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January 21, 1997

CONFIDENTIAL

The Honorable Members of the Board of Aldermen and
Honorable Hilda Taylor Parrot, Mayor
City of Baton Rouge, Louisiana

We have audited the financial statements of the City of Baton Rouge, Louisiana (the "City") for the year ended September 30, 1996, and have issued our report thereon dated January 21, 1997. 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 and not to 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 the internal control structure 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:

ENTERPRISE FUNDS

Due From Police Jury — The City is currently carrying in the Ambulance Fund a receivable from the Lincoln Parish Police Jury for services rendered outside of the Baton Rouge city limits. Part of the receivable balance dates back over two years and continues to increase every month. The City believes these funds will ultimately be collected, however, there is not a signed contract establishing the amount to be paid to the City for providing ambulance services outside the city limits. We recommend that the City complete negotiations and sign a contract with the Lincoln Parish Police Jury to allow collection of these funds.

Write Off of Ambulance Accounts Receivable — As noted in our previous letter to management, the City does not consistently follow a policy of evaluating and writing off uncollectible receivable accounts for ambulance fees. No accounts were written off for the prior fiscal year. Each year the City should go through a formal evaluation of the individual accounts to determine which accounts should be written off. Just as with the water and sewerage receivable accounts, the write off of accounts should require the approval of the Board of Aldermen. We further recommend the receivable accounts be turned over to a collection agency to attempt collection of the delinquent accounts. The City is potentially losing revenue in this area.

Schedule 5

Annual Serial Payments	Bonds		
	Authorized & Issued	Retired	Outstanding 9-30-99
\$ 405,000 1996	\$2,400,000	\$1,995,000	\$405,000
\$ 70,000 1996 80,000 1997	1,100,000	950,000	150,000
	1,000,000	1,000,000	-
\$ 110,000 1996	1,500,000	1,390,000	110,000
\$ 595,000 1996-97	7,250,000	6,090,000	1,170,000
	<u>\$13,250,000</u>	<u>\$11,415,000</u>	<u>\$1,835,000</u>

Annual Serial Payments	Bonds					
	Authorized & Issued	Retired	Outstanding 9-30-06			
\$ 55,000 1996	81,200,000	8290,000	8910,000			
60,000 1997						
65,000 1998						
70,000 1999						
75,000 2000						
80,000 2001						
85,000 2002						
90,000 2003						
100,000 2004						
110,000 2005						
120,000 2006						
				1,200,000	200,000	910,000
115,000 1996				3,204,747	274,747	2,930,000
120,000 1997						
125,000 1998						
130,000 1999						
140,000 2000						
145,000 2001						
150,000 2002						
160,000 2003						
165,000 2004						
175,000 2005						
185,000 2006						
195,000 2007						
205,000 2008						
215,000 2009						
225,000 2010						
235,000 2011						
245,000 2012						

CITY OF RUSTON, LOUISIANA
 COMBINED SCHEDULE OF BONDS PAYABLE
 SEPTEMBER 30, 1999

Description	Rates	Payment Dates	Issue Dates	Final Maturity Date
Sewer Utility Revenue Bonds	2.45%	4-1-10-1	9-1-93	10-1-11
	2.45%			
	2.45%			
	2.45%			
	2.45%			
	2.45%			
	2.45%			
	2.45%			
	2.45%			
	2.45%			
	2.45%			
	2.45%			
	2.45%			
	2.45%			

TOTAL SEWER UTILITY REVENUE BONDS

TOTAL REVENUE BONDS

CITY OF RUSTON, LOUISIANA
 COMBINED SCHEDULE OF BONDS PAYABLE
 SEPTEMBER 30, 1996

Description	Rates	Payment Dates	Issue Dates	Final Maturity Date
REVENUE BONDS				
Electric Utility				
Revenue Bonds	4.10% 4.10%	4-1;10-1	2-1-67	10-1-95
Electric Utility				
Revenue Bonds	5.10% 5.10%	4-1;10-1	2-1-68	10-1-97
Electric Utility				
Revenue Bonds	6.50%	4-1;10-1	2-1-71	10-1-95
Electric Utility				
Revenue Bonds	4.00%	4-1;10-1	2-1-72	10-1-96
Electric Utility				
Revenue Bonds	5.25% 4.50%	4-1;10-1	1-1-73	10-1-97
TOTAL ELECTRIC UTILITY REVENUE BONDS				

Annual Serial Payments	Bonds		
	Authorized & Issued	Retired	Outstanding 9-30-93
65,000 1996	1,402,538	65,000	1,337,538
65,000 1997			
70,000 1998			
70,000 1999			
70,000 2000			
75,000 2001			
75,000 2002			
75,000 2003			
80,000 2004			
80,000 2005			
85,000 2006			
85,000 2007			
90,000 2008			
90,000 2009			
90,000 2010			
95,000 2011			
95,000 2012			
12,538 2013			
	4,837,283	339,747	4,297,536
	\$19,067,283	\$12,944,747	\$7,042,536

CITY OF RUSTON, LOUISIANA
 COMBINED SCHEDULE OF BONDS PAYABLE
 SEPTEMBER 30, 1995

Description	Rates	Payment Dates	Issue Dates	Final Maturity Date
CERTIFICATES OF INDEBTEDNESS				
Sewer & Water System Improvements Series 1989	7.90%	7-1-1	1-1-89	1-1-89
	7.95%			
	7.95%			
	7.95%			
	7.95%			
Sales Tax Certificate of Indebtedness Series 1983	4.00%	4-1; 10-1	10-1-83	4-1-83
	4.20%			
	4.40%			
	4.70%			
	4.80%			
	4.90%			
	5.10%			
Public Works Stop Certificate of Indebtedness Series 1983a	4.40%	3-1-8-1	3-1-84	3-1-84
	4.60%			
	4.90%			
	5.00%			
	5.15%			
	5.25%			
	5.30%			
	5.50%			
	5.60%			

CITY OF RUSTON, LOUISIANA
 COMBINED SCHEDULE OF BONDS PAYABLE
 SEPTEMBER 30, 1999

Description	Rates	Payment Dates	Issue Dates	Final Maturity Date
REVENUE BONDS				
Water Utility Revenue Bonds	9.80%	4-1; 10-1	10-1-88	10-1-00
	7.90%			
	8.00%			
	8.00%			
	8.05%			
	8.05%			
	8.10%			
	8.15%			
	8.15%			
	8.15%			
	8.15%			
TOTAL WATERWORKS UTILITY REVENUE BONDS				
REVENUE BONDS				
Sanitary Utility Revenue Bonds	5.00%	4-1; 10-1	4-1-02	4-1-12
	5.00%			
	5.00%			
	5.00%			
	5.00%			
	5.00%			
	5.00%			
	5.00%			
	5.00%			
	5.00%			
	5.00%			
	5.00%			
	5.00%			
	5.00%			

Schedule 5

Annual Serial Payments	Bonds		Outstanding 9-30-05
	Authorized & Issued	Retired	
\$ 125,000 1997 135,000 1998 150,000 1999	\$1,040,000	\$630,000	\$410,000
\$ 100,000 1997 105,000 1998 110,000 1999 115,000 2000 120,000 2001 125,000 2002 135,000 2003	1,500,000	290,000	810,000
45,000 1997 45,000 1998 50,000 1999 50,000 2000 55,000 2001 55,000 2002 60,000 2003 60,000 2004	600,000	90,000	420,000

Annual Serial Payments	Bonds		
	Authorized & Issued	Retired	Outstanding 9-30-00
\$ 38,000 1997	500,000		500,000
41,000 1998			
43,000 1999			
46,000 2000			
48,000 2001			
51,000 2002			
54,000 2003			
57,000 2004			
60,000 2005			
62,000 2006			
	<u>\$3,140,000</u>	<u>\$1,000,000</u>	<u>\$2,140,000</u>

SALES TAX FUNDS

The Sales Tax Funds are used to record revenues received from sales taxes. The sales taxes collected are then transferred to the General Fund, Parks and Recreation Fund and Debt Service Funds. Therefore, it would appear the Sales Tax Funds should not have a fund balance at the end of the year unless revenues were collected from sources other than sales taxes. However, during our review of the City's Sales Tax Funds, we noted significant fund balances at year end. Since all of the revenues received (other than interest revenues) in the Sales Tax Funds are from sales taxes, it appears that the funds are retaining sales tax revenues, that should be distributed to other funds. Upon further investigation, we noted that the City only transfers out the amounts budgeted during the year for sales taxes regardless of the amount actually received. We recommended the City implement procedures to ensure that all sales tax revenues are distributed to the appropriate funds.

PARKS AND RECREATION

Internal Control Weaknesses — As a part of a separate engagement, we performed procedures with respect to the internal control and documentation procedures of the City of Boston's Parks and Recreation Board (the "Board"). The objective of this work was to review and test the Board's current policies and procedures regarding internal controls over cash receipts and disbursements and payroll. As a result of this work, we noted several weaknesses in the system of internal controls that we reported to the Board in a separate letter dated November 9, 1996. Our findings and recommendations were discussed with the Board in December 1996. We recommend the City monitor the Board's progress in implementing the recommendations as discussed in our letter, to ensure there is an effective system of internal controls in place in the City's Department of Parks and Recreation.

Overtime Pay — As noted in our previous letter to management, the Boston Parks and Recreation Board has the authority to approve overtime pay for employees who are normally not eligible to receive overtime pay. Although we only noted one incident of this occurring in the previous year, we recommend the City give careful consideration in this issue, to ensure the City does not violate any provisions of the Fair Labor Standards Act.

INTERNAL SERVICE FUND

There is a deficit in the General Self Insurance Fund in the amount of \$197,332 as of September 30, 1996. During the year ended September 30, 1996, the Fund incurred a net loss of \$9,383. Deficits should not be allowed to increase in an internal service fund. The City should develop a plan to increase the charges to the various funds to eliminate this deficit over a reasonable period of time.

INTERNAL CONTROLS

Cash Receipts — During our review of controls over cash receipts, we noted that the person receiving cash for property taxes, sales taxes, sewer cap deposits, electric, water, and sewer internal deposits, monthly airport rental fees, and fuel fees also reconciles the bank accounts. These duties are incompatible. To strengthen controls over cash receipts, we recommended that the City Treasurer review and initial the cash receipt documents for the above activities.

Cash Disbursements — During our review of controls over cash disbursements, we noted that after signed checks are reviewed by the Treasurer, the checks are forwarded to the assistant accounts payable clerk to mail. We recommended the City implement procedures to ensure that after the Treasurer reviews signed checks, the checks are sorted and mailed by someone without any potentially conflicting duties.

Fire Department — As noted in our previous letter to management, one person in the Fire Department is responsible for all of the following functions related to ambulance fees:

- billing of ambulance fees
- issuing follow up billings for accounts not paid
- writing off individual delinquent accounts

To ensure a proper control environment, the responsibility for collecting, recording, and adjusting the ambulance fee accounts should be segregated.

Bid Testwork — During our testwork relating to bid procedures, we noted two exceptions. The bid bond certificate was missing from the project file for one of the five bids tested. Also, a change order form could not be located in the project file for one of the five bids tested. We recommended that controls be implemented to review the bid file for completeness once the bid is finalized. This will ensure that all forms are properly filed and the City is in compliance with bid laws.

PERSONNEL POLICIES

As noted in our previous letter to management, the City allows employees to further their education by attending classes during working hours and performing their duties after normal working hours. However, there are no written policies to control and monitor this activity. The City should establish written policies over this area to ensure there are uniformly enforceable guidelines for authorization and approval, there is an appropriate accounting of the employee's time, there is appropriate documentation for all aspects of the activity and no aspect of the activity violates state law.

ADHERENCE TO PAY SCALES

As noted in our previous letter to management, from our review of the City pay records, we noted that City employees were not always paid in accordance with the grade established for their position on the pay scale. We were unable to determine from the payroll files why there was deviation from the approved pay scale. To ensure that the pay scale is uniformly applied among all employees, the City pay scale should be adhered to as written, or modified to accommodate the reasons for the exceptions.

NEW ACCOUNTING STANDARDS

Governmental Accounting Standard (GASB) No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance* became effective for the year ending September 30, 1996. This standard requires that the supplementary salary payments made by the State of Louisiana to the fire and police department employees be recorded as revenue and expenditures in the General Fund. These amounts have not previously been recorded nor have they been budgeted by the City. To comply with this standard, we recommend that the 1997 budget be amended to include these supplementary payments as revenue and expenditures and that the actual revenue and expenditure be recorded for the year ending September 30, 1997.

GASB No. 23, *Accounting for Pensions by State and Local Governmental Employees* will become effective for the year ending September 30, 1995. The City should review this statement and determine the effect on the financial reporting for the City as soon as possible.

* * * * *

Our 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 like to take this opportunity to acknowledge the courtesy and assistance extended to us by the personnel of the City during the course of our audit.

This report is intended solely for the information and use of the Mayor and Board of Aldermen, management, the State of Louisiana Legislative Auditor, the cognizant agency, and other federal agencies. However, this report is a matter of public record and its distribution is not limited.

Very truly yours,

K. M. Lee Peat Marwick LLP

CITY OF RUSTON, LOUISIANA
 ENTERPRISE FUND
 SEWERAGE SYSTEM FUND

Schedule 4

SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
 FOR THE YEARS ENDED SEPTEMBER 30, 1996 & 1995

	1996	1995
Indirect Expenses:		
General & Administrative Expenses:		
Salaries	\$48,402	\$57,038
Employee Benefit - Pension	3,227	2,738
Employee Benefit - FICA Tax	705	699
Employee Benefit - Insurance	8,283	8,000
Workmen's Compensation	300	700
Training of Personnel	630	370
Supplies	1,483	1,498
Maintenance of Bldg., Gds., & Equip	48	2,975
Heating	697	987
Telephone	2,499	2,649
Auto & Truck Repair	263	168
Gasoline, Oil & Diesel	627	237
Travel	367	-
Audit Fees	6,000	4,512
Legal Fees	4,282	1,580
Consulting	7,900	9,227
Paying Agent Fees	17,416	17,920
Bad Debt Expenses	6,578	8,258
Dues & Subscriptions	95	249
Insurance	15,868	13,536
Miscellaneous	290	258
Postage	8	32
Depreciation	153,187	169,436
Warehouse Expense	5,340	6,340
Totals	285,653	297,623
Pest Control		
Chemicals	992	3,053
Training of Personnel	30	70
Gas, Oil, & Diesel	178	233
Travel	-	221
Maintenance of Equipment	-	1,059
Totals	1,188	5,646
Total Indirect Expense	\$296,841	\$303,499

See accompanying auditors' report.

CITY OF RUSTON, LOUISIANA
 GENERAL FUND
 SCHEDULE OF EXPENDITURES
 BUDGET (GRANT FUNDS) & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1998

Schedule 1

	Budget	Actual	Variance Favorable (Unfavorable)
Expenses:			
Salaries - Regular	87,488	86,480	1,008
Employee Benefits - Pension	8,817	8,076	841
Employee Benefits - FICA Tax	1,555	1,534	21
Employee Benefits - Insurance	12,134	12,220	86
Workmen's Compensation	800	880	80
Training of Personnel	595	500	95
Office Supplies/Printing	2,617	3,054	437
Supplies	1,887	1,543	344
Address Testing	75	75	-
Maintenance of Equipment	375	517	142
Telephone	1,658	840	818
Auto Allowance	8,400	8,404	4
Travel	1,500	1,288	212
Legal	758	758	-
Dues & Subscriptions	115	118	3
Medical Supplies & Services	50	50	-
Postage	300	181	119
Capital Outlay	818	888	70
Total	157,667	154,283	3,384
TOTAL, PUBLIC WORKS	\$3,048,028	\$3,588,028	\$540,701
TOTAL, GENERAL FUND EXPENDITURES	\$8,488,078	\$8,228,424	\$259,654

CITY OF RUSTON, LOUISIANA

Supplementary Schedule of Federal Financial Assistance
(Single Audit)

For the year ended September 30, 1986

Table of Contents

	<u>Page(s)</u>
Independent Auditors' Report on Supplementary Schedule of Federal Financial Assistance	1
Schedule of Federal Financial Assistance	2
Notes to Schedule of Federal Financial Assistance	3
Independent Auditors' Report on the Internal Control Structure Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards	4-5
Independent Auditors' Report on the Internal Control Structure Used in Administering Federal Financial Assistance Programs	6-8
Independent Auditors' Report on Compliance Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards	9-10
Independent Auditors' Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs	11-12
Independent Auditors' Report on Compliance with Specific Requirements Applicable to Major Federal Financial Assistance Programs	13-14
Schedule of Findings and Questioned Costs	15
Follow-up on Prior Year Findings	16

ENTERPRISE FUND

ELECTRIC SYSTEM FUND

SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
FOR THE YEARS ENDED SEPTEMBER 30, 1994 & 1995

	1994	1995
Direct Expenses:		
Steam Plant:		
Salaries	\$483,263	\$443,290
Employee Benefit - Pension	25,263	24,001
Employee Benefit - FICA Tax	2,881	3,705
Employee Benefit - Insurance	48,740	48,709
Uniforms	-	4,832
Workmen's Compensation	2,700	7,800
Unemployment Compensation	-	1,525
Training of Personnel	300	500
Fuel & Energy	7,267,330	4,882,279
Supplies	143,138	145,529
Permits	15,313	8,530
Maintenance of Bldg., Gds., & Equip.	652,501	677,203
Disposal of Hazardous Waste	67,743	47,687
Utilities	81,260	61,789
Telephone	9,307	8,725
Auto Allowances	5,100	5,100
Auto & Truck Repair	509	350
Gasoline, Oil & Diesel	818	940
Travel	178	3,491
Dues & Subscriptions	12	-
Insurance	125,000	88,899
Medical Supplies & Services	329	271
Depreciation	304,835	423,015
Totals	9,254,920	8,686,520
Gas Plant:		
Salaries	(2,222)	28,791
Employee Benefit - Pension	-	1,308
Employee Benefit - Insurance	-	4,212
Uniforms	-	351
Workmen's Compensation	-	350
Training of Personnel	-	5
Fuel & Energy	-	3,500
Supplies	385	687
Maint of Bldg., Gds., & Equip	1,660	8,421

See accompanying auditors' report.

CITY OF PLACER, LOUISIANA
 GENERAL FUND
 SCHEDULE OF EXPENDITURES
 BUDGET (PLAN BASED) & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1999

Schedule 1

	Budget	Actual	Variance Favorable (Adverse)
General Government:			
Executive:			
Salaries - Regular	\$200,000	\$200,001	(\$1,477)
Salaries - Overtime	8,000	4,998	3,002
Salaries - Contract Labor	2,300	2,187	1,113
Employee Benefits - Pension	16,150	16,014	(136)
Employee Benefits - FICA Tax	4,000	4,000	-
Employee Benefits - Insurance	41,073	40,539	(534)
Mayor's Compensation	2,250	2,250	-
Training of Personnel	1,744	1,800	56
Office Supplies/Printing	12,000	9,375	2,625
Supplies	9,000	9,272	272
Maintenance of Office Equipment	1,000	730	270
Rent of Office Equipment	12,000	12,104	104
Utilities	80,000	92,834	(12,834)
Telephone	20,500	20,707	(207)
Auto Allowance	14,000	14,000	-
Travel	7,000	7,843	843
Audit Fees	12,000	12,000	-
Legal Advertising	4,800	4,000	800
Legal Services	17,000	60,820	(43,820)
Gift Expense	10,000	11,000	(1,000)
Copyist Fees	12,000	12,107	107
Consulting	8,000	8,000	-
Data Processing	3,000	3,000	-
Tax Assessment/Collection Fees	18,000	18,000	-
Cash Short (Over)	100	-	100
Lincoln Parish Health Unit	5,000	5,000	-
Lincoln Parish Vets Admin	2,318	2,148	170
News & Subscriptions	26,210	26,070	140
Election Expenses	200	70	130
Insurance	18,000	8,418	9,582
Medical Supplies & Services	7,000	1,200	5,800
Drug Sub/Prescription	10,000	10,200	(200)
Council Expenses	100	80	20
Miscellaneous	3,000	6,482	(3,482)
Postage	2,104	4,804	(2,700)
Printed Park Expense	4,700	4,700	-
Capital Outlay	18,210	18,210	-
Warehouse	5,000	-	5,000
Totals	760,810	762,217	(1,407)

CITY OF RUSTON, LOUISIANA
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
SEPTEMBER 30, 1996 AND 1995

Exhibit C-1

ASSETS	1996	1995	
	<u> </u>	<u> </u>	
Cash and Cash Equivalents	\$86,357	\$82,976	
	<u> </u>	<u> </u>	
Total Assets	\$86,357	\$82,976	
	<u> </u>	<u> </u>	
LIABILITIES AND FUND BALANCE			
Fund Balance:			
Reserved for Debt Service	\$86,357	\$82,976	
	<u> </u>	<u> </u>	
Total Fund Balance	\$86,357	\$82,976	
	<u> </u>	<u> </u>	
Total Liabilities and Fund Balance	\$86,357	\$82,976	
	<u> </u>	<u> </u>	

See accompanying notes to combined financial statements.

