

City of Ruston **LOUISIANA**



Comprehensive Annual Financial Report
For the Year Ended September 30, 2003

Annual Financial Report



of the
City of Ruston, Louisiana
 For the Year Ended September 30, 2009

Mayor
 Dan Hollingsworth

Director of Finance
 George E. Murphy, Jr.

Under provisions of state law, this report is a public document. Copies of the report has been submitted to the entity and other appropriate public officials. This records available for public inspection at the Ruston Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11-28-09

Introductory Section

**CITY OF HUSTON, LOUISIANA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2005**

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City of Ruston

George Murphy, CPA
City Clerk/Treasurer

Ashley Burton
Counselor

Pat Womack
Administrative Assistant

January 16, 2004

Mayor Dan Hollingsworth
Members of the City Council
City of Ruston, Louisiana

Mayor and Members of the City Council:

I am pleased to submit the Comprehensive Annual Financial Report for the year ended September 30, 2003. The financial statements were prepared in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted government auditing standards by a firm of licensed certified public accountants. I believe this report presents comprehensive information about the City's financial and operating activities during 2003 that is useful to taxpayers, citizens, and other interested persons.

This report was prepared by the Finance Department and consists of management's representations concerning the finances of the City. Consequently, management retains full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assure that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

In accordance with the Louisiana Act, the City Council is required to provide for an annual independent audit of the accounts and financial transactions of the City by a firm of independent certified public accountants duly licensed to practice in the State of Louisiana. The accounting firm of KPMG LLP was selected by the City to conduct its annual audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2003, are free of material misstatements. The independent audit involved examining, on a test basis, evidence

supporting the accounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unqualified opinions that the City's financial statements for the fiscal year ended September 30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City of Boston

The City of Boston was incorporated in 1888. It is located in North Central Louisiana at the cross roads of U.S. Highway 167, Interstate 20 and U.S. Highway 80, approximately thirty-five miles south of Arkansas. Boston is the east of Lincoln Parish. The census area of the City is approximately 20 square miles.

The City of Boston has been organized under a Mayor - Board of Aldermen form of government. There is a five member board, with each member selected for four year terms from separate wards of the City. The Mayor is elected at-large for a four-year term, is not a member of the council, but has veto power over council action.

The City provides a wide range of services including public safety, highways and streets, sanitation, electric, water, and sewer services, airports, ambulances, recreational activities, general administration functions and others.

These financial statements present the City of Boston (the primary government) and its component units. The component units are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. Included as discretely presented component units in the financial data for the City Judge's Office and the City Marshal. They are reported separately within the City's financial statements to emphasize that they are legally separate from the City. Additional information on these legally separate entities can be found in the notes to the financial statements.

Budgetary Control

The annual budget serves as the foundation for the City's financial planning and control. The Treasurer's Office compiles for the Mayor estimates of revenues and requests for appropriations of the annual budget. Before August 31, the Mayor's budget is submitted to the Council for possible revision and adoption. The Council conducts a public hearing on the budget, which must be adopted by September 30 or become effective October 1. State law provides that in no event shall the total appropriations exceed total anticipated revenues taking into account the estimated surplus or deficit at the end of the current fiscal year. Budgets may be amended during the year with Council approval.

Budgetary control is exercised at the departmental object level, with the exception of salaries, wages and overtime, which are at the line item level. Formal budgetary integration and encumbrance accounting are employed as management control devices during the year.

Local economy. The City's local economy is very much reflective of the nation's economy. Building permit valuations were \$31.4 million for the fiscal year compared to \$15.9 million for the previous fiscal year. These new structures are being constructed. Several new banks and businesses have been built. There were a number of additions to existing businesses.

The City of Boston and Lincoln Parish continue to gain in population in recent decades. The City added approximately 3,000 residents between 1990 and 2000 and the Parish grew by nearly 8,000 persons.

Plans are taking place to build a ten screen state of the art movie theater in Boston. The project is expected to cost \$13 million for a Boston Range developer. The movie theater will bring with it a number of restaurants and about 300 permanent local jobs. This project will also provide an ideal location for new businesses.

Overall, the local economy is stable and the outlook is good.

Long-term financial planning. Until the economy improves, the City cannot expect any real growth in our largest general revenue source which is sales taxes. As the General Fund, sales tax represents 47% of the revenues and transfers in. Increasing trends in retirement costs and health insurance make it difficult to balance the budget now and in the future.

Cash management policies and practices. Cash temporarily idle during the year was invested in certificates of deposit, or obligations of the U.S. Treasury. The maturities of the investments range from 180 days to two years.

The City's investment policy is to exercise that judgment and care which men of prudence, discretion, and intelligence exercise in the management of their own affairs. Investments are selected as investments, not for speculation, considering the probable safety of the capital, as well as the probable income to be derived. Accordingly, deposits are either insured by federal depository insurance or collateralized. All of the investments held by the City are classified in the category of lowest risk. State statutes require that all public funds should be

insured or collateralized. The City's policy is not to have uninsured/uncollateralized funds which it controls.

Risk management. The City partially retains the risk for property, liability, workers compensation, and general health insurance. As part of this comprehensive plan, resources are being accumulated in the General Fund to meet potential losses. In addition, various risk control techniques including an employee safety program, drug free workplace program with mandatory drug screening for new employees as well as random drug screening for current employees, and pre-employment physicals have been implemented to minimize accident-related losses. The City has third-party coverage subject to self-insured retentions which are more fully described in the notes to the financial statements.

Pension and other postemployment benefits. Substantially all employees of the City of Baton Rouge are members of one of the following statewide retirement systems: Municipal Employees Retirement System of Louisiana (MERS), Statewide Firefighter's Retirement System (SFRS), or Municipal Police Employees Retirement System of Louisiana (MPERS). These systems are multiple employer (cost-sharing), public employee retirement systems (PERS), controlled and administered by separate State appointed boards of trustees. The City of Baton Rouge has no obligation in connection with employee benefits offered through these plans beyond its annual contractual payments to these State Pension Boards.

Additional information on the City's pension arrangements and postemployment benefits can be found in the notes to the financial statements.

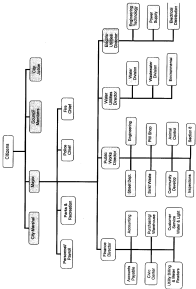
The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support of excellence in financial reporting and fiscal integrity.

Sincerely,


George E. Murphy, Jr.
Treasurer


Ashley Burke
Controller

ORGANIZATIONAL CHART



CITY OF BUSTON, LOUISIANA

PRINCIPAL OFFICIALS

Don Hollingsworth
Mayor

George Bynside
Mayor Appointee

Members of City Council

Levell Thurman	Ward 1
Elmore D. Mayfield	Ward 2
Jedid Lewis	Ward 3
Jim Franco	Ward 4
Marie Riggs	Ward 5

Financial Section



KPMG LLP
Suite 1900
330 Texas Street
Shreveport, LA 71101-0000

Independent Auditors' Report

To the Honorable Members of the Board of Aldermen and
Honorable Dan Hollingsworth, Mayor
City of Ruston, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Ruston, Louisiana (the City) as of and for the year ended September 30, 2003, which collectively comprise the City's basic financial statements as listed in the Table of Contents. We have also audited the financial statements of each of the City's nonmajor governmental, nonmajor enterprise, and internal service funds presented as supplementary information in the accompanying combined fund financial statements as of and for the year ended September 30, 2003, as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the aggregate discretely presented component units. These financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of September 30, 2003, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, nonmajor enterprise and internal service fund of the City, as of September 30, 2003, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.



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As described in note 13 to the basic financial statements, the City implemented a new financial reporting model as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*; Governmental Accounting Standards Board Statement No. 37, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*; *Derivative Governmental Accounting Standards Board Statement No. 38, Certain Financial Statements Note Disclosures*; and Governmental Accounting Standards Board Interpretation No. 8, *Recognition and Measurement of Certain Liabilities and Expenses in Governmental Fund Financial Statements*, as of October 1, 2003.

In accordance with Government Auditing Standards, we have also issued our report dated January 16, 2004 on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The management’s discussion and analysis and budgetary comparison information listed as Required Supplemental Information in the Table of Contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The individual fund schedules and the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The individual fund schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly we express no opinion on it.

KPMG LLP

January 16, 2004

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Management's Discussion and Analysis

We offer readers of the City of Boston's financial statements this narrative overview and analysis of the financial activities of the City of Boston for the fiscal year ended September 30, 2003. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. This discussion focuses on the primary government of the City.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model required by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. However, because this is the first year of implementing the new reporting model, certain necessary comparative information of the previous year was not prepared. Considering the financial resources necessary to prepare this information for the prior year, and that GASB Statement No. 34 permits the omission of the comparative information in the first year of adoption of the new reporting model, the City of Boston has elected to exclude the information in this report. Subsequent reports will include the comparative information.

Financial Highlights

Key financial highlights for the year ended September 30, 2003 include the following:

- The assets of the City exceeded its liabilities at September 30, 2003 by \$76,800,000 (net assets). Of this amount, \$21,717,108 is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased \$4,876,661 for the year ended September 30, 2003. Net assets of governmental activities increased \$4,996,872 and net assets of business-type activities decreased \$118,411.
- As of September 30, 2003, the City's governmental funds reported combined ending fund balances of \$13,467,499, an increase of \$2,458,366 from the prior year. Of this amount \$9,688,465 was unreserved, undesignated, and available for spending; \$111,810 was unreserved but designated for subsequent years' expenditures; \$1,398,341 was reserved for debt service; \$1,396,042 was reserved for encumbrances; \$18,541 was reserved for insurance; and \$3,380 was reserved for prepaid items.
- At the end of the current fiscal year, unreserved, undesignated fund balances for the General Fund was \$2,808,837 or 45.3 % of total General Fund expenditures and transfers out.
- The City's total long-term liabilities decreased by \$1,793,964 during the current fiscal year primarily due to a reduction in long-term debt.

Overview of the Financial Statements

The MINRA is intended to serve as an introduction to the City of Raton's basic financial statements which are the government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Raton's finances, in a manner similar to private-sector business.

The statement of net assets presents information on all of the City's assets less liabilities which results in net assets. The statement is designed to display the financial position of the City. Over time, increases or decreases in net assets help determine whether the City's financial position is improving or deteriorating.

The statement of activities provides information which shows how the City's net assets changed as a result of the year's activities. The statement uses the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. All of the revenues and expenses are reported as soon as the underlying event giving rise to the revenue or expense occurs regardless of the timing of when cash is received or paid.

The Statement of Net Assets and the Statement of Activities distinguish functions of the City that are financed primarily by users, intergovernmental revenues, and charges for services (governmental activities) from functions whose user fees and charges to customers help to cover all or most of the cost of services (business-type activities). The City's governmental activities include general government, public safety, public works, and cultural and recreation. The business-type activities of the City include airports, electric, water, and sewer systems, and ambulance operations.

Not only do the government-wide financial statements include the City itself which is the primary government, but also its component units, City Judge's Office, and City Marshal. Although these component units are legally separate, their operational or financial relationship with the City makes the City financially accountable for them. Financial information for these component units is reported separately from the financial information prepared for the primary government itself.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been appropriated for specific activities or objectives. The City of Raton, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on

balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City of Boston's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains sixteen individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, 1988 Sales Tax Special Revenue Fund, 1989 Sales Tax Special Revenue Fund, and 1990 Sales Tax Special Revenue Fund, all of which are considered to be major funds. Data for the other twelve governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and certain special revenue funds. Budgetary comparison schedules have been provided elsewhere in this report to demonstrate compliance with these budgets.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its electric, water, and sewer systems, airport and ambulance services. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its workmans compensation, general insurance and purchasing-wholesale services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Proprietary fund financial statements provide separate information for the electric, water systems, sewer system, and airport authority which are considered to be major funds of the City of Boston. Data from the other proprietary fund is also presented although it is not considered a major fund.

Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, budgetary schedules are presented as required supplementary information. Also, the combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor proprietary funds, and internal service funds are presented immediately following the notes to the financial statements.

Financial Analysis of Government-wide Activities

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City's, assets exceeded liabilities by \$76,810,800 at the close of the current fiscal year.

The largest portion of the City of Rantoul's net assets totaling approximately \$53.3 million (69.3%) reflects its investment in capital assets (e.g., land, buildings, streets, drainage, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Rantoul's Net Assets September 30, 2005

	Governmental activities	Business-type activities	Total
Current and other assets	\$14,151,576	\$14,535,146	\$28,686,721
Capital assets	23,096,365	32,532,484	55,628,849
Total assets	37,247,941	47,067,630	84,315,571
Current and other liabilities	973,615	2,432,834	3,406,449
Long-term liabilities	1,214,348	3,075,498	4,289,846
Total liabilities	2,187,963	5,508,332	7,696,295
Net assets:			
Invested in capital assets, net of related debt	25,700,673	29,555,834	55,256,507
Restricted	1,299,341	577,647	1,876,988
Unrestricted	30,650,662	21,067,447	51,718,109
Total net assets	\$37,650,675	\$41,150,328	\$78,801,003

24% of net assets represent resources that are subject to external restriction on how they may be used. Amounts reserved for debt service account for the total of restricted net assets. The remaining balance of unrestricted net assets of \$23,717,189 may be used to meet the City of Rantoul's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Boston is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

The City of Boston's net assets increased by \$4,878,681 during the current fiscal year. Key elements of this increase are as follows:

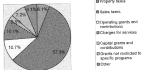
City of Boston's Changes in Net Assets

	Governmental activities	Business-type activities	Total
Revenues:			
Program revenues			
Charges for services	\$1,563,981	\$24,468,050	\$26,032,031
Operating grants and contributions	1,655,912	-	1,655,912
Capital grants and contributions	394,239	998,338	1,392,577
General revenues			
Property taxes	948,775	-	948,775
Sales taxes	2,891,934	-	2,891,934
Other taxes	586,828	-	586,828
Grants and contributions not restricted to specific programs	1,124,421	-	1,124,421
Other	368,158	991,995	1,360,153
Total revenues	<u>75,395,236</u>	<u>26,451,373</u>	<u>41,986,599</u>
Expenses:			
General government	3,344,988	-	3,344,988
Public safety	5,111,057	-	5,111,057
Public works	3,194,253	-	3,194,253
Cultural and recreation	685,941	-	685,941
City Judge's Office and Marshal Incarcer on long-term debt	373,225	-	373,225
	57,771	-	57,771
Electric	-	18,814,284	18,814,284
Water	-	1,550,257	1,550,257
Sewer	-	2,262,031	2,262,031
Regional airport	-	392,527	392,527
Ambulance service	-	292,637	292,637
Total expenses	<u>12,777,192</u>	<u>24,312,746</u>	<u>37,089,938</u>
Increase in net assets			
before transfers	2,758,044	2,138,627	4,896,671
Transfers	2,178,038	(2,178,038)	-
Increase (decrease) in net assets	<u>4,936,082</u>	<u>(39,411)</u>	<u>4,896,671</u>
Net assets at beginning of year	<u>58,723,685</u>	<u>41,208,739</u>	<u>71,932,424</u>
Net assets at end of year	<u>\$58,687,603</u>	<u>\$41,169,328</u>	<u>\$70,816,931</u>

Revenues for the City's governmental activities for the year ended September 30, 2003 were \$15,535,226 compared to \$14,454,638 in 2002. The increase of \$1,080,588 was largely attributable to an increase in general revenues, specifically sales tax. Sales tax accounts for \$1,058,000, or 67.9%, of this increase.

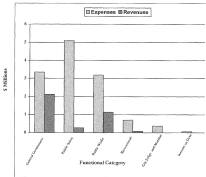
General revenues, specifically sales tax (57.3%), are the largest component of revenues.

Revenues by Sources – Governmental Activities



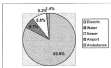
The cost of all governmental activities this year was \$12,777,732, a decrease of approximately \$29,000 from 2002. The City's largest programs are general government, public safety, and public works. The graph below shows the expenses and program revenues generated by governmental activities.

Expenses and Program Revenues – Governmental Activities



Business-type Activities. Charges for services for the City of Bannock's business-type activities were \$24,600,000, an increase of \$1,130,000 from 2002. The majority of the increase is due to an increase in fuel adjustment revenue of \$1,070,000. The increase occurred because of an increase in the consumption of energy.

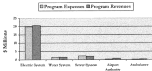
Revenue by Source – Business-type Activities



Expenses and Program Revenues – Business-type Activities

The costs of these activities were \$24,132,746, an increase of \$4,396,977 from 2002. The Electric fund accounted for 97% of that increase as the cost of electricity purchased increased 44%. The increase in the cost of electricity occurred because the consumption of energy increased.

Program Expenses and Revenues – Business-type Activities



Financial Analysis of the City of Boston's Funds

Governmental Funds

As noted earlier, the City of Boston uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a City's net resources available for spending at the end of the fiscal year.

- As of the close of the current fiscal year, the City of Roston's governmental funds reported a combined ending fund balance of \$12,467,499, an increase of \$2,038,386 in comparison with the prior fiscal year. Of this amount, \$9,658,463 or 77.3% was unreserved, undesignated and available for spending. \$111,818 is designated for subsequent years' expenditures. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed (1) to liquidate contracts and purchase orders of the prior period (\$1,796,042), (2) to pay debt service (\$2,269,341), or (3) for other restricted purposes (\$21,691).
- The General Fund is the chief operating fund of the City of Roston. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$3,088,857. The total (undesignated) is available for spending at the City Council's discretion. The fund balance of the General Fund increased by \$1,292,858. A key factor in this growth is a decrease in transfers out to the health insurance fund due to the health insurance fund's self sufficiency.
- The 1968 Sales Tax Fund has a total fund balance of \$3,269,993 all of which is unreserved, undesignated and available for spending. Fund balance increased \$234,379 as a result of an increase in sales taxes received due to a special settlement received during the year.
- The 1985 Sales Tax Fund has a total fund balance of \$1,265,086 all of which is unreserved, undesignated and available for spending. Fund balance increased \$481,550 as a result of an increase in sales taxes received due to a special settlement received during the year.
- The 1990 Sales Tax Fund has a total fund balance of \$1,312,091 all of which is unreserved, undesignated and available for spending. Fund balance increased \$286,177 as a result of an increase in sales taxes received due to a special settlement received during the year.

