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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the county clerk of the parish of Orleans. The report is also being submitted to the Baton Rouge, Louisiana, office of the Federal Bureau of Investigation, where appropriate, at the office of the parish clerk of court.

Release Date NOV 15 2000

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 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable John L. Olivier
 and Members of the Board of Aldermen
 Town of Sunset, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Sunset, Louisiana, as of and for the year ended June 30, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Town of Sunset, Louisiana, as of June 30, 2000, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated August 29, 2000, on our consideration of the Town of Sunset's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the Town of Sunset, Louisiana, taken as a whole. The combining and individual fund and account group financial statements and schedules for the years ended June 30, 2000 and 1999, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Sunset, Louisiana. Such information, except for the Schedule of Insurance in Force marked "unaudited," has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

John S. Dowling & Co.
 Opelousas, Louisiana
 August 29, 2000

GENERAL PURPOSE FINANCIAL STATEMENTS

TOWN OF SUNSET, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS (CONTINUED)
JUNE 30, 2000

LIABILITIES AND FUND EQUITY	GOVERNMENTAL FUND TYPES				ACCOUNT GROUPS				TOTALS	
	SPECIAL REVENUE		DEBT SERVICE		FUND TYPE		FUND TYPE		(Memorandum Only)	
	GENERAL	REVENUE	DEBT	SERVICE	ENTERPRISE	AGENCY	FIXED ASSETS	LONG-TERM DEBT	2000	1999
LIABILITIES										
Bank overdrafts	\$20,369				\$630	\$334			\$21,333	\$14,414
Accounts payable	8,836				5,269				14,105	16,207
Deferred revenue										4,708
Due to other funds	8,661		\$26,609		1,010	132			36,412	35,640
Payable from restricted assets										
Customers' deposits					23,339				23,339	23,328
Due to operating account					8,381				8,381	8,761
Revenue bonds payable					17,086				17,086	15,781
Accrued interest payable					499				499	576
Long-term debt										
Revenue bonds payable					326,023				326,023	343,663
General obligation bonds payable								\$120,000	120,000	130,000
Total liabilities	37,866	-0-	26,609		382,237	466	-0-	120,000	567,178	593,078
FUND EQUITY										
Contributed capital					2,317,102				2,317,102	2,317,102
Investment in general fixed assets							\$882,640		882,640	869,295
Retained earnings (deficit)										
Reserved					25,344				25,344	46,303
Unreserved					(1,448,514)				(1,448,514)	(1,276,919)
Fund balance										
Reserved			17,250						17,250	37,449
Unreserved, undesignated	84,955	\$21,127	4,665						120,747	104,640
Total fund equity	84,955	31,127	21,915		893,932	-0-	882,640	-0-	1,914,569	2,097,870
Total liabilities and fund equity	122,821	31,127	48,524		1,276,169	466	882,640	120,000	2,481,747	2,690,948

The accompanying notes are an integral part of these statements.

TOWN OF SUNSET, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 2000

	<u>GOVERNMENTAL FUND TYPES</u>			<u>TOTALS</u>	
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>(MEMORANDUM ONLY)</u>	
				<u>2000</u>	<u>1999</u>
<u>REVENUES</u>					
Taxes	\$135,184	\$137,627	\$13,104	\$285,915	\$269,975
Licenses and permits	91,463			91,463	75,140
Intergovernmental	34,439			34,439	27,177
Charges for services	5,442			5,442	6,770
Fines and forfeits	32,112			32,112	27,383
Investment income	1,858	171	1,097	3,126	5,145
Miscellaneous	32,502			32,502	40,038
Total revenues	333,000	137,798	14,201	484,999	451,628
<u>EXPENDITURES</u>					
Current					
General and administrative	175,595	1,411		177,006	201,868
Street	120,248			120,248	110,920
Police	263,598			263,598	299,955
Fire	21,421			21,421	13,318
Park					7,531
Health and welfare	1,600			1,600	1,215
Debt service					
Principal retirement			10,000	10,000	10,000
Interest and fiscal charges			10,767	10,767	11,391
Total expenditures	582,462	1,411	20,767	604,640	656,198
<u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>	(249,462)	136,387	(6,566)	(119,641)	(204,570)
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating transfers in	234,981		7,200	242,181	278,452
Operating transfers out		(105,800)	(20,833)	(126,633)	(133,800)
Total other financing sources (uses)	234,981	(105,800)	(13,633)	115,548	144,652

This statement continued on next page.

TOWN OF SUNSET, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES (CONTINUED)
YEAR ENDED JUNE 30, 2000

	<u>GOVERNMENTAL FUND TYPES</u>			<u>TOTALS</u>	
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>(MEMORANDUM ONLY)</u>	
				<u>2000</u>	<u>1999</u>
<u>EXCESS OF REVENUES AND OTHER SOURCES OVER</u>					
<u>(UNDER) EXPENDITURES AND OTHER USES</u>					
	\$ (14,481)	\$ 30,587	\$ (20,199)	\$ (4,093)	\$ (59,918)
<u>FUND BALANCE, beginning of year</u>	<u>99,436</u>	<u>540</u>	<u>42,114</u>	<u>142,090</u>	<u>202,008</u>
<u>FUND BALANCE, end of year</u>	<u>84,955</u>	<u>31,127</u>	<u>21,915</u>	<u>137,997</u>	<u>142,090</u>

The accompanying notes are an integral part of these statements.

TOWN OF SUNSET, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL AND SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	GENERAL FUND		SPECIAL REVENUE FUND		TOTALS (Memorandum Only) 2000
	Budget	ACTUAL	VARIANCE (UNFAVORABLE)	VARIANCE FAVORABLE (UNFAVORABLE)	
REVENUES					
Taxes	\$133,279	\$135,184	\$1,905	\$130,125	\$272,811
Licenses and permits	78,459	91,463	13,004		91,463
Intergovernmental	22,322	34,439	12,117		34,439
Charges for services	8,327	5,442	(2,885)		5,442
Fines and forfeits	29,079	32,112	3,033		32,112
Investment income	1,733	1,858	125	153	2,029
Miscellaneous	25,031	32,502	7,421		32,502
Total revenues	298,280	333,000	34,720	130,278	470,798
EXPENDITURES					
Current operating					
General and administrative	173,110	175,595	(2,485)	1,336	177,006
Street	106,707	120,248	(13,541)		120,248
Police	254,784	263,598	(8,814)		263,598
Fire	20,614	21,421	(807)		21,421
Health and welfare	1,416	1,600	(184)		1,600
Total expenditures	556,631	582,462	(25,831)	1,336	583,873
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(258,351)	(249,462)	8,889	128,942	(113,075)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	225,720	234,981	9,261		234,981
Operating transfers out				(105,800)	(105,800)
Total other financing sources (uses)	225,720	234,981	9,261	(105,800)	129,181
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(32,631)	(14,481)	18,150	23,142	16,106
FUND BALANCE, beginning of year		99,436			99,976
FUND BALANCE, end of year		84,955			116,082

The accompanying notes are an integral part of these statements.

TOWN OF SUNSET, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2000

	TOTALS	
	(MEMORANDUM ONLY)	
	<u>2000</u>	<u>1999</u>
<u>OPERATING REVENUES</u>		
Charges for services		
Gas sales	\$184,046	\$184,424
Water sales	108,499	105,279
Sewer sales	114,557	115,977
Miscellaneous income	<u>1,871</u>	<u>5,451</u>
<u>Total operating revenues</u>	<u>408,973</u>	<u>411,131</u>
<u>OPERATING EXPENSES</u>		
Personal services	76,544	81,374
Contractual services	74,012	71,625
Supplies	20,487	20,564
Other expenses	89,405	88,186
Depreciation	<u>212,247</u>	<u>212,984</u>
<u>Total operating expenses</u>	<u>472,695</u>	<u>474,733</u>
<u>OPERATING LOSS</u>	<u>(63,722)</u>	<u>(63,602)</u>
<u>NONOPERATING REVENUES (EXPENSES)</u>		
Interest income	2,480	4,042
Interest expense	<u>(15,764)</u>	<u>(16,534)</u>
<u>Total nonoperating revenues (expenses)</u>	<u>(13,284)</u>	<u>(12,492)</u>
<u>LOSS BEFORE OPERATING TRANSFERS</u>	<u>(77,006)</u>	<u>(76,094)</u>
<u>OPERATING TRANSFERS OUT</u>	<u>(115,548)</u>	<u>(144,652)</u>
<u>NET LOSS</u>	<u>(192,554)</u>	<u>(220,746)</u>
<u>RETAINED EARNINGS (DEFICIT), beginning of year</u>	<u>(1,230,616)</u>	<u>(1,009,870)</u>
<u>RETAINED EARNINGS (DEFICIT), end of year</u>	<u>(1,423,170)</u>	<u>(1,230,616)</u>

The accompanying notes are an integral part of these statements.