CITY OF BOSTON, LOUISIANA
 GENERAL FUND
 SCHEDULE OF EXPENDITURES
 BUDGET (BASIC BASIS) & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1999

Schedule 1

	Budget	Actual	Variance Favorable (Unfavorable)
Tourism And Promotions:			
Maintenance People Expense	10,000	10,000	
Brochure Account		2,880	(2,880)
Totals	10,000	12,880	(2,880)
Section 6 Housing:			
Salaries - Regular	28,527	28,523	4
Employee Benefits - Pension	2,335	2,275	60
Employee Benefits - FICA Tax	600	480	120
Employee Benefits - Insurance	7,323	7,523	(200)
Workmen's Compensation	200	200	
Office Rent	3,000	300	2,700
Training of Personnel	1,875	800	1,075
Office Supplies/Printing	2,600	1,957	643
Maint. of Office Equipment	4,000	3,881	119
Rent of Office Equipment	2,000	2,870	(870)
Utilities	1,275	1,200	75
Telephone	1,750	1,875	(125)
Auto Allowances	300	480	(180)
Travel	2,000	1,450	550
Legal Services	225	60	165
Consulting	8,750	6,845	1,905
Dues & Subscriptions	1,000	200	800
Capital Outlay	4,300	3,144	1,156
Postage	1,500	1,327	173
Totals	82,083	79,922	2,161
TOTAL GENERAL GOVERNMENT	\$1,321,217	\$1,326,142	\$4,925

CITY OF PLUSTON, LOUISIANA
 GENERAL FUND
 SCHEDULE OF EXPENDITURES
 BUDGET (OAR) BASIS & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1998

Schedule 1

	Budget	Actual	Variance Favorable (Unfavorable)
Fire Department (Continued)			
Maintenance of Building & Grounds	13,000	13,000	(2,000)
Rest of Office Equipment	3,400	2,345	100
Utilities	23,000	38,178	(5,178)
Telephone	14,000	18,123	(8,733)
Auto Allowance	95,000	15,500	(800)
Auto & Truck Repair	4,000	3,200	740
Gasoline, Oil & Diesel	4,000	6,471	25
Travel	5,710	4,415	1,295
Legal Services	500	5,251	(4,751)
Clubs & Subscriptions	1,300	1,358	(358)
Insurance	28,500	25,400	300
Medical Supplies & Services	800	5,000	(300)
Postage	100		100
Capital Outlay	13,000	8,122	8,278
Totals	1,100,000	1,090,038	(9,000)
Protection Office			
Salaries - Regular	25,000	28,810	(870)
Salaries - Casualty	1,000	2,345	(1,345)
Employee Benefits - Pension	1,273	1,897	(1,04)
Employee Benefits - FICA Tax	800	813	(80)
Employee Benefits - Insurance	1,000	1,228	
Utilities	500	325	175
Workers' Compensation	300	300	
Training of Personnel	750		750
Office Supplies/Printing	1,000	715	485
Supplies	1,200	1,890	(740)
Maintenance of Equipment	750	810	170
Telephone	1,000	1,740	(340)
Auto and Truck Repair	1,000	714	286
Gas, Oil, and Diesel	1,000	1,230	(230)
Travel	100	100	
Insurance	500	804	180
Medical Supplies & Services	300	32	168
Miscellaneous	300	80	170
Postage	100		100
Capital Outlay	1,400	20	1,420
Totals	42,000	41,078	1,780
Street Lighting			
Maintenance Street/Traffic Lights	8,000	5,782	1,218
Utilities	118,000	118,078	(2,078)
Totals	126,000	123,860	(2,078)
TOTAL, PUBLIC SAFETY	21,480,402	21,487,287	28,084

See accompanying audit report.

CITY OF PLUMBO, LOUISIANA
GENERAL FUND

Schedule 1

SCHEDULE OF EXPENDITURES
(BUDGET (GAAP BASIS) & ACTUAL)
FOR THE YEAR ENDED SEPTEMBER 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
Public Works Department			
Administration			
Salaries - Regular	120,871	120,068	8
Salaries - Overtime	800	798	2
Employee Benefits - Pension	8,143	8,080	63
Employee Benefits - FICA Tax	838	833	5
Employee Benefits - Insurance	7,808	7,908	1
Workers' Compensation	800	800	-
Training of Personnel	348	344	4
Office Supplies/Printing	8,403	8,821	362
Maintenance of Equipment	58	58	-
Rent of Office Equipment	3,083	3,778	274
Utilities	18,973	19,071	3
Telephones	3,601	3,681	-
Auto Allowances	7,004	7,004	-
Travel	108	90	18
Legal Services	4,074	5,125	(2,049)
Books & Subscriptions	403	403	-
Insurance - Fire	12,578	11,880	1,678
Medical Supplies & Services	44	44	-
Postage	68	84	8
Capital Outlay	18,413	18,272	41
Totals	295,207	294,878	401
Operations			
Salaries - Regular	480,977	455,207	18,768
Salaries - Overtime	24,080	21,993	2,488
Salaries - Contract Labor	3,980	318	2,662
Employee Benefits - Pension	27,188	27,104	84
Employee Benefits - FICA Tax	1,848	7,005	213
Employee Benefits - Insurance	71,289	71,004	285
Utilities	3,876	3,478	187
Workers' Compensation	5,480	5,408	-
Training of Personnel	890	893	-
Chemicals	13,818	13,817	1
Signs	18,888	18,488	1,510
Supplies/Street Paint	28,473	24,288	3,485
Maintenance of Equipment	82,830	78,688	3,842
Maintenance of Streets	272,485	268,507	19,888
Rent of Equipment	1,875	1,875	-
Telephones	1,818	1,814	4

See accompanying auditor's report.

CITY OF ELSTON, LOUISIANA
 GENERAL FUND
 SCHEDULE OF EXPENDITURES
 BUDGET (GAAP BASIS) & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1995

PAGE 1

	Budget	Actual	Variance Favorable (Unfavorable)
Street (Continued)			
Auto & Truck Repair	37,441	37,421	20
Gasoline, Oil & Diesel	25,500	25,484	16
Insurance	40,837	38,957	1,880
Medical Supplies & Services	1,838	1,574	264
Capital Outlay	50,571	50,580	-9
Capital Outlay - Current	251	280	-29
Totals	1,458,559	1,482,551	-23,992
Solid Waste:			
Salaries - Regular	473,008	484,284	-11,276
Salaries - Overtime	28,000	28,000	0
Salaries - Contract Labor	8,000	3,850	4,150
Employee Benefits - Pension	25,134	25,134	0
Employee Benefits - FICA Tax	4,050	4,881	-831
Employee Benefits - Insurance	84,353	84,700	-347
Uniforms	3,972	3,872	100
Workers' Compensation	4,528	4,800	-272
Unemployment Compensation	82	82	0
Supplies	48,001	51,805	-3,804
Maintenance of Equipment	87,431	82,878	4,553
Rent of Equipment	24,000	23,850	150
Telephone	448	445	3
Auto & Truck Repair	58,280	56,812	1,468
Gasoline, Oil & Diesel	58,143	60,738	-2,595
Tire	11	11	0
Consulting	8,800	8,000	800
Out Debt Expense	10	8	2
Insurance - Gen Liability	15,850	18,425	-2,575
Insurance - Auto Liability	22,885	18,801	4,084
Medical Supplies & Services	2,738	2,157	581
Capital Outlay	28,785	28,184	601
Totals	1,823,841	1,883,044	-59,203

CITY OF RUSTON, LOUISIANA
 ENTERPRISE FUND
 ELECTRIC SYSTEM FUND
 SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
 FOR THE YEARS ENDED SEPTEMBER 30, 1996 & 1995

Schedule 2

	1996	1995
Diesel Plant (Continued):		
Utilities	2,679	4,935
Totals	2,708	51,402
Distribution System:		
Salaries	420,150	410,968
Employee Benefit - Pension	24,757	20,623
Employee Benefit - FICA Tax	2,332	2,417
Employee Benefit - Insurance	54,270	58,703
Uniforms	252	4,944
Workmen's Compensation	2,850	5,850
Training of Personnel	315	1,000
Supplies	12,380	17,000
Equipment Rental	18,000	-
Maint of Bldg., Gds., & Equip.	303,398	311,044
Disposal of Hazardous Waste	3,484	2,824
Utilities	73	72
Heating	120	1,110
Telephone	2,253	1,758
Auto & Truck Repair	4,278	2,962
Gasoline, Oil & Diesel	14,394	11,040
Travel	325	1,191
Damages	100	27
Insurance	8,157	4,814
Medical Supplies & Services	840	853
Depreciation	484,410	442,632
Totals	1,405,045	1,300,988

CITY OF BUXTON, LOUISIANA
 GENERAL FUND
 SCHEDULE OF EXPENDITURES
 BUDGET (GAAP BASIS) - ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1990

Schedule 1

	Budget	Actual	Variance Favorable (Unfavorable)
Animal Control			
Salaries - Regular	83,811	82,713	1,142
Salaries - Overtime	1,880	850	1,047
Employee Benefits - Pension	2,872	2,972	-
Employee Benefits - FICA Tax	1,888	1,888	80
Employee Benefits - Insurance	4,828	4,824	4
Uniforms	1,008	1,385	-
Workman's Compensation	758	780	-
Training of Personnel	1,200	1,200	-
Office Supplies	380	447	53
Supplies	8,128	8,800	674
Maintenance of Bldg., Equip. & Invent	1,714	1,718	4
Utilities	2,480	2,480	-
Heating	4,840	4,187	785
Telephone	1,828	1,828	1
Auto & Truck Fleet	2,157	2,187	-
Gasoline, Oil & Diesel	1,558	1,417	145
Travel	1,844	1,844	-
Legal Fees	80	48	7
Venue/entry Fees	172	172	-
Insurance	738	884	84
Medical Supplies & Services	1,311	1,310	80
Capital Outlay	1,304	1,304	-
Totals	188,782	188,848	6,221
Community Development			
Salaries - Regular	84,124	81,887	1,718
Salaries - Contract Labor	3,994	1,880	1,880
Employee Benefits - Pension	8,873	8,880	889
Employee Benefits - FICA Tax	787	845	(54)
Employee Benefits - Insurance	8,180	7,888	1,138
Workman's Compensation	880	450	-
Training of Personnel	1,200	702	608
Office Supplies/Printing	1,401	1,328	73
Supplies	8,800	1,870	180
Maint. of Office Equipment	145	145	-
Telephone	1,608	770	1,800
Auto Allowance	1,780	1,880	4
Travel	4,184	3,137	2,087
Legal	3,280	3,280	93
Consulting	1,788	1,158	-
Books & Subscriptions	858	780	87
Medical Supplies & Services	118	180	(44)
Miscellaneous	8,048	4,847	1,688
Manufact. Program Expense	5,028	-	5,028
Postage	880	800	47
Totals	152,788	148,388	64,274

CITY OF RUSTON, LOUISIANA
 ENTERPRISE FUND
 SEWERAGE SYSTEM FUND

Schedule 4

SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
 FOR THE YEARS ENDED SEPTEMBER 30, 1995 & 1993

	1995	1993
Sewerage Treatment Plant (Continued):		
Utilities	119,877	132,934
Telephone	3,271	1,839
Auto & Truck Repair	410	1,313
Gas, Oil, & Diesel	1,691	1,319
Travel	176	1,890
Consulting	11,099	7,845
Dues & Subscriptions	10	358
Medical Supplies & Services	131	332
Insurance	694	575
Depreciation	87,303	91,358
Totals	438,045	449,673
Sudge Disposal:		
Salaries	32,028	20,793
Employee Benefit - Pension	2,043	1,804
Employee Benefit - FICA Tax	453	414
Employee Benefit - Insurance	6,812	4,663
Uniforms	-	325
Workman's Compensation	300	700
Training of Personnel	369	525
Permits	2,000	2,249
Laboratory Testing	7,555	6,967
Supplies	3,641	6,576
Maintenance of Bldg., Gds., & Equip.	2,657	15,067
Utilities	2,127	2,618
Telephone	489	441
Auto & Truck Repair	91	643
Gasoline, Oil & Diesel	1,154	930
Travel	91	350
Dues & Subscriptions	-	119
Medical Supplies & Services	109	-
Insurance	-	1,153
Totals	60,910	67,667
Total Direct Expenses	\$1,161,949	\$1,396,023

See accompanying auditors' report.

ENTERPRISE FUND

ELECTRIC SYSTEM FUND

SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
FOR THE YEARS ENDED SEPTEMBER 30, 1999 & 1998

	1999	1998
Substations:		
Supplies		\$1
Maintenance of Bldg., Gds., & Equip.	14,640	20,506
Totals	14,640	20,507
Total Direct Expenses	\$10,677,521	\$8,273,585

Indirect Expense:

General & Administrative Expense:

Salaries	260,142	321,881
Employee Benefit - Pension	18,030	10,932
Employee Benefit - FICA Tax	2,729	3,173
Employee Benefit - Insurance	25,352	35,000
Uniforms		1,704
Workmen's Compensation	1,920	3,050
Training of Personnel	3,889	5,010
Supplies	5,279	16,659
Warehouse Expense	105,860	119,053
Maintenance of Equipment	1,247	1,694
Rent of Office Equipment	60	185
Telephone	3,867	3,997
Auto Allowances	10,681	12,569
Auto & Truck Repair	2,012	1,716
Gasoline, Oil & Diesel	2,461	2,826
Travel	5,464	15,850
Audit Fees	13,200	9,034
Legal Services	38,003	9,125
Consulting Engineer	18,400	52,542
Rating Agent Fees	3,919	3,711
Bad Debt Expense	45,278	60,400
Dues & Subscriptions	8,919	11,004
Insurance	28,998	\$0,232
Interest	23,770	26,217
Medical Supplies & Services	95	200

See accompanying auditors' report.

CITY OF RUSTON, LOUISIANA
 ENTERPRISE FUND
 ELECTRIC SYSTEM FUND

Schedule 2

SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
 FOR THE YEARS ENDED SEPTEMBER 30, 1996 & 1995

	1996	1995
General and Administrative (Continued):		
Miscellaneous	2,205	3,883
Postage	703	562
Depreciation	133,213	182,947
Totals	750,448	961,010
Collection Office:		
Salaries	189,444	177,209
Employee Benefit - Pension	11,662	9,910
Employee Benefit - FICA Tax	3,307	3,105
Employee Benefit - Insurance	24,099	21,177
Workmen's Compensation	1,690	3,190
Training of Personnel		73
Supplies	18,535	22,982
Maintenance of Equipment	9,134	9,873
Telephone	1,738	2,756
Auto Allowance	2,290	1,582
Taxes	50	
Collection Costs	7,484	8,000
Consulting	10,740	13,382
Data Processing	75,299	73,234
Cash (Over) Short	60	40
Dues & Subscriptions	45	230
Insurance	3,772	1,940
Medical Supplies & Services	44	95
Miscellaneous	(8)	150
Postage	40,305	35,660
Totals	350,660	380,206

See accompanying auditors' report.

CITY OF RUSTON, LOUISIANA
 ENTERPRISE FUND
 ELECTRIC SYSTEM FUND

Schedule 2

SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
 FOR THE YEARS ENDED SEPTEMBER 30, 1996 & 1995

	<u>1996</u>	<u>1995</u>
Meter Readers:		
Salaries	108,000	108,301
Employee Benefit - Pension	5,854	5,714
Employee Benefit - FICA Tax	791	894
Employee Benefit - Insurance	17,317	53,031
Uniforms	300	513
Workman's Compensation	900	2,450
Unemployment Compensation	(411)	411
Supplies	1,499	1,563
Auto & Truck Repair	3,304	2,006
Gasoline, Oil & Diesel	4,621	4,385
Insurance	2,052	1,153
Medical Supplies & Services	144	250
Miscellaneous	1,248	720
Total	<u>147,303</u>	<u>141,360</u>
Total Indirect Expenses	<u>\$1,287,420</u>	<u>\$1,485,532</u>

See accompanying auditors' report.

ENTERPRISE FUND

WATER SYSTEM FUND

SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
FOR THE YEARS ENDED SEPTEMBER 30, 1995 & 1996

	1995	1996
	<u> </u>	<u> </u>
Direct Expenses:		
Water Production System:		
Salaries	\$49,600	\$44,129
Employee Benefit - Pension	2,600	2,116
Employee Benefit - FICA Tax	129	227
Employee Benefit - Insurance	3,072	3,078
Uniforms		205
Workmen's Compensation	450	799
Training of Personnel		55
Chemicals	60,055	72,893
Supplies	4,672	3,606
Maintenance of Bldg., Gds., & Equip.	17,664	39,600
Utilities	218,876	204,824
Auto & Truck Repair	1,024	543
Telephones	4,756	4,159
Gasoline, Oil & Diesel	1,693	3,777
Travel		188
Dues & Subscriptions	80	55
Medical Supplies & Services	74	47
Depreciation	65,219	63,694
	<u>432,581</u>	<u>441,325</u>
Totals		
Water Distribution System:		
Salaries	144,035	150,154
Employee Benefit - Pension	8,413	7,519
Employee Benefit - FICA Tax	941	940
Employee Benefit - Insurance	19,567	19,215
Uniforms	700	1,195
Workmen's Compensation	2,250	2,450
Training	225	811
Supplies	9,888	11,576
Maintenance of Equipment	78,850	88,962
Utilities	207	755

See accompanying auditors' report.

CITY OF RUSTON, LOUISIANA
 ENTERPRISE FUND
 WATER SYSTEM FUND

Schedule 3

SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
 FOR THE YEARS ENDED SEPTEMBER 30, 1998 & 1999

	1998	1999
	<u>1998</u>	<u>1999</u>
Water Distribution System (Continued):		
Auto & Truck Repair	7,883	9,455
Equipment Rental	9,760	2,335
Gasoline, Oil & Diesel	6,866	4,919
Travel	569	1,263
Damages	536	
Dues & Subscriptions		260
Medical Supplies & Services	69	121
Depreciation	116,539	107,320
	<u>409,064</u>	<u>408,003</u>
Totals	409,064	408,003
	<u>409,064</u>	<u>408,003</u>
Total Direct Expense	\$875,663	\$856,108
	<u>875,663</u>	<u>856,108</u>
Indirect Expense:		
General & Administrative Expense:		
Salaries - Regular	59,743	31,418
Employee Benefit - Pension	3,908	1,844
Employee Benefit - Insurance	4,034	3,715
Workman's Compensation	300	350
Training of Personnel	65	165
Office Supplies	253	473
Warehouse	11,000	21,360
Maintenance of Bldg., Crds., & Equip.	395	25
Telephone	1,828	2,570
Auto & Truck Repair	199	85
Gasoline, Oil & Diesel	2,466	1,423
Legal Services	2,590	679
Travel	45	103
Audit Fees	5,280	3,692
Consulting Engineer	2,870	7,348
Paying Agent Fees	703	718
Bad Debt Expense	4,445	5,683

See accompanying auditors' report.

ENTERPRISE FUND

WATER SYSTEM FUND

SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
FOR THE YEARS ENDED SEPTEMBER 30, 1996 & 1995

	1996	1995
	-----	-----
General and Administrative Expense (Continued):		
Dues & Subscriptions	793	773
Insurance	15,284	14,312
Miscellaneous	7	1,957
Depreciation	57,536	57,101
	-----	-----
Total Indirect Expense	\$172,604	\$135,243
	*****	*****

CITY OF RUSTON, LOUISIANA
ENTERPRISE FUND

Schedule 4

SEWERAGE SYSTEM FUND
SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
FOR THE YEARS ENDED SEPTEMBER 30, 1998 & 1999

	1998	1999
Direct Expense:		
Sewerage Collection System:		
Salaries	\$302,379	\$219,724
Employee Benefit - Pension	10,866	10,089
Employee Benefit - FICA Tax	2,117	1,997
Employee Benefit - Insurance	18,430	18,113
Uniforms	465	1,223
Workmen's Compensation	1,550	3,600
Unemployment Compensation	549	136
Training of Personnel	114	665
Supplies	25,577	19,433
Maintenance of Bldg., Gds., & Equip	78,046	233,655
Utilities	79,582	69,437
Telephone	489	380
Auto & Truck Repair	4,850	6,130
Gasoline, Oil & Diesel	10,433	10,312
Travel	399	340
Damages	45	4,414
Dues & Subscriptions	-	193
Insurance	2,700	2,700
Medical Supplies & Services	676	514
Depreciation	336,050	294,825
Totals	674,993	699,483
Sewerage Treatment Plant:		
Salaries	104,695	103,666
Employee Benefit - Pension	4,702	4,033
Employee Benefit - FICA Tax	2,439	2,508
Employee Benefit - Insurance	11,640	9,038
Uniforms	-	150
Workmen's Compensation	1,200	6,600
Unemployment Compensation	24	21
Training of Personnel	75	1,155
Chemicals	19,574	19,486
Permits	12,571	3,776
Laboratory Testing	14,707	10,896
Supplies	2,020	7,356
Maint of Bldg., Gds., & Equip.	37,282	44,755

See accompanying auditors' report.

CITY OF ELSTON, LOUISIANA
 GENERAL FUND
 SCHEDULE OF EXPENDITURES
 BUDGET (GAAP BASIS) & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1988

Schedule 1

	Budget	Actual	Variance Favorable (Unfavorable)
Engineering			
Salaries - Regular	88,528	88,858	330
Salaries - Contract Labor	308	358	50
Employee Benefits - Pension	5,437	8,388	2,951
Employee Benefits - FICA Tax	1,158	765	400
Employee Benefits - Insurance	2,421	1,528	893
Workmen's Compensation	585	585	-
Training of Personnel	480	375	105
Office Supplies	2,880	2,787	93
Gasoline	5,580	3,272	2,308
Maintenance of Equipment	1,180	980	200
Telephone	2,680	1,570	1,110
Auto Allowances	3,400	3,400	-
Auto & Truck Repair	800	883	83
Gasoline, Oil & Diesel	880	875	5
Travel	840	851	11
Legal Services	50	50	-
Dues & Subscriptions	400	400	-
Insurance	4,238	3,855	383
Medical Supplies & Services	50	50	-
Postage	150	68	82
Capital Outlay	11,800	11,800	-
Totals	121,458	118,448	3,010
Public Works			
Salaries - Regular	252,144	227,583	24,561
Salaries - Overtime	20,000	18,828	1,172
Employee Benefits - Pension	14,582	14,000	582
Employee Benefits - FICA Tax	3,871	3,400	471
Employee Benefits - Insurance	30,285	30,285	-
Overtime	2,240	2,200	40
Workmen's Compensation	2,200	2,200	-
Unemployment Compensation	2,828	2,825	3
Training of Personnel	1,120	1,120	-
Office Supplies	850	811	39
Supplies	30,400	25,224	5,176
Maintenance of Building & Grounds	3,218	3,218	-
Maintenance of Equipment	1,725	1,518	207
Utilities	14,280	14,248	32
Telephone	2,600	2,604	4
Auto Allowances	1,300	1,300	-
Auto & Truck Repair	1,828	1,775	53
Gasoline, Oil & Diesel	2,880	2,878	2
Travel	952	851	101
Insurance	3,883	2,720	1,163
Medical Supplies & Services	801	800	1
Capital Outlay	45,842	44,875	967
Totals	443,440	418,701	24,739

See accompanying auditor's report.