Proprietary Funds

The City of Roston's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

- Unrestricted net assets of the Electric System at the end of the year amounted to \$5,414,157. Total net assets for the Electric System decreased \$252,485 as a result of a decrease in interest revenue earned and increase in indirect costs paid to the General Fund.
- The unrestricted net assets for the Water System amounted to \$2,363,124. Total net assets for the Water System decreased \$187,264 primarily as a result of a decrease in water consumption by consumers.
- The unrestricted net assets for the Sewer System were \$3,343,704. Total net assets for the Sewer System decreased \$229,688 primarily as a result of an increase in salaries paid due to hiring additional personnel, an increase in depreciation expense due to the acquisition of additional capital, and a decrease in consulting fees related to the sewer system improvements project.

- The anticipated net assets for the Airport Authority were \$80,715. Total net assets for the Airport Authority increased \$280,372 as a result of an increase in capital contributions received from the Federal Aviation Administration related to improvements of the airport runway.

General Fund Budgetary Highlights

The budget policy of the City of Ruston complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S. 39:1581 et seq.).

The original budget for the General Fund of the City of Ruston was adopted on September 18, 2002. During the year, the City Council revised the City's budget several times. Changes were made as new information indicated a need. The major difference between the original budget and the final budget was primarily the increase of \$234,584 to appropriate open purchase orders as of September 30, 2003. The increase was spread throughout all departments. Differences between the budget and the actual results of the General Fund are as follows:

Revenues

- Licenses and permits were expected to be similar to prior year revenues. Actual revenues were more than budget by \$123,828 due to an increase in activity and construction in the City.
- Miscellaneous revenues were expected to be similar to prior year revenues. Actual revenues were more than budget by \$182,410 because more activity occurred than was anticipated.

Expenditures

- Engineering expenditures were under budget by \$65,988 and solid waste department expenditures were under budget by \$155,063 as a result of the postponement of hiring additional personnel.
- Fire department employee benefit expenditures were under budget by \$75,643 as a result of retirement costs being lower than expected. The City portion of the retirement rate was expected to increase to 21% but remained at 9% during the year.
- Street department expenditures were under budget by \$276,836 as a result of street maintenance circumstances open at the end of the year and the postponement of hiring additional personnel.

Capital Assets and Debt Administration

Capital assets. The City of Ruston's investment in capital assets as of September 30, 2003 amounts to \$56,318,749, net of depreciation. This investment in capital assets includes land, buildings and improvements, streets, drainage, furniture and equipment, and construction in progress. The table below shows the value at the end of the fiscal year.

**City of Ruston's Capital Assets
(net of depreciation)**

	<u>Governmental activities</u>	<u>Business-type activities</u>
Land and land improvements	46,875,197	8474,814
Buildings	3,045,520	1,749,429
System Improvements	-	21,298,020
Improvements other than buildings	2,178,087	4,368,528
Equipment	3,690,345	4,827,665
Infrastructure	4,731,660	-
Construction in progress	2,140,274	612,700
Total	<u>\$63,960,785</u>	<u>\$32,372,464</u>

Major capital asset additions during the current fiscal year included the following:

- The purchase of a street sweeper for the Streets department for approximately \$121,000.
- The purchase of a dump truck for the Solid Waste department for approximately \$117,000.
- An upgrade of a turbine at the Electric Steam Plant for approximately \$240,000.
- The purchase of a power transformer for the Electric Distribution System for approximately \$215,000.
- A project to relocate the Electrical Distribution lines and the Water System along Highway 167 for approximately \$276,000.
- The Cypress Springs project for the Water fund for approximately \$246,000.
- The Brazier Road L&E Station project for the Sewer fund for approximately \$266,000.
- The North Plant Clarifier project for the Sewer fund for approximately \$935,000.
- The rehabilitation of the runways and taxiways at the airport for approximately \$912,000.

Long-term debt. At the end of the current fiscal year, the City of Ruston had total debt outstanding of \$5,185,650. The following table summarizes bonds outstanding at September 30, 2005.

Outstanding Debt

	<u>Governmental</u>	<u>Business-type</u>
General obligation bonds	3,286,000	-
Revenue bonds	600,000	12,766,650
Total	<u>\$3,886,000</u>	<u>\$12,766,650</u>

During the current fiscal year, the City refinanced some of its existing debt to take advantage of favorable interest rates. The City entered into a reverse bond refinancing that is expected to decrease future debt service payments by \$466,668.

For additional information regarding capital assets and long-term debt, see the notes to the basic financial statements.

Economic Factors and Next Year's Budgets and Rates

In setting the budgets for 2004, the City dealt with a number of issues with City-wide impact. One of the factors was the national economy. Although the local economy is stable, the City is not immune to national economic trends. Sales tax collections, excluding special settlements, increased 5% from 2001 to 2002 and 2% from 2002 to 2003. Sales tax collections are only expected to grow 2% in 2004. Unemployment rates for September 2003 were down to 3.8% compared to a high of 4.5% at January 2002. Employment in services and in the retail/wholesale sectors is growing the fastest which mirrors the national trend.

Spiking health care costs nationwide continue to have an impact on City budgets, in addition to increasing retirement costs. In 2004, the budgets will be required to provide more than \$1.8 million to pay the City's portion of health care premiums.

All of these factors were considered in preparing the City's budget for the 2004 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City of Ruston's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Ruston Treasurer's Office, 404 North Trenton Street, Ruston, LA, 71270.

Basic Financial Statements

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OFFICE OF REGIONAL LOUISIANA
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2003

	Primary Government			Component Entity
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 6,741,044	\$ 2,707,003	\$ 9,448,047	\$ 284,324
Investments	5,543,148	5,185,000	10,728,148	80,474
Receivables, net	1,243,749	1,380,333	2,624,082	1,490
Unbilled interests	73,497	1,441,391	1,514,888	-
Due from other governments	-	2,888	2,888	5,667
Internal balances	244,075	(244,075)	-	-
Inventories	18,541	428,841	447,382	-
Prepaid items	3,500	588	4,088	1,473
Bond issue costs, net	43,408	24,817	68,225	-
Capital assets:				
Land and construction in progress	9,812,771	1,084,719	10,897,490	-
Other capital assets, net of depreciation	14,983,494	21,234,748	36,218,242	35,844
Total assets	<u>38,727,827</u>	<u>46,234,432</u>	<u>84,962,259</u>	<u>425,274</u>
LIABILITIES				
Accounts payable	574,714	1,566,248	2,140,962	8,111
Accrued liabilities	273,249	115,747	388,996	784
Accrued interest payable	4,750	155,854	160,604	-
Claims	229,221	-	229,221	-
Deposits	475	438,891	439,366	-
Noncurrent liabilities:				
Due within one year	187,000	142,288	329,288	-
Due in more than one year	1,331,546	2,711,288	4,042,834	-
Total liabilities	<u>2,298,135</u>	<u>3,554,322</u>	<u>5,852,457</u>	<u>8,895</u>
NET ASSETS				
Invested in capital assets, net of related debt	22,788,473	29,654,824	52,443,297	35,844
Restricted for:				
Debt service	1,299,541	557,047	1,856,588	-
Unrestricted	10,639,813	11,022,561	21,662,374	385,626
Total net assets	<u>\$ 35,427,627</u>	<u>\$ 41,234,932</u>	<u>\$ 76,662,659</u>	<u>\$ 414,765</u>

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

CITY OF BOSTON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
General government	\$ 3,044,865	\$ 171,758	\$ 1,609,648	\$ 394,229
Public safety	5,111,039	348,033	23,520	-
Public works	3,194,338	1,121,891	23,518	-
Cultural and recreation	489,841	82,278	-	-
City Judge and Marshal	373,325	-	-	-
Interest on long-term debt	82,711	-	-	-
Total governmental activities	<u>15,279,147</u>	<u>1,623,951</u>	<u>1,657,186</u>	<u>394,229</u>
Business-type activities:				
Electric System	18,814,324	20,499,674	-	106,715
Water System	1,588,287	1,848,748	-	-
Street System	3,282,521	2,895,465	-	-
Boston Airport Authority	392,627	17,164	-	892,617
Ambulance	283,622	342,891	-	-
Total business-type activities	<u>24,357,381</u>	<u>25,423,882</u>	<u>-</u>	<u>999,332</u>
Total primary government	<u>\$ 39,636,528</u>	<u>\$ 26,047,833</u>	<u>\$ 1,657,186</u>	<u>\$ 1,393,561</u>
Component units:				
City Judge	341,741	593,561	-	-
City Marshal	247,245	222,492	-	-
Total component units	<u>\$ 588,986</u>	<u>\$ 816,053</u>	<u>-</u>	<u>-</u>

General revenues:

Taxes:

Property taxes levied for general purposes
 Property taxes levied for recreation facilities and programs
 Sales taxes levied for general purposes
 Sales taxes levied for recreation facilities and programs
 Sales taxes levied for street and drainage facilities
 Sales taxes levied for fire protection
 Sales taxes levied for police protection
 Sales taxes levied for drug prevention programs
 Sales taxes levied for debt service

Insurance taxes
 Alcoholic beverage taxes
 Beverage taxes

Intergovernmental
 Investment earnings
 Miscellaneous

Transfers

Total general revenues and transfers

Change in Net Assets

Net assets - beginning

Net assets - ending

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

Net (Expense) Revenue and

Changes in Net Assets

Primary Government

Governmental Activities		Business Type Activities	Total	Component Unit	
\$	(1,229,191)	\$	-	\$	-
	(4,840,478)		-		(4,840,478)
	(2,440,732)		-		(2,440,732)
	(8,13,448)		-		(8,13,448)
	(273,223)		-		(273,223)
	87,271		-		87,271
	<u>(7,103,598)</u>		<u>-</u>		<u>(7,103,598)</u>
	-	722,282	722,282	-	-
	-	(4,509)	(4,509)	-	-
	-	(187,488)	(187,488)	-	-
	-	872,744	872,744	-	-
	-	71,124	71,124	-	-
	-	<u>1,128,454</u>	<u>1,128,454</u>	-	-
	<u>(7,103,598)</u>	<u>1,128,454</u>	<u>(5,975,144)</u>	-	-
	-	-	-	53,820	-
	-	-	-	(13,248)	-
	-	-	-	<u>40,572</u>	-
	629,843	-	629,762	-	-
	289,810	-	289,810	-	-
	4,227,247	-	4,227,247	-	-
	278,447	-	278,447	-	-
	428,000	-	428,000	-	-
	1,211,188	-	1,211,188	-	-
	1,211,188	-	1,211,188	-	-
	20,000	-	20,000	-	-
	1,423,477	-	1,423,477	-	-
	271,474	-	271,474	-	-
	4,080	-	4,080	-	-
	209,272	-	209,272	-	-
	1,124,421	-	1,124,421	-	-
	121,847	209,734	431,581	2429	-
	226,282	452,820	679,102	-	-
	<u>3,178,228</u>	<u>(2,176,228)</u>	<u>1,002,000</u>	-	-
	<u>(4,899,124)</u>	<u>(1,142,224)</u>	<u>(6,041,348)</u>	<u>2,429</u>	-
	475,222	(29,417)	445,805	43,891	-
	<u>32,723,422</u>	<u>(1,228,728)</u>	<u>31,494,694</u>	<u>370,890</u>	-
\$	<u>31,494,694</u>	\$	<u>(1,228,728)</u>	\$	<u>30,265,966</u>

CITY OF RUSTON, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

	<u>General</u>	<u>1988 Sales Tax</u>	<u>1982 Sales Tax</u>
ASSETS			
Cash and cash equivalents	\$ 2,280,130	\$ 1,128,064	-
Investments	3,019,261	2,071,004	-
Receivables, net	368,085	147,380	\$ 251,073
Unbilled revenues	73,492	-	-
Due from other funds	372,685	-	1,651,230
Inventories, at cost	18,541	-	-
Prepaid items	3,200	-	-
Total assets	<u>\$ 6,179,197</u>	<u>\$ 3,386,472</u>	<u>\$ 1,902,303</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 406,676	-	-
Accrued liabilities	202,291	-	-
Due to other funds	58,182	\$ 1,756,519	\$ 17,287
Deposits and deferred charges	-	-	-
Total liabilities	<u>\$ 677,149</u>	<u>\$ 1,983,019</u>	<u>\$ 17,287</u>
Fund Balances:			
Reserved for:			
Debt service	5,567	-	-
Encumbrances	495,643	-	-
Inventories	18,541	-	-
Prepaid items	3,200	-	-
Unreserved, undesignated	5,009,607	1,399,853	1,885,086
Unreserved, designated reported in nonmajor:			
Capital project funds	-	-	-
Unreserved, undesignated, reported in nonmajor:			
Special revenue funds	-	-	-
Total fund balances	<u>\$ 5,528,088</u>	<u>\$ 1,399,853</u>	<u>\$ 1,902,303</u>
Total liabilities and fund balances	<u>\$ 6,179,197</u>	<u>\$ 3,386,472</u>	<u>\$ 1,902,303</u>

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

1998 Sales Tax	Other Governmental Funds	Total Governmental Funds
-	\$ 2,745,245	\$ 6,257,444
-	-	3,098,283
\$ 147,382	449,327	1,243,749
-	-	73,492
948,299	145,145	2,534,549
-	-	18,541
-	-	3,300
<u>\$ 1,113,681</u>	<u>\$ 3,260,717</u>	<u>\$ 13,321,387</u>
-	\$ 49,844	\$ 456,520
-	5,972	208,233
-	154,588	2,148,443
-	475	475
-	<u>170,889</u>	<u>2,823,671</u>
-	1,293,774	1,299,341
-	980,199	1,396,042
-	-	18,541
-	-	3,580
1,113,681	-	6,774,537
-	111,810	111,810
-	<u>681,928</u>	<u>800,928</u>
<u>1,113,681</u>	<u>3,187,699</u>	<u>12,497,699</u>
<u>\$ 1,113,681</u>	<u>\$ 3,260,717</u>	<u>\$ 13,321,387</u>

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CITY OF BOSSIER, LOUISIANA
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2000

Fund balances - total governmental funds		\$ 12,687,477
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	35,765,178	
Less accumulated depreciation	<u>(11,705,238)</u>	24,059,940
Other assets used in governmental activities that are not financial resources and therefore are not reported in the governmental funds.		
Unmatured bond issuance costs		43,408
Long-term liabilities including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.		
Accrued interest payable	(4,710)	
Compensated absences	(1,148,797)	
Bonds, notes, and loans payable	<u>(3,492,717)</u>	(4,645,224)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities.		
		<u>425,208</u>
Net assets of governmental activities		<u>\$ 8,501,471</u>

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

CITY OF RUSTON, LOUISIANA
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2003

	General	1968 Sales Tax	1968 Sales Tax
REVENUES			
Taxes:			
Property	\$ 439,965	-	-
Sales	-	\$ 2,090,360	\$ 3,133,504
Utilities and permits	498,538	-	-
Intergovernmental	1,808,191	-	-
Charges for services	1,113,465	-	-
Fees and forfeitures	384,348	-	-
Investment earnings	41,855	15,285	12,474
Miscellaneous	210,419	-	-
Total revenues	<u>4,584,152</u>	<u>2,097,445</u>	<u>3,146,078</u>
EXPENDITURES			
Current:			
General government	2,250,625	29,070	21,328
Public safety	5,113,746	-	-
Public works	3,412,711	-	-
Culture and recreation	-	-	-
City Court and blight	369,894	-	-
Debt service:			
Principal	94,808	-	-
Interest and other charges	10,750	-	-
Capital outlay	-	-	-
Total expenditures	<u>11,232,929</u>	<u>29,070</u>	<u>21,328</u>
(excess/deficiency) of revenues over (under) expenditures	<u>(6,648,777)</u>	<u>2,068,375</u>	<u>3,124,750</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	8,133,051	-	-
Transfers out	(552,438)	(1,784,000)	(2,713,122)
Total other financing sources and (uses)	<u>7,580,613</u>	<u>(1,784,000)</u>	<u>(2,713,122)</u>
Net change in fund balances	<u>1,092,836</u>	<u>274,375</u>	<u>401,628</u>
Fund balances - beginning	4,499,238	1,895,328	883,638
Fund balances - ending	<u>\$ 5,592,074</u>	<u>\$ 2,169,703</u>	<u>\$ 1,285,266</u>

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

<u>TRSD</u>	<u>Other</u>	<u>Total</u>
<u>Sales Tax</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Funds</u>	<u>Funds</u>
-	\$ 289,810	\$ 849,775
\$ 3,080,360	1,609,677	6,891,931
-	-	898,028
-	1,676,371	3,074,862
-	82,578	1,855,963
-	-	356,348
7,408	32,825	121,857
-	32,473	226,282
<u>3,087,768</u>	<u>3,785,653</u>	<u>10,535,224</u>
13,891	1,135,773	3,543,593
-	-	5,113,746
-	-	3,412,311
-	689,324	689,324
-	-	349,694
-	1,145,000	1,199,000
-	39,658	32,411
-	1,180,633	1,180,633
<u>13,891</u>	<u>4,110,400</u>	<u>12,468,328</u>
<u>3,078,177</u>	<u>1,624,752</u>	<u>46,928</u>
-	599,561	8,754,613
<u>(1,792,000)</u>	<u>(211,578)</u>	<u>(4,763,126)</u>
<u>(1,792,000)</u>	<u>387,983</u>	<u>1,391,486</u>
<u>286,177</u>	<u>(18,774)</u>	<u>1,038,382</u>
<u>826,264</u>	<u>3,224,443</u>	<u>10,449,113</u>
<u>\$ 1,113,681</u>	<u>\$ 3,182,691</u>	<u>\$ 12,287,299</u>

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CITY OF BUSTON, LOUISIANA
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