TOWN OF SUNSET, LOUISIANA
STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2000

	TOTALS	
	(MEMORANDUM ONLY)	
	<u>2000</u>	<u>1999</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Cash received from customers	\$408,205	\$414,170
Cash payments to suppliers for goods and services	(200,120)	(193,255)
Cash payments to employees for services	(67,935)	(72,892)
Net cash provided by operating activities	<u>140,150</u>	<u>148,023</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>		
Operating transfers - out to other funds	(115,548)	(144,652)
Net cash used for noncapital financing activities	<u>(115,548)</u>	<u>(144,652)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>		
Acquisition and construction of capital assets	(15,017)	
Principal paid on revenue bonds	(16,335)	(15,617)
Interest paid on revenue bonds	(15,841)	(16,559)
Principal paid on loan		(30,000)
Customers' deposits, net	<u>11</u>	<u>(3,155)</u>
Net cash used for capital and related financing activities	<u>(47,182)</u>	<u>(65,331)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Redemption of investments	24,000	35,000
Interest earned on investments	2,538	4,132
Reinvestment of interest earned	(1,450)	(1,593)
Net cash provided by investing activities	<u>25,088</u>	<u>37,539</u>
<u>NET INCREASE (DECREASE) IN CASH</u>	<u>2,508</u>	<u>(24,421)</u>
<u>CASH AND CASH EQUIVALENTS, beginning of year</u>	<u>32,500</u>	<u>56,921</u>
<u>CASH AND CASH EQUIVALENTS, end of year</u>	<u>35,008</u>	<u>32,500</u>

This statement continued on next page.

TOWN OF SUNSET, LOUISIANA
STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES - ENTERPRISE FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2000

	TOTALS	
	(MEMORANDUM ONLY)	
	<u>2000</u>	<u>1999</u>
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH</u>		
<u>PROVIDED BY OPERATING ACTIVITIES</u>		
Operating income	<u>\$(63,722)</u>	<u>\$(63,602)</u>
Adjustments to reconcile operating income		
to net cash provided by operating activities:		
Depreciation	212,247	212,984
(Increase) decrease in receivables	(670)	84
(Increase) decrease in prepaid insurance	1,604	1,712
(Increase) decrease in due from other governments	(98)	2,955
Increase (decrease) in accounts payable	(6,206)	88
Increase (decrease) in bank overdrafts	<u>(3,005)</u>	<u>(6,198)</u>
<u>Total adjustments</u>	<u>203,872</u>	<u>211,625</u>
<u>Net cash provided by operating activities</u>	<u>140,150</u>	<u>148,023</u>

The accompanying notes are an integral part of these statements.

TOWN OF SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and reporting practices of the Town of Sunset conform to generally accepted accounting principles as applicable to governments.

The following is a summary of certain significant accounting policies and practices of the Town of Sunset.

REPORTING ENTITY. Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Town of Sunset for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Town to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Town.
2. Organizations for which the Town does not appoint a voting majority but are fiscally dependent on the Town.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The Town of Sunset is a primary government and the accompanying general purpose financial statements present information only on the funds maintained by the Town and do not present information on any other governmental unit.

FUND ACCOUNTING. The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into five generic fund types and three broad fund categories as follows:

Governmental Funds

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

TOWN OF SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Revenue Fund. The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

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

Proprietary Fund

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

Fiduciary Fund

Agency Funds. Agency Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

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

TOWN OF SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The modified accrual basis of accounting is used by all governmental fund types and fiduciary funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means that the amount of the transaction can be determined and "available" means that the amount of the transaction is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is for principal and interest on general long-term debt which is recognized when due. Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

The proprietary fund type is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned, and its expenses are recognized when they are incurred. Revenues earned and expenses incurred are recognized in a government's proprietary funds in essentially the same manner as in commercial accounting. However, where the GASB has issued pronouncements applicable to entities and activities recognized in a government's proprietary funds, those entities and activities should be guided by the GASB pronouncements. Only minor adaptations are involved in applying the revenue realization and expense recognition principles in the governmental environment.

CASH AND INVESTMENTS. Louisiana statutes authorize the Town to invest in direct United States Treasury obligations; bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and backed by the United States; bonds debentures, notes, or other evidence of indebtedness issued or guaranteed by United States government instrumentalities, which are federally sponsored; and certificates of deposits.

Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100% of the uninsured amount on deposit with the bank.

At June 30, 2000, the carrying amount of the Town's deposits was \$207,877. The bank balance of cash was \$150,963 and of investments was \$85,873. Investments are stated at cost, which approximates market. These investments consist of certificates of deposit. Of the bank balance, approximately \$183,517 is covered by federal depository insurance, and approximately \$53,318 is covered by securities held by the bank in the Town's name.

TOWN OF SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FIXED ASSETS AND LONG-TERM LIABILITIES. All items of property, plant, and equipment (excluding infrastructure general fixed assets) which do not constitute assets of the Enterprise Fund are recorded in the General Fixed Assets Account Group. Such assets are maintained on the basis of original cost (cash paid plus trade-in allowance, if applicable) and no depreciation is computed or recorded thereon.

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

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-term Debt Account Group.

Property, plant, and equipment which constitute assets of the Enterprise Fund are recorded at cost and depreciation is computed thereon under the straight-line method of depreciation based on estimated useful lives of the individual assets.

Interest costs during construction, where applicable, are capitalized.

BAD DEBTS. Uncollectible amounts due for ad valorem taxes, miscellaneous liens, and sundry claims are recorded as bad debts through the establishment of an allowance account at the time information available indicates the uncollectibility of the particular receivable.

Uncollectible amounts due from customers' utility receivables are recognized as bad debts through the adjustment of an allowance account to the balance of individual accounts deemed uncollectible at the end of each fiscal year.

BUDGETS AND BUDGETARY ACCOUNTING. The Town follows these procedures in establishing the budgetary data reflected in these financial statements:

1. A public meeting is scheduled by the Town Council after allowing for at least 10 days notice to the public at the time the budget is initially submitted to the Town Council.
2. The budget must be finally adopted by the Council no later than 15 days prior to the last day of the preceding fiscal year.
3. The Mayor and Town Council may authorize transfers of budgetary amounts within departments and revisions requiring alteration of levels of expenditures or transfers between departments.
4. Operating appropriations, to the extent not expended or encumbered, lapse at year-end. Capital appropriations continue in force until the project is completed or deemed abandoned.

TOWN OF SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BUDGETS AND BUDGETARY ACCOUNTING (Continued)

5. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

ENCUMBRANCES. The Town does not employ the encumbrance system of accounting.

INVENTORY. The Town practices the policy of recording materials and supplies as expenditures or expenses when acquired. The Town does not record any of these items as inventory because the amount of the items in stock is insignificant.

COMPENSATED ABSENCES. The Town's employees earn and use their vacation and sick leave during the fiscal year. Therefore, there is no provision for compensated absences.

CASH AND CASH EQUIVALENTS. For purposes of the statement of cash flows, the Town considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

COMPARATIVE DATA. Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

MEMORANDUM ONLY - PRIOR YEAR RESTATED. Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

The prior year balances of the General Fixed Assets Account Group have been restated to reflect building improvements for the fiscal year ended June 30, 1999 in the amount of \$5,118.