Sewerage System	Piscataway Airport Authority	Ambulance	Totals	
			1995	1996
\$1,461,728	\$143,130	\$132,740	\$3,370,445	2,990,842
131,388	1,429	172,848	1,232,439	1,199,919
4,205	-	-	8,977	3,791
134,087	-	493	1,082,343	1,041,045
-	-	77,909	27,880	121,038
166,913	-	4,164	483,130	499,371
-	-	-	27,880	36,424
23,340	-	-	611,995	511,767
<u>1,971,648</u>	<u>144,559</u>	<u>387,545</u>	<u>6,779,815</u>	<u>6,321,997</u>
1,011,635	-	-	4,231,971	3,414,358
-	-	-	974,884	1,522,791
<u>1,011,635</u>	<u>-</u>	<u>-</u>	<u>5,206,855</u>	<u>4,937,147</u>
18,166,708	4,880,507	360,668	60,484,301	59,822,886
173,691	133,792	-	933,399	445,221
<u>18,340,397</u>	<u>5,014,299</u>	<u>360,668</u>	<u>61,417,700</u>	<u>60,268,107</u>
(2,273,680)	(316,534)	(799,348)	(29,793,931)	(27,708,367)
<u>11,066,717</u>	<u>4,697,765</u>	<u>261,314</u>	<u>31,623,769</u>	<u>32,559,740</u>
-	-	-	150,000	390,000
<u>\$14,066,717</u>	<u>\$4,697,765</u>	<u>\$261,314</u>	<u>\$31,773,769</u>	<u>\$32,949,740</u>

SPECIAL REVENUE FUND

SECTION 8 VOUCHER PROGRAM

STATEMENT OF REVENUES, EXPENDITURES, & CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 1996

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$126,937	\$183,747	\$56,810
Miscellaneous	-	1,253	1,253
Total Revenues	126,937	185,000	58,063
Expenditures:			
General Government	127,017	133,388	(\$6,371)
Total Expenditures	127,017	133,388	(\$6,371)
Excess (Deficiency) of Revenues Over Expenditures	(80)	51,612	\$1,693
Fund Balance, October 1	8,273	8,273	-
Fund Balance, September 30	\$8,193	\$59,875	\$51,682

See accompanying notes to combined financial statements.

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 RUSTON, LOUISIANA
DEBT SERVICE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
& CHANGES IN FUND BALANCES
SEPTEMBER 30, 1966 AND 1965

Exhibit C-2

		1966	1965
Revenues:	01		
Interest	01	\$1,378	\$1,250
Expenditures:	01		
Debt Service:	01		
Paying Agent Fees		-	300
Bond Principle Payment		140,000	158,000
Bond Interest Expense		63,329	68,788
Total Expenditures	01	203,329	224,088
Excess of Expenditures over Revenues		(201,951)	(202,755)
Other Financing Sources:	01		
Operating Transfers In	01	206,332	207,830
Excess of Revenues and Other Financing Sources Over Expenditures	01	3,381	4,875
Fund Balance, October 1		82,076	78,101
Fund Balance, September 30		\$85,357	\$82,976

See accompanying notes to combined financial statements.

CAPITAL PROJECTS FUNDS

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

ADAMS STREET WEST, ARIZONA

To account for receipts and disbursements of a grant received from the Louisiana Community Development Block Grant for Construction of relocation of street lines.

FIRE STATION CONSTRUCTION

To account for receipts and disbursements of the proceeds from the issuance of Certificates of Indebtedness Series 1993, designated for the construction of a new fire station.

CENTRAL SHOP CONSTRUCTION

To account 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.

PUBLIC WORKS SHOP CONSTRUCTION

To account for receipt and disbursement of the proceeds from the issuance of Certificates of Indebtedness Series 1994A, designated for the Construction of a Public Works Shop.

HAZARD MITIGATION GRANT

To account for receipts and disbursements of a grant received from the State of Louisiana for removing repetitive loss structures from the flood plain.

PARKS & RECREATION - 1996 CERTIFICATES OF INDEBTEDNESS

To account for receipts and disbursements of the proceeds from the issuance of Certificates of Indebtedness, Series 1996, designated for Park and Recreation capital purchases and improvements.

City of Missoula, Montana
 CAPITAL PROJECTS FUNDS
 COMBINED STATEMENT OF REVENUES,
 EXPENDITURES, & CHANGES IN FUND BALANCE (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 1988
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1988

Account	Adopted 1987		Public Works Dept Construction	Record Retention Grant	Fuels & Rec. 1986 Certificate of Reciprocity	Totals	
	Fiscal Year	1988				1988	1989
Revenues:							
Intergovernmental Miscellaneous	\$ -	\$ 272	\$ -	\$ 23,837	\$ -	\$ 23,837	\$ 24,109
Total Revenues	-	272	2,883	23,837	3,253	31,484	78,288
Expenditures:							
Capital Outlay	-	-	-	-	-	-	-
Accidental Fees	-	42,200	-	-	-	42,200	48,408
Construction Work-Grants	-	919,387	-	23,837	23,854	962,178	904,423
Miscellaneous	-	-	-	-	9,818	9,818	19,658
Engineering	-	-	-	-	-	-	850
Consulting	-	-	-	-	-	-	1,418
Total Expenditures	-	961,587	-	23,837	33,643	1,014,077	880,308
Excess (Deficiency) of Revenues Over Expenditures	-	312	1,984,004	2,608	130,442	887,390	7,987,980
Other Financing Sources (Uses):							
Proceeds of Bond Sales	-	-	-	-	850,850	850,850	-
Operating transfers in	-	-	-	-	-	-	403,581
Operating transfers out	-	-	-	-	-	-	(8,923)
Total Other Financing Sources	-	-	-	-	850,850	850,850	434,658
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	-	312	1,984,004	2,608	481,292	1,738,240	8,422,638
Fund Balance (Deficit), October 1	1,266	(18,218)	943,355	53,338	-	986,741	801,281
Fund Balance (Deficit), September 30	\$ 1,578	\$ 16,346	\$ 945,190	\$ 56,946	\$ 481,292	\$ 1,600,852	\$ 1,235,939

See accompanying notes to combined financial statements.

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CITY OF RUSTON, LOUISIANA
 SPECIAL REVENUE FUND
 SECTION 8 EXISTING HOUSING
 STATEMENT OF REVENUES, EXPENDITURES, & CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1988

Exhibit B-2

	Budget	Actual	Variance Favorable (Unfavorable)
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Intergovernmental	\$520,000	\$522,200	\$2,200
Miscellaneous	-	1,720	1,720
Total Revenues	<u>520,000</u>	<u>524,010</u>	<u>4,010</u>
Expenditures:			
General Government	477,080	488,400	10,680
Total Expenditures	<u>477,080</u>	<u>488,400</u>	<u>10,680</u>
Excess of Revenues Over Expenditures	42,920	57,610	14,690
Fund Balance, October 1	<u>108,730</u>	<u>108,730</u>	-
Fund Balance, September 30	<u>\$151,650</u>	<u>\$168,340</u>	<u>\$14,690</u>

See accompanying notes to combined financial statements.

CITY OF HUNTON, LOUISIANA,
 ENTERPRISE FUNDS
 COMBINED BALANCE SHEET
 SEPTEMBER 30, 1999

WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1998

	Electric System	Water System
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$1,010,826	\$462,321
Accounts Receivable, Net	624,419	162,962
Accounts Receivable - Other		3,872
Unbilled Revenue	673,752	84,601
Due From Other Governmental Units		
Due From Other Funds	68,262	208,797
Prepaid Expenses	27,593	
Inventories, at Cost	488,134	128,621
	3,258,673	1,017,184
Restricted Assets:		
Cash and Cash Equivalents	2,941,774	376,262
Investments:		
U.S. Government and Agency Securities	974,884	-
	3,916,658	376,262
Fixed Assets:		
Property, Plant & Equipment	31,897,662	7,380,768
Construction in Progress	172,396	424,430
	32,070,058	7,805,198
Less Accumulated Depreciation	(20,848,991)	(3,383,490)
	11,221,067	4,421,708
Advances to Sewerage System		
	150,000	-
Total Assets	\$16,038,388	\$5,803,182

See accompanying notes to combined financial statements.

CITY OF RUSTON, LOUISIANA
 SPECIAL REVENUE FUND
 HEALTH AND SAFETY REHAB

Exhibit B-8

STATEMENT OF REVENUES, EXPENDITURES, & CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$ -	\$ -	\$ -
Miscellaneous	-	-	-
<u>Total Revenues</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
General Government	-	-	-
<u>Total Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	-	-	-
Fund Balance, October 1	55	55	-
Fund Balance, September 30	55	55	\$ -

See accompanying notes to combined financial statements.

CITY OF RUSTON, LOUISIANA
 ENTERPRISE FUNDS
 COMBINED BALANCE SHEET
 SEPTEMBER 30, 1992
 WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1991

	Electric System	Water System
LIABILITIES, CONTRIBUTED CAPITAL AND RETAINED EARNINGS		
Current Liabilities:		
Accounts Payable	\$1,022,033	\$23,778
Retention Payable	40,814	-
Due to Other Funds	568,023	1,567
Accrued Liabilities	118,412	25,333
Other	114,680	-
Total Current Liabilities	1,864,179	60,678
Liabilities Payable from Restricted Assets:		
Revenue Bonds	1,178,000	84,000
Certificate of Indebtedness	-	-
Accrued Interest & Coupons	187,277	37,101
Customer Deposits	584,384	-
Total Liabilities Payable from Restricted Assets	1,851,961	121,101
Long-term Liabilities:		
Certificate of Indebtedness	-	-
Compensated Absences	199,815	17,319
Bonds Payable	665,000	855,000
Advances from Electric System	-	-
Total Long-term Liabilities	774,815	872,319
Total Liabilities	4,570,954	1,956,428
Contributed Capital and Retained Earnings:		
Contributed Capital	325,128	748,328
Retained Earnings:		
Reserved for Debt Service	2,540,381	106,161
Unreserved	11,842,968	3,813,233
Total Retained Earnings	13,942,968	3,919,394
Total Contributed Capital and Retained Earnings	13,967,914	4,748,722
Total Liabilities, Contributed Capital and Retained Earnings	\$10,538,868	\$6,803,150

See accompanying notes to combined financial statements.

Sewerage System	Ruston Airport Authority	Ambulance	Totals	
			1995	1995
\$14,805	\$119	\$1,188	\$1,101,895	\$278,082
-	-	-	40,814	128,813
195,812	18,894	78,273	829,588	768,881
28,280	-	-	173,235	128,385
1,815	-	-	118,905	184,134
<u>210,522</u>	<u>19,013</u>	<u>78,432</u>	<u>2,252,234</u>	<u>2,152,385</u>
180,000	-	-	1,425,000	1,265,000
125,000	-	-	125,000	115,000
97,840	-	-	332,224	344,448
-	-	-	554,284	574,052
<u>402,840</u>	<u>-</u>	<u>-</u>	<u>2,420,900</u>	<u>2,298,498</u>
385,000	-	-	385,000	418,000
22,871	-	-	149,005	152,348
4,117,838	-	-	8,837,538	8,877,389
150,000	-	-	150,000	358,000
<u>4,574,607</u>	<u>-</u>	<u>-</u>	<u>9,321,543</u>	<u>7,798,651</u>
<u>5,187,976</u>	<u>18,023</u>	<u>78,432</u>	<u>10,813,383</u>	<u>12,360,484</u>
<u>3,682,841</u>	<u>4,086,485</u>	<u>87,065</u>	<u>10,811,889</u>	<u>10,348,458</u>
658,789	-	-	3,344,331	2,704,660
2,881,828	738,632	421,372	18,654,588	17,768,382
<u>3,200,514</u>	<u>738,632</u>	<u>421,372</u>	<u>21,998,697</u>	<u>20,471,075</u>
8,881,258	4,828,237	938,427	32,218,488	30,817,530
<u>\$14,048,238</u>	<u>\$4,842,320</u>	<u>\$587,859</u>	<u>\$43,820,830</u>	<u>\$43,187,994</u>

CITY OF RUSTON, LOUISIANA
 ENTERPRISE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES, &
 CHANGES IN RETAINED EARNINGS
 FOR THE YEAR ENDED SEPTEMBER 30, 1995
 WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1994

	Electric System	Water System
Operating Revenues:		
Charges for Services	\$13,117,866	\$1,285,033
Rent Income	11,882	-
Miscellaneous	406,829	63,402
Total Operating Revenues	13,536,577	1,329,336
Operating Expenses:		
Direct Expenses	10,877,521	876,888
Indirect Expenses	1,297,423	172,894
Total Operating Expenses	11,974,944	1,049,499
Operating Income (Loss)	1,561,633	289,799
Nonoperating Revenues (Expenses):		
Interest Income	226,231	18,778
Sale of Hay	-	-
Sale of Equipment	-	-
Sale of Land	-	-
Interest Expense & Fiscal Charges	(94,553)	(74,202)
Net Nonoperating Revenues (Expenses)	131,678	(54,426)
Net Income (Loss) Before Operating Transfers	1,693,304	235,340
Operating Transfers In	-	-
Operating Transfers Out	(1,056,285)	(18,738)
Net Income (Loss)	637,219	207,614
Depreciation of Fixed Assets Acquired With Capital Contributions	-	11,830
Retained Earnings, October 1	13,005,466	3,778,950
Retained Earnings, September 30	\$13,642,685	\$3,986,394

See accompanying notes to combined financial statements.

Sewerage System	Ruston Airport Authority	Ambulance	Totals	
			1999	2000
\$1,964,282	\$11,420	\$839,082	\$16,898,492	\$14,912,217
-	1,032	-	13,014	58,070
-	266	-	479,588	331,104
<u>1,964,282</u>	<u>13,318</u>	<u>839,082</u>	<u>17,382,094</u>	<u>15,201,391</u>
1,161,949	295,428	617,962	13,528,515	11,072,211
288,241	-	-	1,756,465	1,944,641
<u>1,448,190</u>	<u>295,428</u>	<u>617,962</u>	<u>15,284,980</u>	<u>13,016,852</u>
516,082	(282,110)	21,130	2,097,704	2,244,539
62,818	2,350	487	301,762	291,518
3,216	-	-	3,218	815
-	-	512	512	547
(220,674)	148,720	-	148,720	136,669
(104,438)	151,070	999	(399,269)	(377,748)
<u>381,654</u>	<u>(131,040)</u>	<u>52,129</u>	<u>84,883</u>	<u>60,610</u>
-	-	-	2,182,587	2,295,149
-	-	-	-	384,422
-	-	-	(1,675,011)	(1,487,472)
<u>381,654</u>	<u>(131,040)</u>	<u>22,129</u>	<u>1,687,576</u>	<u>1,172,699</u>
203,668	224,748	-	440,246	264,993
2,046,292	643,124	399,243	20,471,075	19,034,283
<u>\$3,299,614</u>	<u>\$736,832</u>	<u>\$421,372</u>	<u>\$21,395,897</u>	<u>\$20,471,075</u>

CITY OF FLUJION, ILLINOIS
ENTERPRISE FUNDS
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 1998
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1997

	Electric System	Water System
Cash Flows From Operating Activities:		
Operating Income (Loss)	\$1,887,828	\$280,760
Gifts in Kind	-	-
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities:		
Depreciation	982,458	229,284
Increase (Decrease) in Operating Assets:		
Accounts Receivables	(128,828)	-47,284
Due from Other Governmental Units	-	-
Inventories	(42,500)	(58,888)
Due From Other Funds	158,748	(181,808)
Other Assets	(82,447)	-
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	352,743	322
Accrued Liabilities	82,888	25,222
Customer Deposits	(5,888)	-
Due to Other Funds	(84,881)	(21,888)
Compensated Absences	(181,537)	(12,718)
Advances to Electric System	280,888	-
Net Cash Provided (Used) by Operating Activities	2,215,880	337,822
Cash Flows From Municipal and Related Financing Activities:		
Operating Transfers In	-	-
Operating Transfers Out	(1,288,288)	(18,728)
Net Cash Flows From Municipal and Related Financing Activities	(1,288,288)	(18,728)
Cash Flows From Capital and Related Financing Activities:		
Purchase of Capital Assets	(828,288)	(848,122)
Proceeds from Issuance of Debt	-	-
Refinance Payable	148,781	-
Principal Paid on Bond Maturities	(1,148,888)	(38,888)
Interest Paid on Bonds	(102,177)	(78,888)
Proceeds on Disposal of Property	-	-
Capital Grants	248,782	288,881
Net Cash Flows From Capital and Related Financing Activities	(1,668,888)	(284,718)
Cash Flows From Investing Activities:		
Interest Received	228,221	68,778
Investment Purchases	-	-
Investment Sales / Maturities	547,887	-
Net Cash Flows From Investing Activities:	774,108	68,778
Net Increase (Decrease) in Cash and Cash Equivalents	568,884	41,222
Cash and Cash Equivalents, October 1	2,288,248	728,278
Cash and Cash Equivalents, September 30	2,852,332	778,500

See accompanying notes to combined financial statements.

SUPPLEMENTARY INFORMATION SECTION

**CITY OF KINSTON, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 1996**

NOTE 9 - RISK MANAGEMENT (Cont.)

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, 1996, a total of \$1,227,287 was paid in benefits and administrative costs. The insurance fund has a deficit of \$197,352 at September 30, 1996. An excess coverage co-insurance policy covers individual claims in excess of \$50,000 per calendar year. Incurred but not reported claims of \$182,717 have been accrued as a liability based upon information provided by the claims administrators. Interfund payments are based on total operating expenses minus employee contributions and payments by retired employees. Payments to the agency fund are accounted for as an expenditure of the paying fund.

A reconciliation of changes in the aggregate liabilities for self-insured claims are as follows:

	Balance October 1	Additions	Deductions	Balance September 30
1995	\$143,392	\$29,768	\$ _____	\$173,160
1996	\$173,160	\$85,161	\$90,969	\$167,352

NOTE 10 - CONSTRUCTION & OTHER SIGNIFICANT COMMITMENTS

As of September 30, 1996, the City had the following commitments with respect to major unfinished projects:

Capital Project	Remaining Construction Commitment
Water Construction	\$ 28,865
Total	\$ 28,865

ENTERPRISE FUNDS

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

ELECTRIC SYSTEM FUND

This fund accounts for the operations of the Electric System.

WATER SYSTEM FUND

This fund accounts for the operations of the Waterworks System.

SEWERAGE SYSTEM FUND

This fund accounts for the operations of the Sewerage System.

RUSTON AIRPORT AUTHORITY

This fund accounts for the operations of the Ruston Municipal Airport.

AMBULANCE FUND

This fund accounts for the operations of the Ruston-Lincoln Ambulance Service.

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

The Honorable Members of the Board of Aldermen and
Honorable Hilda Taylor Ferris, Mayor
City of Ruston, Louisiana

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Ruston, Louisiana (the "City") as of and for the year ended September 30, 1996, and have issued our report thereon dated January 21, 1997.

We have applied procedures to test for the City's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the schedule of federal financial assistance for the year ended September 30, 1996:

- Political activity
- Davis-Bacon Act
- Civil rights
- Cash management
- Relocation assistance and real property acquisition
- Federal financial reports
- Drug free workplace
- Allowable cost/cost principles
- Administrative requirements

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

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

CITY OF BOSTON, LOUISIANA

Notes to Schedule of Federal Financial Assistance

September 30, 1996

(1) **General**

The accompanying schedule of federal financial assistance presents the activity of all federal financial assistance programs of the City of Boston, Louisiana, for the year ended September 30, 1996. The City of Boston, Louisiana (the "City") reporting entity is defined in note 1(A) to the City's general purpose financial statements. Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included in the schedule.

(2) **Basis of Accounting**

The accompanying schedule of federal financial assistance is presented using the modified accrual basis of accounting, which is described in note 1(C) to the City's general purpose financial statements.

(3) **Relationship to General Purpose Financial Statements**

Federal financial assistance revenues are reported in the City's general purpose financial statements as follows:

	Intergovernmental Revenues	Other Operating Subsidies	Loans	Total
General Fund	\$ —	—	—	—
Special Revenue Funds:				
L.A.R.T. Grant Program	45,000	—	—	45,000
Disseminated Arts Grant	6,315	—	—	6,315
Health & Safety Relief	—	—	—	—
Section 8 Housing: Housing	522,198	55,898	—	578,096
Section 8 Moderate Housing	94,818	4,418	—	99,236
Section 8 Voucher Housing	183,743	58,349	—	242,092
Capital Projects Funds:				
Hazard Mitigation Grant	23,607	—	—	23,607
Enterprise Fund:				
Sewerage System	—	—	183,234	183,234
Boston Airport Authority	—	—	143,283	143,283
	\$ 865,664	1,102,755	326,517	1,294,936

Certain amounts in the above tables do not agree to the general purpose financial statements due to state and local revenues that are also included in the general purpose financial statements.

(4) **Relationship to Federal Financial Reports**

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

KPMG Peat Marwick LLP

1000 Convention National Tower
800 Texas Street
Newport, LA 70001-0000

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

The Honorable Members of the Board of Aldermen and
Honorable Hilda Taylor Paris, Mayor
City of Ruston, Louisiana

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Ruston, Louisiana, as of and for the year ended September 30, 1996, and have issued our report thereon dated January 21, 1997.

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

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

In planning and performing our audit of the financial statements of the City of Ruston, Louisiana, for the year ended September 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities 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 the internal control structure and its operations that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City of Ruston, Louisiana, in a separate letter dated January 21, 1997.

This report is intended for the information of the Mayor and Board of Aldermen, management, State of Louisiana Legislative Auditor, the cognizant agency, and other federal agencies. However, this report is a matter of public record and its distribution is not limited.

R. R. 10/6, Ruston, Louisiana

January 21, 1997

**INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL
STRUCTURE UNDER ADMINISTERING FEDERAL FINANCIAL
ASSISTANCE PROGRAMS**

The Honorable Members of the Board of Aldermen and
Honorable Hilda Taylor Farris, Mayor
City of Ruston, Louisiana

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Ruston, Louisiana (the "City") as of and for the year ended September 30, 1996, and have issued our report thereon dated January 21, 1997. We have also audited the compliance of the City with requirements applicable to major federal financial assistance programs and have issued our report thereon dated January 21, 1997.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements and about whether the City complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended September 30, 1996, we considered the internal control structure of the City in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements of the City and on the compliance of the City with requirements applicable to major programs, and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the financial statements in a separate report dated January 21, 1997.

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

future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

Accounting Controls

- Revenue/Receipts
- Purchases/Disbursements
- Payroll

Administrative Controls

General Requirements

- Political activity
- Davis Bacon Act
- Civil rights
- Cash management
- Relocation assistance and real property acquisition
- Federal financial reports
- Drug free workplace
- Allowable costs/cost principles
- Administrative requirements

Specific Requirements

- Eligibility
- Reporting

Claims for advances and reimbursements

Amounts claimed or used for matching

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

During the year ended September 30, 1996, the City expended 64 percent of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements, and amounts

claimed or used for matching that are applicable to each of the City's major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance. Our procedures were not in scope that would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

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

However, we noted certain other matters involving the internal control structure and its operations that we have reported to management of the City in a separate letter dated January 21, 1997.