Net change in fund balances - total governmental funds		\$ 7,038,384
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	2,451,733	
Depreciation expense	<u>(1,124,477)</u>	1,327,256
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, write-ups, and donations) is to decrease net assets.		
		(355,241)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The detail of these differences in the treatment of long-term debt and related items is as follows:		
Capital lease	48,094	
Principal payments	<u>(1,199,022)</u>	1,247,116
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Amortization of issuance costs	(9,087)	
Increase in compensated absences	(29,700)	
Municipal Police Employees' Retirement System	44,881	
Decrease in accrued interest	<u>3,737</u>	1,811
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.		
		<u>425,499</u>
Change in net assets of governmental activities		<u>\$ 4,736,870</u>

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

OFF OF RUTEN, LOUISIANA
 PAYMENT OF NET COSTS
 PROJECT/STATE FUND
 SEPTEMBER 30, 2003

	Business-type activities						Governmental activities included therein
	Major Funds		Special Fund		Total		
	State System	State System	Special Fund	Special Fund			
ASSETS							
Current assets							
Cash and cash equivalents	\$ 4,028,340	\$ 483,678	\$ 48,875	\$ 137,566	\$ 5,138,460	\$ 553,500	
Receivables	1,073,044	2,814,848	-	-	3,887,892	427,483	
Prepaid expenses	448,344	6,000	6,743	879,376	1,340,463	-	
Inventories	1,718,208	1,243,14	-	-	2,961,352	-	
Due from other funds	4,076	29,348	-	1,87	31,491	-	
Due from state governments	-	-	-	3,855	3,855	-	
Prepaid tax	28,125	11,875	-	-	40,000	-	
Due from other agencies	38	-	-	-	38	-	
Total current assets	<u>10,600,132</u>	<u>10,600,132</u>	<u>54,623</u>	<u>1,916,741</u>	<u>21,151,628</u>	<u>981,083</u>	
Noncurrent assets							
Cash and cash equivalents	58,750	158,154	-	-	216,904	-	
Investments	141,000	146,483	1,900,011	-	2,646,474	-	
Capital assets							
Land	23,076	17,077	20,007	14,527	74,687	-	
Construction in progress	131,474	500,583	289,544	-	921,601	-	
Buildings	2,074,326	1,297,974	114,320	-	3,486,620	-	
Improvements other than buildings	-	-	5,541,480	-	5,541,480	-	
Equipment	19,000,000	620,443	1,200,000	438,267	20,848,710	-	
Data files and software systems	18,824,148	8,076,131	17,868,426	7,4264	44,776,729	-	
Net book value of depreciable assets	<u>12,268,812</u>	<u>12,028,120</u>	<u>14,000,000</u>	<u>14,974,791</u>	<u>43,271,723</u>	-	
Total noncurrent assets	<u>11,711,648</u>	<u>4,980,141</u>	<u>11,918,241</u>	<u>4,011,328</u>	<u>32,621,358</u>	-	
Deferred bond issue, net of asset amortization	<u>2,000,000</u>	<u>4,267,117</u>	<u>50,000</u>	<u>4,011,328</u>	<u>10,528,445</u>	-	
Total noncurrent assets	<u>13,711,648</u>	<u>8,554,264</u>	<u>50,000</u>	<u>8,022,656</u>	<u>30,848,568</u>	-	
Total assets	<u>\$ 24,311,780</u>	<u>\$ 24,311,780</u>	<u>\$ 104,623</u>	<u>\$ 10,939,397</u>	<u>\$ 44,999,586</u>	<u>\$ 981,083</u>	

MANITOWI**Current liabilities:**

accounts payable	1,225,429	23,872	14,814	21,728	1,048,860	82,172
accruals	8,028	32,847	18,500	-	18,181	4,058
taxes payable	-	17,482	8,422	28	148,184	323
Current and long-term	4,028	54,201	3,736	-	35,093	286,223
COMBINED LIABILITIES	<u>1,237,485</u>	<u>78,402</u>	<u>41,732</u>	<u>21,756</u>	<u>1,340,318</u>	<u>86,553</u>
Less current liabilities	-	-	-	-	-	-
Current liabilities attributable to non-restricted assets	658,561	-	200	-	428,811	-
(Corporate deposits)	1,208,561	65,665	(85,000)	-	28,000	-
accounts payable	1,208,561	-	-	-	30,000	-
Less current liabilities payable from	775,412	70,000	33,000	-	1,893,112	-
restricted assets	14,449	401,9	25,655	-	2,021	54,579
Comprehensive allowances	-	284,000	128,000	-	2,446,000	-
Financial deposits	14,449	284,000	128,000	-	1,717,000	-
Less non-current liabilities	310,000	233,332	310,000	2,021	36,437	30,332
Total liabilities	<u>1,237,485</u>	<u>78,402</u>	<u>41,732</u>	<u>21,756</u>	<u>1,340,318</u>	<u>86,553</u>

MANITOWI

Provided in capital assets, net of related debt	71,712,448	4,289,491	6,582,154	4,271,228	75,873	39,000,804
Equity of 20,000,000 shares	-	200,278	23,271	-	50,740	-
Non-restricted assets	8,144,187	1,163,574	5,140,574	80,175	2,148,827	424,228
Total net assets (equity)	<u>79,856,635</u>	<u>5,653,343</u>	<u>11,745,999</u>	<u>4,351,403</u>	<u>78,693</u>	<u>39,475,832</u>

Business Type Activities
Enterprise Funds

	Major Funds		Special Activities		Nonmajor Funds		Total	Governmental Activities
	Basic	Special	Special	Activity	Activities	Activities		
Accounts receivable	1,225,429	23,872	14,814	21,728	1,048	82,172	1,400,963	82,172
Accounts payable	8,028	32,847	18,500	-	4,825	4,058	18,181	4,058
Due to other funds	-	17,482	8,422	28	247,813	323	148,184	323
Current and long-term	4,028	54,201	3,736	-	1,738	286,223	35,093	286,223
COMBINED LIABILITIES	<u>1,237,485</u>	<u>78,402</u>	<u>41,732</u>	<u>21,756</u>	<u>264,389</u>	<u>86,553</u>	<u>1,340,318</u>	<u>86,553</u>
Less current liabilities	-	-	-	-	-	-	-	-
Current liabilities attributable to non-restricted assets	658,561	-	200	-	428,811	-	1,087,371	-
(Corporate deposits)	1,208,561	65,665	(85,000)	-	28,000	-	30,000	-
accounts payable	1,208,561	-	-	-	30,000	-	30,000	-
Less current liabilities payable from	775,412	70,000	33,000	-	1,893,112	-	1,893,112	-
restricted assets	14,449	401,9	25,655	-	2,021	54,579	24,428	54,579
Comprehensive allowances	-	284,000	128,000	-	2,446,000	-	2,446,000	-
Financial deposits	14,449	284,000	128,000	-	1,717,000	-	1,717,000	-
Less non-current liabilities	310,000	233,332	310,000	2,021	36,437	30,332	1,340,318	30,332
Total liabilities	<u>1,237,485</u>	<u>78,402</u>	<u>41,732</u>	<u>21,756</u>	<u>1,340,318</u>	<u>86,553</u>	<u>1,340,318</u>	<u>86,553</u>
Provided in capital assets, net of related debt	71,712,448	4,289,491	6,582,154	4,271,228	75,873	39,000,804	79,856,635	-
Equity of 20,000,000 shares	-	200,278	23,271	-	50,740	-	50,740	-
Non-restricted assets	8,144,187	1,163,574	5,140,574	80,175	2,148,827	424,228	11,887,447	424,228
Total net assets (equity)	<u>79,856,635</u>	<u>5,653,343</u>	<u>11,745,999</u>	<u>4,351,403</u>	<u>78,693</u>	<u>39,475,832</u>	<u>79,856,635</u>	<u>39,475,832</u>

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

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CITY OF BUREAU COUNTY
 STATEMENT OF DETAILLED REVENUE AND CHANGES IN FUND-BALANCE
 RECEIPT YEAR 1980
 FOR THE YEAR ENDED SEPTEMBER 30, 1980

	Business Type Activities				Commercial Activity Interest Service Other
	Water System	Waste System	Sanitary System	Special Activities	
OPERATING REVENUES					
Charges to service	\$ 2,429,474	\$ 1,143,748	\$ 2,893,425	\$ 11,114	\$ 24,623,590
Charges to other funds	-	-	-	-	-
Revenues paid by contract employees	-	-	-	-	-
Gift income	20,000	-	-	30,411	80,000
Miscellaneous	20,000	20,000	20,000	200	200
Total operating revenues	2,669,474	1,163,748	3,133,425	30,715	24,923,790
OPERATING EXPENSES					
Personnel services	1,893,620	428,864	864,841	-	2,086,325
Operating services	1,761,720	341,446	894,070	43,465	2,040,699
Materials and supplies	147,919	283,118	254,428	545	151,204
Travel	28,482	2,433	12,879	1,844	81,879
Depreciation	1,465,075	483,379	794,170	584,870	2,428,287
Claims	-	-	-	-	1,640,574
Insurance premiums	-	-	-	-	261,000
Total operating expenses	4,798,816	1,146,830	2,546,310	1,030,179	32,079,115
Operating income (loss)	\$ -2,129,342	\$ 16,910	\$ 587,115	\$ 276,536	\$ 1,844,675
NONOPERATING REVENUES					
(Interest)					
Investment earnings	84,974	81,888	125,379	1,290	209,126
Minor rentals	20,079	7,000	29,460	-	109,655
Amortization	-	1,100	1,111	-	25,148
Total nonoperating revenues (imposed income tax) before contributions	105,053	89,988	155,950	1,290	343,974
Gifts from other entities	1,284,892	14,288	30,214	333,009	1,119,261
Contributions	16,715	-	-	874,117	99,260
Capital contributions	-	-	-	11,000	11,000
Revenues in transfer	-	-	-	-	11,000
Total nonoperating revenues (imposed income tax) after contributions	1,487,660	106,276	185,674	1,218,426	1,485,556
Total fund balance - ending	\$ 1,358,318	\$ 1,183,957	\$ 1,719,524	\$ 1,219,841	\$ 1,485,556

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

OFFICE OF FINANCIAL SERVICES
 PAYMENT OF CASH FLOW
 ACCOUNTANT F-402
 FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Business Type Activities						Operational Activities
	Retail Food		Lumber		Manufacturing Total		
	Income	Expense	Income	Expense	Income	Expense	
CASH FLOW FROM OPERATING ACTIVITIES:							
Receipts from operations	\$ 1,400,000	\$ 1,400,000	\$ 1,000,000	\$ 1,000,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000
Payments for expenses	(1,400,000)	(1,400,000)	(1,000,000)	(1,000,000)	(2,400,000)	(2,400,000)	(2,400,000)
Change in assets	(1,000,000)	(1,000,000)	-	-	(1,000,000)	(1,000,000)	(1,000,000)
Change in liabilities	1,000,000	1,000,000	1,000,000	1,000,000	2,000,000	2,000,000	2,000,000
Net cash provided by operating activities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
NON-OPERATING ACTIVITIES:							
Receipts for	-	-	1,000,000	-	1,000,000	-	1,000,000
Net cash provided by financing activities	\$ 0	\$ 0	\$ 1,000,000	\$ 0	\$ 1,000,000	\$ 0	\$ 1,000,000
CASH FLOW FROM CAPITAL AND RELATED ACTIVITIES:							
Receipts from operations	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Payments for	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Net cash provided by investing activities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CASH FLOW FROM FINANCING ACTIVITIES:							
Receipts from operations	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Payments for	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Net cash provided by financing activities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
NET CHANGE IN CASH AND CASH EQUIVALENTS	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000

Net cash provided by operating activities

NON-OPERATING ACTIVITIES:

Receipts for

Net cash provided by financing activities

CASH FLOW FROM CAPITAL AND RELATED ACTIVITIES:

Receipts from operations

Payments for

Net cash provided by investing activities

CASH FLOW FROM FINANCING ACTIVITIES:

Receipts from operations

Payments for

Net cash provided by financing activities

NET CHANGE IN CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD

CASH AND CASH EQUIVALENTS AT END OF PERIOD

Accountant's Name

Address

City and State

CITY OF BOSTON, LOUISIANA
 STATEMENT OF NET ASSETS
 COMPONENT UNITS
 SEPTEMBER 30, 2005

	<u>Boston City Judge's Office</u>	<u>Boston City Monrhone's Office</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 368,962	\$ 25,962	\$ 394,924
Investments	-	58,675	58,675
Receivables	-	1,992	1,992
Prepaid items	1,893	560	2,453
Due from governmental units	3,847	-	3,847
Capital assets, net of depreciation	55,824	23,012	78,836
Total assets	<u>529,526</u>	<u>103,222</u>	<u>632,748</u>
LIABILITIES			
Accounts payable	8,431	3,480	11,911
Accrued liabilities	784	-	784
Total liabilities	<u>9,215</u>	<u>3,480</u>	<u>12,695</u>
NET ASSETS			
Invested in capital assets, net of related debt	55,824	23,012	78,836
Unexpended	259,255	74,790	334,045
Total net assets	<u>\$ 315,079</u>	<u>\$ 97,802</u>	<u>\$ 412,881</u>

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

CITY OF BUSTON, LOUISIANA
 STATEMENT OF ACTIVITIES
 COMPONENT UNITS
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Program Revenues</u>	<u>Net (Expenses) Revenues and Changes in Net Assets</u>			
		<u>Charges for Services</u>	<u>Buston City Judge's Office</u>	<u>Buston City Marshal's Office</u>	<u>Total</u>
City Judge Judicial	\$ 261,741	\$ 315,561	\$ 53,820	-	\$ 53,820
City Marshal Judicial	<u>247,240</u>	<u>253,682</u>	<u>-</u>	<u>\$ (13,598)</u>	<u>(13,598)</u>
	<u>\$ 508,981</u>	<u>\$ 569,243</u>	<u>53,820</u>	<u>(13,598)</u>	<u>40,262</u>
General Revenues:					
Interest earnings			<u>3,628</u>	<u>-</u>	<u>3,628</u>
Change in net assets			<u>57,448</u>	<u>(13,598)</u>	<u>43,851</u>
Net assets - beginning			<u>287,690</u>	<u>113,300</u>	<u>371,090</u>
Net assets - ending			<u>\$ 315,038</u>	<u>\$ 99,742</u>	<u>\$ 414,781</u>

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

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CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Ruston, Louisiana, (the "City") was incorporated in 1875, under the provisions of the Louisiana Act. The City operates under a Mayor-Board of Aldermen form of government. The City's major operations include police and fire protection, public works, parks and recreation, utility services, and general administrative services. In addition, the City exercises sufficient control over other governmental agencies and authorities that are included as part of the City's reporting entity.

The basic criterion for determining whether another governmental organization should be included in a primary governmental unit's reporting entity for financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization, or if there is a financial benefit/burden relationship. In addition, an organization which is fully dependent on the primary government should be included in its reporting entity.

The financial statements present the City of Ruston (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

BLENDED COMPONENT UNIT

The Ruston Parks and Recreation Board is responsible for providing recreation facilities and programs to the citizens of the City of Ruston and Lincoln Parish. The Board consists of eight members appointed by the City of Ruston. Although the Board is legally separate, the City acts as its financial agent and has the ability to modify and approve its budget. Separate financial statements are not issued for the Board since it has been historically included as a fund within the City's financial statements. Since the Board provides services almost entirely to the City and due to the significance of the financial dependency relationship, it has been blended with the City's financial statements.

DISCRETELY PRESENTED COMPONENT UNITS

The component units column in the government-wide financial statements includes the financial data of the City's discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the City.

City Judge's Office

The Ruston City Judge's Office was created by special legislative act. Its jurisdiction includes the incorporated area of the City. The City Judge is elected and cannot be removed by City officials. The City Judge's Office is fiscally dependent on the City. The City has the ability to modify or approve its budget which comes from the General Fund. There are certain funds collected by the City Judge's Office, pursuant to state statute, which are under the control of the Court. The City Judge's Office serves the citizens of the City. The financial statements of the City Judge's Office included in the accompanying financial statements are as of and for the fiscal year ended September 30, 2003.

City Marshal

The Ruston City Marshal is an elected official. The City Marshal is fiscally dependent on the City. The City has the ability to modify or approve the budget which comes from the General Fund.

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

Certain funds are collected such as court costs, pursuant to state statute, which are under the control of the City Marshal. The City Marshal serves the judiciary of the City. The financial statements of the City Marshal included in the accompanying financial statements are as of and for the fiscal year ended September 30, 2003.

Complete financial statements of the individual component units may be obtained at the following address:

City Judge's Office
P.O. Box 1801
Ruston, Louisiana 71273-1821

City Marshal
P. O. Box 1582
Ruston, Louisiana 71273-1582

OTHER RELATED ORGANIZATIONS

Housing Authority

The Authority was created by state statutes and it is legally separate from the City. The Mayor appoints the commissioners; however, the City cannot impose its will on the Authority since it does not have the ability to modify or approve the budget or oversee or modify the decisions of the commissioners. The Authority is fiscally independent and no financial benefit or burden relationship exists with the City. Therefore, it is not included in the City's financial statements.

Lincoln Parish Sales and Use Tax Commission

The Commission is an independent agency that collects sales taxes. It is legally separate from the City. The commission is a jointly governed organization. The City does not retain an ongoing financial interest or responsibility for its operations. It is not included in the City's financial statements.

Complete financial statements of the individual related organizations may be obtained at the following address:

Ruston Housing Authority
1815 North Transville
Ruston, Louisiana 71273

Lincoln Parish Sales and Use Tax Commission
P.O. Box 663
Ruston, Louisiana 71273-0663

The accounting policies of the City of Ruston, Louisiana, conform to generally accepted accounting principles as applicable to governmental units. The accounting policies of the discretely presented component units are consistent with those of the City. The following is a summary of the more significant policies:

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
for the Year Ended September 30, 2003

ii. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

During the current year, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments. See note 13 for additional information.

