

Town of Walker  
GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) (CONTINUED)

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

	1995		VARIANCE - FAVORABLE (UNFAVORABLE)	1994 ACTUAL
	BUDGET	ACTUAL		
Miscellaneous	380	430	(50)	400
Equipment Gas, Oil, and Repairs	15,350	15,283	67	14,034
Insurance	8,500	9,525	(1,025)	6,016
Uniforms	500	399	101	444
Total Sanitation	\$ 149,230	\$ 158,656	\$ (9,426)	\$ 102,662
Total Health	\$ 149,230	\$ 158,656	\$ (9,426)	\$ 102,662
Parks and Recreation:				
Capital Outlay	\$ -	\$ 28,125	\$ (28,125)	\$ 72,921
Casual Labor	-	1,244	(1,244)	1,469
Dues and Memberships	50	-	50	-
Insurance	3,000	2,799	201	2,697
Legal and Professional Fees	700	700	-	700
Management Fees	7,500	8,982	(1,482)	3,125
Miscellaneous	150	75	75	229
Repairs and Maintenance	2,000	1,525	475	783
Small Equipment Replacements	350	296	54	2,556
Small Tools and Supplies	175	155	20	200
Tournament Expense	-	-	-	1,030
Umpires and Scorekeepers	11,500	14,232	(2,732)	12,194
Utilities and Telephone	2,900	2,544	356	2,830
Total Parks and Recreation	\$ 28,325	\$ 60,677	\$ (32,352)	\$ 100,734
Debt Service:				
Principal Retirement	\$ 52,000	\$ 54,780	\$ (2,780)	\$ 47,000
Interest and Fees	10,902	11,861	(959)	13,221
Total Debt Service	\$ 62,902	\$ 66,641	\$ (3,739)	\$ 60,221
	\$1,153,007	\$1,285,301	\$ (132,294)	\$1,239,211

See auditor's report.

## ENTERPRISE FUND

Utility Fund - To account for the provision of gas, water, and sewer services to the residents of the Town of Walker and some residents outside the Town in the Parishes of Livingston and St. Helena. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

## LIABILITIES AND FUND EQUITY

	<u>1995</u>	<u>1994</u>
Current Liabilities (Payable from Current Assets):		
Accounts Payable	\$ 277,618	\$ 182,030
Accrued Salaries	6,135	600
Payroll Tax and State Sales Tax Payable	12,081	11,236
Obligation Under Capital Lease - Current	10,064	-
Customer Meter Deposits	158,759	107,298
Due to Other Funds	247,239	139,273
Retainage Payable	-	<u>30,907</u>
Total Current Liabilities (Payable from Current Assets)	\$ 711,896	\$ 471,344
Current Liabilities (Payable from Restricted Assets):		
Accrued Bond Interest	\$ 11,016	\$ 6,425
Bonds Payable - 1977 Series	12,000	11,000
Bonds Payable - 1985 Series	5,624	11,524
Customer Meter Deposits	<u>15,388</u>	<u>46,909</u>
Total Current Liabilities (Payable from Restricted Assets)	\$ 44,028	\$ 75,858
Long-Term Liabilities:		
Bonds Payable - 1977 Series	\$ 475,000	\$ 487,000
Bonds Payable - 1985 Series	557,784	561,582
Obligation Under Capital Lease	<u>44,428</u>	<u>-</u>
Total Long-Term Liabilities	\$1,077,212	\$1,048,582
Total Liabilities	\$1,833,135	\$1,595,784
Fund Equity:		
Contributed Capital:		
Federal Government	\$ 299,455	\$ 299,455
State Government	293,541	293,541
Local Government	<u>250,000</u>	<u>250,000</u>
Total Contributed Capital	\$ 842,996	\$ 842,996
Retained Earnings:		
Reserved for Revenue Bond Retirement	\$ 160,430	\$ 112,917
Reserved for Revenue Bond Contingencies	94,762	83,769
Unreserved - Undesignated	<u>4,503,325</u>	<u>4,509,780</u>
Total Retained Earnings	\$4,758,517	\$4,706,466
Total Fund Equity	\$5,601,513	\$5,549,462
Total Liabilities and Fund Equity	<u>\$7,434,649</u>	<u>\$7,145,246</u>

Town of Walker  
UTILITY ENTERPRISE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES, AND  
CHANGES IN RETAINED EARNINGS

For the Years Ended December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
Operating Revenues:		
Charges for Services	\$1,787,713	\$1,633,377
Miscellaneous	88,363	105,227
Penalty Charges	<u>50,588</u>	<u>55,504</u>
Total Operating Revenues	\$1,926,664	\$1,794,108
Operating Expenses:		
Natural Gas Purchases	\$ 341,492	\$ 418,488
Labor	333,575	293,807
Payroll Taxes and Employee Benefits	38,632	40,207
Advertising	1,957	2,756
Bad Debt Expense	6,816	10,684
Depreciation	295,344	253,018
Insurance - General	66,951	54,806
Insurance - Group	49,677	55,948
Legal and Professional Fees	27,070	15,123
Miscellaneous	14,366	14,685
Office Expense and Supplies	31,185	25,028
Postage	12,488	9,790
Repair and Maintenance - Systems	302,578	235,559
Uniforms	6,897	8,122
Utilities and Telephone	85,594	112,340
Vehicle Expense	<u>37,921</u>	<u>35,316</u>
Total Operating Expenses	\$1,652,543	\$1,585,677
Operating Income	\$ 274,121	\$ 208,431
Nonoperating Revenues:		
Interest and Investment Income	\$ 125,575	\$ 86,908
Miscellaneous	6,849	7,280
Service Fees	<u>4,878</u>	<u>4,702</u>
Total Nonoperating Revenues	\$ 137,302	\$ 98,890
Nonoperating Expenses:		
Amortization of Bond Expense	\$ 298	\$ 298
Interest Expense	65,747	64,576
Paying Agent Fees	<u>445</u>	<u>625</u>
Total Nonoperating Expenses	\$ 66,490	\$ 65,499
Income before Operating Transfers	\$ 344,933	\$ 241,822

(CONTINUED)

Town of Walker  
UTILITY ENTERPRISE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES, AND  
CHANGES IN RETAINED EARNINGS  
(CONTINUED)

For the Years Ended December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
Operating Transfers In	15,000	-
Operating Transfers Out	<u>(307,882)</u>	<u>(184,686)</u>
Net Income	\$ 52,051	\$ 57,136
Retained Earnings at Beginning of Year	<u>4,706,466</u>	<u>4,649,330</u>
Retained Earnings at End of Year	<u>\$4,758,517</u>	<u>\$4,706,466</u>

See auditor's report.

Town of Walker  
UTILITY ENTERPRISE FUND

COMPARATIVE STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
Cash Flows From Operating Activities:		
Operating Income	\$ 274,121	\$ 208,431
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	295,344	253,018
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(74,592)	27,787
(Increase) Decrease in Unbilled Utility Sales	(30,324)	20,901
(Increase) Decrease in Miscellaneous Receivables	2,988	2,822
(Increase) Decrease in Inventory	(4,216)	(16,020)
(Increase) Decrease in Prepaid Expenses	(1,507)	(721)
Increase (Decrease) in Accounts Payable	95,588	14,226
Increase (Decrease) in Accrued Salaries	5,535	-
Increase (Decrease) in Payroll Tax and State Sales Tax Payable	845	(5,039)
Increase (Decrease) in Contracts and Retainage Payable	(30,907)	(23,889)
Increase (Decrease) in Customer Meter Deposits	51,461	34,432
Increase (Decrease) in Customer Meter Deposits in Restricted Accounts	<u>(31,521)</u>	<u>(21,621)</u>
Net Cash Provided by Operating Activities	\$ 552,815	\$ 494,327
Cash Flows From Non-Capital Financing Activities:		
(Increase) Decrease in Due From Other Funds	\$ 6,738	\$ (1,574)
Increase (Decrease) in Due to Other Funds	107,966	46,108
Operating Transfers In	15,000	-
Operating Transfers Out	(307,882)	(184,686)
Miscellaneous Income	6,849	7,280
Service Fees	<u>4,878</u>	<u>4,702</u>
Net Cash Used in Non-Capital Financing Activities	\$ (166,451)	\$ (128,170)

(CONTINUED)



Town of Walker  
UTILITY ENTERPRISE FUND

COMPARATIVE STATEMENTS OF CASH FLOWS (CONTINUED)

For the Years Ended December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
Cash Flows From Capital and Related Financing Activities:		
Acquisition and Construction of Property, Plant and Equipment	\$ (499,856)	\$ (556,448)
Book Value of Assets Disposed	799	-
Proceeds from Capital Lease	60,920	-
Principal Paid on Capital Lease	(6,428)	-
Interest Paid on Capital Lease	(1,871)	-
Principal Paid on Bonds Payable	(20,698)	(11,000)
Interest Paid on Bonds Payable	(59,285)	(69,533)
Agent Fees Paid on Bonds Payable	(445)	(625)
Interest Income	9,367	12,891
Increase in Contributed Capital	-	293,541
(Increase) Decrease in Due from Other Governments	<u>68,779</u>	<u>(68,779)</u>
Net Cash Used in Capital and Related Financing Activities	\$ (448,718)	\$ (399,953)
Cash Flows From Investing Activities:		
Sales of Investments	\$ 167,928	\$ 468,652
Purchase of Investments	(258,854)	(514,771)
Interest and Investment Income	<u>116,208</u>	<u>74,017</u>
Net Cash Provided by Investing Activities	\$ 25,282	\$ 27,898
Net Decrease in Cash and Cash Equivalents	\$ (37,072)	\$ (5,898)
Cash and Cash Equivalents - Beginning of Year	<u>788,660</u>	<u>794,558</u>
Cash and Cash Equivalents - End of Year	<u>\$ 751,588</u>	<u>\$ 788,660</u>
Cash and Cash Equivalents at End of Year		
Consist of:		
Unrestricted Cash	\$ 452,368	\$ 516,116
Restricted Cash	<u>299,220</u>	<u>272,544</u>
	<u>\$ 751,588</u>	<u>\$ 788,660</u>

See auditor's report.

Town of Walker  
UTILITY ENTERPRISE FUND

SCHEDULE OF CHANGES IN ASSETS RESTRICTED  
FOR REVENUE BOND DEBT SERVICE

For the Year Ended December 31, 1995

	<u>BOND INTEREST AND REDEMPTION</u>	<u>BOND RESERVE</u>	<u>BOND CONTINGENCY</u>	<u>TOTAL</u>
Cash and Investments at Beginning of Year	\$ 72,730	\$ 69,136	\$ 83,769	\$225,635
Cash Receipts:				
Transfers from Operating Cash	\$ 64,164	\$ 30,897	\$ 6,568	\$101,629
Interest Received	<u>4,385</u>	<u>4,291</u>	<u>4,425</u>	<u>13,101</u>
Total Cash Receipts	<u>\$ 68,549</u>	<u>\$ 35,188</u>	<u>\$ 10,993</u>	<u>\$114,730</u>
Total Cash and Investments Available	\$141,279	\$104,324	\$ 94,762	\$340,365
Cash Disbursements:				
Principal Payments	\$ 9,698	\$ 11,000	\$ -	\$ 20,698
Interest Payments	<u>34,660</u>	<u>1,175</u>	<u>-</u>	<u>35,835</u>
Total Cash Disburse- ments	<u>\$ 44,358</u>	<u>\$ 12,175</u>	<u>\$ -</u>	<u>\$ 56,533</u>
Cash and Investments at End of Year	<u>\$ 96,921</u>	<u>\$ 92,149</u>	<u>\$ 94,762</u>	<u>\$283,832</u>

See auditor's report.



AGENCY FUND

Ward II Sewer District/Town of Walker Fund - The Ward II Sewer District/Town of Walker Fund was established on May 10, 1993, to account for the monies received and spent relating to a lawsuit filed on behalf of Ward II Sewer District.

Town of Walker  
AGENCY FUND

BALANCE SHEETS

December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
ASSETS		
Cash and Cash Equivalents	\$ <u>-</u>	\$ <u>5,210</u>
Total Assets	\$ <u>-</u>	\$ <u>5,210</u>
LIABILITIES		
Deposits Due to Others	\$ <u>-</u>	\$ <u>5,210</u>
Total Liabilities	\$ <u>-</u>	\$ <u>5,210</u>

See auditor's report.

Town of Walker  
AGENCY FUND

SCHEDULE OF CHANGES IN DEPOSITS DUE OTHERS

For the Years Ended December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
Deposits Due Others at Beginning of Year	\$ 5,210	\$ 33,987
Additions:		
Deposits	\$ -	\$ -
Interest Income	<u>28</u>	<u>240</u>
Total Additions	\$ 28	\$ 240
Deductions:		
Legal Expenses	<u>\$ 5,238</u>	<u>\$ 29,017</u>
Total Deductions	<u>\$ 5,238</u>	<u>\$ 29,017</u>
Deposits Due Others at End of Year	<u>\$ -</u>	<u>\$ 5,210</u>

See auditor's report.