(2) CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purposes of the statement of cash flows consist of the following as of June 30, 2000:

Unrestricted assets	
Cash	\$134
Restricted assets	
Cash	<u>34,874</u>
<u>Total cash and cash equivalents</u>	<u>35,008</u>

TOWN OF SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

(3) ACCOUNTS RECEIVABLE - ENTERPRISE FUND

The number of users for the Town of Sunset's utility system is as follows:

	<u>Gas</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Residential	365	806	729	1,900
Commercial	23	53	47	123

The present sewer rates are as follows:

Residential users:

Flat \$6.50 per 3,000 gallons or less
Over 3,000 gallons, \$1.25 per 1,000 gallons

Commercial users:

Flat \$10.00 per 3,000 gallons or less
Over 3,000 gallons, \$1.25 per 1,000 gallons

The accounts receivable consist of gas, water and sewer billings uncollected as of June 30, 2000. An accounts receivable schedule is as follows:

<u>Days</u>	<u>June 30, 2000</u>
Unbilled	\$11,007
0-30	27,648
31-60	1,950
61-90	220
91 and older	<u>1,316</u>
<u>Total accounts receivable</u>	42,141
Less: Allowance for uncollectible accounts	<u>(1,268)</u>
<u>Net accounts receivable</u>	<u>40,873</u>

(4) INTERFUND RECEIVABLES, PAYABLES

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$10,264	\$8,661
Debt Service Funds		
Public Improvement Bonds 2/1/73	7,000	16,478
General Obligation Bonds 4/1/88	17,077	10,131
Enterprise Fund	1,661	1,010
Agency Fund		
Payroll Account	<u>410</u>	<u>132</u>
	<u>36,412</u>	<u>36,412</u>

TOWN OF SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

(5) DEFICITS - IN INDIVIDUAL FUNDS

The following fund reflected a deficit fund balance or retained earnings at June 30, 2000.

Enterprise Fund	\$(1,423,170)
-----------------	---------------

(6) RETIREMENT PLANS

General. The Town participates in funding two retirement plans which are described as follows:

Municipal Employees' Retirement System

Plan Description: Substantially all full-time employees of the Town are members of the Municipal Employees' Retirement System of Louisiana, Plan A. The retirement system is a cost-sharing, multiple-employer, statewide retirement system which is administered and controlled by a separate board of trustees. It provides retirement, disability, and survivor benefits to participating, eligible employees. Contributions of participating agencies are pooled within the system to fund accrued benefits, with contribution rates approved by state statute. The Municipal Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Municipal Employees' Retirement System, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810.

Funding Policy: Plan A members of the Municipal Employees' Retirement System are required by state statute to contribute 9.25% of their annual covered salary and the Town (as the employer) is required to contribute at an actuarially determined rate. The current employer rate is 5.75% of annual covered payroll. The contribution requirements of plan members and the employer are established by, and may be amended by, state law. As required by state law, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The employer contribution is additionally funded by the State of Louisiana through the annual legislative appropriation. The Town of Sunset's employer contributions to the Municipal Employees' Retirement System for the years ended June 30, 2000, 1999, 1998, were \$10,236, \$9,236, \$8,417, respectively, and were equal to the required contribution for each year.

Municipal Police Employees' Retirement System

Plan Description: One full-time employee is currently a member of the Municipal Police Employees' Retirement System of Louisiana. The retirement system is a cost-sharing, multiple-employer plan which was created for full-time municipal police officers in Louisiana. The system is administered by a Board of Trustees and includes a representative from the Retirement Committee of the House of Representatives and the Chairman of the Senate Finance Committee or their designees to serve as voting ex-officio members of the Board.

Membership is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrest, providing he does not have to pay social security and providing he meets the statutory criteria.

TOWN OF SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

(6) RETIREMENT PLANS (Continued)

Any member is eligible for normal retirement after he has been a member of the system for one year, if he has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55.

Benefit rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary. The Municipal Police Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Municipal Police Employees' Retirement System, P. O. Box 6614, Baton Rouge, Louisiana, 70896-6614 or by calling (225) 925-4878.

Funding Policy: Contributions for all members are established by state statute at 7.50% of earnable compensation. The contributions are deducted from the member's salary and remitted by the participating municipality. Contributions for all employers are established by state statute at 9% of the employee's earnable compensation excluding overtime but including state supplemental pay. In addition, according to state statute, the system receives the difference in the actuarially required employer contribution and the estimated actual employer contributions in insurance premium tax. This tax is appropriated by the legislature each year based on an actuarial study. The Town of Sunset's employer contributions to the Municipal Police Employees' Retirement System for the years ended June 30, 2000, 1999 and 1998 were \$1,296, \$1,512, \$2,394, respectively, and were equal to the required contribution for each year.

(7) AD VALOREM TAXES

For the year ended June 30, 2000, the Town of Sunset levied a general tax of 7.35 mills, and a special tax of 1.88 mills on property with assessed valuation totaling \$7,035,950. Total tax levied was \$64,943. Net taxes receivable at June 30, 2000 totaled \$1,361.

The Town's ad valorem tax, levied for the calendar year, is due on or before December 31, and becomes delinquent on January 1.

(8) RESERVES OF FUND EQUITY

The Town records reserves to indicate that a portion of the fund equity is legally segregated for a specific future use. The following details the description and amount of all reserves used by the Town.

	<u>Balance at</u> <u>June 30, 2000</u>
Debt Service Funds	
Reserved for debt retirement	<u>\$17,250</u>
Enterprise Fund	
Reserved for customers' deposits	1,139
Reserved for bond retirement	<u>24,205</u>
	<u>25,344</u>
<u>Total reserves of fund equity</u>	<u>42,594</u>

TOWN OF SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

(9) DEDICATION OF SALES TAX PROCEEDS

Proceeds of the 1% sales and use tax are dedicated to the following purposes:

Constructing and purchasing fire department stations and equipment; constructing and purchasing police department stations and equipment; opening, constructing, paving, resurfacing and improving streets, sidewalks, and bridges; constructing and improving drains, drainage canals and subsurface drainage; constructing, acquiring or improving any work of public permanent improvement; and purchasing and acquiring all equipment and furnishings for the public works, buildings, improvements and facilities of the Town of Sunset, title to which shall be in the public.

(10) PROPRIETARY FUNDS - RESTRICTED ASSETS

Certain assets of the Enterprise Fund have been restricted for construction, debt service and customers' deposits. These assets consist of cash, short-term investments and interest receivables restricted for the following:

Debt service	\$41,790
Customers' deposits	<u>32,859</u>
	<u>74,649</u>

(11) CONTRIBUTED CAPITAL

Contributed capital on June 30, 2000 consists of:

Contributions from federal agencies	\$1,430,584
Contributions from state grants	282,788
Contributions from Town of Sunset	
Special Revenue Fund	496,079
Capital Projects Fund	<u>107,651</u>
	<u>2,317,102</u>

(12) PROPRIETARY FUND - CHANGES IN DEBT

The following is a summary of changes in Proprietary Fund debt for the year ended June 30, 2000:

<u>Description of Debt</u>	<u>Balance at</u> <u>July 1, 1999</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance at</u> <u>June 30, 2000</u>
\$410,000 of Utilities Revenue				
Bonds dated February 17, 1995	\$359,444	—	\$16,335	\$343,109
	<u>359,444</u>	<u>-0-</u>	<u>16,335</u>	<u>343,109</u>

TOWN OF SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

(12) PROPRIETARY FUND - CHANGES IN DEBT (Continued)

The annual requirements to retire debt as of June 30, 2000, are as follows:

<u>Years Ended</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2001	\$17,086	\$15,090	\$32,176
2002	17,871	14,305	32,176
2003	18,692	13,484	32,176
2004	19,551	12,625	32,176
2005	20,449	11,727	32,176
2006-2010	117,232	43,652	160,884
2011-2015	<u>132,228</u>	<u>14,254</u>	<u>146,482</u>
	<u>343,109</u>	<u>125,137</u>	<u>468,246</u>

(13) PROPERTY, PLANT, AND EQUIPMENT - ENTERPRISE FUND

A summary of property, plant, and equipment of the Enterprise Fund at June 30, 2000 is as follows:

<u>Description</u>	<u>Life in</u> <u>Years</u>	<u>Cost</u>	<u>Accumulated</u> <u>Depreciation</u>	<u>Net</u>	<u>Depreciation</u> <u>This Year *</u>
Land		\$50,208		\$50,208	
Waterworks and gas systems	10	1,591,852	\$1,349,694	242,158	\$56,081
Sewer plant and line extensions	10	2,560,992	1,712,241	848,751	151,222
Equipment	5	<u>34,408</u>	<u>26,385</u>	<u>8,023</u>	<u>4,944</u>
		<u>4,237,460</u>	<u>3,088,320</u>	<u>1,149,140</u>	<u>212,247</u>

Changes During the Year

<u>BALANCE</u> , beginning of year	\$4,222,443	\$2,876,073
Additions:		
Sewer plant and line extensions	15,017	
Depreciation	<u> </u>	<u>212,247</u>
<u>BALANCE</u> , end of year	<u>4,237,460</u>	<u>3,088,320</u>

* All assets are depreciated under the straight-line method.