The government-wide financial statements (GWS) (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of net assets presents information on all of the City’s assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Depreciation expense is identified by function and is included in the direct expenses of each function. Interest on general long-term debt of governmental activities is considered an indirect expense and is reported separately on the statement of activities. Interest on long-term debt of business-type activities is recorded as direct expense. Program revenues include (1) fees, fines, and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are related to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements (FFS) are provided for governmental funds and proprietary funds. Major individual governmental and enterprise funds are reported as separate columns in the FFS with nonmajor governmental, nonmajor enterprise and internal service funds being reported on an aggregated basis.

b. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for franchise tax revenues which are considered available if collected within 90 days and grant revenue if collected within one year. Property taxes are recognized as revenues in the year in which final approval is received from the Louisiana Tax Commission, at which time a valid claim exists, to the extent considered available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

Property taxes are considered "measurable" at the time of levy whereas such items as beer taxes are considered "measurable" when in the hands of intermediaries collecting agencies and are recognized as revenue at that time. Substantially all other non-intergovernmental revenues are susceptible to accrual and are recognized when earned at the underlying transaction occurs. Sales taxes are accrued in the individual funds to which they pertain. For intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. Grants and similar items are recognized as revenues as soon as all eligibility requirements have been met. In reimbursement type programs, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore revenues are recognized based upon the expenditures recorded. In other programs in which monies are virtually unrestricted as to purpose of expenditure and are usually available only to failure to comply with prescribed compliance requirements, the resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met and all other eligibility requirements are met.

The accounts of the City are organized on the basis of funds, 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 balances/net assets, revenues/expenditures/expenses and other changes in fund balances/net assets. The various funds are summarized by type in the financial statements. The following funds are used by the City:

Governmental Funds

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The City reports the following major governmental funds:

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

965 Sales Tax Fund - The special revenue fund accounts for the receipt and use of proceeds of the City's sales and use tax. A one-half cent sales tax is dedicated to general operating expenses, general capital assets, and waterworks extensions and improvements.

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

1983 Sales Tax Fund – This special revenue fund accounts for the receipt and use of proceeds of the City's sales and use tax. A three-fourths cent sales tax is dedicated to the recreation department, streets and drainage, fire protection and police protection.

1980 Sales Tax Fund – This special revenue fund accounts for the receipt and use of proceeds of the City's sales and use tax. A one-half cent sales tax is dedicated for police and fire departments and drug prevention.

Additionally the City reports nonmajor governmental funds in the aggregate. The funds are within the following governmental fund types:

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds – The debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The debt service funds receive a portion of all property and sales taxes paid to the City.

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

Proprietary Funds

Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. All proprietary funds are accounted for as a capital maintenance focus; that is, the measurement focus is upon determination of the change in net assets. The City reports the following proprietary fund types:

Enterprise Funds – Enterprise funds are used to account for activities in which established fees and charges are designed to recover its costs, including capital costs such as depreciation and debt service.

Internal Service Funds – Internal service funds are used to account for the financing of services provided by one department of the City to other departments on a cost-reimbursement basis. The City maintains three internal service funds for workers' compensation, general insurance coverage, and purchasing/warehouse.

The City reports the following major enterprise funds:

Electric System Fund – Operated as a self-sustaining utility of the City and is responsible for providing the residents of the City of Ruston, Louisiana, with electricity.

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

Water System Fund - Operated as a self-sustaining utility of the City and is responsible for providing the residents of the City of Ruston, Louisiana with water.

Sewerage System Fund - Operated as a self-sustaining utility of the City and is responsible for providing the residents of the City of Ruston, Louisiana with sewer treatment.

Airport Authority Fund - Accounts for the activities involved in operating the Ruston Municipal Airport.

The City applies all applicable GASB pronouncements in accounting and reporting for its government-wide and business-type activities and its enterprise funds as well as the following pronouncements issued on or before November 30, 1999, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board opinions, and Accounting Research Bulletins.

As a general rule the effect of interfund activity has been eliminated from the CWRFS. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's electric, water, and sewerage function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Transactions that would be treated as revenues, expenditures or expenses if they involved organizations external to the City or they are exchange transactions are accounted for as revenues and expenditures or expenses in the funds involved.

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally allocated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and the Internal Service Funds are (charges to customers for sales and services). Operating expenses for enterprise funds and Internal Service Funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

The reserve method is used to account for bad debt expenses on enterprise fund receivables. Unbilled service receivables of the General Fund, Electric Fund, Water Fund, and Sewer Fund are determined based on October and November billings for electric, water, sewer and refuse services. A percentage is calculated based on the bad debts for each cycle and then applied to the total billings.

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

c. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the GWFS and the proprietary funds. Capital assets are recorded at historical cost or estimated historical cost for assets where actual historical cost is not available and depreciated over their estimated useful lives. Donated capital assets are recorded at estimated fair value at the date of donation. The City maintains a threshold level for capitalization of capital assets except land and construction in progress. All land and construction in progress is capitalized, regardless of the amount. All other capital assets are capitalized utilizing a threshold of \$500. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Capital assets are not reported in the governmental FFS.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. Straight line depreciation is calculated based on the following estimated useful lives:

Assets	Years
Buildings	10-50
Improvements other than buildings	10-50
Infrastructure	20-75
Distribution and collection systems	10-50
Equipment	3-20

d. LONG-TERM LIABILITIES

In the GWFS, and proprietary funds in the FFS, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary funds statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the term of the related debt. Bonds payable are reported net of the applicable bond premium or discount.

In the FFS, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the initial debt proceeds received, are reported as debt service expenditures.

e. INVESTMENTS

For all funds, investments are stated at fair value based on quoted market prices. The investments of September 30, 2003 were primarily U.S. government and U.S. government agency securities (see note 2 for the City's investment policy.)

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

l. PREPAID ITEMS

Prepaid items consist of items such as prepaid insurance and other prepaid expenditures. The cost is recorded as an asset at the time such items are purchased in both GWFS and FFS. The reserve for prepaid items in governmental funds is equal to the amount of prepaid items to indicate a portion of the fund balance is not available for future expenditure.

m. INVENTORIES

Inventories are valued at cost (FIFO, first-out). The cost is recorded as an asset of the time individual inventory items are purchased and charged as an expenditure when used in both GWFS and FFS. Inventories in the General fund consist of expendable supplies held for consumption. Inventories in the enterprise funds consist of repair materials and spare parts.

n. REFUNDABLE DEPOSITS

The Electric System Fund requires that its first time utility customers or customers not in good standing place a deposit before service is rendered. If customers maintain the status of good standing for one year, the deposits are returned. These monies are restricted and are reported as assets and liabilities.

o. VACATION AND SICK LEAVE

City employees are granted vacation and sick leave in varying amounts. Employees are permitted to use sick leave toward retirement up to a maximum of six months, if they have sufficient time to qualify for retirement. Only unused vacation pay for the employees has been accrued, and sick leave for the employees eligible for retirement benefits has been accrued. All other sick leave is recorded as an expenditure when paid. The estimated liability for unused vacation for governmental funds is recorded in the GWFS. Vacation leave of governmental funds is recorded as an expenditure when paid. Accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as it is earned by the employees.

p. PENSION PLANS

The State of Louisiana has 3 pension plans which cover substantially all employees of the City who meet certain length of service requirements. See note 8 for details of these plans.

q. RESTRICTED ASSETS

Certain proceeds of the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets because their use is limited by applicable bond covenants.

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

L. FUND EQUITY

In the GWFS, governmental activities report reservations of net assets for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Specific reservations of the net assets are summarized below:

Invested in capital assets, net of related debt – These portions were created to represent the City's interest in its capital assets, less any related debt.

Restricted for Debt Service – These portions segregate an amount of net assets for debt service. These reservations are established to satisfy restrictions imposed by various bond agreements.

In the FFS, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Specific reservations of the fund balance accounts are summarized below:

Reserve for Inventories – These reserves were created to represent the portion of the fund balance that is not available for expenditures even though inventories are a component of net current assets.

Reserve for Debt Service – These reserves segregate a portion of fund balance for debt service. These reservations are established to satisfy restrictions imposed by various bond agreements.

Reserve for Encumbrances – Encumbrances outstanding at year-end represent the estimated amount the City intends to honor as a commitment regardless of the scope in the appropriation.

Designated Fund Balance – The unreserved portion of fund balance designated for future years' expenditures indicates the balance has been legally authorized to move up the following year's budget.

M. INTERFUND RECEIVABLES AND PAYABLES

All outstanding balances between funds are reported as due to/from other funds in the fund financial statements. There is no activity between funds that is representative of lending/borrowing arrangements at the end of the fiscal year. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the GWFS as internal balances.

N. PROPERTY TAXES

Property taxes attach as an enforceable lien on property when the assessment is approved by the Louisiana Tax Commission. Property taxes levied are based on the assessed value of property as filed on the previous December 31. Taxes are normally

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

levied in November of each year and are due on or before December 31. A revaluation of all real property must be made every four years. The last revaluation date was January 1, 2004.

d. GRANTS FROM OTHER GOVERNMENTAL AGENCIES

Federal and state governmental agencies represent an important source of supplemental funding to finance housing, employment and construction programs, and other activities beneficial to the community. These funds, primarily in the form of grants, are recorded in the General Fund, special revenue funds, capital projects funds, and enterprise funds. The grants normally specify the purpose for which the funds may be used and are subject to audit by the granting agency or its representative.

e. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the City considers all highly liquid debt instruments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

f. SELF-INSURANCE CLAIMS

The City is self-insured for workers' compensation coverage and medical insurance for employees. Self-insured claims are recorded in the City's Internal Service Fund in accordance with GAAP Statement No. 10.

Incurred but not reported claims are recorded as liabilities in the insurance fund. An estimate for these claims is provided by a third party administrator based on historical experience.

g. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of 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 these estimates.

1. CASH AND INVESTMENTS

All deposits of the City are held by state financial institutions. At September 30, 2003, the carrying amount of the City's deposits was \$21,512,819 and the bank balance was \$22,290,952. The difference is due to the outstanding checks and deposits in transit at September 30, 2003.

The bank balance was covered by federal depository insurance or was collateralized with securities held by the City's agent (one of its custodial banks) in the City's name. Statutes require that securities pledged for deposits of the City be held by a bank other than the pledging bank.

State statutes authorize the City to invest in United States bonds, treasury notes, government agencies' securities, certificates and time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana, or mutual or trust fund institutions which have underlying investments consisting solely of and limited

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

to securities of the United States government or its agencies. During the year ending September 30, 2003, the City invested in certificates of deposit and U.S. government and U.S. government agency securities.

The City's investments are categorized below to give an indication of the level of custodial credit risk assumed by the City as of September 30, 2003. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments with securities held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty, or by its trust department or agent, but not in the City's name.

	<u>CATEGORY</u>			Carrying Amount & Fair Value
	<u>1</u>	<u>2</u>	<u>3</u>	
U.S. government and U.S. government agency securities	\$223,245	\$	\$	\$223,245
Louisiana Asset Management Pool				1,462,406
Total Investments				1,685,651
Total Deposits				2,161,602
Total cash, cash equivalents & investments, including restricted cash and investments				\$3,847,253

The investments in the Louisiana Asset Management Pool are not categorized because they are not evidenced by securities that exist in physical or book entry form. Louisiana Asset Management Pool ("LAMF"), a local government investment pool, is administered by LAMF, Inc., a non-profit corporation organized under the laws of the State of Louisiana. While LAMF is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 3-a7, which governs registered money market funds. The LAMF portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. The dollar weighted average portfolio maturity of LAMF assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and market value. For purposes of determining participants' shares, investments are valued at amortized cost. LAMF is designed to be highly liquid to give its participants immediate access to their account balances.

Discretely Priced Component Units - Deposits

All deposits of the component units are held by other financial institutions. At the respective year ends, all deposits are insured or collateralized with securities held in the component unit's name by its agent (the trust department of a bank other than the pledging bank). The securities have a fair value of \$342,170 as of September 30, 2003.

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

3. PROPERTY TAXES

The City levies taxes on real and business personal property located within its boundaries. Property taxes are levied by the City on property values assessed by the Lincoln Parish Assessor and approved by the State of Louisiana Tax Commission. Total assessed value was \$99,770,863 and \$97,315,358 in 2003 and 2002, respectively. The distribution of the City's levy (for sale per \$1,000 assessed value) was as follows for 2003 and 2002:

	<u>Levy</u>	
	<u>2003</u>	<u>2002</u>
General Fund	4.75	4.75
Recreation Tax	1.97	1.97
	<u>6.72</u>	<u>6.72</u>

4. RECEIVABLES

Receivables as of year end for the City's individual major funds and nonmajor and internal service funds, including the applicable allowances for uncollectible accounts, are outlined below.

	<u>Customer</u>	<u>Taxes</u>	<u>Other</u>	<u>Allowance for uncollectible accounts</u>	<u>Net Receivable</u>
Governmental activities:					
General	\$62,533	-	\$265,092	(\$27,840)	\$369,985
798 Sales Tax	-	\$142,982	-	-	142,982
795 Sales Tax	-	251,073	-	-	251,073
790 Sales Tax	-	147,982	-	-	147,982
Nonmajor governmental funds	-	342,400	154,727	-	497,127
Total governmental activities	<u>\$62,533</u>	<u>\$483,437</u>	<u>\$319,819</u>	<u>(\$27,840)</u>	<u>\$1,343,749</u>
Business-type activities:					
Electric System	1,424,733	-	34,202	(490,891)	968,044
Water System	122,708	-	4,166	(46,828)	80,046
Sewer System	144,494	-	4,135	(85,804)	62,825
Nonmajor enterprise funds	435,938	-	-	(317,733)	118,205
Total business-type activities	<u>\$2,128,873</u>	<u>-</u>	<u>\$38,503</u>	<u>(\$951,356)</u>	<u>\$1,225,227</u>

5. CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	<u>Balance</u> <u>September 30,</u> <u>2003</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>September 30,</u> <u>2002</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$4,872,197	-	-	\$4,872,197
Construction in progress	1,032,325	\$1,122,325	-	2,154,650
Total capital assets, not being depreciated	<u>5,904,522</u>	<u>1,122,325</u>	<u>-</u>	<u>7,026,847</u>

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

	Balance September 30, 2002	Additions	Retirements	Balance September 30, 2003
Capital assets, being depreciated:				
Buildings	4,150,095	-	(813,691)	4,367,805
Improvements other than buildings	4,431,830	1,034	-	4,609,864
Equipment	8,222,537	817,084	(847,094)	8,212,547
Infrastructure	2,043,296	608,580	-	2,651,876
Total capital assets being depreciated	18,847,877	1,523,710	(860,785)	20,510,802
Less accumulated depreciation for:				
Buildings	(1,270,201)	(184,194)	10,114	(1,544,281)
Improvements other than buildings	(2,358,498)	(125,269)	-	(2,483,767)
Equipment	(4,498,045)	180,451)	264,990	(4,582,584)
Infrastructure	(2,686,175)	(237,445)	-	(2,923,620)
Total accumulated depreciation	(11,148,919)	(111,547)	275,104	(11,985,362)
Total capital assets, being depreciated, net	7,698,958	287,238	(585,681)	8,500,444
Governmental activities capital assets, net	<u>\$2,704,082</u>	<u>\$1,527,234</u>	<u>(\$205,061)</u>	<u>\$2,956,255</u>

Construction in progress for governmental activities consisted of \$1,568,938 for an 100 infrastructure project; \$864,886 for the Sewer Southwest project; \$41,473 for the Greenwood project; and \$93,436 for a new soccer field.

	Balance September 30, 2002	Additions	Retirements	Balance September 30, 2003
Business-type activities:				
Electric System				
Capital assets, not being depreciated:				
Land	\$53,508	-	-	\$53,508
Construction in progress	(23,741)	\$27,884	(\$42,331)	11,812
Total capital assets, not being depreciated	19,767	\$27,884	(\$42,331)	\$4,248
Capital assets, being depreciated:				
Buildings	2,064,336	-	-	2,064,336
System Improvement	17,377,807	1,408,361	-	18,806,168
Equipment	17,972,028	(450,382)	(\$42,434)	17,479,212
Total capital assets being depreciated	37,414,191	2,957,979	(\$42,434)	38,379,736
Less accumulated depreciation for:				
Buildings	(1,419,273)	(36,863)	-	(1,456,136)
System Improvement	(11,802,836)	(790,103)	56,268	(12,536,671)
Equipment	(11,981,085)	(279,876)	27,273	(12,233,688)
Total accumulated depreciation	(24,203,194)	(1,406,842)	83,541	(25,526,495)
Total capital assets, being depreciated, net	13,211,007	\$451,137	(\$39,893)	13,622,250
Electric System capital assets, net	<u>\$1,588,738</u>	<u>\$249,434</u>	<u>(\$206,234)</u>	<u>\$1,631,938</u>

Construction in progress for the electric system consisted of \$10,859 for the Kentucky Avenue Substation; \$179,456 for the OSB project; and \$3,129 on the warehouse project.

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

	Balance September 30, 2002	Additions	Retirements	Balance September 30, 2003
Water System				
Capital assets, not being depreciated:				
Land	\$75,079	-	-	\$75,079
Construction in progress	129,464	\$20,621	-	200,085
Total capital assets, not being depreciated	204,543	20,621	-	225,164
Capital assets, being depreciated:				
Buildings	178,828	17,357	(\$56,251)	139,934
System Improvement	5,143,754	474,456	142,099	6,566,111
Equipment	758,897	29,852	(\$16,356)	802,493
Total capital assets being depreciated	6,081,479	521,735	(\$214,706)	6,388,508
Less accumulated depreciation for:				
Buildings	(\$2,672)	\$2,708	7,422	(\$2,386)
System Improvement	(\$283,942)	(\$11,417)	89,452	(\$305,907)
Equipment	(\$21,872)	\$15,024	295,941	189,131
Total accumulated depreciation	(\$308,586)	(\$1,105)	392,815	(\$307,786)
Total capital assets, being depreciated, net	\$5,772,913	\$522,830	(\$11,891)	\$6,303,852
Water System capital assets, net	\$6,037,456	\$228,451	(\$11,891)	\$6,253,116

Construction in progress for the water system consisted of \$188,464 for the concrete ground water storage project, and \$13,996 to repair the water tank at Jena and I-20.