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operation.

Town of Walker

COMPARATIVE STATEMENTS OF GENERAL FIXED ASSETS

December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
General Fixed Assets, at Cost:		
Land	\$ 91,274	\$ 58,274
Land Improvements	15,675	15,675
Buildings	272,470	184,970
Equipment	475,458	407,183
Furniture and Fixtures	57,557	57,557
Recreational Equipment	<u>83,656</u>	<u>75,341</u>
Total General Fixed Assets	<u>\$ 996,090</u>	<u>\$ 799,000</u>
Investments in General Fixed Assets from		
Property Acquired Prior to January 1, 1985*	\$ 160,238	\$ 160,238
Property Acquired after January 1, 1985 from:		
General Fund Revenues	795,353	601,763
Federal Funds	36,999	36,999
Donations	<u>3,500</u>	<u>-</u>
Total Investment in General Fixed Assets	<u>\$ 996,090</u>	<u>\$ 799,000</u>

\*Records reflecting function and source from which assets were acquired were not maintained prior to 1/1/85.

See auditor's report.

<u>BUILDINGS</u>	<u>EQUIPMENT</u>	<u>FURNITURE AND FIXTURES</u>	<u>RECREATIONAL EQUIPMENT</u>
\$184,970	\$407,183	\$ 57,557	\$ 75,341
\$ 87,500	\$ 78,569	\$ -	\$ 8,315
-	-	-	-
<u>-</u>	<u>3,500</u>	<u>-</u>	<u>-</u>
\$ 87,500	\$ 82,069	\$ -	\$ 8,315
\$ -	\$ 13,794	\$ -	\$ -
\$272,470	\$475,458	\$ 57,557	\$ 83,656
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



GENERAL LONG-TERM DEBT  
ACCOUNT GROUP

To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds. Payment of maturing obligations, including interest, are accounted for in the General Fund.

Town of Walker

STATEMENTS OF GENERAL LONG-TERM DEBT

December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT:		
Amount Available for Accumulated Unpaid Vacation	\$ 5,147	\$ -
Amount to be Provided in Future Years from - General Fund Revenues	<u>175,220</u>	<u>209,000</u>
Total Available and to be Provided	<u>\$ 180,367</u>	<u>\$ 209,000</u>
GENERAL LONG-TERM DEBT PAYABLE:		
Bonds Payable	\$ 2,000	\$ 4,000
Certificates of Indebtedness	155,000	205,000
Note Payable	18,220	-
Accumulated Vacation	<u>5,147</u>	<u>-</u>
Total General Long-Term Debt Payable	<u>\$ 180,367</u>	<u>\$ 209,000</u>

See auditor's report.

OTHER SUPPLEMENTARY INFORMATION

## Town of Walker

SCHEDULE OF INSURANCE COVERAGE IN FORCE (UNAUDITED)

December 31, 1995

<u>INSURANCE COMPANY</u>	<u>COVERAGE</u>	<u>AMOUNT</u>	<u>EXPIRATION DATE</u>
Trinity Universal Insurance Co.	Public Official Bonds Mayor;		
	Michael Grimmer	\$ 200,000	08/07/96
	Mayor-Pro Tem;		
	Wayne Carter	\$ 200,000	08/07/96
	City Clerk;		
	Janet Borne	\$ 200,000	08/07/96
Trinity Universal Insurance Co.	Fidelity Bond	\$ 40,000	08/07/96
National Casualty Co.	Mobile Equipment Floater	\$ 220,000	05/01/96
National Casualty Co.	Property: Building and Contents	\$ 989,000	05/01/96
The Hartford Co.	Special Risk Policy Walker Volunteer Police	\$ 10,000	03/11/96
National Casualty Co.	Commercial Auto Liability	\$ 500,000	05/01/96
Scottsdale Insurance Co.	Public Entity Liability Ins.	\$ 500,000	05/01/96
National Casualty Co.	Law Enforcement Officers Comprehensive Liability Personal Injury	\$1,000,000	05/01/96

(CONTINUED)

Town of Walker

SCHEDULE OF INSURANCE COVERAGE IN FORCE (UNAUDITED) (CONTINUED)

December 31, 1995

<u>INSURANCE COMPANY</u>	<u>COVERAGE</u>	<u>AMOUNT</u>	<u>EXPIRATION DATE</u>
LA Municipal Risk Management Agency	Workmen's Compensation	Statutory	12/31/95
National Casualty Co.	Parks and Recreation Liability	\$ 5,000	02/29/96
National Casualty Co.	Commercial Crime Coverage	\$ 2,000	05/01/96

## Town of Walker

SCHEDULE OF MAYOR AND BOARD OF ALDERMEN AND  
COMPENSATION PAID

For the Year Ended December 31, 1995

<u>NAME/ADDRESS/TELEPHONE</u>	<u>TERM OF OFFICE</u>	<u>COMPENSATION</u>
Michael Grimmer, Mayor 13246 Pendarvis Lane Walker, Louisiana 70785 Telephone #665-5351	01/01/93 - 12/31/96	\$ 32,058
Melvin Brown, Alderman P. O. Box 215 Walker, Louisiana 70785 Telephone #664-4986	01/01/93 - 12/31/96	2,400
Wayne Carter, Alderman P. O. Box 211 Walker, Louisiana 70785 Telephone #665-6845 (Resigned 12/31/95)	01/01/93 - 12/31/96	2,400
Sue Cobb, Alderwoman 29785 S. Palmetto Street Walker, Louisiana 70785 Telephone #667-2054	01/01/93 - 12/31/96	2,400
Ricky Goff, Alderman 29271 Betty Drive Walker, Louisiana 70785 Telephone #665-3628	01/01/93 - 12/31/96	2,400
Debbie Lea, Alderwoman 12819 Becky Drive Walker, Louisiana 70785 Telephone #664-4309	01/01/93 - 12/31/96	<u>2,400</u>
		<u>\$ 44,058</u>



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

# HANNIS T. BOURGEOIS & CO., L.L.P.

RANDY J. BONNECAZE, C.P.A.\*  
JOSEPH D. RICHARD, JR., C.P.A.\*  
RONNIE E. STAMPER, C.P.A.\*  
FERNAND P. GENRE, C.P.A.\*  
STEPHEN M. HUGGINS, C.P.A.\*  
MONICA L. ZUMO, C.P.A.\*  
RONALD L. GAGNET, C.P.A.\*  
DOUGLAS J. NELSON, C.P.A.  
CELESTE D. VIATOR, C.P.A.

Certified Public Accountants  
1111 S. Range Avenue, Suite 101  
Denham Springs, Louisiana 70726  
(504) 665-8297

LOUIS J. BONNECAZE, C.P.A.  
CONSULTANT  
MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
2322 TREMONT DRIVE, SUITE 200  
BATON ROUGE, LA 70809

May 7, 1996

\* A Professional Accounting Corporation

The Honorable Mayor and Members  
of the Board of Aldermen  
Walker, Louisiana

We have audited the general purpose financial statements of the Town of Walker, Louisiana, as of and for the year ended December 31, 1995 and have issued our report thereon dated May 7, 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; 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 financial statements are free of material misstatement.

The management of the Town of Walker, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments 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 internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Town of Walker for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we 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 certain matters involving the internal control structure and its operation that we consider to be reportable conditions 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 judgment, could adversely affect the Town's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Reportable conditions were noted in the following areas:

CUSTOMERS' DEPOSITS

FINDING:

During our previous audit, and again in 1995, we noted customers' deposits were not being fully segregated from other receipts. At December 31, 1995, Customers' Deposit Liability exceeded segregated cash balances by \$158,759.

RECOMMENDATION:

We again recommend the establishment of segregated cash balances to equal the Customers' Deposit Liability and to maintain cash balances equal to the Customers' Deposit Liability at all times.

MANAGEMENT'S RESPONSE:

In a letter dated June 4, 1996, Management states, "At December 1995, segregated cash balances did not equal customer deposits. However, in January of 1996 our Town Clerk did segregate cash balances to equal customer deposit liabilities."

FINDING:

During our previous audit, we found that the Customers' Deposit Subsidiary listing was not being reconciled with the general ledger on a periodic basis.

RECOMMENDATION:

We recommended that the Customers' Deposit Subsidiary listing be reviewed for accuracy and reconciled to the general ledger at least quarterly.

CORRECTIVE ACTION TAKEN:

During 1995, it was noted that the Customers' Deposit Subsidiary listing was being adequately reconciled to the general ledger.

## REVENUES, RECEIVABLES AND RECEIPTS

### FINDING:

During our current year audit, we noted a lack of segregation of duties in collection and recording of fines, bonds and property taxes. The same individual collected the fees, prepared and made deposits and recorded collections in the cash receipts journal.

The individual also maintains the ticket logs and property tax roles. The cash receipts journal and the deposit slips were then remitted to the Town's accounting department for recording in the general ledger and for reconciling the cash receipts.

During 1995, the police department, which collects fines, bonds and property taxes, moved to a new location. Previously, the police department was housed in the town hall building.

### RECOMMENDATION:

We recommend that the Town implement procedures to collect fees at a central location at the town hall. The individual(s) at the town would prepare a list of cash receipts and remit the list to the police department so that the payors would be given proper credit of payment.

### MANAGEMENT'S RESPONSE:

In a letter dated June 4, 1996, Management states, "The Town of Walker has a small staff and has hired an additional person at The Walker Police Department to assist the police clerk with collections, docket, ticket logs and court duties. This has also segregated the police department operations and duties from the Town Hall duties. We have no means of collecting fines at the Town Hall for the police department especially when all court records and information concerning those fines and taxes are housed at the police department.



However, we will instruct the police personnel to have one person collect the fines and taxes and the other person record fines, bonds and property taxes while the third clerk at Town Hall will record in the general ledger the cash receipts."

FINDING:

During our previous audit, it was noted that numerous revenues and expenses were classified incorrectly in the various funds. This resulted in us having to spend a great deal of time reclassifying amounts between accounts.

RECOMMENDATION:

We recommended that the Town establish a system of monitoring revenues and expenses on a monthly basis and at that time the necessary reclassifications should be made. This monitoring should result in the Town being better able to evaluate actual revenues and expenses with budgeted amounts.

CORRECTIVE ACTION TAKEN:

During our current year audit, it was noted that fewer reclassification entries were necessary when compared to the prior year. However, we still feel that the general ledger should be monitored more closely and necessary reclassifications be made as necessary. As a result of this monitoring, the Town would be better able to evaluate revenues and expenses as compared to budgeted amounts.

MANAGEMENT'S RESPONSE:

In a letter dated June 4, 1996, Management states, "As noted by our auditor fewer reclassifications entries were necessary compared to last year. However, the Town will continue to improve its monitoring of the general ledger to insure fewer reclassifications."



FINDING:

During the prior year, the Town did not record interest earnings on their annuity contract investment. As a result, a large entry was made by us to record interest earnings on this investment for the entire year.

RECOMMENDATION:

We recommended that the Town request monthly statements for their annuity contract investment from their broker which would state the current annuity value as well as interest earnings. Based on this information, interest earnings could be recorded on a monthly basis resulting in the Town being better able to evaluate actual interest earnings with budgeted amounts.

CORRECTIVE ACTION TAKEN:

During 1995, the Town recorded interest earnings on their annuity contract investment.

PROPERTY AND EQUIPMENT

FINDING:

As in the prior year, we noted that a detailed subsidiary ledger of all fixed assets was not being maintained by the Town.

RECOMMENDATION:

We again recommend that the Town prepare a detailed computerized property and equipment subsidiary ledger.

MANAGEMENT'S RESPONSE:

In a letter dated June 4, 1996, Management states, "A bookkeeper has been assigned the duties of keeping a detailed subsidiary ledger of all property and equipment purchased. He is required to keep the information on computer and will be updated as needed."

## EXPENDITURES FOR GOODS AND SERVICES

### FINDING:

During our test of transactions in the prior year, we noted a disbursement charged on the Town's credit card failed to have complete documentation attached relating to the expenditure.

### RECOMMENDATION:

We recommended that before any payment is made to a vendor, that adequate documentation in the form of invoices, purchase orders, and proper approval be obtained. In connection with the Town's credit card statement, this documentation should also include the customer's copy of the credit card receipt. We also recommend that this documentation be attached to the credit card statement being paid.

### CORRECTIVE ACTION TAKEN:

During 1995, it appears that the Town is maintaining adequate documentation for expenditures.

### FINDING:

During the current year audit, it was noted that a construction contract had a change in the work to be performed and a change in the cost but no formal change order was approved. However, the full board did approve the contractors total invoice prior to payment.