TOWN OF SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

(14) CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in general fixed assets for the year ended June 30, 2000:

	Balance, July 1, <u>1999</u>	<u>Additions</u>	<u>Retirements</u>	Balance, June 30, <u>2000</u>
Buildings and land	\$346,954			\$346,954
Equipment	478,503	\$13,345		491,848
Other structures and improvements	<u>43,838</u>	<u> </u>	<u> </u>	<u>43,838</u>
	<u>869,295</u>	<u>13,345</u>	<u>-0-</u>	<u>882,640</u>

(15) GENERAL FIXED ASSETS

During the 2000 fiscal year, the Town of Sunset conducted a physical inventory of all fixed assets of the Town. The Town of Sunset assigned estimated values to all general fixed assets for which no original cost could be obtained.

The Town of Sunset adopted a resolution on November 12, 1998 to no longer capitalize infrastructure expenditures as general fixed assets. Street improvements which were recorded as general fixed assets were removed as of June 30, 1999.

(16) CHANGES IN LONG-TERM DEBT

The general long-term debt as of June 30, 2000 follows:

General Obligation	Original Amount	Interest Rate	Balance Outstanding 7/1/99	Issued (Retired) During Year	Balance Outstanding 6/30/00
General Obligation Bonds 4/01/88	\$200,000	9.00%	\$130,000	\$10,000	\$120,000
	<u>200,000</u>		<u>130,000</u>	<u>10,000</u>	<u>120,000</u>

The annual requirements to retire long-term debt as of June 30, 2000, are as follows:

<u>Years Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2001	\$10,000	\$9,485	\$19,485
2002	10,000	8,725	18,725
2003	15,000	7,955	22,955
2004	15,000	6,785	21,785
2005	15,000	5,600	20,600
2006-2008	<u>55,000</u>	<u>9,200</u>	<u>64,200</u>
	<u>120,000</u>	<u>47,750</u>	<u>167,750</u>

TOWN OF SUNSET, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2000

(17) UTILITY REVENUE BOND

A bond for \$410,000 was issued on February 17, 1995 for improvements on the Town's sewer system. The bond has a stated interest of 4 1/2% and is payable over a twenty year period. The first payment consisting of interest only, was due on February 17, 1996. Payments of \$2,681.40 are due on the 17th of each month thereafter through February 17, 2015. The monthly payments shall be equal in amount and consist of fully amortized payments of principal and interest.

Actual monthly payments into the Sinking Fund during the interest only period depend on the schedule of advances of principal made to the Town during construction. Beginning February 20, 1997, a sum of \$2,681.40 is to be deposited each month into the Sinking Fund until February 20, 2015.

Commencing with the month following completion of the project, until February 20, 1997, a sum of \$77 per month is to be deposited into a Reserve Fund. Thereafter, a sum of \$135 is to be deposited into the Reserve Fund until \$32,176.80 has been accumulated therein. The balance in the Reserve Fund at June 30, 2000 is \$6,915.70.

Also, commencing with the month following completion of the project, a sum of \$243 per month must be deposited into a Contingency Fund through February 20, 2015. The balance in the Contingency Fund at June 30, 2000 is \$11,088.29.

FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund has a greater number and variety of revenue sources than any other fund, and its resources normally finance a wider range of activities. The resources of the General Fund are ordinarily largely expended and replenished on an annual basis.

TOWN OF SUNSET, LOUISIANA
GENERAL FUND
BALANCE SHEET
JUNE 30, 2000 AND 1999

<u>ASSETS</u>	<u>2000</u>	<u>1999</u>
Cash	\$41,725	\$48,113
Investments	36,356	34,646
Receivables, net of allowance for uncollectibles		
Property taxes	1,084	515
From other governments	6,997	6,833
Franchise taxes	23,752	21,890
Interest receivable	78	96
From other funds	10,264	10,316
Other	<u>2,565</u>	<u>5,681</u>
<u>Total assets</u>	<u>122,821</u>	<u>128,090</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Bank overdrafts	\$20,369	\$10,554
Accounts payable	8,836	4,732
Due to other funds	8,661	8,661
Deferred revenue		<u>4,708</u>
<u>Total liabilities</u>	<u>37,866</u>	<u>28,655</u>
 <u>FUND BALANCE</u>		
Unreserved, undesignated	<u>84,955</u>	<u>99,435</u>
 <u>Total liabilities and fund balance</u>	<u>122,821</u>	<u>128,090</u>

TOWN OF SUNSET, LOUISIANA
 GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>		VARIANCE	
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>	1999 <u>ACTUAL</u>
<u>REVENUES</u>				
Taxes	\$133,279	\$135,184	\$1,905	\$127,786
Licenses and permits	78,459	91,463	13,004	75,140
Intergovernmental	22,322	34,439	12,117	27,177
Charges for services	8,327	5,442	(2,885)	6,770
Fines and forfeits	29,079	32,112	3,033	27,383
Investment income	1,733	1,858	125	3,203
Miscellaneous	<u>25,081</u>	<u>32,502</u>	<u>7,421</u>	<u>40,038</u>
<u>Total revenues</u>	<u>298,280</u>	<u>333,000</u>	<u>34,720</u>	<u>307,497</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative	173,110	175,595	(2,485)	200,507
Street department	106,707	120,248	(13,541)	110,920
Police department	254,784	263,598	(8,814)	299,955
Fire department	20,614	21,421	(807)	13,318
Park department				7,531
Health and welfare	<u>1,416</u>	<u>1,600</u>	<u>(184)</u>	<u>1,215</u>
<u>Total expenditures</u>	<u>556,631</u>	<u>582,462</u>	<u>(25,831)</u>	<u>633,446</u>
<u>EXCESS OF REVENUES OVER (UNDER)</u> <u>EXPENDITURES</u>	<u>(258,351)</u>	<u>(249,462)</u>	<u>8,889</u>	<u>(325,949)</u>
<u>OTHER FINANCING SOURCES</u>				
Operating transfers in	<u>225,720</u>	<u>234,981</u>	<u>9,261</u>	<u>271,252</u>
<u>Total other financing</u> <u>sources</u>	<u>225,720</u>	<u>234,981</u>	<u>9,261</u>	<u>271,252</u>
<u>EXCESS OF REVENUES AND OTHER</u> <u>SOURCES OVER (UNDER)</u> <u>EXPENDITURES AND OTHER USES</u>	<u>(32,631)</u>	<u>(14,481)</u>	<u>18,150</u>	<u>(54,697)</u>
<u>FUND BALANCE</u> , beginning of year		<u>99,436</u>		<u>154,133</u>
<u>FUND BALANCE</u> , end of year		<u>84,955</u>		<u>99,436</u>