	Balance September 30, 2002	Additions	Retirements	Balance September 30, 2003
Sewer System				
Capital assets, not being depreciated:				
Land	\$203,901	-	-	\$203,901
Construction in progress	483,774	\$58,330	(\$246,148)	296,056
Total capital assets, not being depreciated	687,675	58,330	(\$246,148)	499,857
Capital assets, being depreciated:				
Buildings	114,130	-	-	114,130
System Improvement	1,493,389	1,029,330	(\$0,892)	2,521,827
Equipment	721,357	\$24,877	(\$42,844)	703,490
Total capital assets being depreciated	2,328,866	1,054,107	(\$43,736)	3,339,237
Less accumulated depreciation for:				
Buildings	(\$9,434)	(\$,767)	-	(\$10,201)
System Improvement	(\$,493,091)	\$60,902	40,762	(\$572,951)
Equipment	(\$23,371)	\$19,846	1,38,451	(\$21,976)
Total accumulated depreciation	(\$525,896)	\$79,975	1,79,213	(\$425,134)
Total capital assets, being depreciated, net	\$1,802,970	\$1,134,132	(\$158,523)	\$2,878,579
Sewer System capital assets, net	\$3,305,827	\$272,462	(\$274,051)	\$3,304,238

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

Construction in progress consisted of \$238,538 for the Sanitary Sewer Collective Man; \$27,850 for a lift station at West Kentucky and Hilton Pasture; and \$22,900 on the Phase II of the Sewer System Improvements.

	Balance September 30, 2002	Additions	Retirements	Balance September 30, 2003
Airport Authority				
Capital assets, not being depreciated:				
land	\$147,639	-	-	\$147,639
Capital assets, being depreciated:				
Buildings	407,215	-	-	407,215
Runways, aprons, and taxiways	4,448,682	\$912,830	-	5,361,512
Equipment	22,180	5,414	-	27,594
Total capital assets being depreciated	\$4,778,077	\$918,244	-	5,696,321
Less accumulated depreciation for:				
Buildings	-	(12,240)	-	(12,240)
Runways, aprons, and taxiways	(1,273,380)	(219,442)	-	(1,492,822)
Equipment	(8,422)	(22,481)	-	(30,903)
Total accumulated depreciation	(1,281,802)	(241,963)	-	(1,523,765)
Total capital assets, being depreciated, net	\$3,496,275	\$676,281	-	4,172,556
Airport Authority capital assets, net	\$4,137,494	\$676,281	-	\$4,813,775
Ambulance Fund				
Capital assets, being depreciated:				
Equipment	\$386,768	\$93,751	(\$50,470)	\$430,049
Less accumulated depreciation for:	(263,272)	(21,285)	\$0,425	(284,032)
Total capital assets, being depreciated, net	\$123,496	\$72,466	-	\$195,917
	Balance September 30, 2003	Additions	Retirements	Balance September 30, 2003
Business-type activities capital assets				
Capital assets, not being depreciated:				
land	\$474,014	-	-	\$474,014
Construction in progress	773,175	\$126,085	(\$289,311)	610,789
Total capital assets, not being depreciated	1,247,189	126,085	(289,311)	1,083,963
Capital assets, being depreciated:				
Buildings	2,764,589	17,357	(54,251)	2,727,695
System improvement	42,424,590	3,928,130	(102,154)	46,250,516
Runway, aprons, and taxiways	4,448,682	912,830	-	5,361,512
Equipment	20,281,225	1,244,174	(572,304)	20,953,095
Total capital assets being depreciated	69,919,086	5,202,491	(1,128,709)	73,992,868

CITY OF BOSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

	Balance September 30, 2002	Additions	Retirements	Balance September 30, 2003
Less accumulated depreciation for:				
Buildings	(1,521,680)	(25,926)	7,427	(1,539,179)
System Improvement	(22,379,049)	(1,702,221)	126,502	(23,954,768)
Roadways, bridges, and sidewalks	(1,873,520)	(219,662)	-	(2,093,182)
Equipment	(15,406,221)	(858,734)	642,420	(15,622,535)
Total accumulated depreciation	(40,979,470)	(2,836,543)	776,349	(43,039,664)
Total capital assets, being depreciated, net	25,527,028	2,083,878	1,083,212	27,693,718
Business-type activities capital assets, net	\$2,773,261	\$2,435,531	\$492,786	\$3,001,498

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$150,113
Public safety	194,964
Public works, including depreciation of general infrastructure assets	711,249
Recreation	55,543

Total depreciation expense-governmental activities **\$1,126,627**

Business-type activities:	
Electric System	\$1,405,779
Water System	433,379
Sewer System	734,730
Airport Authority	344,493
Ambulance	21,387

Total depreciation expense-business-type activities **\$2,939,867**

6. LONG-TERM LIABILITIES

Long-term liability activity for the year ended September 30, 2003 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due within One Year
Governmental activities:					
Revenue bonds payable	\$1,050,000	-	\$950,000	\$100,000	-
Certificates of indebtedness	498,000	-	249,000	249,000	\$117,000
State Pension Fund Liability	66,881	-	66,881	-	-
Capital leases	48,994	-	48,994	-	-
Compensated absences	1,089,262	683,082	376,800	1,395,544	75,000
Governmental activities					
Total long-term liabilities	\$2,743,147	\$683,082	\$1,731,675	\$1,694,556	\$182,000

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Electric System:					
Compensated absences	\$142,000	\$302,200	\$89,100	\$355,100	\$4,000
Water System:					
Revenue bonds	\$295,000	-	\$40,000	\$255,000	\$95,000
Deferred loss on refunding	(5,450)	\$2,100	-	(3,350)	-
Compensated absences	\$5,000	11,000	22,000	\$38,000	14,000
Water System long-term liabilities	\$304,550	\$13,100	\$62,000	\$255,650	\$109,000
Sewer System:					
Revenue bonds	\$2,740,000	\$1,450,000	\$2,120,000	\$2,070,000	\$225,000
Compensated absences	26,200	173,300	173,600	26,900	2,000
Sewer System long-term liabilities	\$2,766,200	\$1,623,300	\$2,293,600	\$2,495,900	\$227,000
Ambulance Fund:					
Compensated absences	\$30,750	\$12,000	\$12,250	\$30,500	\$1,200
Business-type activities long-term liabilities:					
Revenue bonds	\$3,335,000	\$1,450,000	\$3,260,000	\$2,775,000	\$520,000
Deferred loss on refunding	(5,450)	2,100	-	(3,350)	-
Compensated absences	295,310	204,600	307,100	292,810	22,000
Business-type activity long-term liabilities	\$3,624,860	\$1,656,700	\$3,567,100	\$3,464,460	\$542,000

Interest service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. For the governmental activities, the balance of compensated absences is generally liquidated by the General Fund.

Bonds payable as of September 30, 2003 are comprised of the following issues:

Governmental Activities: Certificates of Indebtedness	Outstanding 09-30-03
\$200,000 - 1994 Certificate of Indebtedness dated 5-29-94, due in annual installments of \$27,000 to \$42,800 through 5-1-06. Interest at 5.48% (this issue is secured by pledge and dedication of the excess annual revenue of the City of Ruston)	\$179,000
\$200,000 - 1993 Certificate of Indebtedness dated 3-1-93, due in annual installments of \$40,000 through 2-1-04. Interest at 5.2% (this issue is secured by pledge and dedication of the excess annual revenue of the City of Ruston)	60,000
Total General Obligation Certificates of Indebtedness	\$239,000

CITY OF RUSH, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

Tax Incremental Bonds

\$3,000,000 - 2001 Sales Tax Incremental Revenue Bonds dated 12-31-01, of \$100,000 due 9-1-13, interest of 4.5%	\$100,000
Total Tax Incremental Bonds	\$100,000

Revenue Bonds

\$1,400,000 authorized 1993 Sewer Revenue Bonds \$1,400,000 issued, interest of 3.80%, payable in annual installments of \$70,000 to \$70,000 through October 1, 2014.	\$400,000
\$1,655,000 2002 Sewer Utility Revenue Refunding Bonds dated 5-23-02 due in annual installments of \$150,000 to \$195,000 through October 1, 2012, interest of 1.600% to 4.000%.	1,595,000
\$890,000 1994 Water Utility Revenue Refunding Bonds dated 12-23-94 due in annual installments of \$95,000 to \$110,000 through October 1, 2006, interest of 4.7500% to 5.875%. Refunding resulted in a deferred fee of \$25,450 which is being amortized over the life of the debt. Net deferred fee of 1,000.00 was \$2,300 and amortization was \$2,185.	308,000
Total Revenue Bonds	<u>\$2,303,000</u>

The annual requirements to amortize all debt outstanding as of September 30, 2003, including interest requirements are as follows:

	Governmental activities		Business-type activities		Total
	Principal	Interest	Principal	Interest	
Year ending September 30:					
2004	\$117,000	\$14,877	\$300,000	\$85,258	\$506,334
2005	48,000	11,376	300,000	74,364	473,336
2006	52,000	7,988	345,000	64,422	479,410
2007	-	4,590	245,000	53,490	302,360
2008	-	4,395	255,000	47,402	307,792
2009-2013	100,000	32,953	1,185,000	115,143	1,423,093
2014-2018	-	-	80,000	2,300	82,300
	<u>\$338,000</u>	<u>\$67,433</u>	<u>\$2,370,000</u>	<u>\$460,355</u>	<u>\$3,417,334</u>

There are a number of limitations and restrictions contained in the various bond indentures. The City believes it is in compliance with all significant limitations and restrictions.

In May 2003, the City issued \$1,655,000 in Sewer Utilities Revenue Refunding Bonds. The bonds were issued to advance refund \$2,000,000 of the 1993 Utilities Revenue Bonds. The net proceeds of \$1,426,100 (after payment of \$25,899 in issuance costs) along with \$291,500 of existing funds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1993 bonds. As a result, the 1993 bonds are considered defeased and the liability for those bonds has been removed from these financial statements. The principal outstanding of September 30, 2003 on the refunded bonds was \$1,645,000. The difference between the cash flow required to service the old debt and the cash flow required to service the new debt and

CITY OF BUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

complete the refunding totaled \$261,667. An economic gain (difference between the present value of the old and new debt service payments) of \$194,495 resulted from the refunding. No gain or loss (the difference between the opening amount of the defeased debt and the reacquisition price) resulted from the refunding.

During December 1996, the City issued \$850,000 in Water Utilities Revenue Refunding Bonds to advance refund \$855,000 of outstanding 1986 Utilities Revenue Bonds. The proceeds, net of issuance costs, were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1986 Utilities Revenue Bonds. The 1986 Utilities Revenue Bonds are considered to be defeased and have been removed from the City's financial statements. The principal outstanding at September 30, 2003 on the refunded bonds was \$420,000.

The amount of long-term debt that can be incurred by the City is limited by state statute. State law allows a maximum of 10% of the assessed valuation of bonded debt for any one purpose or 25% of the total assessed value for all purposes. The City assessed property value at December 31, 2003, was \$99,770,865. The maximum debt allowable for any one purpose and total debt allowable by state law as of December 31, 2003, is \$9,977,087 and \$24,917,663 respectively. The City currently has \$229,000 of general bonded debt outstanding.

7. SALES TAX

The 1985 Sales Tax, 1989 Sales Tax, and 1990 Sales Tax funds account for the collection of a one-half cent, three-quarter cent, and one-half cent City sales and use tax, respectively, and the distribution of the tax to other funds of the City. For financial reporting purposes, sales taxes are recorded as revenues in the individual funds which collect the sales tax and are recorded or transfer to and from the operators or projects for which the taxes were levied and as approved for expenditure by ordinance of the Council.

The 1985 one-half cent sales tax is used initially to pay operating expenses incurred in the administration and collection of sales taxes. Certain contributions may be made from these funds. After these payments, the remaining amount is payable to the General Fund.

The 1989 three-quarter cent sales tax is used initially to pay operating expenses incurred in the administration and collection of sales taxes. Scheduled payments are made to pay the 1994 Certificates of Indebtedness. Payments are also made on a monthly basis to the Ruston Parks and Recreation Fund of up to seven percent of the annual net proceeds for construction, acquiring, improving and/or operating recreation facilities and programs. After these payments, the remaining amount is payable to the General fund for public works, fire protection, and police protection.

The 1990 one-half cent sales tax is used initially to pay operating expenses incurred in the administration and collection of sales taxes. After these payments, the remaining amount is payable to the General Fund for fire protection and police protection.

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

8. MULTIPLE-EMPLOYER COST-SHARING BENEFIT PLANS – PUBLIC EMPLOYER PENSION SYSTEMS

Municipal Employees' Retirement System

Plan Description - Substantially all full-time employees except police and firemen of the City of Ruston are covered under the Municipal Employees' Retirement System of Louisiana. (The "System") a cost sharing multiple employer public employee retirement system, controlled and administered by the Board of Trustees of the System. The System is mandatory for all employees who are employed on a permanent basis working at least 35 hours per week. Benefits are established by State statute. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing the Board of Trustees, 7937 Office Park Blvd., Ruston Rouge, Louisiana 70069, or by calling (504) 925-4030.

Funding Policy - Covered employees are required to contribute 9.25% of their annual compensation and the City is required to contribute 1.7% of annual compensation. The contribution requirements are established and may be amended by State statute. The City's contributions to the System for the years ended September 30, 2003, 2002, and 2001 were \$468,618, \$468,550, and \$297,381, respectively, equal to the required contributions for each year. In accordance with GASB Statement No. 27, Accounting for Pensions by State and Local Governmental Employees, the net pension obligation was determined to be zero. Prior to adoption of GASB 27, the City did not report a pension liability.

Statewide Firefighter's Retirement System (SFRS)

Plan Description - The City of Ruston contributes to the Statewide Firefighter's Retirement System of Louisiana, a cost sharing multiple employer defined benefit pension plan administered by the Firefighter's Retirement System. SFRS covers firefighters employed by any municipality, parish, or the protection district of the State of Louisiana under the provisions of Louisiana Revised Statutes 11:2251 through 2257 effective January 1, 1980. Benefits are established by State statute. The SFRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing the Board of Trustees, Firefighter's Retirement System, 2051 Sideroad Drive, Suite 218, Ruston Rouge, Louisiana 70068-4036 or by calling (504) 925-4030.

Funding Policy - Covered employees are required to contribute 8% of their annual compensation and the City is required to contribute 7% of annual compensation excluding overtime but including State supplemental pay. The contribution requirements are established and may be amended by State statute. The City's contributions to SFRS for the years ended September 30, 2003, 2002, and 2001 were \$120,117, \$98,184, and \$100,571, respectively, equal to the required contributions for each year. In accordance with GASB Statement No. 27, Accounting for Pensions by State and Local Governmental Employees, the net pension obligation was determined to be zero. Prior to adoption of GASB 27, the City did not report a pension liability.

Municipal Police Employees' Retirement System (MPERS)

Plan Description - The City of Ruston contributes to the Municipal Police Employees' Retirement System Pension Plan, a cost sharing multiple employer defined benefit pension plan administered by the Municipal Police Employees' Retirement System. MPERS covers any full-time police officer, empowered to make arrests, employed by any municipality of the State and engaged in law enforcement, earning of least \$375 per month (excluding State supplemental

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

pos, or an elected Chief of Police whose salary is at least \$100 per month, and any employee of this system may participate in the MPERS. Benefits are established by State statute. The MPERS issue a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing the Board of Trustees of the Municipal Police Employees' Retirement System, 8401 United Plaza Blvd., Room 205, Baton Rouge, Louisiana 70804 or by calling 1-800-443-4248.

Funding Policy - Plan members are required to contribute 7.5% of their annual compensation and the City is required to contribute 10.25% of annual compensation excluding overtime but including State supplemental pay. The contribution requirements are established and may be amended by State statute. The City's contributions to MPERS for the years ended September 30, 2003, 2002, and 2001 were \$156,744, \$130,446, and \$123,583, respectively, equal to the required contributions for each year.

9. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

a. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund balances as of September 30, 2003 were as follows:

(A) FUND OR SUB FUND	TO/FROM OTHER FUNDS								Total
	General Fund	1990 Sales Tax	1990 Motor Vehicle Tax	Health System	Water System	Senior Services	Municipal Governmental	Municipal Enterprise	
General Fund	-	-	-	-	-	-	\$5,192	-	\$5,192
1990 Sales Tax	-	\$1,000,200	\$948,297	-	-	-	-	-	\$1,948,497
1990 Motor Vehicle Tax	-	-	-	-	-	-	17,207	-	17,207
Health System	\$1,079	-	-	-	\$29,248	\$7,268	-	-	\$37,595
Water System	\$400	-	-	-	-	2,802	-	\$0	\$3,602
Senior Services	\$433	-	-	-	-	-	-	145	\$578
Mayor Authority	208	-	-	-	-	-	-	-	208
Municipal governmental	2,120	-	-	\$4,278	-	-	\$28,806	-	\$35,204
Municipal enterprise	\$40,880	-	-	-	-	-	100	-	\$40,980
Interfund services funds	200	-	-	-	-	-	-	-	200
Total transfers	\$22,000	\$1,000,200	\$948,297	\$4,278	\$29,248	\$7,268	\$28,806	\$145	\$2,036,532

All balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting systems, and (3) payments between funds are made.

b. INTERFUND TRANSFERS

Transfers for the year ended September 30, 2003 were as follows:

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

TRANSFERS OUT	TRANSFERS IN				Total
	General Fund	Airport Authority	Nonmajor Governmental Funds	Internal Service Funds	
General Fund	-	-	\$134,736	\$117,490	\$252,226
YRS Sales Tax	\$1,794,000	-	-	-	1,794,000
YRS Sales Tax	2,400,875	-	280,147	-	2,711,122
YRS Sales Tax	1,792,000	-	-	-	1,792,000
Electric System	1,532,406	\$1,040	60,437	34,974	1,634,190
Water System	329,322	-	-	4,230	333,552
Sewer System	193,555	-	-	2,867	197,422
Nonmajor governmental	92,793	-	117,021	1,264	211,078
Nonmajor enterprise	-	-	-	4,007	4,007
Internal service funds	-	-	-	2,472	2,472
Total transfers	\$8,155,951	\$11,040	\$297,264	\$127,224	\$8,591,480

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) use unrestricted revenue collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (4) pay the General Fund in fee of property and sales taxes and services performed by other departments.

c. DEFICIT FUND BALANCE OF INDIVIDUAL FUNDS

The Section 8 Moderate Housing Fund had a deficit fund balance of \$30,572 at September 30, 2003. This deficit is expected to be funded by transfers from the Section 8 Voucher Housing Fund in subsequent years. The Ambulance Fund had a deficit in net assets of \$40,994 at September 30, 2003. This deficit is expected to be funded by fees charged in subsequent years.

d. EXCESS OF EXPENDITURES OVER BUDGET

For those funds for which a budget to actual comparison was made, actual expenditures on a budgetary basis exceeded budgeted expenditures on a code level basis as follows:

Fund	Budget	Actual on a budgetary basis	Negative variance
General Fund:			
General government:			
Executive - Operating services	\$501,806	\$516,536	(\$14,730)
Ward Marshal - Lumps sum	133,267	134,387	(1,120)
Civic Center - Personal services	140,168	143,493	(3,325)

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

Fund	Budget	Actual on a budgetary basis	Negative variance
General Fund:			
General government:			
Section 6 – Travel and other	7,000	7,445	(445)
Community development – improvements	187,800	189,429	(2,629)
Public Safety:			
Fire Department – Capital	91,875	92,813	(938)
Public works:			
Repair shop – Materials & supplies	25,540	26,717	(1,177)
Animal control – Personnel services	101,167	101,454	(287)
Fees & Receptions:			
Salaries – Overtime	2,808	3,099	(1,091)
Material & supplies	27,836	28,190	(354)
Section 8 – Vouchers:			
Operating services	1,084,472	1,086,400	(1,928)

The unfavorable variance in executive is due primarily to an increase in consulting expenditures for architects on downtown revitalization project and consultants for alternate water supply source. The unfavorable variance in the civic center is primarily due to an increase in contract labor. The unfavorable variance in community development is due to higher than anticipated expenditures related to the Rust Health Grant. The unfavorable variance in section 8 – Vouchers is due to higher than anticipated porosity payments.

10. FEDERAL AND STATE FINANCIAL ASSISTANCE

Federal and State governmental units represent an important source of supplementary funding to finance housing, employment, construction programs, and other activities beneficial to the community. These funds, primarily in the form of grants, are recorded in the General and Special Revenue Funds. A grant receivable is recorded when the City has a right to reimbursement under the related grant. The grants normally specify the purpose for which the funds may be used and are audited annually under the single audit as mandated by the Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, Audit of States, Local Governments, and Nonprofit Organizations.

Supplementary salary payments are made by the state to certain groups of employees. The City is not legally responsible for these salaries. Therefore, the fund for recognizing the revenue and expenditure payments is the actual contribution from the state. For 2003, the state paid supplemental salaries to the following groups of employees: Fire Department employees, \$142,851; Police Department employees, \$142,158; and City Marshal employees (a component unit), \$18,000.

11. POST-EMPLOYMENT HEALTH CARE BENEFITS

In addition to providing pension benefits, the City provides dental and medical care coverage for city retirees who were participating in the group health insurance plan prior to their retirement date. The City is self-insured for medical benefits including post-retirement health care benefits. Currently, there are 68 retirees who are eligible to receive benefits. During 2003,

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

expenses of \$267,800 were recognized for post-retirement health care. The expense is recognized when costs are incurred. The costs are funded on a pay-as-you-go basis. At year-end, an estimate is made for incurred but not reported claims.

12. COMMITMENTS AND CONTINGENCIES

Construction projects

There are certain construction projects in progress as of September 30, 2003. In 2002, the City issued \$2,000,000 in sales tax increment bonds for the purpose of providing engineering and construction expenditures related to the I-30 Service Road Project. The project is estimated to cost approximately \$12 million. The City is planning to sell additional bonds to cover the costs. The City also entered into a contract with the State of Louisiana, Office of Community Development to provide all services necessary for sewer improvements to an economically disadvantaged area. The City has paid \$750,000 to date on the project. In 2003, the City expended approximately \$135,327 to renovate and improve existing parks. The City is in the process of building a new substation for the electric system. Approximately \$11,800 was expended in 2002 and 2003 for engineering and related services. In 2003, the City paid \$130,000 related to the G.S. Data Collection project. The City has also paid \$187,000 to construct a concrete ground storage tank for the water system and \$144,000 to repair an existing elevated storage tank. In 2003 and 2002, the City paid \$209,600 for engineering services related to a sanitary sewer corrective plan. The City also paid \$27,000 for improvements and renovations to the Kentucky Road lift station.

Risk Management

The City is exposed to various risks of loss related to torts (both of, and distribution of assets); errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance for risks related to (1) Public Official Error and Omissions Liability, (2) General Liability, (3) Business Auto Liability, (4) Law Enforcement Professional Liability, and (5) Fire and Extended coverage. Settled claims resulting from these risks did not exceed commercial insurance coverage in the current year. The General Liability and Business Auto Liability are subject to a \$500,000 per occurrence limit. The Public Official Error and Omissions Liability and Law Enforcement Professional Liability are subject to a \$200,000 per occurrence limit with a \$1,000 deductible. The City maintained property insurance during the year on approximately \$93 million in City property, subject to a \$75,000 per occurrence retention for property claims.

Worker's Compensation

The City established a limited risk management program for worker's compensation in 1986. Premiums are paid into the Worker's Compensation Self-Insurance Fund by other funds and are available to pay claims, claim reserves, and administrative costs of the program. An excess coverage insurance policy covers individual claims in excess of \$175,000. Reported and an estimate of incurred but not reported claims of \$133,144 have been accrued as a liability based upon the service company's loss reserve report. Interfund premiums are based upon the approximate premium. Payments to the worker's compensation fund are accounted for as an expenditure/expense of the paying fund. The Worker's Compensation Self-Insurance Fund has net assets of \$235,439 as of September 30, 2003. There was no increase in insurance coverage from the prior year. No claims exceeded the City's insurance coverage for each of the past three fiscal years.

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2003

General Self-Insurance

The City established a limited risk management program for employee medical coverage in 1985. Amounts paid into the General Self-Insurance Fund stem from employee contributions, payments by retired employees, and payments by other funds, and are available to pay claims, claim reserves and administrative costs of the program. During the year ended September 30, 2003, a total of \$1,642,248 was paid in benefits and administrative costs. The insurance fund has net assets of \$365,819 at September 30, 2003. An excess coverage co-insurance policy covers individual claims in excess of \$70,000 per calendar year. Incurred but not reported claims of \$136,087 have been accrued as a liability based upon information provided by the claims administrator. Inflation payments are based on total operating expenses minus employee contributions and payments by retired employees. Payments to the General Self-Insurance Fund are accounted for as an expenditure/reserve of the paying fund. There were no reductions in insurance coverage from the prior year. No claims exceeded the City's insurance coverage for each of the past three fiscal years.

A reconciliation of changes in the aggregate liabilities for claims for the self-insurance funds is as follows:

	Accrued claims <u>October 1</u>	Claims incurred	Claims paid	Accrued claims <u>September 30</u>
Worker's Compensation:				
2002	\$57,782	\$141,639	\$141,761	\$57,660
2003	57,660	149,263	100,579	113,344
General Insurance:				
2002	117,715	1,564,673	1,565,540	116,848
2003	116,848	1,581,461	1,642,241	136,087

Litigation

The City is defendant in several lawsuits in which the outcome is uncertain at the present time. In the opinion of the City Attorney, the City's ultimate exposure will not have a material adverse effect on the financial condition of the City. The City believes they are adequately covered by insurance should the Court find in favor of the plaintiffs. Management of the City, including the City Attorney, is not aware of any liability that should be recorded under Statement of Financial Accounting Standards No. 5.

Grant Disallowances

The City participates in federally assisted grant programs. These programs are subject to program compliance audits under the Single Audit Act. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. City management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Revenues from the State of Louisiana

The General Fund receives various revenues from the State of Louisiana. The continuation of these revenues or these amounts is contingent on a variety of factors at the state level.

CITY OF RUSTON, LOUISIANA
Notes to Financial Statements
For the Year Ended September 30, 2002

13. **CHANGES IN ACCOUNTING PRINCIPLES**

As of October 1, 2002, the City implemented GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*; GASB Statement No. 37, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*; Circular: GASB Statement No. 38, *Certain Financial Statement Note Disclosures*; and Governmental Accounting Standards Board Interpretation No. 4, *Recognition and Measurement of Certain Liabilities and Expenses in Governmental Fund Financial Statements*.

GASB Statement No. 34 establishes the basic financial statements for reporting on the City’s financial activities. The financial statements now include management’s discussion and analysis, government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which had been the mode of presentation in previously issued financial statements. Nonmajor funds are presented in total in one column in the fund financial statements. In addition, the financial statements also include new footnote disclosures and the direct method of cash flow statements.

The opening governmental fund balances at September 30, 2002 reconcile to net assets of governmental activities at October 1, 2002 as follows:

Total Fund Balances – Governmental Funds – at September 30, 2002:		\$10,448,113
Add: Cost of capital assets at September 30, 2002	23,704,655	
Less: accumulated depreciation at September 30, 2002	(11,140,545)	
Bond issue costs, net of accumulated amortization at September 30, 2002	52,495	
Internal service funds at September 30, 2002	229,521	23,024,106
Less: Long-term debt:		
Bond principal outstanding at September 30, 2002	1,528,000	
Compensated absences payable at September 30, 2002	1,059,264	
Obligation under capital lease	48,796	
Pension obligation	44,881	
Accrued interest payable at September 30, 2002	5,677	2,731,618
Adjusted net assets as of October 1, 2002:		<u>\$20,722,669</u>

Adoption of GASB Statements No. 37 and 38 were required simultaneously with GASB Statement No. 34 and resulted in additional disclosures. At October 1, 2002, there was no effect on fund balances as a result of implementation of GASB Interpretation No. 4.

Required Supplementary Information

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CITY OF HOUSTON, TEXAS
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actuals in Budgetary Basis
For the Year Ended September 30, 2020
(Dollars)

	<u>Budgeted Amounts</u>		<u>Actual Amount Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 400,000	\$ 400,000	\$ 400,740	\$ 740
Licenses and Permits	375,000	375,000	400,038	25,038
Intergovernmental	85,000	1,880,207	1,797,183	(83,024)
Charges for services	1,000,000	1,188,888	1,113,687	(75,201)
Fees and forfeitures	200,000	200,000	204,348	(4,652)
Investment earnings	80,000	80,000	4,884	(75,116)
Miscellaneous	41,000	41,000	114,418	(73,418)
Total revenues	<u>2,621,000</u>	<u>3,867,207</u>	<u>4,307,874</u>	<u>440,667</u>
EXPENDITURES				
General government:				
Deputies:				
Regular salaries	448,514	448,514	443,099	5,415
Other employee benefits	128,187	128,077	128,000	(77)
Total salaries, wages, and employee benefits	<u>576,701</u>	<u>576,591</u>	<u>571,099</u>	<u>5,608</u>
Consulting services	440,500	501,800	114,338	(387,462)
Materials and supplies	30,170	30,170	30,014	156
Travel and other	14,000	16,000	9,844	4,156
Equipment and equipment	20,000	20,000	19,447	553
Total executive	<u>1,080,171</u>	<u>1,164,571</u>	<u>1,184,732</u>	<u>(84,399)</u>
City Court	10,000	10,000	10,000	(10,000)
Morale	10,000	10,000	10,000	(10,000)
Civil cemetery fee:				
Regular salaries	110,554	114,800	110,488	4,066
Charitable salaries	5,500	7,000	4,702	2,298
Other employee benefits	28,184	28,200	24,833	3,367
Total salaries, wages, and employee benefits	<u>144,238</u>	<u>149,000</u>	<u>139,923</u>	<u>9,077</u>
Consulting services	150,000	150,000	14,804	(135,196)
Materials and supplies	14,000	14,000	14,740	(740)
Travel and other	5,000	5,000	3,611	1,389
Equipment and equipment	40,000	100,000	100,488	(60,488)
Total civil cemetery fee	<u>243,238</u>	<u>419,000</u>	<u>268,445</u>	<u>150,555</u>
Sanitary:				
Regular salaries	80,813	83,875	73,240	9,635
Other employee benefits	25,154	25,499	25,100	349
Salaries, wages, and employee benefits	<u>105,967</u>	<u>109,374</u>	<u>98,340</u>	<u>11,034</u>
Consulting services	20,000	24,000	7,269	12,731
Materials and supplies	5,500	5,500	4,718	782
Travel and other	7,000	7,000	7,444	(444)
Equipment and equipment	4,000	20,000	21,100	(1,100)
Total sanitary	<u>151,467</u>	<u>180,374</u>	<u>143,961</u>	<u>36,413</u>
Engineering				
Regular salaries	60,000	60,000	49,047	10,953
Other employee benefits	11,883	18,268	8,269	9,994
Salaries, wages, and employee benefits	<u>71,883</u>	<u>78,268</u>	<u>57,316</u>	<u>20,952</u>

CITY OF BOSTON LEGISLATURE

(Continued)

General Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual on a Budgetary Basis
 For the Year Ended September 30, 2003
 (UNLAWFUL)

	Budgeted Amounts		Actual	Balance with
	Original	Revised	Amounts Budgetary Basis	Final Budget Available (Negative)
Operating services	83,803	83,803	84,840	20,263
Materials and supplies	5,000	5,475	5,247	2,098
Travel and other	8,500	8,488	438	8,100
Improvements and equipment	13,500	16,888	9,103	667
Total engineering	211,115	215,654	110,628	85,998
Community Development:				
Regular salaries	73,857	73,857	73,676	237
Overtime salaries	1,288	1,288	374	944
Other employee benefits	17,130	17,708	18,483	(628)
Total salaries, wages, and employee benefits	92,275	92,853	92,533	747
Operating services	9,000	9,788	7,833	1,667
Materials and supplies	4,800	4,888	4,038	172
Travel and other	4,700	4,188	3,541	2,059
Improvements and equipment	-	87,888	88,439	(2,459)
Total Community Development	112,783	199,712	197,443	2,322
Inspection:				
Regular salaries	149,875	149,875	151,480	17,465
Overtime salaries	800	800	-	800
Other employee benefits	48,142	48,333	49,148	(1,143)
Total salaries, wages, and employee benefits	198,817	199,008	200,628	2,802
Operating services	54,000	54,888	54,337	2,671
Materials and supplies	4,800	4,800	3,387	1,413
Travel and other	26,000	24,888	10,488	15,400
Improvements and equipment	3,500	3,388	-	3,500
Total Inspection	287,117	282,874	268,543	28,674
Total general government	2,094,553	2,098,248	2,152,714	(54,495)
Public safety:				
Police:				
Regular salaries	1,557,555	1,557,555	1,543,989	9,566
Overtime salaries	185,000	208,888	194,448	1,552
Other employee benefits	248,174	258,448	261,381	(1,887)
Total salaries, wages, and employee benefits	1,990,729	2,024,891	2,000,818	24,231
Operating services	177,838	177,437	173,430	18,500
Materials and supplies	87,500	87,388	81,731	5,677
Travel and other	35,000	35,888	35,084	8,814
Improvements and equipment	98,000	124,371	105,655	20,666
Total Police	2,489,111	2,450,975	2,396,768	49,278
Fire:				
Regular salaries	1,077,408	1,077,408	1,048,713	1,695
Overtime salaries	25,000	45,888	45,736	1,274
Other employee benefits	437,551	437,884	441,243	(2,662)
Total salaries, wages, and employee benefits	1,540,959	1,561,180	1,535,692	25,497
Operating services	143,487	144,811	152,932	(11,352)
Materials and supplies	43,400	43,488	38,736	4,664
Travel and other	42,000	45,784	40,988	8,798
Improvements and equipment	11,875	11,875	11,811	64
Total Fire	1,862,721	1,877,936	1,884,161	(15,215)

(Continued)

CITY OF RUSKIN, FLORIDA

(Continued)

Schedule of Revenues, Dispositions, and Changes in Fund Balances
 Governmental
 Schedule of Revenues, Dispositions, and Changes in Fund Balances
 Budget (and Actual) versus Budgetary Basis
 for the Year Ended September 30, 2022
 (Amounts)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Street lighting:				
Operating services	276,000	276,000	276,000	66,291
Total street lighting	276,000	276,000	276,000	66,291
Poison:				
Total public safety	4,884,687	4,133,712	4,024,527	(95,000)
Public works:				
Administration:				
Regular salaries	189,549	189,549	188,911	2,608
Overtime salaries	2,000	2,000	1,280	720
Other employee benefits	37,564	38,648	32,352	6,114
Total salaries, wages, and employee benefits	229,113	230,197	222,543	5,842
Operating services	76,567	76,567	72,099	4,000
Materials and supplies	6,790	6,790	6,748	1,000
Traavel and other	7,000	8,000	2,810	3,190
Improvements and equipment	10,000	10,000	7,441	2,559
Total administration	239,770	239,770	211,941	30,527
Street:				
Regular salaries	101,440	101,440	47,124	50,004
Overtime salaries	20,000	20,000	14,800	4,800
Other employee benefits	146,606	152,126	134,728	20,004
Total salaries, wages, and employee benefits	268,046	273,566	196,652	70,000
Operating services	107,228	107,228	103,681	4,000
Materials and supplies	117,580	117,580	87,746	29,834
Traavel and other	2,000	2,000	804	1,196
Improvements and equipment	267,800	267,800	228,209	39,491
Total street	1,464,134	1,464,134	1,440,000	24,000
Solid waste:				
Regular salaries	270,000	270,000	497,779	(21,000)
Overtime salaries	20,000	20,000	13,400	14,000
Other employee benefits	117,170	118,000	101,000	10,000
Total salaries, wages, and employee benefits	407,170	408,000	612,179	(13,000)
Operating services	13,400	13,400	10,300	3,000
Materials and supplies	100,000	100,000	100,799	(1,000)
Traavel and other	2,000	2,000	1,740	240
Improvements and equipment	147,800	147,800	156,729	(1,000)
Total solid waste	1,004,134	1,004,134	1,080,747	(14,000)
Repair shop:				
Regular salaries	293,433	293,433	291,487	944
Overtime salaries	10,000	10,000	6,200	3,796
Other employee benefits	43,249	45,427	38,000	7,441
Total salaries, wages, and employee benefits	346,682	348,860	335,687	10,000
Operating services	12,540	12,540	9,626	2,914
Materials and supplies	21,640	21,640	20,717	1,000
Traavel and other	4,200	4,200	3,430	770
Improvements and equipment	2,000	4,111	3,049	1,062
Total repair shop	447,062	437,351	400,541	36,811