### RECOMMENDATION:

We recommend that as required by Louisiana's public bid and procurement laws that any change order pertaining to public work, not required to be put out for public bid, shall either be negotiated in the best interest of the public entity or let out for public bid. Where the change order is negotiated, the public entity shall require that said change order be fully documented and itemized as to costs,

including material quantities, material costs, taxes, insurance, employee benefits, other related costs, profit and overhead. Where certain unit prices are contained in the initial contract, no deviation shall be allowed in computing negotiated change order costs.

MANAGEMENT'S RESPONSE:

In a letter dated June 4, 1996, Management states, "Any change of cost from the original contract will require the council to approve the change order prior to the scope of work changing and the cost of the change. The Town Council was aware of all changes but it was not documented in a change order. Change orders will be approved in the future."

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements 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 management, the Louisiana Legislative Auditor, and the Census Bureau. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

*Harrie J. Bourgeois & Co., L.L.P.*

INDEPENDENT AUDITOR'S REPORT ON  
COMPLIANCE BASED ON AN AUDIT OF THE GENERAL  
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS

# HANNIS T. BOURGEOIS & CO., L.L.P.

RANDY J. BONNECAZE, C.P.A.\*  
JOSEPH D. RICHARD, JR., C.P.A.\*  
RONNIE E. STAMPER, C.P.A.\*  
FERNAND P. GENRE, C.P.A.\*  
STEPHEN M. HUGGINS, C.P.A.\*  
MONICA L. ZUMO, C.P.A.\*  
RONALD L. GAGNET, C.P.A.\*  
DOUGLAS J. NELSON, C.P.A.  
CELESTE D. VIATOR, C.P.A.

Certified Public Accountants  
1111 S. Range Avenue, Suite 101  
Denham Springs, Louisiana 70726  
(504) 665-8297

LOUIS J. BONNECAZE, C.P.A.  
CONSULTANT  
MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
2322 TREMONT DRIVE, SUITE 200  
BATON ROUGE, LA 70809

May 7, 1996

\* A Professional Accounting Corporation

The Honorable Mayor and Members  
of the Board of Aldermen  
Walker, Louisiana

We have audited the general purpose financial statements of the Town of Walker, Louisiana, as of and for the year ended December 31, 1995, and have issued our report thereon dated May 7, 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 the provisions of the 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.

Compliance with laws, regulations, contracts, and grants applicable to the Town of Walker, Louisiana is the responsibility of the Town'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 general purpose 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 the following instances of noncompliance that are required to be reported herein under Government Auditing Standards for which the ultimate resolution cannot presently be determined. Accordingly, no provision for any liability that may result has been recognized in the Town of Walker, Louisiana's 1995 financial statements.

FINDING:

As noted in the prior year and again during the current year, the Town of Walker failed to comply with certain provisions of the "Louisiana Local Government Budget Act" (La. R.S. 39:1301). The Town failed to formally amend its operating budget for the General Fund in such amounts that would cause any unfavorable variance to be less than 5%. Actual 1995 General Fund Expenditures exceeded Budgeted Expenditures by approximately 11.5%.

RECOMMENDATION:

We recommend that management direct more attention to the proper classification of expenditures and to making sure all expenditures are included within the budget. Be sure to include all capital outlay and equipment purchases within the formal budget.

MANAGEMENT'S RESPONSE:

In a letter dated June 4, 1996, Management states that "Management did formally adjust the general fund budget for 1995; however, not enough to not exceed the 5% allowable. In 1996 a budget committee will direct closer attention to the classification of expenditures so that actual expenditures will not exceed budgeted expenditures by more than 5%.



FINDING:

The 1994 General Purpose Financial Statements of the Town of Walker along with the reports required by Government Auditing Standards were issued subsequent to the six month statutory issue date which is in noncompliance with State law.

CORRECTIVE ACTION TAKEN:

The 1995 General Purpose Financial Statements of the Town of Walker along with the reports required by Government Auditing Standards will be issued within the six month statutory issue date which is in compliance with State law.

FINDING:

During 1995, it was noted that the Town entered into an agreement to purchase a parcel of land for \$21,000. The agreement required the Town to sign a promissory note and to make monthly installments over forty-two months. The Town did not go before the La. State Bond commission as required for incurring debt for greater than 90 days.

RECOMMENDATION:

We recommend that the Town go before the La. State Bond commission prior to incurring any debt greater than 90 days.

MANAGEMENT'S RESPONSE:

In a letter dated June 4, 1996, Management states, "The Town Council approved the purchase of five acres of property that joins the Town of Walker Parks property. The Town of Walker Planning and Zoning Commission also approved the subdividing request of this property at its regular scheduled meeting. This property allows the Park an additional entrance and access to the Park and more room for park expansion. We had full intentions of paying the entire \$21,000 up front for the property, however, at the closing the property owner

would only accept the offer by monthly installments. At this time, the Town Council approved the installments in order not to loose the offer to a developer of thirty six acres adjoining this five acre plot. We did not realize that we needed to go before the bonding commission for debt over ninety days. In the future all debts over ninety days will be approved by the bonding commission before any agreement will be agreed upon by the Mayor and Board of Alderman."

FINDING:

During 1995, it was noted that the Town purchased large quantities of piping materials for gas, water and sewer expansion projects undertaken by utility fund employees without advertising for bids for these materials.

RECOMMENDATION:

We recommend that the Town advertise for bids on materials to be used in gas, water and sewer expansion projects when it can be reasonably expected that quantities valued greater than \$10,000 will be needed over a short period of time.

MANAGEMENT'S RESPONSE:

In a letter dated June 4, 1996, Management states that "Management acknowledges the purchase of a truck load of pipe purchased for the use of expansion of gas lines in our natural gas system. Our purchasing agent did take phone bids from all three suppliers before the purchase and did not publicly bid for the material. The Town of Walker has publicly bid all of its pipe requirements one time so far in 1996 and will require our purchasing agent to bid all material needs three times a year in the future."

FINDING:

During our audit work on compliance with bid laws, it was noted that the Town purchased a used garbage truck for \$32,581 and it was not advertised for bid. Per discussion with the Mayor, he stated that there was an emergency situation that necessitated the purchase. The old garbage truck broke down so the Town could not make garbage collections.

We reviewed the minutes of the Board but did not find any information to indicate that an emergency situation occurred necessitating the purchase of a used garbage truck without advertising for bids.

RECOMMENDATION:

We recommend that all purchases of equipment for greater than \$10,000 be advertised for public bid. In cases of emergency purchases, we recommend that the Town properly document the emergency situation in the minutes of the Board and then follow the procedures of the Public Bid and Procurement laws.

MANAGEMENT'S RESPONSE:

In a letter dated June 4, 1996, Management states, "The Town of Walker's old garbage truck was completely out of order and the Town was paying Waste Management a truck fee to pick up our garbage. The Town council approved the purchase of the used truck for \$32,581 compared to a \$130,000 quote for a new garbage truck. Mayor Grimmer failed to declare an emergency for the purchase of the truck.

In the future if an emergency situation occurs, the Mayor and Board of Alderman will declare an emergency before purchasing any equipment."

We considered these material instances of noncompliance in forming our opinion on whether the Town's general purpose financial statements for the year ended December 31, 1995, are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated May 7, 1996, on those financial statements.

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

Respectfully submitted,

*Harris J. Bourgeois & Co., L.L.P.*

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

# HANNIS T. BOURGEOIS & CO., L.L.P.

RANDY J. BONNECAZE, C.P.A.\*  
JOSEPH D. RICHARD, JR., C.P.A.\*  
RONNIE E. STAMPER, C.P.A.\*  
FERNAND P. GENRE, C.P.A.\*  
STEPHEN M. HUGGINS, C.P.A.\*  
MONICA L. ZUMO, C.P.A.\*  
RONALD L. GAGNET, C.P.A.\*

DOUGLAS J. NELSON, C.P.A.  
CELESTE D. VIATOR, C.P.A.

Certified Public Accountants

1111 S. Range Avenue, Suite 101  
Denham Springs, Louisiana 70726  
(504) 665-8297

May 7, 1996

LOUIS J. BONNECAZE, C.P.A.  
CONSULTANT  
MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
2322 TREMONT DRIVE, SUITE 200  
BATON ROUGE, LA 70809

\* A Professional Accounting Corporation

The Honorable Mayor and Members  
of the Board of Aldermen  
Walker, Louisiana

We have audited the general purpose financial statements of the Town of Walker, Louisiana, as of and for the year ended December 31, 1995, and have issued our report thereon dated May 7, 1996. We have also audited the Town's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated May 7, 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, and the provisions of the 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 and about whether the Town of Walker complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.



In planning and performing our audit for the year ended December 31, 1995, we considered the internal control structure of the Town of Walker in order to determine our auditing procedures for the purpose of expressing our opinions on the general purpose financial statements of the Town of Walker and on the compliance of the Town with requirements applicable to major programs 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 May 7, 1996.

The management of the Town of Walker is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements 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:

ACCOUNTING CONTROLS

Cash and Investments  
Cash Receipts  
Purchasing and Receiving  
Cash Disbursements  
Payroll  
Property and Equipment  
General Ledger

GENERAL REQUIREMENTS

Political Activity  
Civil Rights  
Cash Management  
Federal Financial Reports  
Drug-Free Workplace  
Administration Requirements

SPECIFIC REQUIREMENTS

Types of Services  
Matching, Level of Effort  
or Earmarking  
Reporting

For all of the internal control categories listed above, 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 Walker expended 99% of its total federal financial assistance under its major federal financial assistance program.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal

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

# HANNIS T. BOURGEOIS & CO., L.L.P.

RANDY J. BONNECAZE, C.P.A.\*  
JOSEPH D. RICHARD, JR., C.P.A.\*  
RONNIE T. STAMPER, C.P.A.\*  
FERNAND P. GENRE, C.P.A.\*  
STEPHEN M. HUGGINS, C.P.A.\*  
MONICA L. ZUMO, C.P.A.\*  
RONALD E. GAGNE, C.P.A.\*  
DOUGLAS J. NELSON, C.P.A.\*  
CELESTE D. VIATOR, C.P.A.

\* A Professional Accounting Corporation

Certified Public Accountants

1111 S. Range Avenue, Suite 101  
Denham Springs, Louisiana 70726  
(504) 665-8297

May 7, 1996

LOUIS J. BONNECAZE, C.P.A.  
CONSULTANT

MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

2322 TREMONT DRIVE, SUITE 200  
BATON ROUGE, LA 70809

The Honorable Mayor and Members  
of the Board of Aldermen  
Walker, Louisiana

We have audited the general purpose financial statements of the Town of Walker, Louisiana, as of and for the year ended December 31, 1995, and have issued our report thereon dated May 7, 1996.

We have applied procedures to test the Town of Walker, Louisiana's compliance with the following requirements applicable to each of its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended December 31, 1995:

Political Activity  
Civil Rights  
Federal Financial Reports  
Cash Management  
Drug Free Workplace Act

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 Walker, Louisiana'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 Walker, Louisiana 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 these requirements.

This report is intended for the information of management, the Louisiana Legislative Auditor, and the Census Bureau and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

*Harris J. Bourgeois & Co., L.L.P.*

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

# HANNIS T. BOURGEOIS & CO., L.L.P.

RANDY J. BONNECAZE, C.P.A.\*  
JOSEPH D. RICHARD, JR., C.P.A.\*  
RONNIE E. STAMPER, C.P.A.\*  
FERNAND P. GENRE, C.P.A.\*  
STEPHEN M. HUGGINS, C.P.A.\*  
MONICA L. ZUMO, C.P.A.\*  
RONALD L. GAGNET, C.P.A.\*  
DOUGLAS J. NELSON, C.P.A.  
CELESTE D. VIATOR, C.P.A.

Certified Public Accountants

1111 S. Range Avenue, Suite 101  
Denham Springs, Louisiana 70726  
(504) 665-8297

LOUIS J. BONNECAZE, C.P.A.  
CONSULTANT  
MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
2322 TREMONT DRIVE, SUITE 200  
BATON ROUGE, LA 70809

\* A Professional Accounting Corporation

May 7, 1996

The Honorable Mayor and Members  
of the Board of Aldermen  
Walker, Louisiana

We have audited the general purpose financial statements of the Town of Walker, Louisiana, as of and for the year ended December 31, 1995, and have issued our report thereon dated May 7, 1996.

We have also audited the Town of Walker, Louisiana's compliance with the requirements governing types of services allowed or unallowed; matching; reporting; and amounts claimed or used for matching that are applicable to its major federal financial assistance program, which is identified in the accompanying schedule of federal financial assistance, for the year ended December 31, 1995. The management of the Town of Walker, Louisiana is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and OMB 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

material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to above.

In our opinion, the Town of Walker, Louisiana, complied, in all material respects, with the requirements governing types of services allowed or unallowed; matching; reporting; and amounts claimed or used for matching that are applicable to its major federal financial assistance program for the year ended December 31, 1995.