TOWN OF SUNSET, LOUISIANA
 GENERAL FUND
 DETAILED SCHEDULE OF REVENUES
 BUDGET AND ACTUAL
 FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	2000		VARIANCE	1999
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
<u>TAXES</u>				
Property taxes	\$51,095	\$51,138	\$43	\$49,221
Franchise - electric	67,484	69,200	1,716	65,454
Franchise - telephone	13,073	13,206	133	11,515
Franchise - cable television	1,627	1,640	13	1,596
<u>Total taxes</u>	<u>133,279</u>	<u>135,184</u>	<u>1,905</u>	<u>127,786</u>
<u>LICENSES AND PERMITS</u>				
Occupational licenses	76,850	89,849	12,999	72,988
Plumbers' licenses	173	200	27	300
Building permits	1,436	1,414	(22)	1,852
<u>Total licenses and permits</u>	<u>78,459</u>	<u>91,463</u>	<u>13,004</u>	<u>75,140</u>
<u>INTERGOVERNMENTAL</u>				
State beer tax	3,861	3,377	(484)	5,722
State tobacco tax	11,450	11,450		11,450
Housing Authority	7,011	7,477	466	6,842
Solid Waste		12,135	12,135	
Cops Fast Grant				3,163
<u>Total intergovernmental</u>	<u>22,322</u>	<u>34,439</u>	<u>12,117</u>	<u>27,177</u>
<u>CHARGES FOR SERVICES</u>				
Grass cutting	8,267	5,382	(2,885)	6,770
House moving	60	60		
<u>Total charges for services</u>	<u>8,327</u>	<u>5,442</u>	<u>(2,885)</u>	<u>6,770</u>
<u>FINES AND FORFEITS</u>				
Court fines	24,455	26,808	2,353	23,537
DMV and DWI	4,624	5,304	680	3,846
<u>Total fines and forfeits</u>	<u>29,079</u>	<u>32,112</u>	<u>3,033</u>	<u>27,383</u>
<u>INVESTMENT INCOME</u>				
Interest income	1,733	1,858	125	3,203
<u>MISCELLANEOUS</u>				
Court costs	9,307	9,610	303	9,416
Video poker fees	3,861	3,290	(571)	6,623
Other	2,475	2,299	(176)	3,148
Fire department donations				1,603
Fire insurance rebates	4,708	9,386	4,678	4,450
First Response donations	4,208	4,384	176	3,625
Gym rental	502	2,115	1,613	1,593
Franco Fete donations	20	20		880
Donations				200
Accident reports and bonding fees		1,398	1,398	
Gain on sale of fixed assets				8,500
<u>Total miscellaneous</u>	<u>25,081</u>	<u>32,502</u>	<u>7,421</u>	<u>40,038</u>
<u>Total revenues</u>	<u>298,280</u>	<u>333,000</u>	<u>34,720</u>	<u>307,497</u>

TOWN OF SUNSET, LOUISIANA
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>		<u>VARIANCE</u>	<u>1999</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>	<u>ACTUAL</u>
<u>GENERAL AND ADMINISTRATIVE</u>				
<u>Personal services</u>				
Salaries - Mayor and Councilmen	\$25,200	\$25,200		\$25,200
Salaries - Clerk and Town Supervisor	65,019	65,016	\$3	65,704
Payroll taxes	5,104	5,104		5,158
Retirement	6,980	6,978	2	7,518
<u>Supplies</u>				
Office supplies and postage	3,626	3,795	(169)	4,871
Uniforms				186
<u>Other</u>				
Insurance	24,242	23,698	544	29,552
Utilities	2,129	2,097	32	2,071
Travel, conventions and conferences	2,129	2,444	(315)	13,160
Telephone	2,050	2,018	32	2,140
Legal and accounting	25,184	25,159	25	27,067
Repairs and maintenance	743	1,670	(927)	902
Miscellaneous	3,970	6,643	(2,673)	4,206
Publications and notices	436	442	(6)	183
Dues and subscriptions	1,741	1,740	1	2,586
Franco Fete expenses	400	400		1,060
Election expense	14	14		832
Tax roll and assessor's expense	1,261	1,261		
Tourism	1,961	1,916	45	1,797
Old high school gym	921		921	
Christmas in Sunset				168
Advertising				488
<u>Capital Outlay</u>				
Equipment, buildings, land and improvements				5,658
<u>Total executive and administrative</u>	<u>173,110</u>	<u>175,595</u>	<u>(2,485)</u>	<u>200,507</u>
<u>STREET DEPARTMENT</u>				
<u>Personal Services</u>				
Salaries	36,580	36,467	113	38,502
Payroll taxes	2,881	2,863	18	3,022
Retirement	1,990	1,979	11	1,319
<u>Supplies</u>				
Materials and supplies	1,525	1,415	110	3,485
Uniforms	416	413	3	264

This statement continued on next page.

TOWN OF SUNSET, LOUISIANA
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>		<u>VARIANCE</u>	<u>1999</u>
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>	<u>ACTUAL</u>
<u>STREET DEPARTMENT - Continued</u>				
<u>Other</u>				
Engineering				\$7,062
Repairs and maintenance	\$2,228	\$2,104	\$124	2,309
Miscellaneous	750	978	(228)	1,379
Shells, dirt	2,475	2,274	201	809
Utilities	25,743	25,780	(37)	24,760
Insurance	18,239	19,572	(1,333)	19,970
Diesel	600	600		409
Dump truck expense	644	648	(4)	484
Tractor	1,089	2,032	(943)	106
Animal control	40	123	(83)	385
Backhoe expense	218	183	35	28
Utility shed	842	781	61	898
Station	2,125	1,468	657	2,351
Gasoline	822	933	(111)	578
Drainage improvement		12,135	(12,135)	
<u>Capital Outlay</u>				
Equipment and improvements	<u>7,500</u>	<u>7,500</u>		<u>2,800</u>
<u>Total street department</u>	<u>106,707</u>	<u>120,248</u>	<u>(13,541)</u>	<u>110,920</u>
<u>POLICE DEPARTMENT</u>				
<u>Personal Services</u>				
Salaries	148,078	148,089	(11)	166,259
Payroll taxes	12,435	12,543	(108)	13,912
Retirement	1,296	1,296		1,512
<u>Supplies</u>				
Office supplies and postage	5,975	7,634	(1,659)	9,443
Uniforms	520	800	(280)	4,862
Supplies and repairs	891	1,015	(124)	3,968
<u>Other</u>				
Insurance	49,206	51,320	(2,114)	51,250
Telephone	5,570	5,462	108	6,112
Repairs - radio and radar	426	317	109	3,414
Prisoners' meals	1,782	2,037	(255)	1,244
Auto expense	6,931	6,819	112	11,366
Dues and subscriptions	115	130	(15)	100
Conventions and conferences				581
Miscellaneous	990	2,947	(1,957)	3,354
Utilities	3,336	3,390	(54)	3,145
Travel	248	239	9	890
Gasoline	5,743	5,788	(45)	5,427

This statement continued on next page.

TOWN OF SUNSET, LOUISIANA
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>		<u>VARIANCE</u>	
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u>	<u>1999</u>
			<u>(UNFAVORABLE)</u>	<u>ACTUAL</u>
<u>POLICE DEPARTMENT - Continued</u>				
<u>Other (Continued)</u>				
Civil defense	\$1,389	\$1,741	\$ (352)	\$1,757
Legal and accounting	4,731	4,615	116	1,859
Drug testing	823	3,271	(2,448)	1,212
<u>Capital outlay</u>				
Equipment	<u>4,299</u>	<u>4,145</u>	<u>154</u>	<u>8,288</u>
<u>Total police department</u>	<u>254,784</u>	<u>263,598</u>	<u>(8,814)</u>	<u>299,955</u>
<u>FIRE DEPARTMENT</u>				
<u>Supplies</u>				
Supplies and repairs	8,119	6,119	2,000	2,037
Uniforms	100	148	(48)	384
Office supplies	1,832	1,670	162	1,550
<u>Other</u>				
Insurance	6,847	6,847		4,922
Utilities	960	1,036	(76)	992
Telephone	1,832	1,743	89	1,265
Banquet		511	(511)	687
Miscellaneous	69	342	(273)	550
Conventions and conferences	421	420	1	550
Dues	97	97		85
Gasoline	297	291	6	296
Auto expense	40	497	(457)	
<u>Capital outlay</u>				
Equipment		<u>1,700</u>	<u>(1,700)</u>	
<u>Total fire department</u>	<u>20,614</u>	<u>21,421</u>	<u>(807)</u>	<u>13,318</u>
<u>PARK DEPARTMENT</u>				
<u>Capital Outlay</u>				
Park improvements				<u>7,531</u>
<u>Total park department</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>7,531</u>
<u>HEALTH AND WELFARE</u>				
<u>Other</u>				
Grass cutting	<u>1,416</u>	<u>1,600</u>	<u>(184)</u>	<u>1,215</u>
<u>Total expenditures</u>	<u>556,631</u>	<u>582,462</u>	<u>(25,831)</u>	<u>633,446</u>

SPECIAL REVENUE FUND

The Special Revenue Fund is used to account for resources legally restricted to expenditures for specified current operating purposes or the acquisition of furniture, fixtures, machinery, equipment, or other relatively minor or comparatively short-lived assets.