(Continued)

CITY OF BUCHON, LOUISIANA
General Fund

(Continued)

Schedule of Revenues, Appropriations, and Changes in Fund Balance -
Budget and Actual on a Budgetary Basis
For the Year Ended September 30, 2005
(Unaudited)

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance with Final Budget (Positive)
	Original	Final		
Animal Control				
Regular salaries	43,938	43,938	43,812	126
Overtime salaries	3,588	3,800	3,940	208
Other employee benefits	28,171	28,755	28,305	449
Total salaries, wages, and employee benefits	75,697	76,493	76,057	436
Operating services	25,144	25,144	15,485	10,191
Materials and supplies	10,640	10,640	8,646	1,994
Taxes and other	4,000	4,000	4,889	1,011
Improvements and equipment	3,500	3,500	1,887	1,613
Total animal control	116,941	116,477	107,764	14,584
FORECLOSURE WORKS	<u>3,038,731</u>	<u>3,209,428</u>	<u>3,470,711</u>	<u>93,718</u>
Debt service				
Certificate of indebtedness principal	34,000	34,000	34,000	-
Certificate of indebtedness interest	13,750	13,750	13,750	-
Total debt service	47,750	47,750	47,750	-
Total expenditures	<u>11,992,138</u>	<u>12,995,995</u>	<u>13,019,245</u>	<u>1,294,442</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(7,882,148)</u>	<u>(8,403,008)</u>	<u>(6,889,797)</u>	<u>14,121</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	8,034,181	8,109,100	8,100,000	43,716
Transfer out	(341,414)	(352,499)	(352,499)	-
Total other financing sources and uses	<u>7,692,767</u>	<u>7,756,601</u>	<u>7,747,501</u>	<u>43,716</u>
Net change in fund balance	<u>(60,748)</u>	<u>(260,749)</u>	<u>1,897,804</u>	<u>1,696,887</u>
Fund balances - beginning	<u>4,479,230</u>	<u>4,479,230</u>	<u>4,479,230</u>	-
Fund balances - ending	<u>\$ 4,388,482</u>	<u>\$ 3,875,281</u>	<u>\$ 6,377,034</u>	<u>\$ 1,696,887</u>

CITY OF RUSHING, LOUISIANA

1988 Sales Tax Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget and Actual on Budgetary Basis
 For the Year Ended September 30, 2003
 (unmodified)

	Original and Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 1,792,000	\$ 2,082,360	\$ 290,360
Investment earnings	30,000	15,366	(14,634)
Total revenues	<u>1,822,000</u>	<u>2,097,726</u>	<u>273,045</u>
EXPENDITURES			
General government			
Collection and administrative	30,000	29,070	930
Total expenditures	<u>30,000</u>	<u>29,070</u>	<u>930</u>
Less of revenues over expenditures	<u>1,794,000</u>	<u>2,068,656</u>	<u>274,656</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(1,794,000)	(1,794,000)	-
Total other financing sources and uses	<u>(1,794,000)</u>	<u>(1,794,000)</u>	<u>-</u>
Net change in fund balance	-	274,656	274,656
Fund balances - beginning	<u>1,091,076</u>	<u>1,091,076</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,091,076</u>	<u>\$ 1,365,732</u>	<u>\$ 274,656</u>

See accompanying independent auditor's report.

CITY OF BOSSIERE, LOUISIANA

1988 Sales Tax Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual on Budgetary Basis
for the Year Ended September 30, 2003
(unaudited)

	Original and Final Budgeted Amount	Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 3,687,080	\$ 3,120,524	\$ (566,556)
Investment earnings	20,000	13,474	(6,526)
Total revenues	<u>3,707,080</u>	<u>3,134,008</u>	<u>(573,072)</u>
EXPENDITURES			
General government			
Collection and administrative	28,000	21,504	6,496
Total expenditures	<u>28,000</u>	<u>21,504</u>	<u>6,496</u>
Excess of revenues over expenditures	<u>3,679,080</u>	<u>3,112,504</u>	<u>(566,576)</u>
OTHER FINANCING SOURCES (USES)			
Bonds sold	(2,679,000)	(2,713,122)	(34,122)
Total other financing sources and uses	<u>(2,679,000)</u>	<u>(2,713,122)</u>	<u>(34,122)</u>
Net change in fund balance	-	409,382	409,382
Fund balances - beginning	<u>863,524</u>	<u>863,524</u>	<u>-</u>
Fund balances - ending	<u>\$ 863,524</u>	<u>\$ 1,265,004</u>	<u>\$ 401,480</u>

See accompanying independent auditor report.

CITY OF BUSTON, LOUISIANA

FPO Sales Tax Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual on Budgetary Basis
For the Year Ended September 30, 2003
(Unaudited)

	Original and Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 1,792,080	\$ 2,082,360	\$ 290,280
Investment earnings	20,080	5,408	(14,672)
Total revenues	<u>1,812,160</u>	<u>2,087,768</u>	<u>273,768</u>
EXPENDITURES			
General government:			
Collection and administrative	20,080	13,581	6,499
Total expenditures	<u>20,080</u>	<u>13,581</u>	<u>6,499</u>
Excess of revenues over expenditures	<u>1,792,080</u>	<u>2,074,187</u>	<u>282,107</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(1,792,080)	(1,792,080)	-
Total other financing sources and uses	<u>(1,792,080)</u>	<u>(1,792,080)</u>	<u>-</u>
Net change in fund balance	-	282,107	282,107
Fund balance - beginning	824,584	824,584	-
Fund balance - ending	<u>\$ 824,584</u>	<u>\$ 1,112,681</u>	<u>\$ 288,107</u>

See accompanying independent auditor's report.

CITY OF RUSTON, LOUISIANA
Notes to Budgetary Comparison Schedules
For the Year Ended September 30, 2003
(Unaudited)

Budget and Budgetary Accounting

The City utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

- (1) The Treasurer's Office completes for the Mayor estimates of revenues and requests for appropriations of the annual budget.
- (2) During August, the Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- (3) A public hearing is then conducted, after proper official journal notification, to obtain taxpayer comments.
- (4) Prior to September 30, the budget is legally enacted through passage of an ordinance.
- (5) The budget ordinance is structured such that revenues are budgeted by source, and appropriations are categorized by department and by principal object of expenditure. Budgetary control is exercised at the departmental code level, with the exception of salaries, regular and overtime, which are at the line item level, or by project, and the City Court and Probation (total combined), and City Marshal departments, which are budgeted at the department level. The Council may revise or amend the budget at its discretion during legally convened sessions. For the year ended September 30, 2003, amendments were made to the budget, including Police department overtime necessary due to personal injuries, vacation, vacancies, and workload; Rural Health Grant revenue and expenditures to account for amounts not available at time of the initial budget submission; Parks and Recreation capital costs to provide funds to complete capital projects; maintenance of streets to appropriate open purchase orders as of the end of the prior year; and the department retirement to appropriate funds to cover the increase in the contribution rate to the Firefighters' Retirement System.
- (6) Comparison of budgeted and actual amounts as shown in the accompanying financial statements includes the General fund and those special revenue funds which are included in the annual operating budget. (1948 Sales Tax, 1985 Sales Tax, 1990 Sales Tax, Parks and Recreation, Section 8 Road Repairs, and Section 8 Purchases). Annual operating budgets are not prepared for the D.A.R.T. Grant Program, Canal Soap Construction, Hazard Mitigation Grant, Sewer Demonstration Needs Grant, and 120 funds, but rather these funds are budgeted on a project basis. The capital budget ordinances which encompass the capital projects funds present cumulative as opposed to annual budget amounts and thus budget and actual comparisons are not reported in the accompanying financial statements for these funds. Budgetary control for the debt service funds is achieved through general bond indenture provisions.
- (7) All budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP) except that Marshall, Police, and Fire supplemental salary payments and the related revenue received from the State are not budgeted in the General fund. Appropriations which are not expended lapse at year end.

CITY OF RUSTON, LOUISIANA
Notes to Budgetary Comparison Schedules
For the Year Ended September 30, 2003
(Unaudited)

- (4) The City is legally required to prepare annual operating budgets for the Electric System, Water System, Sewer System, Ruston Airport Authority, Ambulance Fund, Workmen's Compensation, General Insurance, and Purchasing/Warehouse Funds. The City is not, however, required to present an actual-to-budget comparison for the enterprise and internal service funds.

Reconciliation of the Budgetary Basis and the GAAP Basis

Adjustments necessary to convert the expenditures of the end of the year on the budgetary basis to the GAAP basis are as follows:

	<u>General Fund</u>
Budgetary basis expenditures	\$110,000.00
Supplementary salary payments	200,000
GAAP basis expenses	<u>\$110,200.00</u>

Excess of Expenditures over Budget

For those funds for which a budget to actual comparison was made, actual expenditures on a budgetary basis exceeded budgeted expenditures on a code level basis as follows:

Fund	Budget	Actual on a Budgetary Basis	Negative Variance
General Fund:			
General government:			
Executive - Operating services	\$581,804	\$614,589	(\$32,785)
Hazardous Waste - Lump sum	125,367	154,907	(29,540)
Civic Center - Personal services	140,348	142,695	(2,347)
Section 8 - Travel and other	7,800	7,645	(155)
Community development - Improvements	187,000	188,409	(1,409)
Public Safety:			
Fire Department - Capital	91,976	92,813	(836)
Public works:			
Repair shop - Materials & supplies	25,540	25,717	(177)
Animal control - Personal services	181,167	181,404	(237)

The unfavorable variance in executive is due primarily to an increase in consulting expenditures for architects on downtown restoration project and consultants for alternate water supply source. The unfavorable variance in the civic center is primarily due to an increase in contract labor. The unfavorable variance in community development is due to higher than anticipated expenditures related to the Ruston Health Grant. The unfavorable variance in section 8 - Voucher is due to higher than anticipated portability payments.

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Combining Fund Statements

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Nonmajor Governmental Funds Special Revenue Funds

Special revenue funds are used for specific revenues that are legally restricted to expenditures for particular purposes.

Bullock Parks and Recreation Board – This fund accounts for the receipts and subsequent expenditures of the City of Bullock Parks and Recreation Program.

D.A.E.S. Grant Program – This fund accounts for the receipt and subsequent expenditures of a State of Louisiana Emergency Shelter Grant Program.

Section II Housing Assistance Payments Programs – These funds account for receipt of Federal Funds and the payment of Housing Assistance Payments to qualifying rental property owners.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Central Shop Construction – This fund accounts for receipts and disbursements of the proceeds from the issuance of Certificates of Indebtedness Series 1993, designated for the construction of a central repair shop.

Hazard Mitigation Grant – This fund accounts for receipts and disbursements of a grant received from the State of Louisiana for removing repetitive loss structures from the flood plain.

Parks and Recreation – 1994 Certificates of Indebtedness – This fund accounts for receipts and disbursements of the proceeds from the issuance of Certificates of Indebtedness, Series 1994, designated for Parks and Recreation capital purchases and improvement.

Sewer Sanitized Needs Grant – This fund accounts for receipts and disbursements of a grant received from the Louisiana Community Development Block Grant for sewer force main replacement.

Sewer Sanitized ICDBG Grant – This fund accounts for receipts and disbursements of a grant received from the Louisiana Community Development Block Grant for sewer improvements.

I-20 Fund – This fund accounts for infrastructure improvements along the I-20 Service Road that are funded from the issuance of sales tax increment bonds.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

CITY OF BIRMINGHAM, ALABAMA
 COMBINED BALANCE SHEET
 NORMAL GOVERNMENTAL FUNDS
 APRIL 30, 2008

	Special Revenue Funds					Total Special Funds
	Section 101 Administrative Fund	Section 1 Class Program	Section 2 Miscellaneous Funding	Section 3 Voucher Funding	Total	
ASSETS						
Construction-in-progress	\$ 175,794	-	\$ 17,888	\$ 481,700	\$ 655,382	\$ 655,382
Investment securities, net	779	\$ 1,204	347	94,881	96,711	96,711
Due from other funds	(8,441)	-	-	128,394	119,953	-
Receivables	\$ 282,582	\$ 1,204	\$ 14,652	\$ 1,188,824	\$ 1,487,262	\$ 1,487,262
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 4,438	\$ 1,204	-	-	\$ 5,642	-
Accruals	478	-	-	-	478	-
Due to other funds	(4,278)	-	\$ 150,874	\$ 1,188	146,674	-
Accrued salaries	3,873	-	-	-	3,873	-
Expenses	\$ 7,511	\$ 1,204	\$ 150,874	\$ 1,188	\$ 160,577	-
Fund balances						
Reserved for:						
contingencies	1,037	-	-	-	1,037	-
debt service	-	-	-	-	-	1,281,711
miscellaneous/unassigned	\$ 8,037	-	-	-	\$ 8,037	\$ 1,281,711
fund fund balances	-	-	-	-	-	-
Total liabilities and fund balances	\$ 17,688	\$ 2,408	\$ 150,874	\$ 1,188	\$ 162,158	\$ -

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

Capital Project Funds

<u>Capital Step Construction</u>	<u>Actual Expenses Grant</u>	<u>Grant Reimbursed Match Grant</u>	<u>FY Total</u>	<u>Total</u>	<u>Total Reimburse Governmental Funds</u>
\$ 122,207	\$ 1,428	\$ 1,428	\$ 125,063	\$ 1,221,873	\$ 1,346,936
-	-	-	-	-	449,227
-	-	-	-	-	629,140
<u>\$ 122,207</u>	<u>\$ 1,428</u>	<u>\$ 1,428</u>	<u>\$ 125,063</u>	<u>\$ 1,221,873</u>	<u>\$ 2,425,303</u>
-	-	-	\$ 40,000	\$ 40,000	\$ 40,000
-	-	-	-	-	476
-	-	-	-	-	716,220
-	-	-	-	-	1,177
-	-	-	<u>40,000</u>	<u>40,000</u>	<u>1,623,023</u>
-	-	-	893,122	893,122	893,122
-	-	-	-	-	1,286,076
-	-	-	<u>893,122</u>	<u>893,122</u>	<u>2,179,198</u>
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 1,623,023</u>

CITY OF BOSTON, BUDGET
 COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
 FIDUCIARY OR SPECIAL FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Special Revenue Fund					Total	Dep Balance Total
	Total State Expenditure Total	State Fund Program	State Fiduciary Funding	State Municipal Funding	State Private Funding		
REVENUE							
Fees	\$ 39,000	-	-	-	-	\$ 39,000	\$ 1,650,000
Intergovernmental	-	\$ 3,157	-	\$ 1,470	\$ 1,650,750	1,655,377	-
Organized entities	15,000	-	-	-	-	15,000	-
Treatment earnings	5,000	-	\$ 1,500	-	1,997	8,500	1,000
Miscellaneous	1,000	-	-	-	1,000	2,000	-
Total revenue	<u>60,000</u>	<u>3,157</u>	<u>1,500</u>	<u>1,470</u>	<u>1,653,750</u>	<u>1,682,377</u>	<u>1,651,000</u>
EXPENDITURE							
Current							
Compensation	-	3,157	700	1,470	1,650,400	1,754,920	-
Benefits	60,000	-	-	-	-	60,000	-
Capital outlay	10,000	-	-	-	-	10,000	-
Bond interest	-	-	-	-	-	-	1,100,000
Bond issues	-	-	-	-	-	-	10,000
Total expenditure	<u>70,000</u>	<u>3,157</u>	<u>700</u>	<u>1,470</u>	<u>1,650,400</u>	<u>1,834,920</u>	<u>1,120,000</u>
Total expenditure and transfers over funded expenditure	<u>10,000</u>	-	<u>1,470</u>	<u>1,470</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
EXPENDITURES IN ACCRUALS							
Transfer in	170,000	-	17,000	-	-	187,000	18,000
Transfer out	(180,000)	-	(17,000)	-	-	(197,000)	(18,000)
Total other financing resources and uses	<u>10,000</u>	-	<u>17,000</u>	-	-	<u>10,000</u>	<u>10,000</u>
Net change in fund balances	<u>10,000</u>	-	<u>17,000</u>	<u>1,470</u>	<u>10,000</u>	<u>57,000</u>	<u>10,000</u>
Total resources - beginning	1,650,000	-	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000
Total resources - ending	<u>1,660,000</u>	-	<u>1,667,000</u>	<u>1,651,470</u>	<u>1,660,000</u>	<u>1,707,000</u>	<u>1,660,000</u>

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

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Internal Service Funds

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City, and to other government, on a cost reimbursement basis.

Workers' Compensation Self-Insurance Fund – This fund accumulates resources to finance employee/workman's compensation injuries and claims.

General Self-Insurance Fund – This fund accumulates resources to finance claims and judgments arising from employee health insurance and other exposures.

Purchasing-Warehouse fund – This fund coordinates purchasing and warehousing operations for all applicable funds.

