total liabilities and fund balance	<u>\$ 39,620</u>	<u>\$ 26,640</u>

The accompanying notes are an integral part of this statement.

TOWN OF RIDGECREST, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL

Year Ended December 31, 1995
With Comparative Totals for Year Ended December 31, 1994

	1995		1994
	Budget	Actual	Actual
		Variance	
		Favorable	
		(Unfavorable)	
Revenues:			
Taxes	\$ 24,951	\$ 24,000	\$ (951)
Licenses and permits	4,459	5,848	1,389
Intergovernmental	37,303	37,850	547
Charges for services	80	80	-
Fines	721	461	(260)
Miscellaneous	22,591	38,033	15,442
Total revenues	90,105	106,272	16,167
Expenditures:			
General government	36,269	41,321	(5,052)
Public safety			
Police	6,981	6,011	970
Fire	6,790	5,970	820
Street and sanitation	39,036	38,125	911
Total expenditures	89,076	91,427	(2,351)
Excess of revenues over expenditures	1,029	14,845	13,816
Other financing sources:			
(To) utility fund	-	-	-
Excess of revenues and other sources over expenditures	1,029	14,845	13,816
Fund balances, beginning	21,341	21,341	-
Fund balances, ending	\$ 22,370	\$ 36,186	\$ 13,816
			\$ 21,341

The accompanying notes are an integral part of this statement.

TOWN OF RIDGECREST, LOUISIANA
GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

Year Ended December 31, 1995
With Comparative Actual Amounts for Year Ended December 31, 1994

	1995		1994
	Budget	Actual	Actual
			Variance- Favorable (Unfavorable)
General government:			
Salaries	\$ 8,419	\$ 10,544	\$ (2,125)
Legal and other professional	1,000	1,000	-
Insurance and interest	4,557	5,507	(950)
Publication expense	1,622	1,567	55
Payroll taxes	645	1,286	(641)
Other expenses	1,247	1,940	(693)
Telephone	490	497	(7)
Supplies	1,516	2,800	(1,284)
Repairs	15,000	15,000	-
Utilities	1,172	1,180	(8)
Capital outlay	601	-	601
Total general government	36,269	41,321	(5,052)
Police:			
Salaries	5,400	5,500	(100)
Payroll taxes	420	-	420
Maintenance and supplies	-	64	(64)
Other expenses	1,161	447	714
Total police department	6,981	6,011	970
		\$ 6,363	\$ 6,363

The accompanying notes are an integral part of this statement.

TOWN OF RIDGECREST, LOUISIANA
GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED DECEMBER 31, 1995

With Comparative Actual Amounts for Year Ended December 31, 1994

	1995		Variance-	1994
	Budget	Actual	Favorable (Unfavorable)	Actual
Fire:				
Utilities	\$ 1,285	\$ 1,178	\$ 107	\$ 1,458
Repairs	486	799	(313)	770
Salaries	600	600	-	600
Payroll taxes	46	46	-	46
Other expenses	1,327	808	519	3,884
Capital outlay	3,046	2,539	507	-
Total fire department	<u>6,790</u>	<u>5,970</u>	<u>820</u>	<u>6,758</u>
Street and sanitation:				
Supplies	575	574	1	3,348
Insurance	984	984	-	-
Repairs	10,077	9,167	910	1,240
Garbage collection	26,400	26,400	-	23,155
Audit expense	1,000	1,000	-	-
Total street and sanitation	<u>39,036</u>	<u>38,125</u>	<u>911</u>	<u>27,743</u>
Total expenditures	<u>\$ 74,076</u>	<u>\$ 91,427</u>	<u>\$(17,351)</u>	<u>\$ 66,709</u>

The accompanying notes are an integral part of this statement.

TOWN OF RIDGECREST, LOUISIANA
SCHEDULE OF COMPENSATION PAID ELECTED OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 1995

<u>NAME</u>	<u>TITLE</u>	<u>COMPENSATION</u>
David Cobb	Alderman	\$ 550
Ricky Cullum	Alderman	600
Ronald Barnhill	Alderman	600
Gene Chelette	Alderman	350
Michael Roberts	Alderman	250
Guy Lain	Alderman	50
Housley Varnado	Alderman	<u>1,200</u>
Total		<u>\$ 3,600</u>

SECTION III - COMPLIANCE

SWITZER, HOPKINS & MANGE

Certified Public Accountants

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H. MYLES HOPKINS, CPA
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable David Cobb, Mayor
and Members of the Board of Aldermen
Town of Ridgcrest, Louisiana

We have audited the general purpose financial statements of the Town of Ridgcrest, Louisiana as of and for the year ended December 31, 1995, and have issued our report thereon dated June 25, 1996.

We conducted our audit in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

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

The results of our tests disclosed no instances of noncompliance that are required to be reported Government auditing Standards.