The Sales Tax Fund is used to account for the collection and expenditure of the Town's 1% sales tax.

TOWN OF SUNSET, LOUISIANA
SPECIAL REVENUE FUND
SALES TAX FUND
BALANCE SHEET
JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
<u>ASSETS</u>		
Cash	\$ <u>31,127</u>	\$ <u>540</u>
<u>Total assets</u>	<u>31,127</u>	<u>540</u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
<u>Total liabilities</u>	<u>-0-</u>	<u>-0-</u>
<u>FUND BALANCE</u>		
Unreserved, undesignated	\$ <u>31,127</u>	\$ <u>540</u>
<u>Total liabilities and fund balance</u>	<u>31,127</u>	<u>540</u>

TOWN OF SUNSET, LOUISIANA
SPECIAL REVENUE FUND
SALES TAX FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
<u>REVENUES</u>		
Taxes		
Sales tax collections	\$137,627	\$129,600
Interest income	<u>171</u>	<u>128</u>
<u>Total revenues</u>	<u>137,798</u>	<u>129,728</u>
<u>EXPENDITURES</u>		
Current operating		
General and administrative	<u>1,411</u>	<u>1,361</u>
<u>Total expenditures</u>	<u>1,411</u>	<u>1,361</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	<u>136,387</u>	<u>128,367</u>
<u>OTHER FINANCING USES</u>		
Operating transfers out	(105,800)	(133,800)
<u>Total other financing uses</u>	<u>(105,800)</u>	<u>(133,800)</u>
<u>EXCESS OF REVENUES AND</u>		
<u> OTHER SOURCES OVER (UNDER)</u>		
<u> EXPENDITURES AND OTHER USES</u>	30,587	(5,433)
<u>FUND BALANCE, beginning of year</u>	<u>540</u>	<u>5,973</u>
<u>FUND BALANCE, end of year</u>	<u>31,127</u>	<u>540</u>

TOWN OF SUNSET, LOUISIANA
SPECIAL REVENUE FUND
SALES TAX FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>		<u>VARIANCE</u>	
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE</u>	<u>1999</u>
			<u>(UNFAVORABLE)</u>	<u>ACTUAL</u>
<u>REVENUES</u>				
Taxes				
Sales tax collections	\$130,125	\$137,627	\$7,502	\$129,600
Interest income	<u>153</u>	<u>171</u>	<u>18</u>	<u>128</u>
<u>Total revenues</u>	<u>130,278</u>	<u>137,798</u>	<u>7,520</u>	<u>129,728</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative				
Collection fees	<u>1,336</u>	<u>1,411</u>	<u>(75)</u>	<u>1,361</u>
<u>Total expenditures</u>	<u>1,336</u>	<u>1,411</u>	<u>(75)</u>	<u>1,361</u>
<u>EXCESS OF REVENUES OVER</u>				
<u>EXPENDITURES</u>	<u>128,942</u>	<u>136,387</u>	<u>7,445</u>	<u>128,367</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out	(105,800)	(105,800)		(133,800)
<u>Total other financing</u>				
<u>uses</u>	<u>(105,800)</u>	<u>(105,800)</u>	<u>-0-</u>	<u>(133,800)</u>
<u>EXCESS OF REVENUES AND OTHER</u>				
<u>SOURCES OVER (UNDER) EXPENDITURES</u>				
<u>AND OTHER USES</u>	<u>23,142</u>	30,587	<u>7,445</u>	(5,433)
<u>FUND BALANCE, beginning of year</u>		<u>540</u>		<u>5,973</u>
<u>FUND BALANCE, end of year</u>		<u>31,127</u>		<u>540</u>

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

TOWN OF SUNSET, LOUISIANA
DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2000 AND 1999

	PUBLIC IMPROVEMENT BONDS <u>2/01/73</u>	GENERAL OBLIGATION BONDS <u>4/01/88</u>	<u>TOTALS</u> <u>2000</u>	<u>1999</u>
<u>ASSETS</u>				
Cash	\$14,143		\$14,143	\$13,318
Investments		\$9,878	9,878	30,790
Property taxes receivable, net of allowance for uncollectibles		277	277	131
Accrued interest receivable		149	149	405
Due from other funds	<u>7,000</u>	<u>17,077</u>	<u>24,077</u>	<u>23,254</u>
<u>Total assets</u>	<u>21,143</u>	<u>27,381</u>	<u>48,524</u>	<u>67,898</u>
<u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Due to other funds	<u>\$16,478</u>	<u>\$10,131</u>	<u>\$26,609</u>	<u>\$25,784</u>
<u>Total liabilities</u>	<u>16,478</u>	<u>10,131</u>	<u>26,609</u>	<u>25,784</u>
<u>FUND BALANCE</u>				
Reserved for debt service		17,250	17,250	37,449
Unreserved	<u>4,665</u>	<u> </u>	<u>4,665</u>	<u>4,665</u>
<u>Total fund balance</u>	<u>4,665</u>	<u>17,250</u>	<u>21,915</u>	<u>42,114</u>
<u>Total liabilities and fund balance</u>	<u>21,143</u>	<u>27,381</u>	<u>48,524</u>	<u>67,898</u>

TOWN OF SUNSET, LOUISIANA
DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	PUBLIC IMPROVEMENT BONDS <u>2/01/73</u>	GENERAL OBLIGATION BONDS <u>4/01/88</u>	<u>TOTALS</u>	
			<u>2000</u>	<u>1999</u>
<u>REVENUES</u>				
Taxes				
Property taxes		\$13,104	\$13,104	\$12,589
Interest income		<u>1,097</u>	<u>1,097</u>	<u>1,814</u>
<u>Total revenues</u>	<u>-0-</u>	<u>14,201</u>	<u>14,201</u>	<u>14,403</u>
<u>EXPENDITURES</u>				
Debt service				
Bond principal paid		10,000	10,000	10,000
Interest expense		10,235	10,235	10,975
Legal and paying agent fees		452	452	416
Miscellaneous		<u>80</u>	<u>80</u>	
<u>Total expenditures</u>	<u>-0-</u>	<u>20,767</u>	<u>20,767</u>	<u>21,391</u>
<u>EXCESS OF REVENUES UNDER</u>				
<u> EXPENDITURES</u>	<u>-0-</u>	<u>(6,566)</u>	<u>(6,566)</u>	<u>(6,988)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in		7,200	7,200	7,200
Operating transfers out		<u>(20,833)</u>	<u>(20,833)</u>	
<u>Total other financing</u>				
<u>sources (uses)</u>	<u>-0-</u>	<u>(13,633)</u>	<u>(13,633)</u>	<u>7,200</u>
<u>EXCESS OF REVENUES AND OTHER</u>				
<u> SOURCES OVER (UNDER) EXPENDITURES</u>				
<u> AND OTHER USES</u>		(20,199)	(20,199)	212
<u>FUND BALANCES, beginning of year</u>	<u>\$4,665</u>	<u>37,449</u>	<u>42,114</u>	<u>41,902</u>
<u>FUND BALANCES, end of year</u>	<u>4,665</u>	<u>17,250</u>	<u>21,915</u>	<u>42,114</u>

ENTERPRISE FUND

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

TOWN OF SUNSET, LOUISIANA
ENTERPRISE FUND
BALANCE SHEET
JUNE 30, 2000 AND 1999

<u>ASSETS</u>	<u>2000</u>	<u>1999</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$134	\$134
Receivables, net of allowance for uncollectibles		
Accounts	40,873	40,203
From other funds	1,661	1,661
From other governments	370	272
Due from restricted assets	8,381	8,761
Prepaid insurance	961	2,565
<u>Total current assets</u>	<u>\$2,380</u>	<u>53,596</u>
<u>RESTRICTED ASSETS</u>		
Cash		
U.S.D.A. Rural Development excess sewer rate - Sinking Fund	239	327
Sinking Fund	11,688	12,144
Reserve Fund	7,273	5,608
Depreciation and Contingency Fund	12,050	10,913
Customers' deposits	3,624	3,374
Investments		
Depreciation and Contingency - CD	10,504	25,503
Customers' deposits - CD	29,136	36,687
Interest receivable		
Depreciation and Contingency	36	79
Customers' deposits	99	114
<u>Total restricted assets</u>	<u>74,649</u>	<u>94,749</u>
<u>PROPERTY AND EQUIPMENT</u>		
Utility plant, net	1,149,140	1,346,370
<u>Total property and equipment</u>	<u>1,149,140</u>	<u>1,346,370</u>
 <u>Total assets</u>	 <u>1,276,169</u>	 <u>1,494,715</u>

This statement continued on next page.