This report is intended for the information of the Mayor and Board of Aldermen, management, and State of Louisiana Legislative Auditor, the cognizant agency, and other federal agencies. However, this report is a matter of public record and its distribution is not limited.

KPMG Peat Marwick LLP

January 21, 1997

CITY OF RUSTON, LOUISIANA
 SPECIAL REVENUE FUND
 SECTION 8 MODERNHOUS HOUSING
 STATEMENT OF REVENUES, EXPENDITURES, & CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1999

Exhibit B-10

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$81,000	\$84,810	\$3,810
Miscellaneous	-	345	345
Total Revenues	81,000	85,055	4,055
Expenditures:			
General Government	87,000	88,324	6,678
Total Expenditures	87,000	88,324	6,678
Excess (Deficiency) of Revenues Over Expenditures	(6,000)	4,731	10,731
Fund Balance, October 1	12,440	12,440	-
Fund Balance, September 30	\$6,440	\$17,171	\$10,731

See accompanying notes to combined financial statements.

This report is intended for the information of the Mayor and Board of Aldermen, management, State of Louisiana Legislative Auditor, the cognizant agency, and other Federal agencies. However, this report is a matter of public record and its distribution is not limited.

RP/ML/ Paul Marwick, L.L.P.

January 21, 1997

KPMG Peat Marwick LLP

3000 Commerce/Baton Rouge Tower
333 Texas Street
Baton Rouge, LA 70801-3000

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The Honorable Members of the Board of Aldermen and
Honorable Hilda Taylor Perain, Mayor
City of Ruston, Louisiana

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Ruston, Louisiana, as of and for the year ended September 30, 1996, and have issued our report thereon dated January 21, 1997. These financial statements are the responsibility of the City of Ruston, Louisiana's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and 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 provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements and for combining, individual fund, and account group financial statements and schedules of the City of Ruston, Louisiana, taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose, combining, individual fund, and account group financial statements and schedules and, in our opinion, is fairly presented in all material respects in relation to the general purpose, combining, individual fund, and account group financial statements and schedules taken as a whole.

KPMG Peat Marwick LLP

January 21, 1997

This report is intended for the information of the Mayor and Board of Aldermen, management, State of Louisiana Legislative Action, the cognizant agency, and other federal agencies. However, this report is a matter of public record and its distribution is not limited.

H. H. H. Kent Associates, LLP

January 21, 1997

2000 Commercial/Pediment Tower
200 Texas Street
Greensport, LA 70057-2002

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

The Honorable Members of the Board of Aldermen and
Honorable Heidi Taylor Parritt, Mayor
City of Ruston, Louisiana

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Ruston, Louisiana (the "City") as of and for the year ended September 30, 1996, and have issued our report thereon dated January 21, 1997.

We have also audited the City's compliance with the requirements governing eligibility; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance for the year ended September 30, 1996. The management of the City is responsible for the City's compliance with these requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with these requirements in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. These standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City's compliance with these requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed an immaterial instance of noncompliance with the requirements referred to above, which are described in the accompanying schedule of findings and questioned costs. We considered the instance of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, the City complied, in all material respects, with the requirements governing eligibility; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended September 30, 1996.

This report is intended for the information of the Mayor and Board of Aldermen, management, State of Louisiana Legislative Auditors, the cognizant agency, and other federal agencies. However, this report in a manner of public record and its distribution is not limited.

K.P. Olin & Associates LLP

January 21, 1997

CITY OF RUSTON, LOUISIANA

Schedule of Findings and Questioned Costs
(Single Audit)

Year ended September 30, 1998

Program	Findings	Questioned Costs
Section 8 Housing	<p>1. During our review of ten Section 8 Housing tenant files, we noted that the contract rent plus the utility allowance exceeded the Fair Market Rent for one of the units tested. However, proper support documentation approving the higher rent could not be located in the tenant file.</p>	—
	<p>Recommendation</p>	
	<p>We recommend that the City implement controls to review the tenant files for completeness once the Section 8 contract is finalized. This will ensure that all required documentation is properly filed and the City is in compliance with guidelines established by the United States Department of Housing and Urban Development.</p>	
	<p>Management's Response:</p>	
	<p>The tenant files are currently reviewed for completeness. However, additional controls will be implemented to review tenant files more closely for completeness.</p>	

CITY OF BURTON, LOUISIANA

Follow-up on Prior Year Findings
(Single Audit)

Year ended September 30, 1995

Program	Finding	Questioned Costs
Section 8 Housing	1. A final inspection report had not been performed for one tenant out of the twenty tested as required by HUD provisions. Management's Response: A system is now in place to ensure that final inspection reports are completed. Follow-up: During our testwork of ten tenant files for the current year's audit, we noted that a final inspection had been performed for all of the tenants tested and the proper inspection reports were filed. We also examined the final inspection report for the tenant (Jeffrey Cousart) which was not prepared during the prior year.	---

**RUSTON PARKS & RECREATION BOARD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 1998**

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Property Tax-Recreation	\$140,000	\$148,846	\$8,846
Penalties & Interest	350	-	(350)
Total Taxes	140,350	148,846	8,496
Miscellaneous:			
Program Charges	99,000	70,137	(19,863)
Concessions	10,000	827	(9,173)
Interest	2,000	1,350	(650)
Rentals	5,000	888	(4,100)
Other	2,224	-	(2,224)
Total Miscellaneous	109,224	73,208	(36,016)
Total Revenues	249,574	222,055	(27,519)
Expenditures:			
Salaries - Regular	212,609	200,835	11,774
Salaries - Overtime	91	-	91
Employee Benefits - Pension	11,308	10,840	468
Employee Benefits - FICA Tax	4,704	3,958	1,146
Employee Benefits - Insurance	20,517	20,517	-
Workmen's Compensation	3,600	3,600	-
Office Supplies/Printing	5,050	4,823	427
Supplies	11,750	11,600	150
Maintenance of Bldgs & Grnds	5,000	3,000	2,000
Repairs & Maintenance - Parks	1,500	266	1,234
Repairs & Maintenance - Softswll	1,500	1,241	259
Maintenance of Equipment	4,225	2,995	1,230
Utilities	12,600	23,062	(10,462)
Heating	6,100	6,237	(1,137)
Telephone	6,800	6,299	-

See accompanying notes to combined financial statements.

CITY OF RUSTON, LOUISIANA
 RUSTON PARKS & RECREATION BOARD
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
Expenditures (Continued):			
Auto Allowances	15,500	15,438	62
Auto & Truck Repair	1,000	1,447	(447)
Gasoline, Oil & Diesel	2,000	1,705	295
Traavel	1,188	1,165	23
Audit Fees	3,080	3,080	-
Legal Services	800	820	(200)
Concession Supplies	8,377	7,451	926
Dues & Subscriptions	780	588	192
Insurance	13,251	12,360	891
Recreation Program Expenses	70,888	73,914	(3,026)
Medical Supplies & Services	787	554	233
Miscellaneous	1,000	555	445
Postage	728	572	156
Capital Outlay	-	2,423	(2,423)
Total Expenditures	428,938	428,820	118
Deficiency of Revenues Over Expenditures	(179,378)	(204,585)	(25,207)
Other Financing Sources: Operating Transfers In	177,554	199,422	21,868
Total Other Financing Sources	177,554	199,422	21,868
Deficiency of Revenues and Other Financing Sources Over Expenditures	(1,812)	(5,163)	(3,351)
Fund Balance, October 1	17,289	17,288	1
Fund Balance, September 30	\$15,469	\$12,125	(\$3,331)

See accompanying notes to combined financial statements.

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Shreveport, LA 70501-3888

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

The Honorable Members of the Board of Aldermen and
Honorable Heidi Taylor Perreé, Mayor
City of Bossier, Louisiana

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Bossier, Louisiana (the "City") as of and for the year ended September 30, 1996, and have issued our report thereon dated January 21, 1997.

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

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

The results of our tests disclosed the following instances of noncompliance that are required to be reported herein under Government Auditing Standards for which the ultimate resolution cannot presently be determined. Accordingly, no provision for any liability that may result has been recognized in the City of Bossier, Louisiana's September 30, 1996 financial statements.

The City did not approve their 1996 and 1997 fiscal year budgets by the legally required date (R.S. 79:1307).

Bank deposits of the City totaling \$236,023 were not collateralized by pledged securities as of September 30, 1996 (R.S. 79:1215).

The City Fire Chief has been charged with "unauthorized use of a reasonable" for allegedly using \$2,960 of City funds for personal use (R.S. 14:66).

CITY OF HUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Con't)

permitted to use sick leave toward retirement up to a maximum of six months, if they have sufficient time to qualify for retirement. Only unpaid 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.

R. MEMORANDUM ONLY - TOTAL COLUMNS

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate additional analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in aggregation of this data.

S. GRANTS FROM OTHER GOVERNMENTAL AGENCIES

Federal and state governmental agencies represent an important source of supplemental funding to finance rent assistance, cooperative programs and other activities beneficial to the community. These funds, primarily in the form of grants, are recorded in the General, Special Revenue, and Capital Project 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 fund may be used and are subject to audit by the granting agency or its representative.

T. CLAIMS AND JUDGEMENTS

Claims and judgments are recorded as expenditures in the appropriate interest service fund. GASB Statement 10 is followed in accruing the liabilities. An expense is accrued when information is available that it is probable a liability has been incurred, and the amount is reasonably estimable.

U. CAPITAL LEASES

Capital leases are recorded in governmental funds as expenditures and other financing sources at inception at an amount equal to the present value of minimum lease payments. The asset is recorded in the General Fixed Assets Account Group and the related debt in the General Long-Term Debt Account Group. In proprietary funds, capital leases are recorded as assets and liabilities at inception within the funds at an amount equal to the present value of minimum lease payments.

**CITY OF RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996**

NOTE 8 - PENSION COSTS (Cont'd)

Firefighters' Retirement System (Cont'd)

Covered employees are required by State statute to contribute 8% of compensation to the Plan. As a result of Act No. 81 of the 1988 Louisiana Legislature, beginning July 1, 1989, the employer rate has been determined by the System's actuary. This rate will vary from year to year in order to maintain the system on an actuarially sound basis. The contributions requirement for the year ended September 30, 1996, was \$183,950 which consisted of \$81,250 from the employees and \$102,700 from the City.

The System's total actuarially required contribution from all sources (deducted taxes, employees, and employers) for the year ended June 30, 1996, was \$11,894,883. The total payroll of all covered employees of the System for the year ended June 30, 1996, was \$68,320,163. The total actuarially required contribution for the year ended June 30, 1996, was 17.28 percent of the total payroll of all covered members.

The System does not make separate measurements of assets and pension benefit obligation for individual employers. The pension benefit obligation at June 30, 1996, the date of the latest actuarial report, for the system as a whole, was \$435,872,391. The system's net assets available for benefits on that date were \$413,533,126, leaving an unfunded pension benefit obligation of \$21,337,265.

Basic valuation assumptions are the same as those utilized for the prior year with one exception. For this valuation, the method used to calculate costs is the Entry Age Normal - Cost Method with the unfunded accrued liability as of June 30, 1988, amortized over 30 years. Experience gains and losses are amortized over 15 years. Contribution gains or losses arising from contributions in excess of or less than the required contribution are also amortized over 15 years. For this valuation, all actuarial assumptions were the same as those utilized for the previous valuation. A change was made in the method of valuing assets for funding purposes; common stocks were valued at market value. In prior valuations, a three year moving market average was utilized. This change had no material effect on required funding.

Ten-year historical trend information is available in the separately issued retirement system reports issued by the administrators of the Firefighters' Retirement System. The trend information provides information about progress made in accumulating sufficient assets to pay benefits when due.

Municipal Police Employees Retirement System

Police personnel are covered under the Municipal Police Employees Retirement System, a cost-sharing multiple-employer public employees retirement system. As of September 30, 1996, there were 48 active employees of the City participating in this system, and 19 retired employees and beneficiaries receiving benefits. The payroll for City employees covered by the retirement

CITY OF RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

City Court	City Marshal
P.O. Box 1821	P. O. Box 1582
Ruston, Louisiana 71273-1821	Ruston, LA 71273-1582

OTHER RELATED ORGANIZATIONS

Housing Authority

The Authority was created by state statute 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 resolve or modify the decisions of the commissioners. The Authority is legally independent and there is no financial benefit or burden relationship 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 which 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 in 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 addresses:

Ruston Housing Authority
1615 North Farmerville
Ruston, Louisiana 71273

Lincoln Parish Sales and Use Tax Commission
P.O. Box 583
Ruston, Louisiana 71273-0883

B. BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the City of Ruston are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The City utilizes several types of funds and a number of discrete funds within each fund type.

CITY OF RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1986

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances/retained earnings, revenues, and expenditures/expenses. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions.

The following funds and account groups are utilized by the City:

(1) Governmental Fund Types

These are the funds through which most governmental functions typically are financed. The funds included in this category are as follows:

a. General Fund

The General Fund is established to account for resources devoted to financing the general services that the City performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the City are included in this fund. The fund accounts for all activities of the government for which a separate fund has not been established.

b. Special Revenue Funds

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

c. Capital Project Funds

Capital Project Funds are used to account for the proceeds of Grants, Bond Issues, and other funding sources used in the construction or acquisition of capital assets other than those financed by proprietary funds and trust funds.

d. Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for the payment of interest and principal on long-term general obligation debt other than those payable from proprietary funds.

CITY OF HUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 1. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(2) Proprietary Fund Types

These funds account for operations that are organized to be self-supporting through user charges. All proprietary funds are accounted for on a capital maintenance focus; that is the measurement focus is on determination of net income. Included in this category are the Enterprise Funds and Internal Service Funds.

a. Enterprise Funds

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

b. Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis.

(3) Fiduciary Fund Types

These funds account for assets held by the City as a trustee or agent for other units of government, individuals or private organizations. These funds are as follows:

Agency Fund

The Agency Fund is used to account for assets held by the government as an agent for individuals, private organizations, other governments, and/or other funds. The Agency Fund is custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

(4) Account Groups

a. General Fixed Assets Account Group

General Fixed Assets Account Group accounts for all general fixed assets of the City except those accounted for in proprietary funds.

CITY OF BOSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

b. General Long-Term Debt Account Group

General Long-Term Debt Account Group accounts for the outstanding principal balances of general obligation bonds, other long-term obligations and compensated absences not reported in the proprietary funds.

c. BASIS OF ACCOUNTING

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

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Their fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

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

The modified accrual basis of accounting is followed by all governmental funds (General Fund, Special Revenue Funds, Debt Service Funds, Agency Funds, and Capital Projects Funds). Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Licenses and permits, charges for services, fines and forfeits, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Federal and State grants, general property taxes, self-assessed taxes, and investment earnings are recorded when earned (when they are measurable and available). Revenues which are susceptible to accrual are property taxes and interest. Property taxes are considered measurable in the calendar year of the tax levy. Interest on investments is recorded as revenue in the year the interest is earned and is available to pay liabilities of the current period.

CITY OF HUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 1. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Expenditures are recognized in the accounting period in which the fund liability is incurred, if reasonable, except expenditures for debt service, and other long-term obligations which are recognized when paid.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Interest on revenue bonds, proceeds of which are used in financing the construction of certain assets, is capitalized during the construction period net of interest on the investment of unexpended bond proceeds. The City applies all applicable Governmental Accounting Standards Board (GASB) pronouncements to its proprietary funds, as well as all other authoritative pronouncements issued prior to November 30, 1988, unless these pronouncements conflict or contradict GASB.

The City reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue recognized.

D. BUDGETARY DATA

Formal budgetary accounting is employed as a management control tool for the City. The Treasurer's Office compiles for the Mayor estimates of revenues and requests for appropriations of the annual budget. Before September 30, the Mayor's budget is submitted to the Council for possible revision and adoption. The Council conducts public hearings on the budget, which must be adopted by September 30 to 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.

Budgets of the General Fund and certain Special Revenue Funds are prepared on the modified accrual basis of accounting, which is consistent with the method of accounting for such funds. Budgetary control is exercised at the departmental level, with the exception of salaries, regular and overtime, which are at the line item level, or by projects. A comparison of budget versus actual at the legal level of control is presented for the General Fund in Schedule 1 of the Supplementary Information section of the report. A comparison of budget versus actual at the legal level of control for the Special Revenue - Ration Parks and Recreation Board is presented in Exhibit B6. The General Fund and Ration Parks and Recreation Board are the only funds for

**CITY OF BUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

which the legal level of control is at a lower level than presented in the exhibits which are reported on a functional level. Appropriations lapse at year end.

Formal budgetary integration is used for management control in the accounting records during the year for the General and certain Special Revenue Funds (Sales Tax Funds, Ramps Parks and Recreation Board, State Revenue Sharing, Health and Safety Rehab, and Section 8 Housing Funds). Formal budgetary integration is not used for Debt Service Funds since authorization for payment of principal and interest on general long-term debt is provided through the bond indentures, and expenditures for these purposes can be exactly determined. The Capital Project Funds do not have annual budgets, as they are accounted for on a project basis. Annual budgets are also adopted for all Enterprise Funds, but are not presented in the financial statements since they are not required information.

E. CASH AND CASH EQUIVALENTS

The City pools cash resources of its various funds in order to facilitate the processing of accounts payable. Cash applicable to a particular fund is readily identifiable. Cash in the individual funds in excess of current requirements is invested in interest bearing securities and disclosed as part of the City's investments. For the purposes of the Statement of Cash Flows, cash equivalents for each fund are considered to be highly liquid investments with maturities of three months or less. Cash and cash equivalents included restricted and unrestricted cash accounts.

F. UNBILLED ACCOUNTS RECEIVABLE

Estimated unbilled revenues from the General, Electric, Water, and Sewer Funds are recognized at the end of each fiscal year on a pro rata basis. The estimated amount is based on billings during the month following the close of the fiscal year.

G. INVESTMENTS

Investments are stated at cost or amortized cost except for investments in the agency fund (Deferred Compensation Fund), which is reported at market value. Interest is accrued as earned. Louisiana statutes permit the City to invest in United States bonds, treasury notes, certificates, obligations of the U.S. Government and agencies of the U.S. Government which are federally insured, certificates of deposit of state banks having their principal office in the State of Louisiana, and in mutual or trust fund investments which are registered and which have underlying investments limited to securities of the U.S. Government or its agencies. During the year ended September 30, 1994, the City invested in certificates of deposit, U.S. Government and U.S. Government agency securities, collateralized mortgage obligations and mortgaged bank securities. As of September 30, 1994, the City did not have investments in collateralized mortgage

CITY OF BOSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

obligation and mortgaged back securities. The funds of the Deferred Compensation Fund are invested in a life insurance contract.

II. INTERFUND RECEIVABLE AND PAYABLE

Interfund transactions are transactions between the different funds.

(1) Due To and Due From Other Funds

Interfund receivables and payables arising from interfund transactions expected to be repaid in the next accounting cycle are recorded by all funds affected in the period in which transactions are executed. Interfund Receivables and Payables have not been eliminated.

(2) Advances To and Advances From Other Funds

Interfund receivables and payables that are not expected to be repaid during the next accounting cycle.

I. INVENTORIES

Inventories for all governmental funds are valued at cost using the first in, first out (FIFO) method. Reported inventories in these funds are equally offset by a fund balance reserve, which indicates they are unavailable for appropriation even though they are a component of net current assets. Inventories of proprietary funds are valued at the lower of cost (FIFO) or market. Inventories are accounted for as assets when purchased and recorded as expenditures or expenses as consumed (consumption method).

J. PREPAID EXPENSES

Payments made to vendors for services that will benefit periods beyond September 30, 1996, are recorded as prepaid expenses.

K. RESTRICTED ASSETS

Enterprise Funds, based on certain bond covenants, are required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt. Additionally, amounts received from utility customers as deposits are carried as restricted assets.

**CITY OF RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

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

The City of Ruston, Louisiana, was incorporated in 1898, 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 public safety, fire protection, public works, recreation and parks, utility services, and general administrative services. In addition, the City exercises sufficient control over other governmental agencies and authorities that they are included as part of the City's reporting entity.

The basic criteria for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity for general purpose 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/hurden relationship. In addition, an organization which is fiscally 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

Park and Recreation Board

The Ruston Parks and Recreation Board is responsible for providing recreation facilities and programs to the citizens of Ruston. 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 on 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.

CITY OF HUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Reservations of fund balances of governmental funds are created to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures. 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/retained earnings for debt service. These reservations are established to satisfy restrictions imposed by various bond agreements. The unreserved portion of fund balance designated for subsequent years' expenditures indicates the balance has been legally authorized to make up the following year's budget.

G. INTERFUND TRANSACTIONS

Quad-annual transactions, such as the transfers to the internal service funds, are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as operating transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers.

F. PROPERTY TAX REVENUES

Property taxes levied are based on the assessed value of property as listed on the previous December 31. Assessed values are an approximation of market value. A revaluation of all real property must be made every four years. The last revaluation date was January 1, 1996.

Property taxes are recognized as revenue when they are collected. Taxes are either collected or adjudicated each year by September 30. Therefore, there are generally no unpaid property taxes at year end.

G. VACATION, SICK LEAVE, AND OTHER COMPENSATED ABSENCES

City employees are entitled to certain compensated absences based on their length of employment. Compensated absences for vacation pay does vest and accumulate. The maximum vacation hours that can be accumulated or earned shall not exceed that for a two year period (four weeks, six weeks, or eight weeks - depending on the employee's years of employment). Employees are

CITY OF RUSTON, LOUISIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - COMPONENT UNITS
 ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED

Exhibit - 7

GOVERNMENTAL FUND TYPES

	City Court of Ruston 8-30-98	Ruston City Marshalls Office 9-30-98	Geographic Information System 12-31-98	Totals (Memorandum Only)
Revenues:				
Charges for Services	\$111,880	\$151,776	\$159,448	\$383,200
Intergovernmental Revenue	28,000	-	-	28,000
Miscellaneous	114,661	3,780	39,656	148,103
	<u>254,541</u>	<u>155,556</u>	<u>149,103</u>	<u>559,200</u>
Expenditures - Current:				
General Government	\$41,918	\$55,183	\$38,210	\$135,411
	<u>41,918</u>	<u>55,183</u>	<u>38,210</u>	<u>135,411</u>
Excess (Deficiency) of Revenues Over Expenditures:	<u>12,731</u>	<u>603</u>	<u>12,782</u>	<u>24,901</u>
Other Financing Sources:				
Sale of Fixed Assets	-	7,876	-	7,876
Total Other Financing Sources:	<u>-</u>	<u>7,876</u>	<u>-</u>	<u>7,876</u>
Excess Of Revenues & Other Financing Sources Over Expenditures	<u>12,731</u>	<u>7,089</u>	<u>12,782</u>	<u>32,679</u>
Fund Balances at Beginning of Year	41,000	39,077	-	80,077
Fund Balances at End of Year	<u>\$54,001</u>	<u>\$46,166</u>	<u>\$12,782</u>	<u>\$112,949</u>

See accompanying notes to financial statements.