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CITY OF BUCKLA, LOUISIANA
COMBINED STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2000

	<u>Workmen's Compensation</u>	<u>General Insurance</u>	<u>Purchasing/ Warehouses</u>	<u>Total Internal Service Funds</u>
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 143,748	\$ 307,833	\$ 50,883	\$ 502,464
Investments	201,883	238,200	-	440,083
Total assets	<u>345,631</u>	<u>546,033</u>	<u>50,883</u>	<u>942,547</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	4,045	54,187	-	58,232
Accrued liabilities	-	-	4,008	4,008
Due to other funds	-	-	233	233
Claims and judgments	183,144	126,881	-	309,925
Total current liabilities	<u>187,189</u>	<u>181,068</u>	<u>4,241</u>	<u>372,498</u>
Noncurrent Liabilities:				
Compensated absences	-	-	28,579	28,579
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>28,579</u>	<u>28,579</u>
Total liabilities	<u>187,189</u>	<u>181,068</u>	<u>32,820</u>	<u>401,077</u>
NET ASSETS				
Unassigned	158,442	364,965	18,063	541,470
Total net assets	<u>\$ 158,442</u>	<u>\$ 364,965</u>	<u>\$ 18,063</u>	<u>\$ 541,470</u>

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

CITY OF RUSH, LOUISIANA
 COMBINED STATEMENT OF REVENUE, EXPENSE, AND CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Police/</u> <u>Compensation</u>	<u>General</u> <u>Insurance</u>	<u>Fuel/Loading/</u> <u>Warehouse</u>	<u>Total</u> <u>Internal Service</u> <u>Funds</u>
OPERATING REVENUE				
Pensions paid by retired employees	-	\$ 204,157	-	\$ 204,157
Charges to other funds	\$ 52,233	2,188,944	-	2,241,177
Charges to services	-	-	\$ 173,800	173,800
Other income	-	380	-	380
Total operating revenues	<u>52,233</u>	<u>2,393,481</u>	<u>173,800</u>	<u>2,619,514</u>
OPERATING EXPENSES				
Cost of services:				
Salaries, wages and employee benefits	-	-	180,379	180,379
Operating services	-	-	30,724	30,724
Materials and supplies	-	-	2,641	2,641
Total cost of services	<u>-</u>	<u>-</u>	<u>213,744</u>	<u>213,744</u>
Codes	149,262	1,661,461	-	1,810,723
Insurance premiums	46,503	268,987	-	315,490
Total operating expenses	<u>195,765</u>	<u>1,930,448</u>	<u>174,112</u>	<u>2,300,325</u>
Operating income (loss)	<u>(143,532)</u>	<u>463,033</u>	<u>(1,412)</u>	<u>318,089</u>
NONOPERATING REVENUE (EXPENSE)				
Equipment earnings	4,782	4,777	1,225	10,784
Total nonoperating revenue (expense)	<u>4,782</u>	<u>4,777</u>	<u>1,225</u>	<u>10,784</u>
Income (loss) before transfers	<u>(138,750)</u>	<u>477,810</u>	<u>203</u>	<u>340,263</u>
Transfers in	184,224	-	-	184,224
Transfers out	-	-	(2,672)	(2,672)
Change in net assets	<u>(54,526)</u>	<u>477,810</u>	<u>(2,469)</u>	<u>420,815</u>
Total net assets - beginning	<u>144,375</u>	<u>143,725</u>	<u>22,721</u>	<u>310,821</u>
Total net assets - ending	<u>\$ 89,849</u>	<u>\$ 344,815</u>	<u>\$ 20,252</u>	<u>\$ 454,916</u>

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

CITY OF MOBILE, ALABAMA
 COMBINED STATEMENT OF CASH FLOWS
 (IN MILLIONS OF DOLLARS)
 FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Workman's Compensation	General Insurance	Purchasing/ Maintenance	Total Agency Services Funds
Cash flow from operating activities				
Receipts from operations	\$ 185,041	\$ 2,883,181	\$ 1,173,293	\$ 3,758,495
Payments to suppliers	(781,749)	(413,828)	(25,711)	(1,221,288)
Payments to employees	-	-	(9,803)	(9,803)
Other	(200,179)	(1,441,241)	-	(1,641,420)
Total cash provided by (used in) operating activities	<u>(796,887)</u>	<u>(1,033,888)</u>	<u>(34,314)</u>	<u>(1,865,089)</u>
Cash flow from noncapital financing activities				
Transfers in	187,224	-	-	187,224
Transfers out	-	-	(2,472)	(2,472)
Total cash provided by (used in) noncapital activities	<u>187,224</u>	<u>-</u>	<u>(2,472)</u>	<u>184,752</u>
Cash flow from investing activities				
Purchase of investments	(20,888)	(20,000)	-	(40,888)
Interest on investments	4,792	4,777	3,379	13,948
Total cash provided by (used in) investing activities	<u>(16,096)</u>	<u>(15,223)</u>	<u>3,379</u>	<u>(27,941)</u>
Net increase (decrease) in cash and cash equivalents	(625,759)	(1,064,331)	(33,406)	(1,723,496)
Cash and cash equivalents - beginning of year	\$ 204,880	\$ 987,397	\$ 8,043	\$ 1,200,320
Cash and cash equivalents - end of year	<u>\$ 579,121</u>	<u>\$ 923,066</u>	<u>\$ 7,637</u>	<u>\$ 479,824</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	\$ (174,348)	\$ (451,182)	\$ (1,413)	\$ (626,943)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) Decrease in assets:				
Due from other funds	95,234	100	(65)	95,269
Liabilities (Decrease) in liabilities:				
Accounts payable	(34,423)	33,694	(30)	(6,759)
Accrued liabilities	-	-	297	297
Due to other funds	-	(71,736)	(2,698)	(74,434)
Compensated absences	-	-	693	693
Deferred judgments	45,654	71,038	-	116,692
Total adjustments	<u>4,792</u>	<u>(37,004)</u>	<u>(2,023)</u>	<u>(34,235)</u>
Net cash provided by (used in) operating activities	<u>\$ (169,556)</u>	<u>\$ (484,182)</u>	<u>\$ (1,443)</u>	<u>\$ (665,181)</u>

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

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Individual Fund Schedules

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CITY OF MONROE, LOUISIANA
 RECREATION PARKS AND RECREATION BOARD
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL OR BUDGETARY BASIS
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance With
	Original	Final	Budgetary	Final Budget
			Basis	Positives
				(Negatives)
REVENUES				
Taxes	\$ 277,800	\$ 277,800	\$ 287,810	\$ 10,010
Charges for services	88,000	88,000	80,278	(7,722)
Investment earnings	3,000	3,000	3,878	878
Miscellaneous	18,800	18,800	11,200	(7,600)
Total revenues	<u>387,600</u>	<u>387,600</u>	<u>383,166</u>	<u>(4,434)</u>
EXPENDITURES				
Current				
Recreation				
Salaries, wages and employee benefits	344,080	348,484	347,983	499
Operating services	204,500	226,588	229,214	12,626
Materials and supplies	27,500	27,224	28,190	966
Travel and other	10,000	10,000	7,841	(2,159)
Improvements and equipment	83,000	117,000	148,580	31,580
Total expenditures	<u>689,080</u>	<u>839,306</u>	<u>792,318</u>	<u>147,026</u>
Deficiency of revenues over expenditures	<u>(301,480)</u>	<u>(451,706)</u>	<u>(409,152)</u>	<u>(152,646)</u>
OTHER FINANCING SOURCES (USED)				
Transfers in	270,724	270,724	472,171	201,447
Transfers out	(148,500)	(148,500)	(148,500)	(12)
Total other financing sources (used)	<u>122,224</u>	<u>122,224</u>	<u>323,671</u>	<u>189,435</u>
Net change in fund balances	(8,256)	(129,482)	(25)	146,793
Fund balances - beginning	<u>238,028</u>	<u>238,028</u>	<u>238,028</u>	<u>-</u>
Fund balances - ending	<u>\$ 229,772</u>	<u>\$ 108,546</u>	<u>\$ 212,973</u>	<u>\$ 146,793</u>

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

CITY OF RUSTON, LOUISIANA
SECTION 8 MODERATE RISKING
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Original and Final Budgeted Amounts	Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 24,018	\$ 16,995	\$ (7,023)
EXPENDITURES			
Current:			
General Government:			
Operating services	24,018	16,996	7,022
Excess (deficiency) of revenues over (under) expenditures	-	(1)	(1)
Fund balances - beginning	(20,571)	(20,571)	-
Fund balances - ending	\$ (20,571)	\$ (20,572)	\$ (1)

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

CITY OF ROSTON, LOUISIANA
SECTION 8 VOUCHER HOUSING
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUALS ON BUDGETARY BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2002

	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 959,811	\$ 1,341,990	\$ 382,179
Investment earnings	8,900	2,987	(4,913)
Miscellaneous	40,541	13,668	(26,873)
Total revenues	<u>1,011,252</u>	<u>1,358,645</u>	<u>342,463</u>
EXPENDITURES			
Current:			
General Government			
Operating services	1,084,673	1,084,480	(1,933)
Excess of revenues over expenditures	<u>7,000</u>	<u>170,267</u>	<u>163,267</u>
OTHER FINANCING IN			
transfers out	-	(42,345)	(42,345)
Net change in fund balance	7,000	127,912	120,912
Fund balances - beginning	<u>547,950</u>	<u>547,950</u>	<u>-</u>
Fund balances - ending	<u>\$ 554,950</u>	<u>\$ 675,862</u>	<u>\$ 120,912</u>

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

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CITY OF BUSTON, LOUISIANA

OMB Circular A-133 Report

Year ended September 30, 2003

(With Independent Auditors' Reports Thereon)

CITY OF RUSTON, LOUISIANA

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KPMG LLP
Suite 1000
300 Texas Street
Bossier City, LA 71021-1000

**Independent Auditors' Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of Financial Statements Performed in
Accordance With Government Auditing Standards**

The Honorable Members of the Board of Aldermen and
Honorable Dan Hollingsworth, Mayor
City of Ruston, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Ruston, Louisiana (the City) as of and for the year ended September 18, 2004, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 18, 2004, which includes an explanatory paragraph discussing the adoption of a new financial reporting model in 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving internal control over financial reporting, which we have reported to management of the City in a separate letter dated January 18, 2004.



This report is intended solely for the information and use of the Mayor, Board of Aldermen, management, State of Louisiana Legislative Auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

January 16, 2004



KPMG LLP
Suite 1600
300 West Street
Baton Rouge, LA 70801-2800

**Independent Auditor's Report on Compliance With Requirements Applicable to
Major Programs and on Internal Control Over Compliance in Accordance With
OMB Circular A-133 and on the Schedule of Expenditures of Federal Awards**

The Honorable Members of the Board of Aldermen and
Honorable Dan Hollingsworth, Mayor
City of Ruston, Louisiana

Compliance

We have audited the compliance of the City of Ruston, Louisiana (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended September 30, 2003. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audit of State, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with these requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2003. However, the results of our auditing procedures also disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs, as item 6(b).



Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the City's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 00-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable condition described above is not a material weakness.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2003, and have issued our report thereon, dated January 18, 2004, which includes an explanatory paragraph discussing the adoption of a new financial reporting model in 2003. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Mayor, Board of Aldermen, management, State of Louisiana Legislative Auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

January 18, 2004

CITY OF BOSTON, LOUISIANA

Schedule of Expenditures of Federal Awards

Year ended September 30, 2003

<u>Grant title</u>	<u>Federal CFDA number</u>	<u>Federal expenditures</u>
United States Department of Housing and Urban Development:		
Development:		
Section 8 – Housing Choice Vouchers	14.871	\$ 1,145,473
Section 8 – Existing	14.817	25,194
Section 8 – Moderate Rehabilitation	14.834	21,800
Pass through Louisiana Office of Community Development:		
D.A.R.T. (CDBG) Program	14.231	21,157
Louisiana Community Development Block Grant	14.238	384,228
Total United States Department of Housing and Urban Development		<u>1,687,248</u>
United States Department of Justice:		
Local Law Enforcement Block Grant	14.582	22,517
Federal Aviation Administration:		
Airport Improvement Program	20.186	902,811
United States Department of Health and Human Services:		
Pass through the Louisiana Office of Rural Health Policy:		
Rural Health Outreach	83.912	189,429
Total federal awards		\$ <u>2,732,645</u>

See accompanying notes to schedule of expenditures of federal awards.

CITY OF BOSTON, LOUISIANA

Notes to Schedule of Expenditures of Federal Awards

Year ended September 30, 2003

(1) General

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Boston, Louisiana and is presented on the modified accrual basis of accounting with the exception of the Airport Improvement Program, which is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(2) Subrecipients

Of the federal expenditures presented in the schedule, the City of Boston, Louisiana, provided federal awards to subrecipients as follows:

Program title	Federal CFDA number		Amount provided to subrecipients
E.A.R.T. CDBG Program	14.021	\$	31,157
Rural Health Outreach	93.912		189,429

CITY OF HUSTON, LOUISIANA
Schedule of Findings and Questioned Costs
Year ended September 30, 2003

Section 1 – Summary of Auditors’ Results

Financial Statements

Type of report issued: unqualified opinion

Internal control over financial reporting:

- Material weakness(s) identified? No
- Reportable condition(s) identified that are not considered to be material weakness(es)? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Reportable condition(s) identified that are not considered to be material weakness(es)? Yes

Type of auditor’s report based on compliance for major programs: unqualified opinion

Any audit findings disclosed that are required to be reported in accordance with section 501(a) of Circular A-133? Yes

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.871	United States Department of Housing and Urban Development, Section 8 Housing Choice Vouchers
14.128	United States Department of Housing and Urban Development Louisiana Community Development Block Grant
20.106	Federal Aviation Administration Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs: \$250,000

Auditor qualified as a low-risk auditor? Yes

Section 2 – Financial Statement Findings

None

CITY OF BOSTON, LOUISIANA
Schedule of Findings and Questioned Costs
Year ended September 30, 2003

Section 3 – Federal Award Findings and Questioned Costs

Item: 03-1

Grant: Section 8 Housing Choice Vouchers

CFDA No.: 14.871

Fiscal Year: 2002

Specific Requirement: Reporting

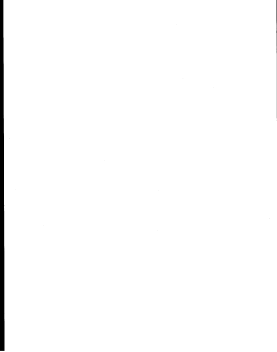
Condition: The City did not maintain proper supporting documentation showing proof that a HUD Form 50058 was submitted for one particular tenant. In addition, the City did not maintain proper supporting documentation in a tenant file to support HUD Form 50058 that was submitted for another tenant.

Context: From a sample of 30 tenants, we noted two exceptions.

Questioned Costs: None

Effect: The City is not in compliance with the Reporting compliance requirement of the Section 8 program.

Recommendation: The City should maintain all records supporting compliance with applicable requirements.



CITY OF RUSTON, LOUISIANA
Schedule of Management's Response to Findings and Questioned Costs
Year ended September 30, 2003

Item 00-1

- A) Name of Contact Responsible – Section 8 office personnel
- B) Corrective Action Planned – Section 8 office personnel will implement a checklist to assure that all applicable forms are submitted for each tenant and this checklist will be reviewed on a regular basis.
- C) Anticipated Completion Date – April 30, 2004

CITY OF RUSTON, LOUISIANA
Schedule of Prior Audit Findings
Year ended September 30, 2002

Item: 02-1

Finding: Payroll records from contractors were not obtained weekly in compliance with the Davis-Bacon Act.

Status: Contractors are required to submit all payrolls to the City's third-party consultant on a weekly basis.

Item: 02-2

Finding: The City did not advertise in The Advocate for the required three weeks.

Status: The City did not take any bids during the year concerning this project.

Item: 02-3

Finding: The City did not maintain a written statement or code of conduct that specifically prohibits elected officials, staff, or agents from personally benefiting from LACMG procurement.

Status: The City has implemented a written policy as required by Circular A-102.

Item: 02-4

Finding: The information used for cost reasonableness comparison according to Section 8 guidelines was out of date.

Status: The City has updated the information used to perform the cost reasonableness test and establish procedures to maintain its relevance and accuracy.



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 Suite 1800
 100 Texas Street
 Baton Rouge, LA 70801-2000

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January 16, 2004

The Board of Aldermen
 City of Ranton
 Ranton, Louisiana

Ladies and Gentlemen:

We have audited the financial statements of the City of Ranton (the City) for the year ended September 14, 2003, and have issued our report thereon dated January 16, 2004, which includes an explanatory paragraph discussing the adoption of a new financial reporting model in 2003. In planning and performing our audit of the financial statements of the City, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We have not considered internal control since the date of our report.

During our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies and are summarized as follows:

CAPITAL ASSETS

During our audit, we noted that the City's fixed asset accounting procedures have not been updated recently. These procedures do not address new reporting requirements for capital assets. These requirements include capitalizing and depreciating all capital assets regardless of fund type as well as capitalizing infrastructure assets. During our audit, we examined additions to capital assets and noted numerous smaller items that were capitalized, making it unclear whether the current policy was being followed consistently. Management has drafted a new policy taking into consideration the new reporting requirements. We recommend that the City adopt this new policy.

In addition, we noted that the accumulated depreciation subledgers are not reconciled to the general ledger. We recommend that the City implement procedures to reconcile the accumulated depreciation subledgers to the general ledger on a monthly basis.

Management's Response:

We agree and will adopt an updated fixed asset policy during the current year.



The Board of Aldermen
City of Baton Rouge
January 16, 2004
Page 7

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements, and therefore may not bring to light all weaknesses in policies or procedures that may exist. We aim, however, to use our knowledge of the City's organization gained during our work to make comments and suggestions that we hope will be useful to you.

We would be pleased to discuss these comments and recommendations with you at any time.

This report is intended solely for the information and use of the Louisiana Legislative Auditor, Board of Aldermen, management, and others within the organization and is not intended to be and should not be used by anyone other than those specified parties.

Very truly yours,

KPMG LLP