This report is intended for the information of management, the Louisiana Legislative Auditor, and the Census Bureau and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

*Harris J. Bourgeois & Co., L.L.P.*



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS TRANSACTIONS

# HANNIS T. BOURGEOIS & CO., L.L.P.

RANDY J. BONNECAZE, C.P.A.\*  
JOSEPH D. RICHARD, JR., C.P.A.\*  
RONNIE E. STAMPER, C.P.A.\*  
FERNAND P. GENRE, C.P.A.\*  
STEPHEN M. HIGGINS, C.P.A.\*  
MONICA L. ZUMO, C.P.A.\*  
RONALD L. GAGNE, C.P.A.\*  
DOUGLAS J. NELSON, C.P.A.\*

CHESTER D. VIATOR, C.P.A.

\* A Professional Accounting Corporation

Certified Public Accountants

1111 S. Range Avenue, Suite 101  
Denham Springs, Louisiana 70726  
(504) 665-8297

LOUIS J. BONNECAZE, C.P.A.  
CONSULTANT  
MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
2322 TREMONT DRIVE, SUITE 200  
BATON ROUGE, LA 70809

May 7, 1996

The Honorable Mayor and Members  
of the Board of Aldermen  
Walker, Louisiana

We have audited the general purpose financial statements of the Town of Walker, Louisiana, as of and for the year ended December 31, 1995, and have issued our report thereon dated May 7, 1996.

In connection with our audit of the general purpose financial statements of the Town of Walker, Louisiana, and with our consideration of the Town's control structure used to administer federal financial assistance programs, as required by the Office of Management and Budget Circular A-128, "Audits of State and Local Governments", we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended December 31, 1995.

As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion

on the Town's compliance with these requirements. 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 preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Town 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, the Louisiana Legislative Auditor, and the Census Bureau and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

*Harris J. Bourgeois & Co., L.L.P.*

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF  
FEDERAL FINANCIAL ASSISTANCE

# HANNIS T. BOURGEOIS & CO., L.L.P.

RANDY J. BONNECAZE, C.P.A.\*  
JOSEPH D. RICHARD, JR., C.P.A.\*  
RONNIE E. STAMPER, C.P.A.\*  
FERNAND P. GENRE, C.P.A.\*  
STEPHEN M. HIGGINS, C.P.A.\*  
MONICA L. ZUMO, C.P.A.\*  
RONALD E. GAGNET, C.P.A.\*  
DOUGLAS J. NELSON, C.P.A.\*  
GLENN D. VIATOR, C.P.A.

\* A Professional Accounting Corporation

Certified Public Accountants

1111 S. Range Avenue, Suite 101  
Denham Springs, Louisiana 70726  
(504) 665-8297

May 7, 1996

LOUIS J. BONNECAZE, C.P.A.  
CONSULTANT

MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

2322 TREMONT DRIVE, SUITE 200  
BATON ROUGE, LA 70809

The Honorable Mayor and Members  
of the Board of Aldermen  
Walker, Louisiana

We have audited the general purpose financial statements of the Town of Walker, Louisiana, for the year ended December 31, 1995, and have issued our report thereon dated May 7, 1996. These general purpose financial statements are the responsibility of the Town of Walker, 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 the 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 the Town of Walker, 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 this 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.

Respectfully submitted,

*Harris J. Bourgeois & Co., L.L.P.*

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE



<u>BOND PAYABLE AT JANUARY 1, 1995</u>	<u>PRINCIPAL PAYMENTS</u>	<u>INTEREST PAYMENTS</u>	<u>BOND PAYABLE AT DECEMBER 31, 1995</u>	<u>DISBURSEMENTS/ EXPENDITURES</u>
\$ 498,000	\$ 11,000	\$ 24,625	\$ 487,000	\$ -
<u>573,106</u>	<u>9,698</u>	<u>34,660</u>	<u>563,408</u>	<u>-</u>
\$1,071,106	\$ 20,698	\$ 59,285	\$1,050,408	\$ -
\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>2,367</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>2,367</u>
\$1,071,106	\$ 20,698	\$ 59,285	\$1,050,408	\$ 2,367

**TOWN OF WALKER**  
**REPORT ON AUDIT OF**  
**GENERAL PURPOSE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1995**

**OFFICIAL  
 FILE COPY  
 DO NOT SEND OUT**

RECEIVED  
 LEGISLATIVE AUDITOR  
 SEP 04 1996 9:13

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 **SEP 04 1996**

## CONTENTS

	<u>EXHIBIT</u>	<u>SCHEDULE</u>	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	-	-	1 - 2
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)			
Combined Balance Sheets - All Fund Types and Account Groups	A	-	3 - 4
Statements of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund Type - General Fund	B	-	5
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - General Fund Type	C	-	6
Statements of Revenues, Expenses, and Changes in Retained Earnings - Proprietary Fund Type - Utility Enterprise Fund	D	-	7 - 8
Comparative Statements of Cash Flows - Proprietary Fund Type - Utility Enterprise Fund	E	-	9 - 10
Notes to the Financial Statements	-	-	11 - 34
FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS			
General Fund:			
Comparative Balance Sheets	F-1	-	35
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual	F-2	-	36
Statement of Revenues Compared to Budget (GAAP Basis)	F-3	-	37
Statement of Expenditures Compared to Budget (GAAP Basis)	F-4	-	38 - 40

	<u>EXHIBIT</u>	<u>SCHEDULE</u>	<u>PAGE</u>
Enterprise Fund:			
Comparative Balance Sheets	G-1	-	41
Comparative Statements of Revenues, Expenses, and Changes in Retained Earnings	G-2	-	42 - 43
Comparative Statements of Cash Flows	G-3	-	44 - 45
Schedule of Changes in Assets Restricted for Revenue Bond Debt Service	-	G-4	46
Agency Fund:			
Balance Sheets	H-1		47
Schedule of Changes in Deposits Due Others	H-2		48
General Fixed Assets Account Group:			
Comparative Statements of General Fixed Assets	I-1	-	49
Statement of Changes in General Fixed Assets	I-2	-	50
General Long-Term Debt Account Group:			
Statements of General Long-Term Debt	J	-	51
OTHER SUPPLEMENTARY INFORMATION:			
Schedule of Insurance Coverage in Force (Unaudited)	-	1	52 - 53
Schedule of Mayor and Board of Aldermen and Compensation Paid	-	2	54
Independent Auditor's Report on Internal Control Structure Based on an Audit of the General Purpose Financial Statements Performed in Accordance with Government Auditing Standards	-	-	55 - 62
Independent Auditor's Report on Com- pliance Based on an Audit of the General Purpose Financial State- ments Performed in Accordance with Government Auditing Standards	-	-	63 - 68

EXHIBIT SCHEDULE PAGE

Independent Auditor's Report on the Internal Control Structure Used in Administering Federal Financial Assistance Programs	-	-	69 - 72
Independent Auditor's Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs	-	-	73 - 74
Independent Auditor's Report on Compliance with Specific Requirements Applicable to Major Federal Financial Assistance Programs	-	-	75 - 76
Independent Auditor's Report on Compliance with Specific Requirements Applicable to Nonmajor Federal Financial Assistance Programs Transactions	-	-	77 - 78
Independent Auditor's Report on Schedule of Federal Financial Assistance	-	-	79 - 80
Schedule of Federal Financial Assistance	-	3	81

# HANNIS T. BOURGEOIS & CO., L.L.P.

RANDY J. BONNECAZE, C.P.A.\*  
JOSEPH D. RICHARD, JR., C.P.A.\*  
RONNIE E. STAMPER, C.P.A.\*  
FERNAND P. GENRE, C.P.A.\*  
STEPHEN M. HUGGINS, C.P.A.\*  
MONICA L. ZUMO, C.P.A.\*  
RONALD L. GAGNET, C.P.A.\*  
DOUGLAS J. NELSON, C.P.A.  
CELESTE D. VIATOR, C.P.A.

Certified Public Accountants  
1111 S. Range Avenue, Suite 101  
Denham Springs, Louisiana 70726  
(504) 665-8297

LOUIS J. BONNECAZE, C.P.A.  
CONSULTANT  
MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
2322 TREMONT DRIVE, SUITE 200  
BATON ROUGE, LA 70809

May 7, 1996

\* A Professional Accounting Corporation

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members  
of the Board of Aldermen  
Walker, Louisiana

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

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the provisions of the 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.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Walker, Louisiana, as of December 31, 1995, and the results of its operations and the cash flows of its proprietary fund type 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 May 7, 1996, on our consideration of the Town of Walker's internal control structure and a report dated May 7, 1996, on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The individual fund and individual account group financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Walker, Louisiana. Such information, except for the Schedule of Insurance in Force marked "unaudited", on which we express no opinion, has been subjected to auditing procedures applied in the audit of the general purpose financial statements; and, in our opinion, the information is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

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

Respectfully submitted,  
*Harris J. Bourgeois & Co., L.L.P.*



Town of Walker

COMBINED BALANCE SHEETS - ALL FUND TYPES AND ACCOUNT GROUPS

December 31, 1995

ASSETS	FUND TYPES	
	<u>GOVERNMENTAL GENERAL</u>	<u>PROPRIETARY ENTERPRISE</u>
Cash and Cash Equivalents	\$ 39,933	\$ 452,368
Investments, at Cost	-	1,152,880
Receivables (Net, Where Applicable, of Allowances for Uncollectibles):		
Accounts	19,110	265,699
Franchise Tax	43,762	-
Miscellaneous	7,113	6,686
Unbilled Utility Sales	-	236,202
Due from Other Funds	247,239	248,222
Due from Other Governments	61,847	-
Inventory, at Cost	-	84,363
Prepaid Expenses	-	14,047
Restricted Assets:		
Cash and Cash Equivalents	-	299,220
Fixed Assets (Net, Where Applicable, of Accumulated Depreciation)	-	4,665,480
Other Assets	-	9,482
Amount to be Provided for Retirement of General Long-Term Debt	-	-
Amount to be Provided for Accumulated Unpaid Vacation	-	-
<b>Total Assets</b>	<b>\$ 419,004</b>	<b>\$7,434,649</b>
 <b>LIABILITIES</b>		
Accounts Payable	\$ 46,607	\$ 277,618
Accrued Salaries	-	6,135
Payroll Tax and State Sales Tax Payable	2,937	12,081
Due to Other Funds	248,222	247,239
Deferred Revenue	25,000	-
Deposits Due to Others	-	-
Obligation Under Capital Lease - Current	-	10,064
Customer Meter Deposits	-	158,759
Retainage Payable	-	-
Payable from Restricted Assets:		
Accrued Bond Interest	-	11,016
Revenue Bonds Payable	-	17,624
Customer Meter Deposits	-	15,388

(CONTINUED)

GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)

Town of Walker

COMBINED BALANCE SHEETS - ALL FUND TYPES AND ACCOUNT GROUPS (CONTINUED)

December 31, 1995

LIABILITIES - CONTINUED	FUND TYPES	
	<u>GOVERNMENTAL GENERAL</u>	<u>PROPRIETARY ENTERPRISE</u>
General Obligation Bonds Payable	-	-
Revenue Bonds Payable	-	1,032,784
Certificates of Indebtedness Payable	-	-
Note Payable	-	-
Obligation Under Capital Lease	-	44,428
Accumulated Unpaid Vacation	-	-
Total Liabilities	<u>\$ 322,766</u>	<u>\$1,833,136</u>
FUND EQUITY		
Investment in General Fixed Assets	\$ -	\$ -
Contributed Capital:		
Federal Government	-	299,455
State Government	-	293,541
Local Government	-	250,000
Retained Earnings:		
Reserved for Revenue Bond Retirement	-	160,430
Reserved for Revenue Bond Contingencies	-	94,762
Unreserved - Undesignated	-	4,503,325
Fund Balance:		
Reserved for Inventory	-	-
Reserved for Encumbrances	18,689	-
Unreserved - Undesignated	<u>77,549</u>	<u>-</u>
Total Fund Equity	<u>\$ 96,238</u>	<u>\$5,601,513</u>
Total Liabilities and Fund Equity	<u>\$ 419,004</u>	<u>\$7,434,649</u>

The accompanying notes are an integral part of this statement.