CITY OF HUNTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1998

NOTE 1. STEWARDSHIP COMPLIANCE & ACCOUNTABILITY

A. FINANCE RELATED LEGAL AND CONTRACTUAL PROVISIONS

There are a number of limitations and restrictions contained in the various bond indentures. No material violations of finance-related legal and contractual provisions occurred during the year.

B. DEFICIT FUND BALANCE OF INDIVIDUAL FUNDS

At September 30, 1998, the Fire Station Construction Capital Project Fund had a deficit of \$16,248. This fund deficit is expected to be removed by subsequent year's transfers. The Control Shop Construction Capital Project Fund had a deficit of \$10,136. This fund deficit is expected to be removed by subsequent year's transfers. The General Insurance Agency Fund had a deficit at year end of \$197,392. This deficit will be funded by fees charged in subsequent years. The Purchasing Warehouse Fund also had a deficit at year end of \$2,690. This deficit will be funded by transfers in subsequent years.

C. EXPENDITURES IN EXCESS OF APPROPRIATIONS

Salaries in the Probation Department exceeded budget by \$1,876.

NOTE 2. CASH AND INVESTMENTS

A. Deposits

All deposits of the City are held by area financial institutions. At September 30, 1998, the carrying amount of the City's deposits was \$11,447,600 and the bank balance was \$11,974,072. This difference is due to outstanding checks and deposits in transit at September 30, 1998. The City's deposits at year end are categorized below to give an indication of the level of risk assumed by the City at year end. Category 1 includes deposits that are insured or collateralized with securities held by the entity or by its agent in the entity's name. Category 2 includes deposits collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name. Category 3 deposits are uncollateralized.

	9-30-98 Bank Balance
Category 1	\$11,754,054
Category 2	—
Category 3	_ 220,020
	\$11,974,072

Discretely Presented Component Units - Deposits

Deposits - Carrying Amount	\$199,625
Deposits - Bank Balance	\$212,335

All deposits of the component units are insured by federal depository insurance.

CITY OF RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 3 - CASH AND INVESTMENTS (Cont.)

B. Investments

The City's investments at year end are categorized below to give an indication of the level of risk assumed by the City at year end. 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 for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured or unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name.

	Category			Carrying Amount	Market Value
	1	2	3		
U.S. government and U.S. government agency securities	\$1,638,973	—	—	\$ 1,638,973	\$ 1,610,177
Life Insurance Contract in Deferred Compensation Fund				1,601,487	1,601,487
				\$3,240,460	\$3,211,664

NOTE 4 - PROPERTY TAXES

Property taxes are assessed and collected on a calendar year. Property taxes attach as an enforceable lien on property as of January 1. Tax notices are usually mailed in November each year and become delinquent after December 31, of that year.

All property taxes are recognized in compliance with NCGA Interpretation-3 (Revenue Recognition - Property Taxes) which states that such revenue is recorded when it becomes measurable and available. Available means due, or past due and receivable within the current period and collected no longer than 60 days after the close of the current period. For the year ended December 31, 1995, taxes of 9.84 mills were levied on property with assessed valuations totaling \$77,999,170 and were delinquent as follows:

General Fund	6.84 Mills
Recreation Tax	3.00 mills

Total taxes levied were \$767,112.

State Law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes

CITY OF RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 4 - PROPERTY TAXES (Cont.)

are not paid by the due date, taxes bear interest at the rate of one and one-fourth percent per month until the taxes are paid (LRS 47:2181).

After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to satisfy the taxes and interest owed (LRS 47:2181). Therefore, there are no delinquent taxes as of September 30.

NOTE 5 - RECEIVABLES

A. DUE FROM/O TO OTHER FUNDS

As of September 30, 1996 interfund receivables and payables that resulted from various interfund transactions were as follows:

	Due from Other Funds	Due to Other Funds
General Fund	\$ 579,143	\$ 267
Special Revenue Funds:		
1988 Sales Tax	12,155	84,730
1985 Sales Tax	-	78,884
1990 Sales Tax	162,346	28,002
Ruston Parks & Recreation Board	13,511	12,841
Section 8 Existing Housing	5,040	7,371
Section 8 Modernish Housing	13,968	5,672
Section 8 Voucher Housing	941	14,661
Capital Projects:		
Central Shop Construction	-	1,385
Fire Station Construction	-	33,760
Enterprise Funds:		
Electrical System	43,262	506,929
Water System	205,707	2,907
Sewerage System	186,913	163,512
Ruston Airport Authority	-	15,864
Ambulance	4,164	78,273

CITY OF HUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 1. RECEIVABLES (Con't)

Internal Service Funds:		
Workmen's Compensation	3,903	—
General Insurance	—	177,768
Purchasing/Warehouse Fund	<u>11,028</u>	<u>42</u>
Totals	\$1,238,021	\$1,275,011

B. ACCOUNTS RECEIVABLE-CUSTOMERS

	TOTAL RECEIVABLES	ALLOWANCE FOR DOUTIFUL ACCOUNTS	NET RECEIVABLES
Electric	\$ 882,084	\$ 67,668	\$ 814,416
Water	113,972	9,848	104,124
Sewer	145,429	9,829	135,600
Ambulance	197,112	224,484	172,628
Airport	<u>1,625</u>	<u>—</u>	<u>1,625</u>
Totals	\$1,548,242	\$308,629	\$1,239,613

NOTE 6. DUE FROM OTHER GOVERNMENTAL UNITS

A summary of receivables from other governmental units as of September 30, 1996, follows:

General Fund

Lincoln Parish Police Jury:

Salary Reimbursement & LPPF	\$ 6,370
Lincoln Tax Assessor	1,365
Lincoln Communication District	2,878
Lincoln Parish Fire District	1,385
Lincoln Parish Sheriff	<u>1,365</u>

Total General Fund **\$11,043**

Special Revenue Funds

1988 Sales Tax Fund:

City of Debach	\$ 101
City of Grandfing	1,033
Lincoln Parish School Board-	
September Office Expenses	4,467

CITY OF RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

NOTE 6 - DUE FROM OTHER GOVERNMENTAL UNITS (Cont.)

Lincoln Parish Police Jury-	3,229
September Office Expense	351
Lincoln Parish Convention/Tourist	
Section 8 Voucher Housing	
Due from HUD	47,281
Section 8 Moderate Housing - Due from HUD	164
Total Special Revenue Funds	53,965
Enterprise Funds	
Ambulance Fund	
Lincoln Parish Police Jury	
Ambulance	\$ 32,500
Total Enterprise Funds	\$ 32,500
Total All Funds	\$149,102

NOTE 7 - CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 12-31-93	Addition	Adjustments and Deletions	Balance 02-28-94
Land	\$ 716,819	\$ -	\$ -	\$ 716,819
Buildings	1,731,560	1,489,486	-	4,121,026
Improvements Other Than Buildings	4,241,445	-	(3,874)	4,237,569
Equipment	6,325,142	334,329	1,4,814	6,679,325
Totals	\$14,014,966	\$1,823,815	\$10,000	\$15,838,781

A summary of fixed assets of all proprietary funds is presented below:

Description	Electrical System	Water System	Sewer System	Airport Authority	Ambulance Service	Total
Land	\$ 93,384	\$ 75,879	\$ 149,236	\$ 134,279	\$ -	\$ 442,778
Buildings	1,099,834	779,878	111,767	487,214	-	1,778,693
System Improvement	11,297,465	4,794,463	15,306,964	4,353,597	-	35,752,590

CITY OF HUNTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 7 - CHANGES IN FIXED ASSETS (Cont)

Equipment	16,176,656	406,110	486,709	51,191	760,660	17,770,140
Construction in Progress	173,124	454,400	171,821	120,792	—	820,137
Total	16,349,780	860,510	658,530	171,983	760,660	18,590,270
Accumulated Depreciation	28,646,781	1,201,490	1,271,680	116,534	160,345	29,796,830
Net Fixed Assets	\$13,482,999	\$4,357,720	\$536,850	\$65,449	\$600,315	\$10,793,440

The estimated useful lives of proprietary land property, plant and equipment are as follows:

Buildings	20-30 Years
Improvements	20-30 Years
Equipment	4-20 Years

Depreciation in the proprietary funds amounted to \$1,994,673 for the fiscal year.

NOTE 8 - PENSION COSTS

Municipal Employees' Retirement System

Substantially all full-time employees except police and firemen of the City of Hunton are covered under the Municipal Employees' Retirement System of Louisiana (Plan A), a cost sharing multiple employer public employee retirement system (MERS), controlled and administered by a separate board of trustees. The total payroll for employees of the City of Hunton covered by the System for the fiscal year ended September 30, 1996, was \$1,612,798. The City of Hunton's total payroll was \$3,125,027. As of September 30, 1996, there were 219 employees of the City participating in this system, and 77 retired employees and beneficiaries receiving benefits.

Membership in the retirement system is mandatory for all employees who are employed on a permanent basis working at least 15 hours per week. However, alternates elected after January 1, 1997, will not be allowed membership. Employees are eligible to retire at any age with thirty or more years of creditable service, age 55 with twenty-five years of creditable service, age 60 with a minimum of ten years of creditable service. Creditable service means all periods of time for which credit is allowed towards any benefits. Upon retirement, members are entitled to a retirement benefit, payable monthly in an amount equal to three percent of the member's final compensation multiplied by his years of creditable service, provided however, that: (1) any member who has held an elective office in a municipality which is a participating employer shall be paid an additional annuity equal to one-half of one percent for each year of such elected service, (2) for

CITY OF BUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 8 - PENSION COSTS (Cont'd)

Municipal Employees' Retirement System (Cont'd)

ing employee who was a member only of the supplemental plan prior to the revision date, the benefit earned for service credited prior to the revision date shall be determined on the basis of one percent of final compensation plus two dollars per month for each year of service credited prior to the revision date, and three percent of final compensation of each year of service credited after the revision date; and (2) the benefit of the System shall not exceed one hundred percent of a member's final salary. Final compensation means the average monthly earnings during the highest thirty-six months or joined months if service was interrupted. Final salary means the average monthly earnings of a member during the twelve-month period immediately preceding his death or retirement. The revision date means October 1, 1978, the effective date of the establishment of Plan A. The System also provides death and disability benefits which require five years of creditable service for eligibility. Benefits are established by State statute.

Contributions to the System are made by both employees and the City as a percentage of salaries. Covered employees are required by State statute to contribute 9.25%. The actual contribution for the year ended September 30, 1996, amounted to \$181,887 for employee contributions and \$285,291 for employer contributions.

Although contributions are determined by State Statute rather than actuarial calculations, actuarially required contributions are determined for the System. The fiscal year of the System ends June 30. For the year ended June 30, 1996, the System's total actuarially required contribution from all sources (dedicated taxes, employees, and employers) was \$17,558,073. The total payroll of all covered employees of the System for the year ended June 30, 1996, was \$112,212,890. The total actuarially required contribution for the year ended June 30, 1996, was 15.6 percent of the approximate total payroll of all covered members. The contributions also include 1/4 of 1% of all salaries taxes collected by the respective parishes (except Orleans and East Baton Rouge) and state revenue sharing funds. These sources amounted to \$1,848,968 for Plan A.

Act No. 81 of the 1988 Louisiana Legislature enacted various statutes to initiate compliance with constitutional amendments which require that public retirement systems be maintained on a sound actuarial basis and that the systems' unfunded accrued liability be amortized over a period of forty years beginning on July 1, 1989. The employee contribution rate remains at 9.25% for Plan A. However, beginning on July 1, 1989, instead of the employer contribution rate being a certain percentage of payroll as established by law, the rate has been determined by the system's actuary, as approved by the system's Board of Trustees, taking into account and adjusting for known previous events and projected future events.

CITY OF BOSTON, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 11 - LONG-TERM DEBT (Cont.)

\$500,000 - 1993 A Certificate of Indebtedness dated 3-1-94, due in annual installments of \$45,000 to \$50,000 through 3-1-94, interest at 4.45% to 5.68% (this issue is secured by pledge and dedication of the excess of annual revenue of the City of Boston.)	400,000
Total General Obligation Certificates of Indebtedness	\$1,718,000
Revenue Bonds	
\$2,400,000 1967 Electric Light Utility bonds dated 3-1-67 due in annual installments of \$400,000 through October 1, 1994, interest at 4.50%	\$ 485,000
\$1,100,000 1968 Electric Light Utility bonds dated 2-2-68 due in annual installments of \$70,000 to \$80,000 through October 1, 1997, interest at 5.00%	150,000
\$1,500,000 1972 Electric Light Utility bonds dated 2-1-72 due in annual installments of \$100,000 through October 1, 1995, interest at 4.0%	110,000
\$7,250,000 1973 Electric Light Utility bonds dated 1-1-73 due in annual installments of \$583,000 through October 1, 1993, interest at 4.30 to 5.25%	1,170,000
\$1,200,000 1986 Water Utility Revenue Bonds dated 10-1-83 due in annual installments of \$5,000 to \$120,000 through October 1, 2006, interest at 7.9 to 8.0%	918,000
\$4,500,000 authorized 1990 Sewer Revenue Bonds, \$3,284,747 issued, interest at 5.0%, payable in annual installments of \$115,000 to \$245,000 through October 1, 2012	2,938,000
\$1,000,000 authorized 1993 Sewer Revenue Bonds \$1,012,258 issued, interest at 2.45%, payable in installments of not more than 20 years after the completion date, interest financing	1,367,534

CITY OF HUNTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

L. PROPERTY, PLANT AND EQUIPMENT

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, sidewalks, bridges and drainage improvements are capitalized.

Fixed assets acquired or constructed for general governmental operations are recorded as expenditures in the fund making the expenditure and capitalized at cost in the General Fixed Assets Account Group. Depreciation is not recorded in the General Fixed Assets Account Group.

Property, plant and equipment acquired for proprietary funds is capitalized in the respective funds to which it applies.

Property, plant and equipment is stated at cost except assets acquired by gift or bequest which are recorded at their fair market value on the date of transfer.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation of exhaustible fixed assets purchased by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the proprietary funds' balance sheets. That portion of depreciation expense applicable to assets acquired with grants, entitlements and shared revenues is reflected as a reduction of the respective contributed capital account. Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation.

M. LONG-TERM DEBT

Long-term general obligations of the City are reported in the General Long-Term Debt Account Group. Long-term liabilities for revenue bonds and certificates of indebtedness are reported in the appropriate proprietary fund.

N. FUND EQUITY

Contributed capital is recorded in proprietary funds that have received capital grants and contributions from developers, assessors, or other funds.

Depreciation on assets acquired by contributions from grants is charged against contributions.

GENERAL PURPOSE FINANCIAL STATEMENTS

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CITY OF RUSTON LOUISIANA

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ANNUAL FINANCIAL REPORT SEPTEMBER 30, 1996



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

KPMG Peat Marwick LLP
CERTIFIED PUBLIC ACCOUNTANTS
SHREVEPORT, LOUISIANA

Report Date: APR 16 1997

CITY OF RUSTON, LOUISIANA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 1996

CITY OF BUSTON, LOUISIANA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 1996

TABLE OF CONTENTS

	<u>EXHIBIT</u>	<u>PAGE</u>
FINANCIAL SECTION		1
Independent Auditor's Report		2-4
General Purpose Financial Statements:		
Combined Balance Sheet - All Fund Types Account Groups and Discretely Presented Component Units	1	6-9
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Discretely Presented Component Units	2	8-9
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - General and Certain Special Revenue Funds	3	10-11
Combined Statement of Revenues, Expenses and Changes in Retained Earnings - All Proprietary Fund Types	4	12
Combined Statement of Cash Flows - All Proprietary Fund Types	5	13
Combining Balance Sheet - Component Units - All Fund Types	6	14
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Component Units - All Governmental Fund Types	7	15
Notes to Financial Statements		17-28

**CITY OF BOSTON, LOUISIANA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 1996**

TABLE OF CONTENTS (Continued)

	EXHIBIT	PAGE
Combining, Individual Fund and Account Group Statements and Schedules:		48
General Fund:		50
Comparative Balance Sheets	A-1	51
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances	A-2	52-54
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual	A-3	55-57
Special Revenue Funds:		58
Combining Balance Sheet	B-1	60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	B-2	61
Sales Tax Funds:		
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual - 1988 Fund	B-3	62
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual - 1993 Fund	B-4	63
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual - 1994 Fund	B-5	64
Parks and Recreation Board:		
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual	B-6	65-66

**CITY OF HUSTON, LOUISIANA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 1996**

TABLE OF CONTENTS (Continued)

	<u>EXHIBIT</u>	<u>PAGE</u>
State Revenue Sharing Fund:		
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual	B-7	67
Health and Safety Relief:		
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual	B-8	68
Section 8 Housing:		
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual - Existing Housing	B-9	69
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual - Moderate Housing	B-10	70
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual - Nuclear Program	B-11	71
Debt Service Funds:		72
Comparative Balance Sheets	C-1	73
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances	C-2	74
Capital Projects Funds:		75
Combining Balance Sheet	D-1	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)	D-2	77

**CITY OF HUSTON, LOUISIANA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 1996**

TABLE OF CONTENTS (Continued)

	<u>EXHIBIT</u>	<u>PAGE</u>
Enterprise Funds:		39
Combining Balance Sheet	E-1	80-83
Combining Statement of Revenues, Expenses and Changes in Retained Earnings (Deficits)	E-2	84-85
Combining Statement of Cash Flows	E-3	86-87
Internal Service Funds:		88
Combining Balance Sheet	F-1	89
Combining Statement of Revenues, Expenses and Changes in Retained Earnings	F-2	90
Combining Statement of Cash Flows	F-3	91
Agency Fund:		92
Comparative Balance Sheet	G-1	93
Statement of Changes in Assets and Liabilities	G-2	94
General Fixed Assets Account Group:		95
Comparative Schedule of General Fixed Assets	H-1	96
Schedule of General Fixed Assets by Function and Activity	H-2	98-99
Schedule of Changes in General Fixed Assets by Function and Activity	H-3	100-101
Schedule of Changes in General Fixed Assets by Source	H-4	102-103

**CITY OF HUSTON, LOUISIANA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 1994**

TABLE OF CONTENTS (Continued)

	<u>EXHIBIT</u>	<u>PAGE</u>
General Long-Term Debt Account Group:		184
Schedule of Changes in General Long-Term Debt	1-1	185
SUPPLEMENTARY INFORMATION SECTION:	SCHEDULES	
General Fund:		
Schedule of Expenditures - Budget (GAAP Basis) and Actual	1	109-118
Enterprise Fund:		
Electric System Fund - Schedule of Operating Expenses by Department	2	120-124
Water System Fund - Schedule of Operating Expenses by Department	3	126-128
Sewerage System Fund - Schedule of Operating Expenses by Department	4	130-132
Combined Schedule of Bonds Payable	5	134-143

FINANCIAL SECTION

**CITY OF RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

DISCRETELY PRESENTED COMPONENT UNITS

The component units columns in the combined financial statements include 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 Court

The City Court of Ruston 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 Court 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 Court, pursuant to state statute, which are under the control of the Court. The City Court serves the citizenry of the City. The financial statements of the City Court included in the accompanying financial statements are as of and for the fiscal year ended September 30, 1996.

City Marshal

The 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. There are certain funds collected as court costs, pursuant to state statute, which are under the control of the City Marshal. The City Marshal serves the citizenry 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, 1996.

Geographical Information System

The Geographical Information System is governed by a twelve member board of commissioners, two of which are appointed by the City of Ruston and two appointed by each of the following agencies: Lincoln Parish Sheriff's Office, Lincoln Communications District, Lincoln Parish Protection District, Lincoln Parish Assessor, and Lincoln Parish Police Jury. All accounting records are maintained by the City of Ruston and all receipts and disbursements are approved through the Treasurer's Office. The City has no power to transact business for the commission nor to control or direct the action of the commissioners. The City has no access to the funds of the commission. The financial statements of Geographical Information System are included in the accompanying financial statements as of and for the fiscal year ended December 31, 1995. Separate financial statements are not issued on the commission.

In accordance with Government Auditing Standards, we have also issued a report dated January 31, 1997, on our consideration of the internal control structure of the City of Ruston, Louisiana, and a report dated January 31, 1993, on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining, individual fund, and account group financial statements and schedules. The accompanying financial information listed as supplementary information in the Table of Contents as Schedules 1-5 is presented for purposes of additional analysis and is not a required part of the financial statements of the City of Ruston, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

KPMG Peat Marwick LLP

January 31, 1997

CITY OF RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 8 - PENSION COSTS (Con't)

Municipal Police Employees Retirement System (Con't)

system for the year ended September 30, 1996, was \$1,104,893; the City's total payroll was \$7,125,877.

Any full time police officer, empowered to make arrests, employed by a municipality of the State and engaged in law enforcement, earning at least \$375 per month excluding state supplemental pay, or an elected Chief of Police whose salary is at least \$100 per month, and an employee of this City may participate in the System.

Employees are eligible to retire at age 50 with twenty years of creditable service or at age 55 with twelve years of creditable service. Employees must be a member of the system for one year. Benefits are payable monthly for life equal to 3.13% of average final compensation times years of creditable service. Disability benefits are payable for (1) total and permanent disability in the line of duty, or after five years of service and unable to engage in any gainful employment, (2) total and permanent disability from performing the duties of a police officer and unable to engage in gainful employment. Death benefits are payable for (1) the death of an active contributing member or disability retiree and (2) a member eligible for retirement, except for the one year of membership. A member who terminates employment after one year as a member of the system before attaining age 50, with twenty years of creditable service is considered to be vested. A member is also eligible for vesting after one year as member of the system before attaining age 55, with twelve years of creditable service. Benefits are established by State statute.