This report is intended for the information of management and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Ferriday, Louisiana
June 25, 1996

Switzer, Hopkins & Mange

SECTION IV - INTERNAL CONTROL

SWITZER, HOPKINS & MANGE

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable David Cobb, Mayor
and Members of the Board of Aldermen
Town of Ridgcrest, Louisiana

We have audited the general purpose financial statements of the Town of Ridgcrest, Louisiana as of and for the year ended December 31, 1995 and have issued our report dated June 25, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Town of Ridgcrest, 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 general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any system of internal accounting control, 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 our audit of the general purpose financial statements of the Town of Ridgcrest, Louisiana for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal structure, we

The Honorable David Cobb, Mayor
and Members of the Board of Aldermen
Town of Ridgcrest, Louisiana
Page Two

obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our 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.

We noted that the Town does not have adequate segregations of duties in accounting in the office. We recommend that an attempt be made to strengthen internal control problems created by having few employees.

A material weakness is a reportable condition in which the design or operation of the specific 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 being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control 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. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of the management 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.

Ferriday, Louisiana
June 25, 1996

Switzer, Hopkins & Menge

SECTION V - SINGLE AUDIT REPORTS

SWITZER, HOPKINS & MANGE

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The Honorable David Cobb, Mayor
and Members of the Board of Aldermen
Ridgecrest, Louisiana

We have audited the general purpose financial statements of Town of Ridgecrest, Louisiana as of and for the year ended December 31, 1995, and have issued our report thereon dated June 25, 1996. These general purpose financial statements are the responsibility of Town of Ridgecrest, Louisiana, management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with 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-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128, require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose 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. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of Town of Ridgecrest, Louisiana taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Ferriday, Louisiana
June 25, 1996

Switzer, Hopkins & Mange

TOWN OF RIDGECREST, LOUISIANA
 SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED DECEMBER 31, 1995

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass Through Grantors Number	Program Amount	Beginning Balance January 1, 1995	Receipts	Expenditures	Ending Balance December 31, 1995
HUD							
LCDBG program - FY 1994 Street Improvements	14.219	101-5026	\$ 303,458	\$ -	\$ 278,370	\$ 278,370	\$ -
LCDBG program - FY 1995 Sewer Improvements		101-6049	71,665	\$ -	\$ 19,141	\$ 19,141	\$ -
				\$ -	\$ 297,511	\$ 297,511	\$ -

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable David Cobb, Mayor
and Members of the Board of Aldermen
Ridgecrest, Louisiana

We have audited the general purpose financial statements of the Town of Ridgecrest as of and for the year ended December 31, 1995, and have issued our report thereon dated June 25, 1996.

We have applied procedures to test the Town of Ridgecrest's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance for the year ended December 31, 1995, political activity, Davis-Bacon Act, civil rights, cash management, federal financial reports, allowable costs/cost principles and administrative requirements.

Our 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. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Town of Ridgecrest's compliance with the requirements listed in the preceding paragraph. Accordingly, we 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 our attention that caused us to believe that the Town of Ridgecrest had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

This report is intended for the information of management and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Ferriday, Louisiana
June 25, 1996

Switzer, Hopkins & Mange

SWITZER, HOPKINS & MANGE

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE IN ACCORDANCE WITH OMB CIRCULAR A-128

The Honorable David Cobb, Mayor
and Members of the Board of Aldermen
Ridgecrest, Louisiana

We have audited the general purpose financial statements of the Town of Ridgecrest, Louisiana as of and for the year ended December 31, 1995 and have issued our report thereon dated June 25, 1996.

We conducted our 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-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit for the year ended December 31, 1995, we considered the internal control structure of The Town of Ridgecrest in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements of the Town of Ridgecrest and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated June 25, 1996.

The management of the Town of Ridgecrest 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

The Honorable David Cobb, Mayor
and Members of the Board of Aldermen
Town of Ridgecrest, Louisiana
Page Two

recorded properly to permit the preparation of general purpose financial statements in accordance with 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, 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.

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

Political activity	Cash management	Allowable costs
Davis Bacon Act	Federal financial reports	Administrative reports
Civil rights		

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

During the year ended December 31, 1995, the Town of Ridgecrest had no major federal financial assistance programs and expended 100 percent of its total federal financial assistance under the following nonmajor programs:

LCDBG - Street Improvements
LCDBG - Sewer Improvements

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned nonmajor programs. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control policies and procedures used in administering federal financial assistance, would not necessarily

The Honorable David Cobb, Mayor
and Members of the Board of Aldermen
Town of Ridgecrest, Louisiana
Page Three

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 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 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. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

This report is intended for the information of management and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Ferriday, Louisiana
June 25, 1996

Switzer, Hopkins & Mangan