FIDUCIARY AGENCY	ACCOUNT GROUPS		TOTALS	
	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	(MEMORANDUM ONLY)	
			1995	1994
\$ -	\$ -	\$ -	\$ 492,301	\$ 539,502
-	-	-	1,152,880	1,061,954
-	-	-	284,809	198,796
-	-	-	43,762	42,098
-	-	-	13,799	13,672
-	-	-	236,202	205,878
-	-	-	495,461	394,233
-	-	-	61,847	156,844
-	-	-	84,363	82,481
-	-	-	14,047	12,540
-	-	-	299,220	272,544
-	996,090	-	5,661,570	5,260,767
-	-	-	9,482	9,780
-	-	175,220	175,220	209,000
-	-	5,147	5,147	-
\$ -	\$ 996,090	\$ 180,367	\$ 9,030,110	\$ 8,460,089
\$ -	\$ -	\$ -	\$ 324,225	\$ 204,741
-	-	-	6,135	600
-	-	-	15,018	14,173
-	-	-	495,461	394,233
-	-	-	25,000	-
-	-	-	-	5,210
-	-	-	10,064	-
-	-	-	158,759	107,298
-	-	-	-	30,907
-	-	-	11,016	6,425
-	-	-	17,624	22,524
-	-	-	15,388	46,909

FIDUCIARY AGENCY	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	1995	1994
-	-	2,000	2,000	4,000
-	-	-	1,032,784	1,048,582
-	-	155,000	155,000	205,000
-	-	18,220	18,220	-
-	-	-	44,428	-
-	-	5,147	5,147	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 180,367</u>	<u>\$2,336,269</u>	<u>\$2,090,602</u>
\$ -	\$ 996,090	\$ -	\$ 996,090	\$ 799,000
-	-	-	299,455	299,455
-	-	-	293,541	293,541
-	-	-	250,000	250,000
-	-	-	160,430	112,917
-	-	-	94,762	83,769
-	-	-	4,503,325	4,509,780
-	-	-	-	2,334
-	-	-	18,689	-
-	-	-	77,549	18,691
<u>\$ -</u>	<u>\$ 996,090</u>	<u>\$ -</u>	<u>\$6,693,841</u>	<u>\$6,369,487</u>
<u>\$ -</u>	<u>\$ 996,090</u>	<u>\$ 180,367</u>	<u>\$9,030,110</u>	<u>\$8,460,089</u>

## Town of Walker

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - GOVERNMENTAL FUND TYPE - GENERAL FUND

For the Years Ended December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
Revenues:		
Taxes	\$ 614,024	\$ 555,512
Licenses and Permits	126,907	106,828
Fines and Forfeitures	161,321	130,987
Sanitation Service Fees	97,567	94,038
Parks and Recreation	19,598	19,495
Miscellaneous	<u>27,215</u>	<u>150,393</u>
Total Revenues	\$1,046,632	\$1,057,253
Expenditures:		
General Government	\$ 148,256	\$ 149,410
Public Safety	416,055	298,857
Highways and Streets	435,016	527,327
Health	158,656	102,662
Parks and Recreation	60,677	100,734
Debt Service:		
Principal Retirement	54,780	47,000
Interest	<u>11,861</u>	<u>13,221</u>
Total Expenditures	\$1,285,301	\$1,239,211
Deficiency of Revenues over Expenditures	\$ (238,669)	\$ (181,958)
Other Financing Sources (Uses):		
Proceeds from Note Payable	21,000	-
Operating Transfers In	307,882	184,686
Operating Transfers Out	<u>(15,000)</u>	<u>-</u>
Excess of Revenues and Other Sources over Expenditures and Other Uses	\$ 75,213	\$ 2,728
Fund Balance at Beginning of Year	<u>21,025</u>	<u>18,297</u>
Fund Balance at End of Year	<u>\$ 96,238</u>	<u>\$ 21,025</u>

The accompanying notes are an integral part of this statement.

## Town of Walker

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

For the Year Ended December 31, 1995

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Taxes	\$ 645,700	\$ 614,024	\$ (31,676)
Licenses and Permits	127,000	126,907	(93)
Fines and Forfeitures	145,000	161,321	16,321
Sanitation Service Fees	99,000	97,567	(1,433)
Parks and Recreation	20,000	19,598	(402)
Miscellaneous	<u>72,000</u>	<u>27,215</u>	<u>(44,785)</u>
Total Revenues	\$1,108,700	\$1,046,632	\$ (62,068)
Expenditures:			
General Government	\$ 151,070	\$ 148,256	\$ 2,814
Public Safety	289,175	416,055	(126,880)
Highways and Streets	472,305	435,016	37,289
Health	149,230	158,656	(9,426)
Parks and Recreation	28,325	60,677	(32,352)
Debt Service	<u>62,902</u>	<u>66,641</u>	<u>(3,739)</u>
Total Expenditures	\$1,153,007	\$1,285,301	\$ (132,294)
Deficiency of Revenues over Expenditures	\$ (44,307)	\$ (238,669)	\$ (194,362)
Other Financing Sources (Uses):			
Proceeds from Note Payable	-	21,000	21,000
Operating Transfers In	119,000	307,882	188,882
Operating Transfers Out	<u>(25,000)</u>	<u>(15,000)</u>	<u>10,000</u>
Excess of Revenues and Other Sources over Expenditures and Other Uses	\$ 49,693	\$ 75,213	\$ 25,520
Fund Balance at Beginning of Year	<u>21,025</u>	<u>21,025</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 70,718</u>	<u>\$ 96,238</u>	<u>\$ 25,520</u>

The accompanying notes are an integral part of this statement.



## Town of Walker

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN  
RETAINED EARNINGS - PROPRIETARY FUND TYPE - UTILITY ENTERPRISE FUND

For the Years Ended December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
Operating Revenues:		
Charges for Services	\$1,787,713	\$1,633,377
Miscellaneous	88,363	105,227
Penalty Charges	<u>50,588</u>	<u>55,504</u>
Total Operating Revenues	\$1,926,664	\$1,794,108
Operating Expenses:		
Natural Gas Purchases	\$ 341,492	\$ 418,488
Labor	333,575	293,807
Payroll Taxes and Employee Benefits	38,632	40,207
Advertising	1,957	2,756
Bad Debt Expense	6,816	10,684
Depreciation	295,344	253,018
Insurance - General	66,951	54,806
Insurance - Group	49,677	55,948
Legal and Professional Fees	27,070	15,123
Miscellaneous	14,366	14,685
Office Expense and Supplies	31,185	25,028
Postage	12,488	9,790
Repair and Maintenance - Systems	302,578	235,559
Uniforms	6,897	8,122
Utilities and Telephone	85,594	112,340
Vehicle Expense	<u>37,921</u>	<u>35,316</u>
Total Operating Expenses	\$1,652,543	\$1,585,677
Operating Income	\$ 274,121	\$ 208,431
Nonoperating Revenues:		
Interest and Investment	\$ 125,575	\$ 86,908
Miscellaneous	6,849	7,280
Service Fees	<u>4,878</u>	<u>4,702</u>
Total Nonoperating Revenues	\$ 137,302	\$ 98,890
Nonoperating Expenses:		
Amortization of Bond Expense	\$ 298	\$ 298
Interest Expense	65,747	64,576
Paying Agent Fees	<u>445</u>	<u>625</u>
Total Nonoperating Expenses	\$ 66,490	\$ 65,499
Income before Operating Transfers	\$ 344,933	\$ 241,822

(CONTINUED)

Town of Walker

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN  
RETAINED EARNINGS - PROPRIETARY FUND TYPE - UTILITY ENTERPRISE FUND  
(CONTINUED)

For the Years Ended December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
Operating Transfers In	15,000	-
Operating Transfers Out	<u>(307,882)</u>	<u>(184,686)</u>
Net Income	\$ 52,051	\$ 57,136
Retained Earnings at Beginning of Year	<u>4,706,466</u>	<u>4,649,330</u>
Retained Earnings at End of Year	<u>\$4,758,517</u>	<u>\$4,706,466</u>

The accompanying notes are an integral part of this statement.

## Town of Walker

COMPARATIVE STATEMENTS OF CASH FLOWS - PROPRIETARY FUND TYPE -  
UTILITY ENTERPRISE FUND

For the Years Ended December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
Cash Flows From Operating Activities:		
Operating Income	\$ 274,121	\$ 208,431
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	295,344	253,018
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(74,592)	27,787
(Increase) Decrease in Unbilled Utility Sales	(30,324)	20,901
(Increase) Decrease in Miscellaneous Receivables	2,988	2,822
(Increase) Decrease in Inventory	(4,216)	(16,020)
(Increase) Decrease in Prepaid Expenses	(1,507)	(721)
Increase (Decrease) in Accounts Payable	95,588	14,226
Increase (Decrease) in Accrued Salaries	5,535	-
Increase (Decrease) In Payroll Tax and State Sales Tax Payable	845	(5,039)
Increase (Decrease) in Contracts and Retainage Payable	(30,907)	(23,889)
Increase (Decrease) in Customer Meter Deposits	51,461	34,432
Increase (Decrease) in Customer Meter Deposits in Restricted Accounts	<u>(31,521)</u>	<u>(21,621)</u>
Net Cash Provided by Operating Activities	\$ 552,815	\$ 494,327
Cash Flows From Non-Capital Financing Activities:		
(Increase) Decrease in Due from Other Funds	\$ 6,738	\$ (1,574)
Increase (Decrease) in Due to Other Funds	107,966	46,108
Operating Transfers In	15,000	-

(CONTINUED)

Town of Walker

COMPARATIVE STATEMENTS OF CASH FLOWS - PROPRIETARY FUND TYPE -  
UTILITY ENTERPRISE FUND (CONTINUED)

For the Years Ended December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
Cash Flows from Non-Capital Financing Activities (Continued):		
Operating Transfers Out	(307,882)	(184,686)
Miscellaneous Income	6,849	7,280
Service Fees	<u>4,878</u>	<u>4,702</u>
Net Cash Used in Non-Capital Financing Activities	\$ (166,451)	\$ (128,170)
Cash Flows From Capital and Related Financing Activities:		
Acquisition and Construction of Property, Plant and Equipment	\$ (499,856)	\$ (556,448)
Book Value of Assets Disposed	799	-
Proceeds from Capital Lease	60,920	-
Principal Paid on Capital Lease	(6,428)	-
Interest Paid on Capital Lease	(1,871)	-
Principal Paid on Bonds Payable	(20,698)	(11,000)
Interest Paid on Bonds Payable	(59,285)	(69,533)
Agent Fees Paid on Bonds Payable	(445)	(625)
Interest Income	9,367	12,891
Increase in Contributed Capital	-	293,541
(Increase) Decrease in Due from Other Governments	<u>68,779</u>	<u>(68,779)</u>
Net Cash Used in Capital and Related Financing Activities	\$ (448,718)	\$ (399,953)
Cash Flows From Investing Activities:		
Sales of Investments	\$ 167,928	\$ 468,652
Purchase of Investments	(258,854)	(514,771)
Interest and Investment Income	<u>116,208</u>	<u>74,017</u>
Net Cash Provided by Investing Activities	\$ 25,282	\$ 27,898
Net Decrease in Cash and Cash Equivalents	\$ (37,072)	\$ (5,898)
Cash and Cash Equivalents - Beginning of Year	<u>788,660</u>	<u>794,558</u>
Cash and Cash Equivalents - End of Year	<u>\$ 751,588</u>	<u>\$ 788,660</u>
Cash and Cash Equivalents at End of Year Consist of:		
Unrestricted Cash	\$ 452,368	\$ 516,116
Restricted Cash	<u>299,220</u>	<u>272,544</u>
	<u>\$ 751,588</u>	<u>\$ 788,660</u>

The accompanying notes are an integral part of this statement.



Town of Walker

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1995

(1) Summary of Significant Accounting Policies -

The Town of Walker, Louisiana (the Town) was incorporated in 1909, under the provisions of R.S. 33:321-48. The Town operates under a Mayor - Board of Aldermen form of government and provides the following services as authorized by its charter: public safety (police), highways and streets, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The accounting and reporting policies of the Town of Walker conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

This report includes all funds and account groups which are controlled by or dependent on the Town's 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, fiscal interdependency, imposition of will, and whether a financial benefit/burden relationship existed between the Town and potential component unit.

The criteria provided in Government Accounting Standards Board Statement No. 14 has been considered and accordingly certain governmental organizations are thus excluded from the accompanying financial statements. These organizations are the Livingston Parish Fire District #4 and Gravity Drainage District #5, which are staffed by independently elected or appointed officials. Although the Town may provide facilities, no control is exercised over their operations.

B. Fund Accounting

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

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 three 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.

PROPRIETARY FUND

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

FIDUCIARY FUND

Agency Fund - The Agency Fund accounts for the assets held by the Town as an agent for the Ward II Sewer governmental entity. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

C. 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 fund type operations 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

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

spending 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 other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

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.

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 their activity are included on their balance sheets. The 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.

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, and for the year ended December 31, 1995, amounted to \$295,344. The estimated useful lives are as follows:

Buildings	30 Years
Improvements	10 Years
Equipment	2-5 Years
Systems	30-40 Years



Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

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 value on the date donated.

D. 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, gross receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are 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. Revenues from state and federal grants are recognized when the reimbursable expenditures have been incurred. Licenses and Permits, Fines and Forfeitures, and Miscellaneous Revenues (except interest earnings) are recorded as revenues when received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exception to this general rule is principal and interest on long-term debt which is recognized when due. Purchase of various operating supplies are regarded as expenditures at the time purchased.