State statute requires contributions by employees and the City calculated as a percentage of earnable compensation (regular salary including State supplemental pay, but excluding overtime pay). The 1988 Louisiana Legislature through Act No. 81 revoked the insurance premium tax which was deducted by statute and raised the employees' contribution rate to 8%, beginning July 1, 1989. The employees' contribution rate will vary from year to year, as determined by the system's actuary.

The contributions requirement for the year ended September 30, 1996, was \$182,185 which consisted of \$69,365 from the City and \$122,820 from employees.

The System's total actuarially required contribution from all sources (dedicated taxes, employees, and employers) for the year ended June 30, 1996, was \$21,323,433. The total payroll of all covered employees of the System for the year ended June 30, 1996, was \$104,741,487. The total actuarially required contribution for the year ended June 30, 1996 was 20.36 percent of the total payroll of all covered members. Dedicated taxes received by the System for the year ended June 30, 1996, provided \$5,803,135 (4.78 percent of total covered payroll), indicating an actuarially required contribution by employees and employers of \$11,645,340 or 10.41 percent of total covered payroll.

CITY OF RUSTON, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS & DISCREETELY PRESENTED COMPONENT UNITS
SEPTEMBER 30, 1998

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES	
	GENERAL	SPECIAL REVENUES	CAPITAL PROJECTS	DEBT SERVICE	ENTERPRISE	INTERNAL SERVICE
ASSETS AND OTHER DEBITS						
Cash and Cash Equivalents (Note 2)	\$1,870,383	\$1,206,688	\$93,483	\$88,307	\$3,070,445	\$181,008
Investments (Note 2)	-	4,732	-	-	-	84,626
Accounts Receivable, net (Note 2)	981,008	21,284	-	-	1,240,210	83,894
Unbilled Revenues	88,668	-	-	-	1,082,243	-
Due from Other Funds (Note 2)	\$73,143	230,791	-	-	480,195	14,001
Due From Other Governmental Units (Note 2)	12,043	50,288	-	-	77,800	-
Investments, at Cost	95,734	-	-	-	671,088	-
Prepaid Expenses	-	-	-	-	27,880	-
Supplies and Accruals	-	-	-	-	-	-
Cash and Cash Equivalents (Note 2)	-	-	-	-	4,051,871	-
Investments (Note 2)	-	-	-	-	974,854	-
Fixed Assets, net (Note 7)	-	-	-	-	\$1,594,890	-
Advances to Sewerage System	-	-	-	-	180,000	-
Other Debits:						
Amount Available in Debt Service Fund	-	-	-	-	-	-
Amount to be Provided for the Retirement of General Long-Term Debt	-	-	-	-	-	-
Total Assets and Other Debits	\$2,722,888	\$1,812,628	\$93,483	\$88,307	\$63,822,820	\$880,507
LIABILITIES, EQUITY, AND OTHER CREDITS						
Liabilities:						
Accounts and Retainage Payable	\$360,288	\$6,880	\$68,870	-	\$1,142,708	\$30,180
Accounts & Other Liabilities	258,480	10,110	-	-	289,940	109,874
Deposits	2,421	2,470	-	-	-	-
Due to Other Funds (Note 2)	287	220,141	50,288	-	808,885	177,810
Payable from Restricted Assets:						
Fund Payable (Note 11)	-	-	-	-	1,220,000	-
Accrued Interest on Bonds	-	-	-	-	388,204	-
Customer Deposits & Interest	-	-	-	-	884,284	-
Due to Other Governmental Units (Note 2)	-	71,828	-	-	-	-
Deferred Revenue	-	-	8,474	-	-	-
Contingencies at Indefiniteness (Note 12)	-	-	-	-	285,000	-
Comp Policy (Employee Retirement System)	-	-	-	-	-	-
Bonds Payable (Note 11)	-	-	-	-	5,831,208	-
Advances from Electric System	-	-	-	-	700,000	-
Compensated Absences	-	-	-	-	740,000	54,517
Total Liabilities	\$611,486	\$281,859	\$128,812	-	\$12,810,283	\$381,688
Equity and Other Credits:						
Contributed Capital (Note 14)	-	-	-	-	\$2,811,388	-
Investment in General Fixed Assets	-	-	-	-	-	-
Retained Earnings:						
Reserved for Debt Service	-	-	-	-	2,544,221	-
Unassigned	-	-	-	-	18,554,890	626,081
Fund Balances:						
Reserved for Inventories	98,734	-	-	-	-	-
Reserved for Debt Service	-	-	-	88,307	-	-
Unassigned:						
Designated for Future Years' Expenditures	-	-	827,000	-	-	-
Unassigned	2,764,271	1,281,627	(28,282)	-	-	-
Total Equity and Other Credits	2,754,185	1,829,427	900,641	88,307	32,810,438	826,819
Total Liabilities, Equity, and Other Credits	\$2,722,888	\$1,822,228	\$93,483	\$88,307	\$43,822,820	\$880,507

See accompanying notes to financial statements.

CITY OF RUSTON, LOUISIANA

COMBINED STATEMENT OF REVENUE, EXPENDITURES & CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES & DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED SEPTEMBER 30, 1998

GOVERNMENTAL FUND TYPES

	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS
Revenues:			
Taxes	\$509,143	\$5,195,038	\$ -
License & Permits	481,140	-	-
Intergovernmental	829,024	942,319	23,037
Charges for Services	998,000	-	-
Fines & Forfeitures	171,825	-	-
Miscellaneous	115,602	100,822	5,847
Total Revenues	3,104,110	6,140,179	33,484
Expenditures:			
Current			
General Government	1,229,142	794,853	-
Public Safety	3,487,967	-	-
Public Works	3,508,925	-	-
Recreation	-	428,820	-
Capital Outlay	-	-	614,877
Debt Service	-	29,000	-
Total Expenditures	8,226,434	1,250,273	614,877
Excess (Deficiency) of Revenues Over Expenditures	(5,121,324)	4,889,906	(581,393)
Other Financing Sources (Uses):			
Proceeds of Bond Sales	-	-	500,000
Sale of Fixed Assets	-	-	-
Operating Transfers In (Note 15)	5,601,999	199,422	-
Operating Transfers Out (Note 15)	(43,600)	(4,999,259)	-
Total Other Financing Sources (Uses)	5,600,499	(4,799,837)	500,000
Excess (Deficiency) of Revenues & Other Sources Over Expenditures & Other Uses	518,172	128,099	(81,393)
Fund Balances, October 1	1,992,833	1,136,348	582,034
Fund Balances, September 30	\$2,181,126	\$1,261,437	\$500,641

See accompanying notes to financial statements.

DEBT SERVICE	TOTALS PRIMARY GOVERNMENT (MEMORANDUM ONLY)	COMPONENT UNITS	TOTALS REPORTING ENTITY (MEMORANDUM ONLY)
\$ -	\$5,754,181	\$ -	\$5,754,181
-	481,548	-	481,148
-	1,886,890	20,000	1,733,880
-	866,888	383,208	1,379,767
-	171,825	-	171,825
1,378	236,729	148,103	383,832
1,378	9,285,181	559,312	9,844,493
-	2,023,795	534,411	2,558,206
-	3,487,367	-	3,487,367
-	3,508,925	-	3,508,925
-	420,620	-	420,620
-	814,877	-	814,877
203,329	332,329	-	332,329
203,329	10,283,913	534,411	10,818,324
(201,951)	(1,958,762)	24,931	(963,851)
-	500,000	-	500,000
206,332	8,086,750	7,678	7,678
-	(5,011,738)	-	8,086,750
-	-	-	(5,011,738)
206,332	1,575,011	7,678	1,582,689
3,381	595,240	32,678	560,838
82,970	3,483,291	60,937	3,543,298
866,357	\$4,929,540	\$112,588	\$4,142,126

CITY OF RUSTON, LOUISIANA
 COMBINED STATEMENT OF REVENUE, EXPENDITURES & CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) & ACTUAL
 GENERAL, CERTAIN SPECIAL REVENUE FUNDS,
 FOR THE YEAR ENDED SEPTEMBER 30, 1998

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes	\$475,000	\$509,149	\$34,149
Licenses & Permits	458,250	481,149	22,899
Intergovernmental	670,280	829,624	159,344
Charges for Services	575,000	598,589	23,589
Fines & Forfeitures	158,200	171,925	13,725
Miscellaneous	77,829	115,692	37,863
Total Revenues	2,734,359	3,104,110	369,751
Expenditures:			
Current:			
General Government	1,321,917	1,239,142	82,775
Public Safety	3,495,432	3,487,357	8,075
Public Works	3,049,828	3,506,325	140,797
Recreation	-	-	-
Debt Service	-	-	-
Total Expenditures	8,466,975	8,222,434	244,541
Excess (Deficiency) of Revenues Over Expenditures	(5,732,616)	(5,121,324)	611,292
Other Financing Sources (Uses):			
Operating Transfers In	5,091,547	5,081,998	(9,549)
Operating Transfers Out	(42,500)	(42,500)	-
Total Other Financing Sources (Uses)	5,049,047	5,039,498	(9,551)
Excess (Deficiency) of Revenues & Other Sources Over Expenditures & Other Uses	(64,069)	518,172	682,241
Fund Balances, October 1	1,952,933	1,952,933	-
Fund Balances, September 30	\$1,578,864	\$2,181,105	\$602,241

See accompanying notes to financial statements.

CERTAIN SPECIAL REVENUE FUNDS

BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
\$3,144,187	\$5,105,038	\$99,841
-	727,310	114,302
-	-	-
141,024	108,822	(32,202)
8,013,158	6,145,170	130,821
748,422	794,853	(48,231)
-	-	-
428,950	400,820	2,330
31,320	29,890	-
1,209,692	1,255,273	(45,901)
4,800,460	4,895,900	89,440
177,904	199,422	21,858
(4,848,444)	(4,868,299)	(20,785)
(4,770,880)	(4,768,817)	1,063
35,568	128,069	90,503
1,135,343	1,135,348	-
\$1,170,929	\$1,281,437	\$90,508

COMBINED STATEMENT OF REVENUE, EXPENSES & CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1990

	PROPRIETARY FUND TYPES		TOTALS (MEMORANDUM ONLY)
	ENTERPRISE	INTERNAL SERVICE	
Operating Revenues:			
Charges for Service	\$10,890,482	\$130,000	\$11,020,482
Rent Income	13,914	-	13,914
Charges to Other Funds and Employees	-	1,113,636	1,113,636
Miscellaneous Income	470,588	213,269	683,857
Total Operating Revenues	17,382,994	1,453,904	18,836,898
Operating Expenses:			
Direct Expense	15,526,515	1,787,888	17,314,403
Indirect Expense	1,798,489	-	1,798,489
Total Operating Expenses	17,324,999	1,787,888	19,112,887
Operating Income (Loss)	2,697,794	(333,784)	1,764,010
Nonoperating Revenues (Expenses):			
Interest Income	301,762	48,375	347,137
Sale of Hay	3,218	-	3,218
Sale of Equipment	512	-	512
Sale of Land	148,720	-	148,720
Interest Expense & Fiscal Charges	(389,329)	-	(389,329)
Net Nonoperating Revenues (Expenses)	64,883	48,375	110,258
Income (Loss) Before Operating Transfers	2,162,267	(285,409)	1,877,176
Operating Transfers Out (Note 10)	(1,075,011)	-	(1,075,011)
Net Income (Loss)	1,087,256	(285,409)	802,167
Depreciation on Fixed Assets Acquired with Contributed Capital	440,246	-	440,246
Retained Earnings, October 1	20,471,075	790,930	21,261,575
Retained Earnings, September 30	\$21,998,597	\$505,521	\$22,503,988

See accompanying notes to financial statements.

CITY OF PLATON, LOUISIANA
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 1998

Exhibit 5

	ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS	TOTALS (ENTERPRISE FUNDS ONLY)
Cash Flows From Operating Activities:			
Operating Income (Loss)	\$2,887,784	(\$380,784)	\$2,507,000
Adjustments to Reconcile Operating Income (Loss) to			
Cash Provided (Used) by Operating Activities:			
Depreciation	1,894,075	-	1,894,075
Other	5,278	-	5,278
(Increase) Decrease in Operating Assets:			
Accounts Receivable	(134,881)	345,880	210,999
Due from Other Governmental Units	45,588	-	45,588
Inventories	(55,085)	-	(55,085)
Due From Other Funds	35,435	15,418	50,853
Other Assets	(52,422)	-	(52,422)
Increase (Decrease) in Operating Liabilities:			
Bank Overdraft	-	(151,854)	(151,854)
Accounts Payable & Customer Deposits	154,437	15,858	170,295
Accrued Liabilities	15,882	-	15,882
Customer Deposits	(4,855)	(13,884)	(18,739)
Due to Other Funds	(2,854)	(74,828)	(77,682)
Compensated Absences	(151,845)	(24,887)	(176,732)
Net Cash Provided (Used) by Operating Activities	4,019,545	(198,886)	3,820,659
Cash Flows From Noncapital Financing Activities:			
Operating Transfers Out	(1,075,011)	-	(1,075,011)
Cash Flows From Capital and Related Financing Activities:			
Purchase of Capital Assets	(2,118,000)	-	(2,118,000)
Proceeds from Issuance of Debt	185,233	-	185,233
Refinancing Payable	(82,998)	-	(82,998)
Principal Paid on Bond Maturities	(1,485,000)	-	(1,485,000)
Interest Paid on Bonds	(285,537)	-	(285,537)
Proceeds on Disposal of Property	145,233	-	145,233
Capital Grants	1,395,550	-	1,395,550
Net Cash Used for Capital and Related Financing Activities	(2,895,285)	-	(2,895,285)
Cash Flows From Investing Activities:			
Interest Received	304,763	44,275	349,038
Investment Purchases	-	(2,868,800)	(2,868,800)
Investment Sales /Maturities	847,867	2,868,780	3,716,647
Net Cash Flows From Investing Activities	849,899	44,999	894,898
Net Increase (Decrease) in Cash and Cash Equivalents	1,118,918	(153,887)	965,031
Cash and Cash Equivalents, October 1	8,565,198	358,827	8,924,025
Cash and Cash Equivalents, September 30	\$7,446,280	\$204,940	\$7,651,220

See accompanying notes to financial statements.

CITY OF BOSTON, MASSACHUSETTS
 COMBINED FINANCIAL STATEMENT - COMPONENT UNITS
 ALL FUND TYPES
 AS OF FISCAL YEAR END

	GOVERNMENTAL FUND TYPES		PROFESSOR FUND TYPES		GENERAL FUND SUBSETS		Totals (Memorandum Only)
	City Court at Boston 1-1-01-01	Mayor-City Managers Office 1-1-01-01	City Court at Boston 1-1-01-01	Mayor-City Managers Office 1-1-01-01	City Court at Boston 1-1-01-01	Mayor-City Managers Office 1-1-01-01	
ASSETS							
Cash & Cash Equivalents	\$1,000	\$50,124	\$1,000	\$4,475	\$	\$	\$100,000
Due from Other Funds	943	-	-	-	-	-	943
Prepaid Expenses	348	-	-	-	-	-	348
Due From Other Governmental Units	1,175	-	954	-	-	-	2,129
Fixed Assets	-	-	-	-	-	-	171,000
TOTAL ASSETS	\$3,466	\$50,124	\$2,997	\$4,475	\$	\$	\$281,328
LIABILITIES							
Accounts Payable	\$1,000	\$	\$	\$	\$	\$	\$4,118
Accrued & Other Liabilities	1,175	-	1,004	4,475	-	-	64,110
Accrued Pensions	-	-	-	-	-	-	1,000
Accrued Pensions - Bonded	-	-	-	-	-	-	1,000
Due to Other Funds	-	-	-	-	-	-	1,000
Due to Other Governmental Units	1,000	-	-	-	-	-	1,000
TOTAL LIABILITIES	\$3,175	\$	\$2,004	\$4,475	\$	\$	\$71,128
EQUITY							
Investment in General	-	-	-	-	-	-	175,000
Fund Assets	-	-	-	-	-	-	92,000
Fund Liabilities	(1,000)	(5,124)	(1,004)	(4,475)	(10,001)	(10,001)	(281,328)
Unreserved	1,000	(5,124)	(1,004)	(4,475)	(10,001)	(10,001)	(281,328)
TOTAL EQUITY	\$	\$	\$	\$	\$	\$	\$281,328
TOTAL LIABILITIES AND EQUITY	\$3,466	\$50,124	\$2,997	\$4,475	\$	\$	\$281,328

Independent Auditor's Report

To the Honorable Members of the Board of Aldermen and
Honorable Hilda Taylor Perritt, Mayor
City of Ruston, Louisiana:

We have audited the accompanying general purpose financial statements and the combining, individual fund, and account group financial statements and schedules of the City of Ruston, Louisiana, as of and for the year ended September 30, 1996 as listed in the Table of Contents as Exhibits 1-7 and A-3 to 5-1. These financial statements and schedules are the responsibility of the City of Ruston, Louisiana's management. Our responsibility is to express an opinion on these financial statements and schedules based on our audit. We did not audit the component unit financial statements of the City Court of Ruston and City Marshal of Ruston, which statements reflect total assets of \$233,982 as of September 30, 1996, and total revenues of \$410,200 for the year then ended. These financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the financial statements and schedules, insofar as it relates to the amounts included for the City Court of Ruston and City Marshal of Ruston in the component unit columns of Exhibits 1 and 2 and the governmental fund types, fiduciary fund type, and the general fund assets account group in Exhibits 5 and 7, is based on the report of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors whose reports expressed an unqualified opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Ruston, Louisiana, as of September 30, 1996, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund, and account group financial statements and schedules referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the City of Ruston, Louisiana, at September 30, 1996, and the results of operations of such funds and the cash flows of individual proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

CITY OF RUSTON, LOUISIANA
 AGENCY FUND
 DEFERRED COMPENSATION FUND
 STATEMENT OF CHANGES IN ASSETS & LIABILITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 1996

Exhibit G-2

	Balance October 1, 1995	Additions	Deductions	Balance September 30, 1996
ASSETS				
Investments	\$1,375,716	\$273,604	(\$48,000)	\$1,601,487
LIABILITIES				
Accounts Payable	\$1,375,716	\$273,604	(\$48,000)	\$1,601,487

See accompanying notes to combined financial statements.

CITY OF RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTES - PENSION COSTS (Cont'd)

Municipal Employees' Retirement System (Cont'd)

The "pension benefit obligation" is a standardized disclosure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERs and employers. The System does not make separate measurements of assets and pension benefit obligations for individual employees. The pension benefit obligation at June 30, 1996, for the System as a whole, determined through actuarial valuation performed as of that date, was \$248,344,864. The System's net assets available for benefits on that date were \$318,271,748, leaving an unfunded accrued liability of \$31,973,124.

Two year historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's June 30, 1996, comprehensive annual financial report.

Firefighter's Retirement System

Fire department employees are members of the Firefighter's Retirement System, a cost-sharing, multiple-employer public employee retirement system (PERs), controlled and administered by a separate board of trustees. As of September 30, 1996, there were 46 active employees of the City participating in the plan. The payroll for City employees covered by the retirement system for the year ended September 30, 1996, was \$1,141,217; the City's total payroll was \$3,125,037.

All full-time firefighters under age 50 at the time of employment, earning at least \$175 per month are eligible. Membership is mandatory for those employed after January 1, 1980. Employees are eligible to retire at or after age 35 with at least 12 years of creditable service, or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to three and one-third percent of their final-average salary for each year of creditable service, not to exceed 100 percent of their final-average compensation.

Final-average compensation is the employee's average salary over the 36 consecutive or joined months which produce the highest average. Employees who terminate with at least 20 years of service, and who do not withdraw their employer contributions, may retire at or after age 35 (or at or after age 50 if they had at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by State statute.

CITY OF RUSTON, LOUISIANA
 1988 SALES TAX FUND
 STATEMENT OF REVENUES, EXPENDITURES, & CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1988

Exhibit B-4

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Sales Tax	\$2,155,000	\$2,162,664	\$7,664
Miscellaneous:			
Interest Income	14,000	8,556	(5,444)
Total Revenues	<u>2,169,000</u>	<u>2,171,220</u>	<u>2,220</u>
Expenditures:			
General Government:			
Collection & Admin. Expenses	20,725	27,279	(6,554)
Debt Service	31,339	29,666	
Total Expenditures	<u>52,064</u>	<u>56,945</u>	<u>(4,881)</u>
Excess of Revenues Over Expenditures	<u>2,116,935</u>	<u>2,114,275</u>	<u>(2,660)</u>
Other Financing (Uses):			
Operating Transfers Out	(2,116,387)	(2,137,182)	(20,795)
Total Other Financing Uses	<u>(2,116,387)</u>	<u>(2,137,182)</u>	<u>(20,795)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Uses	558	(22,282)	(22,840)
Fund Balance, October 1	298,665	298,665	
Fund Balance, September 30	<u>\$299,223</u>	<u>\$276,403</u>	<u>(\$22,820)</u>

See accompanying notes to combined financial statements.

CITY OF RUSTON, LOUISIANA
 1990 SALES TAX FUND
 STATEMENT OF REVENUES, EXPENDITURES, & CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1990

Exhibit B-2

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Sales Tax	\$1,441,000	\$1,441,769	769
Miscellaneous:			
Interest Income	3,800	3,774	(26)
Total Revenues	1,444,800	1,445,543	743
Expenditures:			
General Government:			
Collection & Admin. Expenses	15,300	17,769	(2,469)
Total Expenditures	15,300	17,769	(2,469)
Excess of Revenues Over Expenditures	1,429,500	1,427,784	(1,716)
Other Financing (Uses):			
Operating Transfers Out	(1,429,500)	(1,429,500)	-
Total Other Financing Uses	(1,429,500)	(1,429,500)	-
Deficiency of Revenues Over Expenditures and Other Financing Uses	-	(1,716)	(1,716)
Fund Balance, October 1	380,058	380,058	-
Fund Balance, September 30	\$288,058	\$278,342	(\$1,716)

See accompanying notes to combined financial statements.