TOWN OF SUNSET, LOUISIANA
ENTERPRISE FUND
BALANCE SHEET (CONTINUED)
JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
<u>LIABILITIES AND FUND EQUITY</u>		
<u>CURRENT LIABILITIES</u> (from current assets)		
Accounts payable	\$5,269	\$11,475
Bank overdrafts	630	3,635
Due to other funds	<u>1,010</u>	<u>1,010</u>
<u>Total</u>	<u>6,909</u>	<u>16,120</u>
<u>CURRENT LIABILITIES</u> (from restricted assets)		
Customers' deposits	23,339	23,328
Due to operating account	8,381	8,761
Revenue bonds payable	17,086	15,781
Accrued interest payable	<u>499</u>	<u>576</u>
<u>Total</u>	<u>49,305</u>	<u>48,446</u>
<u>Total current liabilities</u>	56,214	64,566
<u>OTHER LIABILITIES</u>		
Revenue bonds payable	<u>326,023</u>	<u>343,663</u>
<u>Total liabilities</u>	<u>382,237</u>	<u>408,229</u>
<u>FUND EQUITY</u>		
Contributed capital		
Contribution from municipality	603,730	603,730
Contribution from federal grants	1,430,584	1,430,584
Contribution from state grants	<u>282,788</u>	<u>282,788</u>
<u>Total contributed capital</u>	<u>2,317,102</u>	<u>2,317,102</u>
Retained Earnings		
Reserved for customers' deposits	1,139	8,086
Reserved for bond retirement	24,205	38,217
Unreserved retained earnings	<u>(1,448,514)</u>	<u>(1,276,919)</u>
<u>Total retained earnings</u>	<u>(1,423,170)</u>	<u>(1,230,616)</u>
<u>Total fund equity</u>	<u>893,932</u>	<u>1,086,486</u>
<u>Total liabilities and fund equity</u>	<u>1,276,169</u>	<u>1,494,715</u>

TOWN OF SUNSET, LOUISIANA
ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
<u>OPERATING REVENUES</u>		
Charges for services		
Gas sales	\$184,046	\$184,424
Water sales	108,499	105,279
Sewer sales	114,557	115,977
Miscellaneous income	<u>1,871</u>	<u>5,451</u>
<u>Total operating revenues</u>	<u>408,973</u>	<u>411,131</u>
<u>OPERATING EXPENSES</u>		
Personal services	76,544	81,374
Contractual services	74,012	71,625
Supplies	20,487	20,564
Other expenses	89,405	88,186
Depreciation	<u>212,247</u>	<u>212,984</u>
<u>Total operating expenses</u>	<u>472,695</u>	<u>474,733</u>
<u>OPERATING LOSS</u>	<u>(63,722)</u>	<u>(63,602)</u>
<u>NONOPERATING REVENUES (EXPENSES)</u>		
Interest income	2,480	4,042
Interest expense	<u>(15,764)</u>	<u>(16,534)</u>
<u>Total nonoperating revenues (expenses)</u>	<u>(13,284)</u>	<u>(12,492)</u>
<u>LOSS BEFORE OPERATING TRANSFERS</u>	(77,006)	(76,094)
<u>OPERATING TRANSFERS OUT</u>	<u>(115,548)</u>	<u>(144,652)</u>
<u>NET LOSS</u>	(192,554)	(220,746)
<u>RETAINED EARNINGS (DEFICIT), beginning of year</u>	(1,230,616)	(1,009,870)
<u>RETAINED EARNINGS (DEFICIT), end of year</u>	<u>(1,423,170)</u>	<u>(1,230,616)</u>

TOWN OF SUNSET, LOUISIANA
ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Cash received from customers	\$408,205	\$414,170
Cash payments to suppliers for goods and services	(200,120)	(193,255)
Cash payments to employees for services	(67,935)	(72,892)
<u>Net cash provided by operating activities</u>	<u>140,150</u>	<u>148,023</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>		
Operating transfers - out to other funds	(115,548)	(144,652)
<u>Net cash used for noncapital financing activities</u>	<u>(115,548)</u>	<u>(144,652)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>		
Acquisition and construction of capital assets	(15,017)	
Principal paid on revenue bonds	(16,335)	(15,617)
Interest paid on revenue bonds	(15,841)	(16,559)
Principal paid on loan		(30,000)
Customers' deposits	11	(3,155)
<u>Net cash used for capital and related financing activities</u>	<u>(47,182)</u>	<u>(65,331)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Redemption of investments	24,000	35,000
Interest earned on investments	2,538	4,132
Reinvestment of interest earned	(1,450)	(1,593)
<u>Net cash provided by investing activities</u>	<u>25,088</u>	<u>37,539</u>
<u>NET INCREASE (DECREASE) IN CASH</u>	<u>2,508</u>	<u>(24,421)</u>
<u>CASH AND CASH EQUIVALENTS, beginning of year</u>	<u>32,500</u>	<u>56,921</u>
<u>CASH AND CASH EQUIVALENTS, end of year</u>	<u>35,008</u>	<u>32,500</u>
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u>		
Operating income	\$(63,722)	\$(63,602)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	212,247	212,984
(Increase) decrease in receivables	(670)	84
(Increase) decrease in prepaid insurance	1,604	1,712
(Increase) decrease in due from other governments	(98)	2,955
Increase (decrease) in accounts payable	(6,206)	88
Increase (decrease) in bank overdrafts	(3,005)	(6,198)
<u>Total adjustments</u>	<u>203,872</u>	<u>211,625</u>
<u>Net cash provided by operating activities</u>	<u>140,150</u>	<u>148,023</u>

TOWN OF SUNSET, LOUISIANA

ENTERPRISE FUND

SCHEDULE OF CHANGES IN ASSETS RESTRICTED FOR REVENUE BOND DEBT SERVICE
AND CUSTOMERS' DEPOSITS

FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

		U.S.D.A. RURAL DEVELOPMENT EXCESS SEWER RATE SINKING FUND				TOTALS	
		BOND AND INTEREST REDEMPTION	RESERVE	CONTINGENCY	CUSTOMERS' DEPOSITS	2000	1999
<u>CASH BALANCE, July 1</u>		\$12,144	\$5,608	\$36,495	\$40,175	\$94,749	\$152,667
<u>CASH RECEIPTS</u>							
Interest earned		114	105	724	1,534	2,489	4,224
Transfers from operating account		24,960	1,620	2,916	34,858	64,354	69,646
Customers' deposits collected					7,085	7,085	7,462
<u>Total cash available</u>		<u>37,218</u>	<u>7,333</u>	<u>40,135</u>	<u>48,794</u>	<u>168,677</u>	<u>233,999</u>
<u>CASH DISBURSEMENTS</u>							
Transfers to General Fund				17,500	9,000	26,500	45,500
Transfers to paying agent		25,500				25,500	43,800
Transfers to operating account							7,500
Customers' deposits refunded					6,835	6,835	6,922
Administrative expenses		30	60	45	100	335	670
Bond and interest payments						34,858	34,858
<u>Total cash disbursed</u>		<u>25,530</u>	<u>60</u>	<u>17,545</u>	<u>15,935</u>	<u>94,028</u>	<u>139,250</u>
<u>CASH BALANCE, June 30</u>		<u>11,688</u>	<u>7,273</u>	<u>22,590</u>	<u>32,859</u>	<u>74,649</u>	<u>94,749</u>

TOWN OF SUNSET, LOUISIANA
ENTERPRISE FUND
SCHEDULE OF OPERATING EXPENSES
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
<u>GAS FUND EXPENSES</u>		
<u>Personal services</u>		
Salaries	\$33,802	\$30,708
Payroll taxes	2,654	2,484
Retirement	1,124	407
<u>Contractual services</u>		
Gas purchases	63,757	61,042
Survey expense	3,200	4,650
<u>Supplies</u>		
Materials and supplies	971	3,629
Office supplies and postage	783	710
Uniforms		126
<u>Other</u>		
Repairs and maintenance	2,313	4,262
Insurance	12,749	13,513
Telephone	221	
Miscellaneous	348	326
Bad debt expense	902	622
Drug testing	650	670
Truck	2,001	1,343
Gasoline	1,819	1,910
<u>Depreciation</u>	<u>15,805</u>	<u>17,102</u>
<u>Total gas fund expenses</u>	<u>143,099</u>	<u>143,504</u>
<u>WATER FUND EXPENSES</u>		
<u>Personal services</u>		
Salaries	27,052	35,103
Payroll taxes	2,124	2,609
Retirement	1,379	1,946
<u>Contractual services</u>		
Consulting expense	100	100
Engineering fees	3,220	2,264
<u>Supplies</u>		
Materials and supplies	11,105	8,074
Office supplies and postage	783	710
Uniforms		126
<u>Other</u>		
Repairs and maintenance	5,480	5,799
Insurance	14,843	14,459

This statement continued on next page.