The proprietary 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. Unbilled utility services are recorded at year-end.

E. Budgets and Budgetary Accounting

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

1. The Town Treasurer prepares a proposed budget and submits same to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After holding the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended by the Board of Aldermen.

F. Investments

Investments are stated at cost. At December 31, 1995, investments were deposited in mutual funds. The value of the mutual funds at December 31, 1995, was \$1,152,880.

G. Inventory

Inventory is valued at cost (first-in, first-out). Expendable supplies in the General Fund are recorded as expenditures at the time the supplies are purchased.

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

H. Bad Debts

Uncollectible amounts due for ad valorem taxes and customers' utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

I. Accumulated Unpaid Vacation

Employees of the Town may accumulate a maximum five days of vacation pay during the first ten years of employment and 10 days thereafter. At December 31, 1995, the accrued liability for unpaid vacation benefits amounted to \$10,682. The amounts applicable to the Enterprise Fund was \$5,535 and is recorded in that Fund and the amount of \$5,147 applicable to the General Fund has been recorded in the General Long-Term Debt Account Group.

J. 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 this column does 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.

K. Construction Period Interest

The Town has a policy of capitalizing interest paid during the construction of a project.

As of December 31, 1995, the Town has capitalized a total of \$17,857 of interest costs on its water system.

L. Cash and Cash Equivalents

For purposes of reporting cash flows, the Town considers all certificates of deposit, regardless of maturity, and money market funds, including those that are classified as restricted assets, to be cash equivalents.



Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

M. Post-Employment Health Care Benefits

Retiree Benefits -

The Town provides no postretirement healthcare benefits to employees who retire from the Town.

COBRA Benefits -

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the Town provides healthcare benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premiums are paid by the Town and reimbursed by the insured. This program is offered for a duration of eighteen (18) months after the termination date. There is no associated cost to the Town under this program, and there was no participants in the program as of December 31, 1995.

N. Use of Estimates

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

(2) Ad Valorem Taxes -

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in September and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of Livingston Parish.

For the year ended December 31, 1995, taxes of 3.35 mills were levied on property with assessed valuations totaling \$7,225,920 and were dedicated to general purposes.

Total taxes levied were \$24,207. Taxes receivable at December 31, 1995, consisted of the following:

Town of Walker  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 December 31, 1995

Taxes Receivable - Current Roll	\$ 19,110
Taxes Receivable - Prior Years	<u>5,539</u>
	\$ 24,649
Allowance for Uncollectible Taxes	<u>(5,539)</u>
	<u>\$ 19,110</u>

(3) Interfund Receivable, Payables - Transfers In, Transfers Out -

	<u>INTERFUND RECEIVABLES</u>	<u>INTERFUND PAYABLES</u>
General Fund	\$247,239	\$248,222
Enterprise Fund	<u>248,222</u>	<u>247,239</u>
	<u>\$495,461</u>	<u>\$495,461</u>
	<u>TRANSFERS IN</u>	<u>TRANSFERS OUT</u>
General Fund	\$307,882	\$ 15,000
Enterprise Fund	<u>15,000</u>	<u>307,882</u>
	<u>\$322,882</u>	<u>\$322,882</u>

(4) Due from Other Governments -

Beer and Tobacco Taxes due from the State of Louisiana	\$ 6,773
Maintenance Fees due from Louisiana Department of Transportation & Development	4,236
Sales Taxes Due from Livingston Parish School Board	44,752
Video Poker Fees Due from State of Louisiana, Office of Treasurer	<u>6,086</u>
	<u>\$ 61,847</u>

Town of Walker  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 December 31, 1995

(5) Changes in General Fixed Assets -

A summary of changes in general fixed assets follows:

	BALANCE JANUARY 1, 1995	ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 1995
Land	\$ 58,274	\$ 33,000	\$ -	\$ 91,274
Land Improvements	15,675	-	-	15,675
Buildings	184,970	87,500	-	272,470
Equipment	407,183	82,069	13,794	475,458
Furniture and Fixtures	57,557	-	-	57,557
Recreational Equipment	<u>75,341</u>	<u>8,315</u>	<u>-</u>	<u>83,656</u>
Total	<u>\$799,000</u>	<u>\$210,884</u>	<u>\$ 13,794</u>	<u>\$996,090</u>

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

Land	\$ 37,014
Gas System	2,677,839
Water System	1,657,319
Sewer System	3,046,840
Buildings	153,688
Machinery and Equipment	589,754
Construction in Progress	<u>46,418</u>
Total	\$ 8,208,872
Less: Accumulated Depreciation	<u>(3,543,392)</u>
Net	<u>\$ 4,665,480</u>

(6) Restricted Assets - Proprietary Fund Type -

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

Bond Interest and Redemption Accounts	\$ 96,921
Bond Reserve Accounts	92,149
Bond Contingency Accounts	94,762
Meter Deposit Accounts	<u>15,388</u>
	<u>\$299,220</u>

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

(7) Changes in Long-Term Debt -

A. The following is a summary of bond transactions of the Town for the year ended December 31, 1995:

	<u>GENERAL OBLIGATION BONDS</u>	<u>CERTIFICATE OF INDEBTEDNESS</u>	<u>REVENUE BONDS</u>	<u>TOTAL</u>
Balances at				
January 1, 1995	\$ 4,000	\$ 205,000	\$1,071,106	\$1,280,106
Additions	-	-	-	-
Principal Reductions	<u>(2,000)</u>	<u>(50,000)</u>	<u>(20,698)</u>	<u>(72,698)</u>
Balances at				
December 31, 1995	<u>\$ 2,000</u>	<u>\$ 155,000</u>	<u>\$1,050,408</u>	<u>\$1,207,408</u>

General Obligation Bonds:

\$27,000, 1966 Public Improvement serial bonds due in annual installments of principal and semi-annual installments of interest through April 1, 1996; interest on \$26,000 at 5.0% and on \$1,000 at 4.5%.	\$ 1,000
\$27,000, 1966 Public Improvement serial bonds due in annual installments of principal and semi-annual installments of interest through April 1, 1996; interest on \$26,000 at 5.0% and on \$1,000 at 4.5%.	<u>1,000</u>
	<u>\$ 2,000</u>

A combined schedule of the outstanding 1966 Series bonds and the interest and principal requirements by dates is as follows:

<u>DUE DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
April 1, 1996	\$ <u>2,000</u>	\$ <u>45</u>	\$ <u>2,045</u>
Total General Obligation Bonds	<u>\$ 2,000</u>	<u>\$ 45</u>	<u>\$ 2,045</u>



Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

The 1966 bond resolution provides that there shall be levied in each year that the above bonds are outstanding and unpaid, a tax on all taxable property in the Town of Walker, sufficient to pay the interest and principal on the bonds as each shall become due.

Certificates of Indebtedness:

\$250,000 Certificate of Indebtedness, Series 1993 due in annual installments of principal and semi-annual installments of interest through December 1, 1998; interest on \$45,000 at 5.75%, on \$100,000 at 5.25%, and on \$105,000 at 5.50%. \$155,000

A schedule of the outstanding 1993 Series Certificates of Indebtedness and the interest and principal requirements by dates is as follows:

<u>DUE DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
June 1, 1996	\$ -	\$ 4,069	\$ 4,069
December 31, 1996	50,000	4,069	54,069
June 1, 1997	-	2,888	2,888
December 31, 1997	50,000	2,888	52,888
June 1, 1998	-	1,513	1,513
December 31, 1998	<u>55,000</u>	<u>1,513</u>	<u>56,513</u>
	<u>\$155,000</u>	<u>\$16,940</u>	<u>\$171,940</u>

The Series 1993 Certificates of Indebtedness resolution provides that the Certificates shall be secured by and payable in principal and interest exclusively by an irrevocable pledge and dedication of the excess of annual revenues of the Town of Walker from its General Fund and Other Operating Funds for the years 1993 and thereafter above the statutory, necessary and usual charges of the Town in each of the years the Certificates are outstanding. The excess revenues thus pledged shall be set aside monthly in a separate fund to be designated the Series 1993 Sinking Fund hereinafter authorized to be created. Monies in the Series 1993 Sinking Fund shall be expended solely for the payment of principal of and interest on the Certificates. Such monthly deposits of excess revenues of the Town from its General Fund and Other Operating Funds shall continue to be

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

made in each of the years 1993 and thereafter, as necessary to pay principal of and interest on the Certificates as the same fall due. The excess revenues of the Town from its General Fund and Other Operating Funds not required to be deposited in the Series 1993 Sinking Fund may be appropriated and used by the Issuer for any lawful purpose of the Town. At December 31, 1995, the Town had established a separate checking account which had a balance of \$11,923 at December 31, 1995.

Revenue Bonds:

\$620,000, 1977 Water, Gas and Sewer serial bonds due in annual installments of principal and semi-annual installments of interest through June 1, 2018; interest is at 5.0% \$ 487,000

\$600,000, 1985 Waterworks Revenue Bond due in annual installments of principal and interest of \$44,358 through October 8, 2026; interest is at 6.875% 563,408

\$1,050,408

A schedule of the outstanding 1977 Series bonds and the interest and principal requirements by dates is as follows:

<u>DUE DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
June 1, 1996	\$ 12,000	\$ 12,175	\$ 24,175
December 1, 1996	-	11,875	11,875
June 1, 1997	12,000	11,875	23,875
December 1, 1997	-	11,575	11,575
June 1, 1998	13,000	11,575	24,575
December 1, 1998	-	11,250	11,250
June 1, 1999	14,000	11,250	25,250
December 1, 1999	-	10,900	10,900
June 1, 2000	14,000	10,900	24,900
December 1, 2000	-	10,550	10,550
June 1, 2001	15,000	10,550	25,550
December 1, 2001	-	10,175	10,175

(CONTINUED)

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

<u>DUE DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
June 1, 2002	16,000	10,175	26,175
December 1, 2002	-	9,775	9,775
June 1, 2003	17,000	9,775	26,775
December 1, 2003	-	9,350	9,350
June 1, 2004	17,000	9,350	26,350
December 1, 2004	-	8,925	8,925
June 1, 2005	18,000	8,925	26,925
December 1, 2005	-	8,475	8,475
June 1, 2006	19,000	8,475	27,475
December 1, 2006	-	8,000	8,000
June 1, 2007	20,000	8,000	28,000
December 1, 2007	-	7,500	7,500
June 1, 2008	21,000	7,500	28,500
December 1, 2008	-	6,975	6,975
June 1, 2009	22,000	6,975	28,975
December 1, 2009	-	6,425	6,425
June 1, 2010	23,000	6,425	29,425
December 1, 2010	-	5,850	5,850
June 1, 2011	25,000	5,850	30,850
December 1, 2011	-	5,225	5,225
June 1, 2012	26,000	5,225	31,225
December 1, 2012	-	4,575	4,575
June 1, 2013	27,000	4,575	31,575
December 1, 2013	-	3,900	3,900
June 1, 2014	28,000	3,900	31,900
December 1, 2014	-	3,200	3,200
June 1, 2015	30,000	3,200	33,200
December 1, 2015	-	2,450	2,450
June 1, 2016	31,000	2,450	33,450
December 1, 2016	-	1,675	1,675

(CONTINUED)

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

<u>DUE DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
June 1, 2017	33,000	1,675	34,675
December 1, 2017	-	850	850
June 1, 2018	<u>34,000</u>	<u>850</u>	<u>34,850</u>
Total 1977 Series	<u>\$ 487,000</u>	<u>\$ 331,125</u>	<u>\$ 818,125</u>

A schedule of the outstanding 1985 Series bonds and the interest and principal requirements by dates is as follows:

<u>DUE DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
October 8, 1996	\$ 5,624	\$ 38,734	\$ 44,358
October 8, 1997	6,010	38,348	44,358
October 8, 1998	6,424	37,934	44,358
October 8, 1999	6,865	37,493	44,358
October 8, 2000	7,337	37,021	44,358
October 8, 2001	7,842	36,516	44,358
October 8, 2002	8,381	35,977	44,358
October 8, 2003	8,957	35,401	44,358
October 8, 2004	9,573	34,785	44,358
October 8, 2005	10,231	34,127	44,358
October 8, 2006	10,934	33,424	44,358
October 8, 2007	11,686	32,672	44,358
October 8, 2008	12,489	31,869	44,358
October 8, 2009	13,348	31,010	44,358
October 8, 2010	14,266	30,092	44,358
October 8, 2011	15,246	29,112	44,358
October 8, 2012	16,294	28,064	44,358
October 8, 2013	17,415	26,943	44,358
October 8, 2014	18,612	25,746	44,358
October 8, 2015	19,892	24,466	44,358
October 8, 2016	21,259	23,099	44,358
October 8, 2017	22,721	21,637	44,358
October 8, 2018	24,283	20,075	44,358
October 8, 2019	25,952	18,406	44,358
October 8, 2020	27,736	16,622	44,358
October 8, 2021	29,643	14,715	44,358