Sewerage System	Ruston Airport Authority	Ambulance	Totals	
			1998	1999
\$216,000	(\$283,110)	\$21,190	\$2,897,704	2,244,828
3,218	-	-	3,218	813
476,876	249,721	43,323	1,394,873	1,395,578
(85,151)	(760)	(18,179)	(134,860)	48,812
73,828	-	(20,880)	43,828	(873)
3,883	-	-	(89,338)	7,814
(513,884)	128,842	(1,492)	28,436	(24,257)
-	-	55	(52,429)	13,848
868,890	89,888	(1,891)	164,437	50,158
(72,258)	-	-	13,882	3,898
-	-	-	(8,688)	25,152
180,477	(13,887)	30,226	62,594	75,088
(15,401)	-	-	(131,548)	78,428
(209,008)	-	-	-	-
750,387	(13,882)	42,575	4,018,545	4,301,480
-	-	-	-	364,422
-	-	-	(1,076,010)	(1,487,472)
-	-	-	(1,076,010)	(1,123,050)
1128,615	813,887	-	(2,118,582)	(2,647,181)
188,233	-	-	188,233	874,841
28,828	(28,882)	-	(58,888)	127,347
(280,280)	-	-	(1,480,280)	(3,180,280)
(123,735)	-	-	(380,587)	(488,877)
-	148,720	812	148,233	128,137
76,786	382,871	-	1,882,280	127,785
(389,288)	(81,882)	812	(2,880,282)	(3,487,828)
82,818	2,350	487	361,762	281,428
-	-	-	-	(885,820)
-	-	-	547,907	285,587
82,818	2,350	487	848,669	281,812
474,007	(788,884)	43,524	1,118,518	102,474
2,028,328	250,604	89,180	8,382,188	8,288,784
\$8,503,383	\$143,138	\$732,743	\$7,502,178	\$8,503,186

INTERNAL SERVICE FUNDS

Internal Service Funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

WORKMEN'S COMPENSATION SELF-INSURANCE FUND

Workmen's Compensation Fund accumulates resources to finance employee workmen's compensation injuries and claims.

GENERAL SELF-INSURANCE FUND

General Self-Insurance Fund accumulates resources to finance claims and judgments arising from employee health insurance and other expenses.

PURCHASING-WAREHOUSE FUND

Purchasing-Warehouse Fund coordinates purchasing and warehousing operations for all applicable funds.

CITY OF BOSTON, LOUISIANA
 INTERNAL SERVICE FUNDS
 COMBINED BALANCE SHEET
 SEPTEMBER 30, 1998

Exhibit P-1

WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1995

	Workmen's Compensation	General Insurance	Purchasing / Warehouse	Totals	
				1998	1995
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$144,678	\$30,973	\$2,257	\$177,908	\$210,837
Investments	641,678	-	-	641,678	641,266
Accounts Receivable	-	\$2,044	-	\$2,044	411,504
Due From Other Funds	3,000	-	11,028	14,028	27,446
Total Assets	\$789,356	\$63,017	\$13,285	\$865,657	\$1,290,953
LIABILITIES & RETAINED EARNINGS (DEFICIT)					
Current Liabilities:					
Accounts Payable	\$28,085	\$684	\$306	\$30,180	\$13,316
Bank Overdraft	-	-	-	-	131,658
Estimated Payable for Outstanding Claims	58,357	102,717	-	161,074	172,958
Compensated Absences	-	-	14,537	14,527	39,084
Due to Other Funds	-	177,768	42	177,810	\$52,432
Total Liabilities	86,442	281,169	15,375	381,986	600,453
Retained Earnings (Deficit):					
Unreserved	704,533	(197,262)	(2,090)	505,191	790,500
Total Liabilities & Retained Earnings	\$789,355	\$63,017	\$13,285	\$865,657	\$1,290,953

See accompanying notes to combined financial statements.

**COMBINED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED SEPTEMBER 30, 1995
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1994**

	Workmen's Compensation	General Self-Insurance	Purchasing / Warehouse	Totals	
				1994	1995
Operating Revenues:					
Insurance Retrocessions	\$ -	\$213,289	\$ -	\$213,289	\$296,464
Premiums Paid by Retired Employees	-	155,585	-	155,585	187,285
Charges to Other Funds	64,233	850,514	-	914,747	981,481
Charges for Services	-	-	130,080	130,080	187,795
Total Operating Revenues	64,233	1,262,571	130,080	1,496,884	1,573,025
Operating Expenses:					
Claims	181,804	1,227,207	-	1,409,011	1,488,968
Insurance Premiums	13,847	228,460	-	242,108	321,411
Cost of Services	-	-	137,227	137,227	168,841
Total Operating Expenses	195,651	1,455,758	137,227	1,788,636	1,979,220
Operating Loss	(131,418)	(193,187)	(7,227)	(331,764)	(405,953)
Nonoperating Revenues:					
Interest Income	38,858	5,315	915	45,075	47,127
Net Loss	(92,560)	(187,862)	(6,312)	(285,489)	(358,826)
Retained Earnings (Deficit), October 1	786,081	(9,783)	4,223	780,501	1,149,036
Retained Earnings (Deficit), September 30	\$793,521	(\$187,352)	(\$2,090)	\$603,081	\$790,210

CITY OF RUSTON, LOUISIANA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
SEPTEMBER 30, 1998
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1995

Exhibit F-3

	Women's Compensation	General Insurance	Purchasing/ Warehouse	Totals	
				1995	1995
Cash Flows From Operating Activities:					
Operating Loss	(\$130,476)	(\$193,070)	(\$7,227)	(\$330,784)	(\$405,683)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:					
(Increase) Decrease in Operating Assets:					
Accounts Receivable	-	348,800	-	348,800	(\$81,800)
Due From Other Funds	(1,814)	-	18,220	16,406	(6,084)
Increase (Decrease) in Operating Liabilities:					
Bank Overdraft	-	(131,858)	-	(131,858)	131,858
Accounts Payable	18,163	884	89	19,136	6,710
Estimated Payable for Outstanding Claims	1,264	(16,198)	-	(14,934)	29,768
Due to Other Funds	-	(72,232)	(2,294)	(74,526)	248,141
Compensated Absences	-	-	(24,557)	(24,557)	10,613
Net Cash Used by Operating Activities:	(\$114,878)	\$82,703	(19,957)	(106,502)	(\$85,776)
Cash Flows from Investing Activities:					
Interest	38,590	5,510	965	45,075	47,127
Purchases of Investments	(2,588,000)	-	-	(2,588,000)	(2,583,179)
Proceeds from Sales and Maturities of Investments	2,588,182	-	-	2,588,182	2,584,480
Net Cash Flows From Investing Activities:	38,139	5,510	965	44,694	48,399
Net Decrease in Cash and Cash Equivalents	(76,739)	(\$7,253)	(18,942)	(102,931)	(\$17,380)
Cash and Cash Equivalents, October 1	521,412	78,226	30,299	630,937	637,217
Cash and Cash Equivalents, September 30	\$144,673	\$80,973	\$2,257	\$167,903	\$319,837

See accompanying notes to combined financial statements.

**STATE OF NEW YORK
 OFFICE OF THE COMPTROLLER
 REPORT ON THE FISCAL YEAR 1995
 FINANCIAL STATEMENTS
 COMPTROLLER'S OFFICE**

Account	1994														1995				
	1994	1994	1994	1994	1994	1994	1994	1994	1994	1994	1994	1994	1994	1994	1994	1994	1995	1995	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	
General																			
Travel	114,179	1,500,000	1,433,198	1,500,000	1,433,198	-	-	61,060	61,060	61,060	-	-	61,060	61,060	61,060	61,060	61,060	61,060	
Professional Services	9,776	600	976	976	11,926	-	-	200	200	200	-	-	200	200	200	200	200	200	
Post Services	1,087,049	2,187,500	1,880,640	2,187,500	2,187,500	-	-	200	200	200	-	-	200	200	200	200	200	200	
Equipment																			
Printing Expenses	96,877	21,000	12,788	-	66,869	-	-	46,988	46,988	46,988	-	-	46,988	46,988	46,988	46,988	46,988	46,988	
Telephone Expenses	61,611	17,000	12,788	-	66,869	-	-	46,988	46,988	46,988	-	-	46,988	46,988	46,988	46,988	46,988	46,988	
Supplies	70,027	91,500	117,769	-	49,000	-	-	61,808	61,808	61,808	-	-	61,808	61,808	61,808	61,808	61,808	61,808	
Travel Expenses	1,492,000	2,154,500	1,401,764	2,154,500	200	-	-	11,900	11,900	11,900	-	-	11,900	11,900	11,900	11,900	11,900	11,900	
Other Financial System Expenses	2,492,297	2,100,000	2,100,000	-	19,432	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer (Receiving) System (Fund)	11,000,000	2,100,000	2,100,000	-	19,432	-	-	-	-	-	-	-	-	-	-	-	-	-	
State (District) of Newark	40,000	20,000	20,000	-	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
State (District) of Albany	40,000	20,000	20,000	-	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
State (District) of Buffalo	40,000	20,000	20,000	-	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
State (District) of Syracuse	40,000	20,000	20,000	-	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
State (District) of Westchester	40,000	20,000	20,000	-	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
State (District) of New York	40,000	20,000	20,000	-	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
State (District) of Other Organizations	40,000	20,000	20,000	-	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total	1,433,198	1,500,000	1,433,198	1,500,000	1,433,198	-	-	61,060	61,060	61,060	-	-	61,060	61,060	61,060	61,060	61,060	61,060	

CITY OF RUSTON, LOUISIANA
 AGENCY FUND
 DEFERRED COMPENSATION FUND
 COMPARATIVE BALANCE SHEET
 SEPTEMBER 30, 1995 AND 1994

Exhibit G-1

	1995	1994
ASSETS		
Investments	\$1,801,487	\$1,375,718
Total Assets	\$1,801,487	\$1,375,718
LIABILITIES		
Accounts Payable	\$1,801,487	\$1,375,718
Total Liabilities	\$1,801,487	\$1,375,718

See accompanying notes to combined financial statements.

CITY OF HOUSTON, TEXAS
 ANNUAL BUDGET (2009)
 COMBINED BALANCE SHEET
 SEPTEMBER 30, 2008

NET ASSETS/LIABILITIES TOTALS FOR SEPTEMBER 30, 2008

	2008		2007		Federal/State Allocation (Year)	State Revenue Priority	State Revenue Other Program	Deductions Assn Costs	Health & Safety Reserve	Reserve B Inventory Hoarding	Reserve C Inventory Hoarding	Reserve D Inventory Hoarding	Totals		
	State Tax	Other Tax	State Tax	Other Tax									2008	2007	
Assets and Cash Equivalents:															
Investments	\$495,481	\$83,887	\$1,000,100	\$6,300	\$0	\$0	-	\$0	\$0	\$100,000	\$0,071	\$0,071	\$0,071	\$1,000,000	\$1,000,000
Accounts Receivable	-	-	-	2,800	-	-	-	-	-	-	-	-	-	4,271	100,000
Due from Other Funds	50,000	-	100,000	53,041	-	-	-	-	-	50,000	5,000	5,000	5,000	21,200	100,000
Due from Other Governmental Units	0	0	0	0	0	0	0	0	0	0	0	0	0	200,000	50,000
Total Assets	\$545,481	\$83,887	\$1,100,100	\$64,141	\$0	\$0	-	\$0	\$0	\$150,000	\$50,071	\$50,071	\$50,071	\$1,221,200	\$1,200,000
Liabilities:															
Accounts Payable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accounts Receivable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Due to Other Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Due to Other Governmental Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Assets	\$545,481	\$83,887	\$1,100,100	\$64,141	\$0	\$0	-	\$0	\$0	\$150,000	\$50,071	\$50,071	\$50,071	\$1,221,200	\$1,200,000
Other Information:															
Revised for Debt Service Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Assets and Liabilities	\$545,481	\$83,887	\$1,100,100	\$64,141	\$0	\$0	-	\$0	\$0	\$150,000	\$50,071	\$50,071	\$50,071	\$1,221,200	\$1,200,000

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Asset Account Group accounts for fixed assets of the governmental jurisdiction which are not accounted for in an Enterprise, Internal Service, or Trust and Agency Fund.

CITY OF RUSTON, LOUISIANA
 SCHEDULE OF GENERAL FIXED ASSETS
 BY FUNCTION AND ACTIVITY
 SEPTEMBER 30, 1998

Function and Activity	Land	Buildings
General Government	\$344,461	\$2,352,988
Public Safety	312,101	150,981
Public Works	4,713	1,488,093
Recreation	117,504	752,907
Planning, Inspection & Permits Dept.	-	-
Total General Fixed Assets	\$778,859	\$4,152,006

See accompanying notes to combined financial statements.

Improvements Other Than Buildings	Equipment	Total
\$ -	\$1,123,834	\$1,020,390
-	1,005,119	2,099,201
3,209,007	3,711,554	6,471,267
958,502	140,588	1,398,841
-	9,162	9,162
<u>\$4,237,599</u>	<u>\$6,999,257</u>	<u>\$16,067,711</u>

CITY OF RUSTON, LOUISIANA
 SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
 BY FUNCTION AND ACTIVITY
 FOR THE YEAR ENDED SEPTEMBER 30, 1995

<u>Function and Activity</u>	<u>General Fixed Assets October 1, 1995</u>	<u>Additions</u>
General Government	\$3,787,248	\$53,112
Public Safety	2,221,889	152,511
Public Works	6,749,849	1,725,948
Recreation	1,374,717	23,824
Planning, Inspection & Permits Dept.	9,182	-
Total General Fixed Assets	\$14,123,005	\$1,955,395

See accompanying notes to combined financial statements.

Adjustments And (Deductions)	General Fund Assets September 30, 1999
\$ -	\$3,820,393
(8,146)	\$2,368,261
(4,541)	8,471,367
-	1,388,541
-	9,162
<u>(\$10,690)</u>	<u>\$16,997,711</u>

CITY OF RUSTON, LOUISIANA
 SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
 BY SOURCES
 FOR THE YEAR ENDED SEPTEMBER 30, 1996

	Land	Buildings
GENERAL FIXED ASSETS, OCTOBER 1, 1995	\$778,850	\$2,751,560
Additions:		
General Fund	-	1,400,466
Ruston Parks & Recreation Board	-	-
Total Additions	-	1,400,466
Deductions:		
Retirements	-	-
GENERAL FIXED ASSETS, SEPTEMBER 30, 1996	\$778,850	\$4,152,026

See accompanying notes to combined financial statements.

Improvements Other Than Buildings	Equipment	Total
<u> </u>	<u> </u>	<u> </u>
\$4,241,448	\$6,251,142	\$14,123,666
<u> </u>	<u> </u>	<u> </u>
-	631,106	1,631,671
<u> </u>	<u> </u>	<u> </u>
-	23,824	23,824
<u> </u>	<u> </u>	<u> </u>
-	654,629	1,956,385
<u> </u>	<u> </u>	<u> </u>
(3,876)	(5,814)	(10,690)
<u> </u>	<u> </u>	<u> </u>
\$4,237,569	\$6,660,257	\$16,967,711
<u> </u>	<u> </u>	<u> </u>

GENERAL LONG-TERM DEBT ACCOUNT GROUP

The General Long-Term Debt Account Group records the general obligation bonds and other forms of long-term debt supported by general revenues that are obligations of a governmental unit as a whole and not its individual constituent funds.

AGENCY FUND

Agency Fund accounts for assets held by government as an agent for individuals, private organizations, other governments and/or other funds.

DEFERRED COMPENSATION FUND

The Deferred Compensation Fund accounts for the employees' tax Section 457 deferred compensation plan consisting of optional investment funds.

GENERAL FUND

The General Fund accounts for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

**CITY OF BOSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996**

NOTE 8 - PENSION COSTS (Cont'd)

Municipal Police Employees' Retirement System (Cont'd)

The Municipal Police Retirement System does not make separate measurements of assets and pension benefits obligation for individual employees. The pension benefit obligation at June 30, 1996, for the system as a whole, determined through an actuarial valuation performed as of that date, was \$812,078,590. The net assets available for benefits on that date were \$839,234,664, leaving a surplus of \$27,156,134. The net assets available for benefits described above include a note receivable from the City of Boston of \$489,320 which is .06 percent of net assets available.

Ten-year historical trend information is available in the separately issued retirement system reports issued by the administrators of the System. The trend information provides information about progress made in accumulating sufficient assets to pay benefits when due.

Boston Police Pension & Relief Fund

On September 1, 1983, the Boston Police Pension & Relief Fund was merged with the Municipal Police Employees' Retirement System. In connection with this merger, the City of Boston made a commitment to pay the Municipal Police Employees' Retirement System quarterly payments of \$22,669 for a period of twenty years beginning September 1, 1983, for unfunded pension cost. Total cost to the City will be \$1,813,320. The unpaid balance as of September 30, 1996 of \$495,320 is recorded in the general long-term debt account group.

NOTE 9 - RISK MANAGEMENT

Worker's Compensation

The City established a limited risk management program for worker's compensation in 1988. Premiums are paid into the Workmen's Compensation Self Insurance Fund by other funds and are available to pay claims, claim reserves, and administrative costs of the program. During the year ended September 30, 1996, a total of \$781,064 was paid in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$150,000. Reported claims of \$36,377 have been accrued as a liability based upon the service company's loss reserve report. Inferred premiums are based upon the experience premium. Payments to the agency fund are accrued for as an expenditure of the paying fund. The Workmen's Compensation Self Insurance Fund has a retained earnings balance of \$304,533 at September 30, 1996. This balance has been accumulated for future potential catastrophic losses.

General Self Insurance

The City established a limited risk management program for employee medical coverage in 1988. Amounts paid into the General Self Insurance Fund stem from employee contributions, payments

**CITY OF PLUSTON, LOUISIANA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET BARRAS BASIS & ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 1990**

Schedule 1

	Budget	Actual	Variance Favorable (Adverse)
Public Safety:			
Police Department			
Salaries - Regular	1,329,839	1,329,839	-
Salaries - Overtime	125,354	125,353	1,000
Salaries - Shift Enhancement	14,800	12,345	2,455
Employee Benefits - Pension	12,447	8,835	3,612
Police Retirement	100,000	100,000	-
Pension Retirement	66,878	66,878	-
Employee Benefits - FICA Tax	14,254	14,252	2
Employee Benefits - Insurance	150,110	150,432	(322)
Uniforms	12,800	12,872	(72)
Women's Compensation	7,800	7,800	-
Training of Personnel	22,200	27,828	(5,628)
Training Supplies	5,000	5,025	(25)
Wife's Compensation	2,475	2,475	-
Narcotics Enforcement Team	2,800	2,450	1,350
Emergency Response Team	20,000	19,652	348
Office Supplies/Printing	4,000	5,543	(1,543)
Supplies	17,000	18,428	1,428
Maintenance of Equipment	9,150	4,432	1,718
Rest of Office Equipment	5,000	4,911	89
Telephones	12,400	18,081	(5,681)
Auto Allowances	4,000	4,000	-
Rent & Truck Repair	44,842	42,875	1,967
Gasoline, Oil & Diesel	38,887	38,888	(1)
Travel	700	1,121	(421)
Legal Services	18,800	14,821	399
Dues & Subscriptions	1,258	1,028	230
Insurance	38,000	23,188	(2,188)
Insurance - Auto Liability	8,178	7,878	300
Investigative Awards	500	540	(40)
Louisiana Parish Detention Center	18,000	18,000	-
Medical Supplies & Services	2,500	2,521	(21)
Postage	1,200	1,289	(89)
Capital Outlay	140,000	144,572	1,572
Total	2,170,897	2,172,883	(2,986)
Fire Department			
Salaries - Regular	790,288	777,133	13,155
Salaries - Overtime	11,280	10,758	522
Employee Pension - Municipal	1,270	1,880	(610)
Employee Pension - Firefighters	35,285	32,370	2,915
Employee Benefits - FICA Tax	8,288	4,888	3,400
Employee Benefits - Insurance	123,800	124,800	44
Uniforms	5,800	5,848	(48)
Workmen's Compensation	8,000	8,000	-
Training of Personnel	2,400	2,828	(428)
Office Supplies	800	848	(48)
Supplies	43,000	43,021	1,979

See accompanying auditor's report.

**CITY OF RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996**

NOTE 11 - LONG-TERM DEBT

The following is a summary of the City's long-term debt transactions for the year ended September 30, 1996:

	General Obligations				Total
	Certificates of Indebtedness	Police Pension Fund Liability	Compensated Absences	Capital Loans	
Balance 10-01-95	\$1,589,000	\$501,503	\$571,041	\$ -	\$2,661,544
Addition	500,000	—	181,250	189,443	870,700
Retirements & Payments	(1,067,000)	(50,000)	—	(18,500)	(1,235,500)
Balance 9-30-96	\$1,022,000	\$451,503	\$752,291	\$121,383	\$2,347,177

On February 18, 1991, the City of Ruston placed cash in an irrevocable trust for the sole purpose of satisfying scheduled payments of both interest and principal of the 1973 Public Improvement Bonds, Series A and Series B. As a result of the defeasance, these bonds are not included in the City's financial statements. The principal outstanding at September 30, 1996 of the defeased bonds was \$200,000.

Bonds and certificates of indebtedness payable at September 30, 1996, are comprised of the following individual issues:

General Obligations Certificate of Indebtedness	Outstanding (9-30-96)
\$1,100,000 - 1993 Certificate of Indebtedness dated 4-1-93, due in annual installments of \$180,000 to \$235,000 through 4-1-03, interest at 4.0% to 5.1% (this issue is secured by pledge and dedication of the excess of annual revenue of the City of Ruston)	810,000
\$500,000 - 1995 Certificate of Indebtedness dated 5-23-95, due 4-1-07, interest at 5.48% (this issue is secured by pledge and dedication of the excess of annual revenue of the City of Ruston)	500,000

**CITY OF BOSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996**

NOTE 11 - LONG-TERM DEBT (Cont'd)

Certificates of Indebtedness

\$1,840,000 1989 Certificates of Indebtedness dated 1-1-89, due in annual installments of \$125,000 to \$125,000 through 1-1-99, interest at 7.50 to 7.55% (this issue is secured by pledge and dedication of the excess of annual revenues of the City of Boston, after provision has been made for the payment therefrom for the outstanding Certificates of Indebtedness, Series 1984, and Series 1988).