(CONTINUED)



Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

<u>DUE DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
October 8, 2022	31,681	12,677	44,358
October 8, 2023	33,859	10,499	44,358
October 8, 2024	36,187	8,171	44,358
October 8, 2025	38,675	5,683	44,358
October 8, 2026	<u>43,986</u>	<u>3,024</u>	<u>47,010</u>
Total 1985 Series	\$ <u>563,408</u>	\$ <u>814,342</u>	\$ <u>1,377,750</u>
Total Revenue Bonds	<u>\$1,050,408</u>	<u>\$1,145,467</u>	<u>\$2,195,875</u>

The Series 1977 Bond Indenture provides that all revenues of the Enterprise Fund are pledged for the purposes and in the priority order following:

- a. Reasonable and necessary expenses of maintaining and operating the system.
- b. Payments into the Interest and Redemption Fund of the amount required to pay maturing bonds and interest, such payments, to be made in equal monthly installments.
- c. Payments into the Interest and Redemption Reserve Fund of 5% of the amount paid into the Interest and Redemption Fund each year in accordance with the preceding paragraph until the fund reaches an amount equal to the maximum future sinking fund year's aggregate principal and interest requirements (\$36,350) of the bonds. If the amount in the Reserve Account ever exceeds the amount required to be therein, such excess shall be deemed held in the current requirements portion of the Interest and Redemption Fund and applied to currently maturing principal and interest.
- d. Payments into the Depreciation, Replacement and Extension Fund of \$1,824 annually in equal monthly installments of \$152 until there is in said fund the sum of \$72,960. "Upon retirement of the prior revenue bonds all money then in the Contingencies and Improvement Fund established by the prior revenue bond resolution (to the extent that such money is not used for the retirement of prior revenue bonds) shall be paid into the Depreciation, Replacement, and Extension

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

Fund". The monies in the Depreciation, Replacement and Extension Fund shall be used or reserved for the making of extraordinary repairs or replacements to the combined system which are necessary to keep the combined system in operating condition and for the making of which money is not available as an expense of operation and maintenance or from the Contingencies and Improvement Fund created by the prior revenue bond resolution, but prior to the retirement of the prior revenue bonds, priority shall be given to payments required for the sewer system. Money in the Depreciation, Replacement and Extension Fund in excess of \$72,960 may also be used by the Town for the payment of the cost of improvements or extensions to the combined system including the payment of junior lien obligations issued for such purpose as to principal, interest, and reserve requirements.

- e. All revenues not required for the above payments shall be regarded as surplus and may be used for any lawful corporate purposes.

The Series 1985 Bond Indenture provides that all revenues derived from the operation of the system shall be collected in a separate and special bank account and said fund shall be established, maintained and administered in the following order of priority and for the following express purposes:

- a. Reasonable and necessary expenses of maintaining and operating the system.
- b. Payments into a fund entitled Waterworks System Revenue Bond and Interest Sinking Fund, sufficient amounts to pay fully the principal and interest on said Bond, as they become due and payable, one-twelfth of such payment (\$3,697) is to be deposited in said account beginning on the first day of the month following delivery of the 1985 Bond.
- c. Payments into a fund entitled Waterworks System Revenue Bond Reserve Fund, on or before the 20th day of each month, beginning no later than the first full month in which the system becomes revenue producing, an amount equal to 5% of the sum required each month into the Sinking Fund, b. above, until such fund equals the highest annual debt service (\$44,358).
- d. Payments to a fund entitled Depreciation and Contingency Fund commencing on the 20th day of the first full month after the System becomes revenue producing, and then monthly thereafter, the sum of \$408.

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

All moneys in the Depreciation and Contingency Fund may be drawn on and used by the Town for the purpose of paying the cost of unusual or extraordinary maintenance, repairs, replacements and extensions; and the costs of improvements to the System which will either enhance its revenue-producing capacity or provide a higher degree of service. In the event the available balances in the Sinking Fund and/or Reserve Fund shall at any principal or interest payment date be insufficient to pay the next installment or principal and/or interest and to maintain the required debt service, reserve funds on deposit in the Depreciation and Contingency Fund shall be transferred in such amounts as are necessary to eliminate the deficiencies, respectively, in the Sinking Fund and the Reserve Fund.

The balances required in the Interest and Redemption Funds, the Interest and Redemption Reserve Funds, the Depreciation, Replacement, and Extension Fund, and the Contingency and Improvement Fund from a strict interpretation of the Bond Resolutions, as compared to the actual balances are reflected in the following:

INTEREST AND REDEMPTION FUNDS

	SERIES 1977 <u>BONDS</u>	SERIES 1985 <u>BONDS</u>	<u>TOTALS</u>
Required Balance	\$ 9,029	\$ 7,393	\$16,422
Actual Balance	<u>17,545</u>	<u>79,376</u>	<u>96,921</u>
Excess	<u>\$ 8,516</u>	<u>\$71,983</u>	<u>\$80,499</u>

INTEREST AND REDEMPTION RESERVE FUNDS

	SERIES 1977 <u>BONDS</u>	SERIES 1985 <u>BONDS</u>	<u>TOTALS</u>
Required Balance	\$36,350	\$19,485	\$55,835
Actual Balance	<u>65,338</u>	<u>26,811</u>	<u>92,149</u>
Excess	<u>\$28,988</u>	<u>\$ 7,326</u>	<u>\$36,314</u>



Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

DEPRECIATION, REPLACEMENT AND EXTENSION FUND

	SERIES 1977 <u>BONDS</u>	SERIES 1985 <u>BONDS</u>	<u>TOTALS</u>
Required Balance	\$30,552	\$ -	\$30,552
Actual Balance	<u>43,100</u>	<u>-</u>	<u>43,100</u>
Excess	<u>\$12,548</u>	<u>\$ -</u>	<u>\$12,548</u>

CONTINGENCY AND IMPROVEMENT FUND

	SERIES 1977 <u>BONDS</u>	SERIES 1985 <u>BONDS</u>	<u>TOTALS</u>
Required Balance	\$ -	\$44,064	\$44,064
Actual Balance	<u>-</u>	<u>51,662</u>	<u>51,662</u>
Excess	<u>\$ -</u>	<u>\$ 7,598</u>	<u>\$ 7,598</u>

There are a number of limitations and restrictions contained in the various bond indentures. The Town is in compliance with all material limitations and restrictions.

- B. The following is a summary of the Notes Payable transactions for the Town for the year ended December 31, 1995.

Notes Payable at January 1, 1995	\$ -
Increase in Notes Payable	21,000
Retirement of Notes Payable - Current Year	<u>(2,780)</u>
Notes Payable at December 31, 1995	<u>\$ 18,220</u>

General Obligation Under Note Payable:

The Town, on June 29, 1995, entered into a note payable with an individual for the purchase of a certain parcel of land, containing 5.25 acres, together with all buildings and improvements thereon. The note payable requires no down payment and is payable in 42 equal monthly installments of \$546, including interest at 5.00% per annum. The note payable indebtedness at December 31, 1995 was \$18,220.

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

A schedule of the outstanding note payable principal and interest requirements at December 31, 1995, is as follows:

<u>YEAR ENDED</u> <u>DECEMBER 31,</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1996	\$ 5,773	\$ 780	\$ 6,553
1997	6,068	485	6,553
1998	<u>6,379</u>	<u>174</u>	<u>6,553</u>
Total General Obligation Under Note Payable	<u>\$18,220</u>	<u>\$ 1,439</u>	<u>\$19,659</u>

- C. The following is a summary of the obligation under capital lease transactions of the Town's Enterprise Fund for the year ended December 31, 1995.

Obligation Under Capital Lease at January 1, 1995	\$ -
Increase in Capital Lease Obligation	60,920
Capital Lease Retirement Current Year	<u>(6,428)</u>
Obligation Under Capital Lease at December 31, 1995	<u>\$54,492</u>

Obligation Under Capital Lease - Enterprise Fund:

The Town's Enterprise Fund on July 14, 1995, entered into a Lease Purchase Agreement with Crawler Supply Co., Inc. for the purchase of an Excavator (Model 9030). After the initial payment of \$1,186 at the inception date, the Town makes payments on the capital lease indebtedness in fifty-nine (59) monthly installments of \$1,186, including interest at 6.50% per annum. The capital lease indebtedness at December 31, 1995 was \$54,492.

A schedule of the outstanding lease principal and interest requirements at December 31, 1995, is as follows:

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

<u>YEAR ENDED</u> <u>DECEMBER 31,</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1996	\$10,064	\$ 2,977	\$13,041
1997	11,683	2,544	14,227
1998	12,465	1,761	14,226
1999	13,300	927	14,227
2000	<u>6,980</u>	<u>133</u>	<u>7,113</u>
Total Obligation Under Capital Lease	<u>\$54,492</u>	<u>\$ 8,342</u>	<u>\$62,834</u>

(8) Amortization of the Cost of Issuance of Revenue Bonds -

The cost of issuance of the 1985 Revenue Bonds of \$11,925 is being amortized over the life of the bonds. The unamortized balance at December 31, 1995, was \$9,482.

(9) Meter Deposits -

Meter deposits are paid by customers upon application for utility services and are returnable to them upon termination of service. Receipts from meter deposits are deposited in a Meter Deposit Account and refunds of deposits on termination of service are made from the same account.

At December 31, 1995 Meter Deposits amounted to \$174,147, while the balance of the meter deposit cash accounts totaled \$15,388.

(10) Retirement Commitments -

Full-time police employees of the Town of Walker participate in the Municipal Police Employees Retirement System ("Police System"), a multiple-employer public employee retirement system. The payroll for employees covered by the Police System for the year ended December 31, 1995 was \$84,604; the Town's total payroll was \$670,253.

All Town police employees who participate in the plan shall be eligible for retirement if he has 20 years or more of creditable service and is at least age 50, or 12 years or more of creditable service and is at least age 55. Retirement benefits are equal to 3 1/3 percent of average final compensation multiplied by the number of years of creditable service and is payable monthly for

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

life. Average final compensation is the average annual earned compensation of an employee for any period of thirty-six successive or joined months of service during which the earned compensation was the highest. Benefits are not considered fully vested until the employee has attained both the age and the years of service requirements which entitle them to regular retirement benefits. The Police System also provides death and disability benefits. Benefits are established by state statute.

Covered employees are required by State Statute to contribute 7.50% of their salary to the plan. The Town is required by the same statute to contribute the remaining amounts necessary to pay benefits when due. The contribution requirement for the year ended December 31, 1995 was \$13,959, which consisted of \$7,614 from the Town and \$6,345 from employees; these contributions represented 9.00% and 7.50% of covered payroll, respectively.

The pension benefit obligation at June 30, 1995 of the Police System as a whole, determined through an actuarial valuation performed as of that date, was \$736.8 million. The Police System's net assets available for benefits on that date (valued at market) were \$766.3 million, resulting in an over-funded pension benefit obligation of \$29.5 million. The Town's December 31, 1995 contribution represented .05% of the total contribution required of all participating entities.

Ten-year historical trend information showing the Police System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's June 30, 1995 comprehensive annual financial report.

All employees of the Town are also members of the Social Security System.

(11) Retirement Benefits -

The Town adopted a nonqualified retirement plan in 1992. Employees are eligible to participate upon completion of their six month of employment and must be employed full time. The employee must contribute a minimal amount (\$25.00) monthly and the Town will contribute 6% of the regular gross pay on the employee's behalf. The monies contributed are used to make payments on annuity contracts for the benefit of the employee. On October 1, 1993, the nonqualified retirement plan was terminated and a qualified retirement plan was adopted. The qualified retirement has the same contribution terms as the unqualified retirement plan. The Town's contributions for the plan amounted to \$21,333 for the year ended December 31, 1995.



Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

(12) Litigation -

There are several pending lawsuits in which the Town is involved. The Town's legal counsel and management estimate that the potential claims against the Town not covered by insurance resulting from such litigation would not materially affect the financial statements of the Town.

(13) Cash and Cash Equivalents -

The Town maintains cash, certificates of deposit, and investment pools available for use by the Town.

Deposits - At year-end the carrying amount of the Town's deposits was \$791,521, and the bank balance was \$812,808. The entire bank balance was covered by federal deposit insurance and/or pledged securities.

Statutes require collateral pledged for pool deposits to be held in the Town's name by the trust department of a bank other than the pledging bank; however, during the year the Town permitted collateral on the deposits to be held in the Town's name by the pledging bank's trust department.

Investments - The Town is authorized to invest in obligations of the U. S. Treasury, agencies, and instrumentalities, commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record, banks' acceptances, repurchase agreements, and the State Treasurer's investment pool. The Town's investments are categorized below to give an indication of the level of risk assumed by the Town at year end. Category 1 includes deposits or investments that are insured or registered or for which the securities are held by the Town or its agent in the Town's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the Town's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the Town's name.

Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

	<u>CATEGORY</u>			<u>CONFIRMED BALANCE</u>	<u>MARKET VALUE</u>	<u>CARRYING VALUE</u>
	<u>1</u>	<u>2</u>	<u>3</u>			
Cash and Cash Equivalents: Operating Accounts	\$100,000	\$114,354	\$ -	\$ 214,354	\$ 214,354	\$ 193,573
Interest Bearing Accounts	110,200	487,702	-	597,902	597,902	597,396
Petty Cash	-	-	552	552	552	552
Total Cash and Cash Equivalents	\$210,200	\$602,056	\$ 552	\$ 812,808	\$ 812,808	\$ 791,521
Investments Not Subject to Cate- gorization: Mutual Funds - U.S. Govern- ment Securities				\$1,152,880	\$1,152,880	\$1,152,880
Total Investments				\$1,152,880	\$1,152,880	\$1,152,880
Total Cash and Invest- ments				\$1,965,688	\$1,965,688	\$1,944,401

Included in the accompanying Balance Sheets under the captions:

Cash and Cash Equivalents	\$ 492,301
Investments, at Cost	1,152,880
Restricted Assets:	
Cash and Investments, at Cost	<u>299,220</u>
	<u>\$1,944,401</u>



Town of Walker

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1995

(14) Excess Expenditures over Appropriations -

During 1995, the Town of Walker had actual expenditures over budgeted expenditures in the following areas of the General Fund:

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>UNFAVORABLE VARIANCE</u>	<u>VARIANCE AS % OF BUDGET</u>
Health	\$149,230	\$158,656	\$ (9,426)	6.3%
Public Safety	\$289,175	\$416,055	\$(126,880)	43.9%
Parks and Recreation	\$ 28,325	\$ 60,677	\$ (32,352)	114.2%
Debt Service	\$ 62,902	\$ 66,641	\$ (3,739)	5.9%

(15) Allowance for Uncollectible Accounts -

At December 31, 1995 and 1994, the allowance for uncollectible accounts receivable in the Enterprise Fund is \$55,000 and \$48,970, respectively.

FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS  
AND ACCOUNT GROUPS

GENERAL FUND

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

Town of Walker  
GENERAL FUND

COMPARATIVE BALANCE SHEETS

December 31, 1995 and 1994

ASSETS

	<u>1995</u>	<u>1994</u>
Cash in Banks:		
Operating Account	\$ 24,710	\$ 9,571
Parks and Recreation Account	11,022	8,425
Streets, Lighting, and Hard Surfacing Account	<u>4,201</u>	<u>180</u>
	\$ 39,933	\$ 18,176
Inventory - Street Materials	-	2,334
Ad Valorem Taxes Receivable, Net of Allowance for Uncollectible Accounts of \$5,539 and \$5,194	19,110	7,689
Due from Other Funds	247,239	139,273
Due from Other Governments	61,847	88,065
Franchise Taxes Receivable	43,762	42,098
Miscellaneous Receivable	<u>7,113</u>	<u>3,998</u>
Total Assets	<u>\$ 419,004</u>	<u>\$ 301,633</u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts Payable:		
Operating	\$ 25,317	\$ 18,030
Parks and Recreation	8,362	-
Streets, Lighting, and Hard Surfacing	<u>12,928</u>	<u>4,681</u>
	\$ 46,607	\$ 22,711
Payroll Taxes Payable	2,937	2,937
Due to Other Funds	248,222	254,960
Deferred Revenue	<u>25,000</u>	<u>-</u>
Total Liabilities	\$ 322,766	\$ 280,608
Fund Balance:		
Reserved for Inventory	\$ -	\$ 2,334
Reserved for Encumbrances	18,689	-
Unreserved - Undesignated	<u>77,549</u>	<u>18,691</u>
Total Fund Balance	\$ 96,238	\$ 21,025
Total Liabilities and Fund Balance	<u>\$ 419,004</u>	<u>\$ 301,633</u>

See auditor's report.

Town of Walker  
GENERAL FUND

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

For the Year Ended December 31, 1995

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

	1995		VARIANCE - FAVORABLE (UNFAVORABLE)	1994 ACTUAL
	BUDGET	ACTUAL		
<b>Revenues:</b>				
Taxes	\$ 645,700	\$ 614,024	\$ (31,676)	\$ 555,512
Licenses and Permits	127,000	126,907	(93)	106,828
Fines and Forfeitures	145,000	161,321	16,321	130,987
Sanitation Service Fees	99,000	97,567	(1,433)	94,038
Parks and Recreation	20,000	19,598	(402)	19,495
Miscellaneous	<u>72,000</u>	<u>27,215</u>	<u>(44,785)</u>	<u>150,393</u>
Total Revenues	\$1,108,700	\$1,046,632	\$ (62,068)	\$1,057,253
<b>Expenditures:</b>				
General Government	\$ 151,070	\$ 148,256	\$ 2,814	\$ 149,410
Public Safety	289,175	416,055	(126,880)	298,857
Highway and Streets	472,305	435,016	37,289	527,327
Health	149,230	158,656	(9,426)	102,662
Parks and Recreation	28,325	60,677	(32,352)	100,734
Debt Service	<u>62,902</u>	<u>66,641</u>	<u>(3,739)</u>	<u>60,221</u>
Total Expenditures	\$1,153,007	\$1,285,301	\$ (132,294)	\$1,239,211
Deficiency of Revenues over Expenditures	\$ (44,307)	\$ (238,669)	\$ (194,362)	\$ (181,958)
<b>Other Financing Sources (Uses):</b>				
Proceeds from Notes Payable	-	21,000	21,000	-
Operating Transfers In	119,000	307,882	188,882	184,686
Operating Transfers Out	<u>(25,000)</u>	<u>(15,000)</u>	<u>10,000</u>	<u>-</u>
Excess of Revenues and Other Sources over Expenditures and Other Uses	\$ 49,693	\$ 75,213	\$ 25,520	\$ 2,728
Fund Balance at Beginning of Year	<u>21,025</u>	<u>21,025</u>	<u>-</u>	<u>18,297</u>
Fund Balance at End of Year	<u>\$ 70,718</u>	<u>\$ 96,238</u>	<u>\$ 25,520</u>	<u>\$ 21,025</u>

See auditor's report.

Town of Walker  
GENERAL FUND

STATEMENT OF REVENUES COMPARED TO BUDGET (GAAP BASIS)

For the Year Ended December 31, 1995

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

	<u>1995</u>		VARIANCE - FAVORABLE (UNFAVORABLE)	<u>1994 ACTUAL</u>
	<u>BUDGET</u>	<u>ACTUAL</u>		
<b>Taxes:</b>				
Ad Valorem Taxes	\$ 18,000	\$ 24,207	\$ 6,207	\$ 19,162
Alcoholic Beverage Taxes	7,700	7,988	288	4,842
Franchise Taxes	170,000	146,114	(23,886)	142,348
Sales and Use Taxes	400,000	389,119	(10,881)	347,564
Tobacco Taxes	20,000	18,966	(1,034)	18,972
Video Poker Taxes	<u>30,000</u>	<u>27,630</u>	<u>(2,370)</u>	<u>22,624</u>
	\$ 645,700	\$ 614,024	\$ (31,676)	\$ 555,512
<b>Licenses and Permits:</b>				
Occupational Licenses	\$ 40,000	\$ 38,187	\$ (1,813)	\$ 32,658
Insurance Licenses	65,000	63,741	(1,259)	58,761
Building Permits	<u>22,000</u>	<u>24,979</u>	<u>2,979</u>	<u>15,409</u>
	\$ 127,000	\$ 126,907	\$ (93)	\$ 106,828
Fines and Forfeitures	\$ 145,000	\$ 161,321	\$ 16,321	\$ 130,987
Sanitation Service Fees	\$ 99,000	\$ 97,567	\$ (1,433)	\$ 94,038
<b>Parks and Recreation:</b>				
Registration Fees	\$ 20,000	\$ 19,598	\$ (402)	\$ 19,495
<b>Miscellaneous:</b>				
Federal Grants	\$ 27,800	\$ 2,367	\$ (25,433)	\$ 36,572
State Grants	25,000	-	(25,000)	75,000
Miscellaneous	11,200	16,375	5,175	29,823
Zoning Fees	-	-	-	525
Road Maintenance Fees	<u>8,000</u>	<u>8,473</u>	<u>473</u>	<u>8,473</u>
	\$ 72,000	\$ 27,215	\$ (44,785)	\$ 150,393
	<u>\$1,108,700</u>	<u>\$1,046,632</u>	<u>\$ (62,068)</u>	<u>\$1,057,253</u>

See auditor's report.



Town of Walker  
GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

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

	1995		VARIANCE - FAVORABLE (UNFAVORABLE)	1994 ACTUAL
	BUDGET	ACTUAL		
General Government:				
Salaries	\$ 49,000	\$ 51,784	\$ (2,784)	\$ 49,168
Payroll Taxes and Employee Benefits	5,250	5,622	(372)	4,375
Aldermen Per Diem	6,000	12,000	(6,000)	12,000
Capital Outlay	3,500	3,248	252	15,253
Insurance	38,500	24,963	13,537	20,518
Laundry and Uniforms	750	886	(136)	1,219
Legal and Professional Fees	11,820	11,847	(27)	13,241
Membership Fees, Conventions, and Educational Training	2,300	1,921	379	1,636
Miscellaneous	7,250	9,733	(2,483)	9,576
Printing, Postage, and Office Supplies	8,700	9,684	(984)	7,805
Repairs and Maintenance	14,100	12,100	2,000	12,467
Tax Roll Preparation	1,500	1,688	(188)	1,527
Utilities and Telephone	2,400	2,780	(380)	625
Total General Government	\$ 151,070	\$ 148,256	\$ 2,814	\$ 149,410
Public Safety (Police):				
Salaries	\$ 141,150	\$ 145,395	\$ (4,245)	\$ 132,876
Payroll Taxes and Employee Benefits	11,600	11,884	(284)	10,999
Retirement	7,700	8,323	(623)	7,560
Animal Control	5,815	9,398	(3,583)	6,214
Group Insurance	19,000	17,209	1,791	23,296
Capital Outlay	21,000	126,807	(105,807)	41,837
Equipment Repair and Maintenance	9,650	10,204	(554)	4,351
Insurance	27,250	34,112	(6,862)	21,512
Laundry and Uniforms	5,500	5,475	25	5,487
Legal and Professional Fees	6,400	8,194	(1,794)	6,990
Magistrate Fees	1,000	4,200	(3,200)	4,200
Miscellaneous	6,210	6,047	163	5,145

(CONTINUED)

Town of Walker  
GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) (CONTINUED)

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

	1995		VARIANCE - FAVORABLE (UNFAVORABLE)	1994 ACTUAL
	BUDGET	ACTUAL		
Small Tools and Supplies	4,500	4,642	(142)	3,369
Utilities and Telephone	2,400	2,417	(17)	2,273
Vehicle Expenses	<u>20,000</u>	<u>21,748</u>	<u>(1,748)</u>	<u>22,748</u>
Total Public Safety	\$ 289,175	\$ 416,055	\$ (126,880)	\$ 298,857
Highways and Streets (Streets, Lighting and Hard Surfacing):				
Salaries	\$ 100,000	\$ 101,916	\$ (1,916)	\$ 117,343
Payroll Taxes and Employee Benefits	15,750	16,178	(428)	17,672
Group Insurance	17,500	15,752	1,748	24,485
Ditch Cleaning and Casual Labor	1,000	965	35	2,969
Electricity	17,100	23,255	(6,155)	25,886
Capital Outlay	76,000	20,123	55,877	19,698
Equipment Gas, Oil, and Repairs	52,700	53,914	(1,214)	41,517
Equipment Rental	7,500	7,618	(118)	435
Insurance	11,700	14,362	(2,662)	13,567
Miscellaneous	3,055	2,070	985	2,162
Professional Expense	1,200	1,200	-	1,200
Street Materials	20,000	32,700	(12,700)	20,115
Street Overlay	130,000	124,801	5,199	218,933
Street Signs	6,500	6,053	447	12,796
Supplies	9,800	11,566	(1,766)	5,507
Uniforms	<u>2,500</u>	<u>2,543</u>	<u>(43)</u>	<u>3,042</u>
Total Highways and Streets	\$ 472,305	\$ 435,016	\$ 37,289	\$ 527,327
Health:				
Sanitation:				
Salaries	\$ 36,000	\$ 35,841	\$ 159	\$ 29,282
Payroll Taxes and Employee Benefits	3,500	3,104	396	2,624
Capital Outlay	32,500	32,581	(81)	-
Group Insurance	5,500	5,333	167	605
Dump Fees	25,000	25,296	(296)	20,925
Service Fees	22,000	30,864	(8,864)	28,332

(CONTINUED)