	<u>518,000</u>
Total Enterprise Funds Bonds	<u>\$2,452,536</u>

The annual requirements to amortize all bonded debt outstanding as of September 30, 1996, including interest payments of \$3,059,044 are as follows:

<u>Year Ending September 30</u>	<u>Certificates of Indebtedness</u>	<u>Enterprise Revenue Bonds</u>
1997	\$185,000	\$2,530,000
1998	191,000	1,645,000
1999	203,000	410,000
2000	211,000	270,000
2001	223,000	283,000
2002-2006	779,000	1,645,000
2007-2011	-	1,385,000
2012-2014	-	<u>682,536</u>
Total Principal	<u>\$1,790,000</u>	<u>\$ 7,452,536</u>
Total Interest	<u>178,432</u>	<u>2,680,612</u>
Total Future Requirements	<u>\$2,168,432</u>	<u>\$10,133,148</u>

The annual requirements to amortize the liability for the Police Pension Fund as of September 30, 1996, including interest payments of \$130,353 are as follows:

1997	\$ 80,876
1998	80,876
1999	80,876
2000	80,876
2001-2003	<u>248,368</u>
Total	<u>\$612,022</u>

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

CITY OF BUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1996

NOTE 11 - LONG-TERM DEBT ACCOUNTS

3% of the total assessed value for all purposes. The City assessed property value at December 31, 1995 was \$77,958,130. The maximum debt allowable for any one purpose and total debt allowable by state law as of December 31, 1995 is \$7,795,917 and \$27,285,718 respectively. The City currently has \$2,142,800 of general bonded debt outstanding.

All outstanding revenue bonds are secured by a first lien on net revenues earned by Enterprise Funds. Net revenues are defined in the revenue bond agreements. There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

NOTE 12 - CAPITAL LEASES

The City of Buston has financed the acquisition of computer hardware and software for its utility billing system and financial system information. The City has also financed the acquisition of two garbage trucks for its Public Works Solid Waste Department. These lease agreements qualify as capital leases for accounting purposes (title transfers at the end of the lease term). The value of the fixed assets recorded in the Electric Fund is \$242,605 and the equipment was placed in service at September 30, 1993. During the year ended September 30, 1996, depreciation of \$24,261 was recorded on the computer hardware and software and accumulated depreciation amounted to \$74,885 at September 30, 1996.

The following is a schedule of the future minimum lease payments under the capital lease:

ENTERPRISE FUND (ELECTRIC SYSTEMS)

Year Ending 09/30	Minimum Lease Payment	Principal Payment
1997	\$ 60,991	\$ 32,403
1998	60,991	57,244
1999	5,082	5,043
Total	\$127,064	\$114,690

GENERAL LONG-TERM DEBT ACCOUNT GROUP:

Year Ending 09/30	Minimum Lease Payment	Principal Payment
1997	\$ 43,520	\$ 24,857
1998	43,520	36,858
1999	43,520	38,974
2000	43,520	41,211
2001	19,388	19,209
Total	\$189,468	\$121,009

CITY OF HUNTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1995

NOTE 11 - SEGMENT INFORMATION - ENTERPRISE FUNDS

The City operates a Utility System and an Airport Authority. The Utility System provides electric, water and sewerage services to the residents of the City of Hunton. The Airport Authority accounts for the receipts and expenditures of Hunton Municipal Airport.

Supplemental information for Utility Systems and Airport Authority for the fiscal year ended September 30, 1995, is as follows:

	Electric System	Water System	Sewerage System	Airport Authority	Ambulance Service	Total Enterprises
Opening Revenue	\$11,858,793	\$1,109,239	\$1,994,281	\$ 21,215	\$58,081	\$17,981,609
Depreciation	982,419	109,194	479,876	149,721	41,523	1,762,833
Operating Income (Loss)	1,261,816	399,765	1,044,602	(128,110)	16,118	1,684,201
Operating Transfer (to/for)	(1,066,285)	(18,750)	-	-	-	(1,085,035)
Net Income (Loss)	477,219	377,614	1,044,602	(128,110)	16,118	1,687,443
Current Capital Contributions	146,792	180,921	-	76,765	180,871	1,085,349
Fixed Asset - Additions	519,219	149,215	128,631	102,561	-	1,199,626
Total Assets	\$18,318,368	\$2,800,162	\$16,649,159	\$4,942,108	\$187,659	\$41,817,456
Revenue Bonds Payable	\$ 1,802,880	\$ 410,000	\$4,197,108	-	-	\$ 7,642,156
Contingencies of Indebtedness	-	-	410,000	-	-	410,000
Total Contributed Capital and Retained Earnings	\$12,967,814	\$4,746,792	\$8,861,210	\$4,826,217	\$188,437	\$32,916,466
Net Working Capital	\$ 1,399,499	\$ 925,179	\$1,781,136	\$ 128,472	\$168,113	\$4,502,399

CITY OF HUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

NOTE 14 - CONTRIBUTED CAPITAL - ENTERPRISE FUNDS

Changes in contributed capital during year are as follows:

	Electrical System	Wastewater System	Sewerage System	Airport System	Ambulance System	Total
Balance, Beginning of Year	\$ 76,167	1579,266	\$5,787,549	\$4,414,143	\$87,688	\$10,694,653
Contributions - Federal/State Grants	346,362	380,911	78,768	300,871	-	1,096,912
Less: Depreciation	—	611,830	1,200,680	324,748	—	1,947,258
Balance, End of Year	\$122,127	1348,347	\$4,665,637	\$4,389,266	\$87,688	\$10,513,065

NOTE 15 - INTERFUND TRANSFERS

Operating Transfers In and Out are listed by fund type for the year:

	Transfer In	Transfer Out
General Fund	\$5,651,556	\$ 42,500
Special Revenue Funds:		
Sales Tax Funds:		
1988 Sales Tax Fund	\$ -	\$1,482,547
1985 Sales Tax Fund	-	3,137,592
1990 Sales Tax Fund	-	1,428,300
Houston Parks & Recreation Board	189,452	-
Total Special Revenue Funds	\$ 189,452	\$6,048,439
Debt Service Fund	\$ 385,312	\$ -
	Transfer In	Transfer Out
Enterprise Funds:		
Electrical System	\$ -	\$1,056,283
Water System	-	18,716
Total Enterprise Funds	\$ -	\$1,075,000
Total Operating Transfers In and Out	\$6,036,320	\$6,090,739

CITY OF HUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

NOTE 16 - COMPENSATION PAID TO CITY COUNCIL MEMBERS

Per diem paid to the City Council members for the current year is as follows:

Elmer D. Mayfield	34,800
Troy Smalling	4,800
Pat Cardwell	4,800
Levell Thompson	4,800
Lawrence Smith	<u>4,800</u>
	\$54,000

NOTE 17 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

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 plaintiff. Management of the City, including the City Attorney, are not aware of any liability that should be recorded under Financial Accounting Standard No. 5.

Federally Assisted Programs

The City receives financial assistance from Federal and State governmental agencies in the form of grants. The disbursements of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements. The programs are audited in accordance with the Single Audit Act of 1984 and are subject to further examination by the grantor agency.

NOTE 18 - DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with these amounts, and all income attributable to these amounts, property or rights acquired paid or made available to the employee or other beneficiary) solely the property and rights of the government subject only to the claims of the government's general creditors. Participants' rights under the plan are equal to those of the general creditors of the government in an amount equal to the fair market value of the deferred account for each participant.

CITY OF RUSTON, LOUISIANA
1988 SALES TAX FUND

Exhibit D-3

STATEMENT OF REVENUES, EXPENDITURES, & CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 1988

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Sales Tax	\$1,407,047	\$1,441,760	\$34,713
Miscellaneous:			
Interest Income	14,000	10,780	(3,220)
Total Revenues	1,421,047	1,452,540	31,493
Expenditures:			
General Government:			
Collection & Admin. Expenses	19,300	18,021	1,279
Total Expenditures	19,300	18,021	1,279
Excess of Revenues Over Expenditures	1,401,747	1,434,519	32,772
Other Financing (Uses):			
Operating Transfers Out	(1,402,547)	(1,402,547)	-
Total Other Financing Uses	(1,402,547)	(1,402,547)	-
Excess of Revenues Over Expenditures and Other Financing Uses	-	40,972	40,972
Fund Balance, October 1	401,546	401,546	-
Fund Balance, September 30	\$401,546	\$442,518	\$40,972

See accompanying notes to combined financial statements.

**COMBINING INDIVIDUAL FUND AND ACCOUNT
GROUP STATEMENTS AND SCHEDULES**

CITY OF RUSTON, LOUISIANA
 SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT
 FOR THE YEAR ENDED SEPTEMBER 30, 1995

Exhibit 1.1

	October 1, 1995	Additions	Deductions	September 30, 1995
Amount Available in Debt Service Fund	\$62,978	\$3,381	\$ -	\$66,357
Amount to be Provided for Retirement of General Long-Term Debt	2,244,394	662,701	248,720	2,668,575
Totals	\$2,327,570	\$666,082	\$248,720	\$2,668,932
Long-Term Obligations Payable:				
Compensated Absences	\$377,047	\$193,258	\$ -	\$570,305
Certificates of Indebtedness	1,389,000	500,000	169,000	1,730,000
Municipal Police Employees' Retirement System	551,523	-	55,000	496,523
Capital Leases	-	189,445	18,330	171,115
Totals	\$2,327,570	\$662,701	\$243,330	\$2,666,941

See accompanying notes to combined financial statements.

CITY OF HUSTON, LOUISIANA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
SEPTEMBER 30, 1966 AND 1965

Exhibit A-1

	1966	1965
ASSETS		
Cash and Cash Equivalents	\$1,875,303	\$1,818,859
Accounts Receivable	182,998	281,719
Unbilled Revenues	58,048	96,983
Travel Advances	2,660	4,240
Due from Other Funds	573,143	339,520
Due from Other Governmental Units	13,643	15,828
Inventories, at Cost	18,734	14,426
Total Assets	\$2,722,669	\$2,451,645
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	\$280,248	\$280,248
Deposits	2,421	2,421
Due to Other Funds	267	22,369
Accrued Salaries	258,490	208,687
Total Liabilities	541,426	703,712
Fund Balance:		
Reserved for Inventories	18,734	14,426
Unreserved - Undesignated	2,184,371	1,848,907
Total Fund Balance	2,181,105	1,862,933
Total Liabilities and Fund Balance	\$2,722,669	\$2,451,645

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES &
CHANGES IN FUND BALANCES

FOR THE YEARS ENDED SEPTEMBER 30, 1996 AND 1995

	1996	1995
Revenues:		
Taxes - Property Tax - General	\$508,143	\$471,126
Licenses and Permits:		
Insurance License	223,219	231,216
Alcoholic Beverage License	3,790	3,120
Bicycle License Fees	71	50
Inspection - Building	58,937	29,373
Inspection - Plumbing	10,499	8,379
Inspection - Electrical	15,939	19,073
Inspection - Mechanical	14,211	11,316
Inspection - Occupancy	1,470	1,490
Franchise - Arkla Gas	50,856	24,117
Franchise - Cable T.V.	58,109	50,520
Franchise - Bell South	-	7,900
Total Licenses and Permits	481,148	452,264
Intergovernmental		
Solid Waste Mgmt. Program	445,475	420,330
Louisiana Tobacco Tax	87,840	87,893
Louisiana Fire Insurance	33,851	34,299
Louisiana Beer Tax	20,222	28,660
RFD HUD Grant	-	41,187
Video Poker Tax	88,437	88,723
Louisiana Mainstreet Grant	10,000	8,888
Louisiana Dept of Highways	35,848	35,848
HUD Administration Fee	82,153	88,252
Total Intergovernmental	829,824	791,824

See accompanying notes to combined financial statements.

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES &
CHANGES IN FUND BALANCES
FOR THE YEARS ENDED SEPTEMBER 30, 1996 AND 1995

	1996	1995
Charges for Services:		
Refuse Collection Fees	696,588	664,123
Total Charges for Services	<u>696,588</u>	<u>664,123</u>
Fines & Forfeitures:		
Fines - Wood Marshal	57,572	69,573
Fines - Witness Fees	7,880	9,355
Fines - DWI Testing	4,485	6,477
Fines/Fees - Animal Control	2,328	2,191
Donation - Animal Control	35	
Fines - Parking Tickets	14,044	9,052
Accident Reports - Police	4,091	3,999
Crematory Fees	1,393	200
Crematory Funds	300	50
Probation Revenue	48,170	45,454
Police Department Miscellaneous	33,243	10,702
Total Fines and Forfeitures	<u>171,925</u>	<u>156,019</u>
Miscellaneous:		
Civic Center Income	44,102	38,061
Interest	57,870	24,577
Rentals - City Property	3,000	3,000
Video Promotions Revenue		4,250
Sale of Culvert	661	1,745
Commission South Central Bell	156	366
Concession Receipts	1,310	1,845
Miscellaneous	8,488	3,237
Total Miscellaneous	<u>115,982</u>	<u>78,263</u>
Total Revenues	<u>3,104,110</u>	<u>2,812,007</u>

See accompanying notes to combined financial statements.

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES &
CHANGES IN FUND BALANCES
FOR THE YEARS ENDED SEPTEMBER 30, 1996 AND 1995

	1996	1995
Expenditures:		
Current:		
General Government	1,225,142	1,340,161
Public Safety	3,487,367	3,209,343
Public Works	3,908,625	3,340,887
Total Expenditures	<u>8,225,434</u>	<u>7,949,611</u>
Deficiency of Revenues Over Expenditures	<u>(5,121,324)</u>	<u>(5,137,664)</u>
Other Financing Sources (Uses):		
Operating Transfers In	5,661,666	5,391,320
Operating Transfers Out	(42,500)	(128,708)
Total Other Financing Sources	<u>5,619,166</u>	<u>5,262,612</u>
Excess of Revenues and Other Financing Sources Over Expenditures	598,172	128,008
Fund Balance, October 1	1,000,603	1,534,625
Fund Balance, September 30	<u>\$2,181,105</u>	<u>\$1,662,633</u>

See accompanying notes to combined financial statements.

STATEMENT OF REVENUES, EXPENDITURES &
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Property Tax - General	\$475,000	\$509,143	\$34,143
Total Taxes	475,000	509,143	34,143
Licenses and Permits:			
Insurance License	231,000	223,919	(7,081)
Alcoholic Beverage License	3,200	3,700	500
Bicycle License Fees	50	71	21
Inspection - Building	40,000	58,097	18,097
Inspection - Plumbing	10,000	10,499	499
Inspection - Electrical	18,000	15,999	(2,001)
Inspection - Mechanical	12,000	14,211	2,211
Inspection - Occupancy	1,500	1,479	(20)
Franchise - Arla Gas	95,000	95,000	1,000
Franchise - Cable T.V.	50,000	58,109	8,109
Franchise - Bell South	7,500	0	(7,500)
Total Licenses and Permits	466,200	481,348	15,098
Intergovernmental:			
Solid Waste Mgmt. Program	300,000	445,475	125,475
Louisiana Tobacco Tax	100,000	97,840	(2,160)
Louisiana Fire Insurance	30,000	30,851	851
Louisiana Beer Tax	25,000	29,222	4,222
Louisiana Mainstreet Program	10,000	10,000	0
RPD HUD Grant	10,250	0	(10,250)
Video Poker Tax	55,000	65,437	10,437
Louisiana Dept of Highways	35,000	35,546	546
HUD Administration Fee	85,000	92,163	7,163
Total Intergovernmental	670,250	629,624	(150,344)

See accompanying notes to combined financial statements.

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES &
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
Charges for Services:			
Refuse Collection Fees	675,000	698,588	121,588
Total Charges for Services	675,000	698,588	121,588
Fines & Forfeitures:			
Fines - Ward Marshal	74,000	57,072	(16,928)
Fines - Wireless Fees	8,500	7,880	(620)
Fines - DWI Testing	8,000	4,485	(3,515)
Fines/Fees - Animal Control	3,000	3,328	(672)
Donation - Animal Control	-	30	30
Fines - Parking Tickets	12,000	14,044	2,044
Accident Reports - Police	4,000	4,081	81
Crematory Fees	500	1,389	889
Cemetery Funds	-	300	300
Probation Revenue	42,000	48,179	4,179
Police Department Miscellaneous	16,200	33,243	17,043
Total Fines and Forfeitures	168,200	171,825	3,725
Miscellaneous:			
Civic Center Income	36,600	44,102	8,102
Interest	25,300	27,878	32,878
Rentals - City Property	3,000	3,000	-
Sale of Casket	2,500	881	(1,619)
Commission South Central Bell	400	150	(244)
Concession Receipts	1,000	1,310	310
Miscellaneous	10,429	8,455	(1,974)
Total Miscellaneous	77,629	115,602	38,283
Total Revenues	2,734,399	3,104,110	369,711

See accompanying notes to combined financial statements.

STATEMENT OF REVENUES, EXPENDITURES &
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) & ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 1996

	Budget	Actual	Variance Favorable (Unfavorable)
Expenditures:			
Current:			
General Government	1,321,917	1,339,143	92,775
Public Safety	3,485,432	3,487,367	8,005
Public Works	3,549,628	3,598,935	140,701
Total Expenditures	8,400,977	8,325,434	241,541
(Deficiency) of Revenues Over Expenditures	(5,732,516)	(5,121,324)	611,292
Other Financing Sources (Uses):			
Operating Transfers In	5,691,547	5,691,598	(9,051)
Operating Transfers Out	(42,500)	(42,500)	0
Total Other Financing Sources	5,649,047	5,639,498	(9,951)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(94,069)	518,172	602,241
Fund Balance, October 1	1,662,933	1,662,933	-
Fund Balance, September 30	\$1,578,864	\$2,181,105	\$602,241

See accompanying notes to combined financial statements.

SPECIAL REVENUE FUNDS

Special Revenue Funds account for specific revenues that are legally restricted to expenditure for particular purposes.

SALES TAX FUNDS

Sales Tax Funds account for the receipt and use of proceeds of the City's sales and use tax. One-half percent of the sales tax is dedicated to general operating expenses, general fixed assets, and waterworks extensions and improvements, while three-fourths percent is dedicated to the recreation department, streets and drainage, fire protection and police protection, and one-half percent is dedicated for police and fire departments and drug prevention.

RUSTON PARKS & RECREATION BOARD

This fund accounts for the receipts and subsequent expenditures of the City of Ruston Park and Recreation Program.

STATE REVENUE SHARING FUND

This fund accounts for the receipt and subsequent expenditures of revenue sharing funds received from the State of Louisiana.

SECTION 8 HOUSING ASSISTANCE PAYMENTS PROGRAMS

Section 8 Housing Funds account for receipt of Federal Funds and the payment of Housing Assistance Payments to qualifying rental property owners.

D.A.S.T. GRANT PROGRAM

This fund accounts for the receipt and subsequent expenditures of a State of Louisiana Emergency Shelter Grant Program.

DECENTRALIZED ARTS GRANT

This fund accounts for the receipt and subsequent expenditures of a State of Louisiana Decentralized Arts Grant Program.

HEALTH AND SAFETY REHAB

This fund accounts for a \$150,000 Louisiana Housing Finance Agency Grant in accordance with the terms of the executed State Recipient Agreement, HOME Project Summary.

CITY OF HUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 1994

NOTE 18 - DEFERRED COMPENSATION PLAN (Con't)

It is the opinion of management that the City has no liability for losses under the plan. It is the intent of management that the deferred amounts will ultimately be paid to the employees. Management also believes that the assets will not be used to satisfy the claims of general creditors.

NOTE 19 - POST-EMPLOYMENT HEALTH CARE BENEFITS

In addition to the pension benefits described in note 8, the City provides post-retirement health care benefits, in accordance with state statutes, to all retiring employees 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 90 retirees receiving such benefits. During 1994, expenditures of \$158,588 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.

NOTE 20 - NEW FUNDS

During 1994, the Hazard Mitigation Grant Fund and the Parks and Recreation Certificate of Indebtedness Fund were established as capital project funds. The Hazard Mitigation Fund is used to account for grant receipts and disbursements for the purpose of providing improvements to single family homes that have been damaged due to flooding or other natural disasters. The Parks and Recreation Certificate of Indebtedness Fund was established to account for the proceeds from the issuance of Certificate of Indebtedness, Series 1994 for the purpose of acquiring, expanding and further developing new and present recreational facilities.

NOTE 21 - SUBSEQUENT EVENTS

In January 1995, the City issued \$850,000 in Utilities Revenue Refunding Bonds, Series 1994 for the purpose of refunding the outstanding Water Revenue Bonds, Series 1986. The proceeds of the new bonds, net of issuance cost, were deposited in an irrevocable trust fund. The trust fund will use the proceeds to purchase direct general obligations of the U.S. government sufficient to pay the principal and interest of the refunded bonds, as they come due.

CITY OF FRESTON, LOUISIANA
 GENERAL FUND
 SCHEDULE OF EXPENDITURES
 BUDGET (ENAP BASIS) & ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 1999

Schedule 1

	Budget	Actual	Variance Favorable (Adverse)
General Government (Continued):			
City Court:			
Salaries - Regular	53,845	53,888	43
Employee Benefits - Pension	4,704	4,688	16
Judge's Retiremerit	1,238	1,233	(5)
Employee Benefits - FICA Tax	1,511	1,514	3
Employee Benefits - Insurance	14,147	12,982	1,165
Workers' Compensation	780	880	(100)
Training of Personnel	1,200	-	1,200
Witness Fees - Officers	15,850	14,000	1,850
Telephone	2,800	1,843	957
Juvenile Assistance Program	10,000	10,000	0
Medical Supplies & Services	300	176	124
Totals	106,160	101,081	5,079
Wood Marshal:			
Salaries - Regular	26,881	26,233	648
Salaries - Overtime	2,260	-	2,260
Employee Benefits - Pension	3,805	5,285	(1,480)
Employee Benefits - FICA Tax	405	535	(130)
Employee Benefits - Insurance	14,175	14,175	-
Workers' Compensation	800	800	-
Medical Supplies & Services	55	0	55
Postage	-	131	(131)
Totals	52,571	50,154	2,417
City Hall Buildings & Grounds:			
Salaries - Regular	61,021	72,188	(11,167)
Salaries - Overtime	4,000	2,835	1,165
Salaries - Contract Labor	2,000	-	2,000
Employee Benefits - Pension	4,028	4,260	(232)
Employee Benefits - FICA Tax	1,024	1,428	(404)
Employee Benefits - Insurance	12,021	12,755	(734)
Uniforms	540	142	398
Workers' Compensation	1,080	1,080	-
Unemployment Compensation	-	1,650	(1,650)
Items for Repairs	1,500	1,347	153
Supplies, Chemicals, & Printing	15,980	11,887	4,093
Maintenance of Bldg & Grounds	12,080	18,008	(5,928)
Maintenance of Equipment	30,080	8,275	21,805
Telephone	1,280	507	773
Air Maintenance	-	898	(898)
Gasoline, Oil & Diesel	300	121	179
Insurance	16,800	18,080	(1,280)
Medical Supplies & Services	300	-	300
Postage	100	-	100
Capital Outlay	68,800	46,139	22,661
Totals	214,020	199,220	14,800

See accompanying auditor's report