TOWN OF SUNSET, LOUISIANA
ENTERPRISE FUND
SCHEDULE OF OPERATING EXPENSES (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
<u>WATER FUND EXPENSES</u> - Continued		
<u>Other</u> (Continued)		
Utilities	\$16,818	\$16,180
Bad debt expense	902	622
Telephone	990	794
Gasoline	1,146	799
Truck expense	688	1,087
Miscellaneous	877	1,224
<u>Depreciation</u>	<u>45,220</u>	<u>45,251</u>
<u>Total water fund expenses</u>	<u>132,727</u>	<u>137,147</u>
<u>SEWER FUND EXPENSES</u>		
<u>Personal services</u>		
Salaries	7,081	7,081
Payroll taxes	556	629
Retirement	772	407
<u>Contractual services</u>		
Survey expense	3,735	2,985
Consulting expense		584
<u>Supplies</u>		
Materials and supplies	6,062	6,519
Office supplies and postage	783	670
<u>Other</u>		
Repairs and maintenance	1,548	1,475
Insurance	8,365	7,851
Utilities	13,352	12,962
Miscellaneous	422	57
Telephone	961	930
Gasoline	921	642
Bad debt expense	902	622
Truck expense	187	37
<u>Depreciation</u>	<u>151,222</u>	<u>150,631</u>
<u>Total sewer fund expenses</u>	<u>196,869</u>	<u>194,082</u>
<u>Total operating expenses</u>	<u>472,695</u>	<u>474,733</u>

FIDUCIARY FUND TYPES

Fiduciary Fund Types include Trust and Agency Funds which are used to account for the assets held by a government in a trustee capacity or as an Agent for individuals, private organizations, other governments, and/or other funds.

The Payroll Account is used to account for the Town's payroll and related expenses.

TOWN OF SUNSET, LOUISIANA
FIDUCIARY FUND TYPES
BALANCE SHEET
JUNE 30, 2000 AND 1999

	<u>AGENCY FUND -</u> <u>PAYROLL ACCOUNT</u>	
	<u>2000</u>	<u>1999</u>
<u>ASSETS</u>		
Insurance receivable	\$56	
Due from other funds	<u>410</u>	<u>\$410</u>
<u>Total assets</u>	<u>466</u>	<u>410</u>
<u>LIABILITIES</u>		
Bank overdrafts	\$334	\$225
Due to other funds	<u>132</u>	<u>185</u>
<u>Total liabilities</u>	<u>466</u>	<u>410</u>

FINANCIAL STATEMENTS OF ACCOUNT GROUPS

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group accounts for fixed assets not used in proprietary fund operations.

TOWN OF SUNSET, LOUISIANA
STATEMENT OF GENERAL FIXED ASSETS
JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
<u>GENERAL FIXED ASSETS AT COST</u>		
Buildings and land	\$346,954	\$346,954
Equipment	491,848	478,503
Other structures and improvements	<u>43,838</u>	<u>43,838</u>
<u>Total general fixed assets</u>	<u>882,640</u>	<u>869,295</u>
<u>INVESTMENTS IN GENERAL FIXED ASSETS FROM</u>		
General Fund	\$481,351	\$468,006
Federal Revenue Sharing Fund	159,358	159,358
State Revenue Sharing Fund	8,411	8,411
Sales Tax Fund	14,360	14,360
Federal Anti-Recession Fund	5,633	5,633
General revenues	25,925	25,925
Federal grants	<u>187,602</u>	<u>187,602</u>
<u>Total investments in general fixed assets</u>	<u>882,640</u>	<u>869,295</u>

GENERAL LONG-TERM DEBT ACCOUNT GROUP

The General Long-term Debt Account Group accounts for long-term debt intended to be financed from governmental fund types.

TOWN OF SUNSET, LOUISIANA
STATEMENT OF GENERAL LONG-TERM DEBT
JUNE 30, 2000 AND 1999

	GENERAL OBLIGATION BONDS <u>4/01/88</u>	<u>TOTALS</u> <u>2000</u>	<u>1999</u>
<u>AMOUNT AVAILABLE AND TO</u>			
<u>BE PROVIDED FOR THE PAYMENT</u>			
<u>OF GENERAL LONG-TERM DEBT</u>			
Amount available in Debt Service Fund for debt retirement	\$17,250	\$37,449	\$37,449
Amount to be provided by 2.0 mills property tax	<u>102,750</u>	<u>82,551</u>	<u>92,551</u>
<u>Total available and</u> <u>to be provided</u>	<u>120,000</u>	<u>120,000</u>	<u>130,000</u>
<u>GENERAL LONG-TERM DEBT</u>			
Bonds payable			
Due within one year	\$10,000	\$10,000	\$10,000
Due after one year	<u>110,000</u>	<u>110,000</u>	<u>120,000</u>
<u>Total general long-term debt</u>	<u>120,000</u>	<u>120,000</u>	<u>130,000</u>

RELATED REPORTS

Joel Lanclos, Jr., CPA
 Russell J. Stelly, CPA
 Chizal S. Fontenot, CPA
 James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Darren J. Cart, CPA
 Michael A. Roy, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
 1904-1984

Retired

Harold Dupre, CPA
 1996
 John Newton Stout, CPA
 1998
 Dwight Ledoux, CPA
 1998

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
 REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
 ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable John L. Olivier
 and Members of the Board of Aldermen
 Town of Sunset, Louisiana

We have audited the general purpose financial statements of the Town of Sunset, Louisiana as of and for the year ended June 30, 2000, and have issued our report thereon dated August 29, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Town of Sunset's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted an immaterial instance of noncompliance that we have reported to management of the Town of Sunset in a separate letter dated August 29, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Sunset's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Town of Sunset's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as findings 2000-1, 2000-2, 2000-3, 2000-4 and 2000-5.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

The Honorable John L. Olivier
and Members of the Board of Aldermen
Page 2

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider finding numbers 2000-1 and 2000-4 to be material weaknesses.

This report is intended for the information of the Town of Sunset, Louisiana, its Board of Aldermen, the appropriate regulatory or Legislative Body, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

John S. Dowling + Co.
Opelousas, Louisiana
August 29, 2000

TOWN OF SUNSET, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2000

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Town of Sunset, Louisiana.
2. Two material weaknesses and three reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instances of noncompliance material to the financial statements of the Town of Sunset, Louisiana were disclosed during the audit.
4. There was no single audit required under OMB Circular A-133.

B. 2000 FINDINGS - FINANCIAL STATEMENT AUDIT

Internal Control

2000-1. Absence of Approval of Invoices

Condition: The policy of invoice approval by the mayor and council was not being followed in some cases by the Town of Sunset's police department.

Criteria: The Town of Sunset's internal control system includes a procedure whereby all invoices are approved by the mayor and council before payment is made.

Cause: There is a failure in the internal control procedure of the police department concerning approval of transactions.

Effect: The police department is incurring various expenses which are not being properly approved.

Recommendation: Expenditures of the Town of Sunset's police department should have prior approval from the mayor and council. All invoices should have evidence of this approval.

2000-2. Inadequate Provisions for the Safeguarding of Cash

Condition: Cash is being collected by some police department employees who are not properly bonded.

Criteria: All persons collecting cash are required to be covered by a fidelity bond.

Cause: Police department personnel who were not bonded were given additional duties of collecting cash.

Effect: The Town of Sunset has a risk of loss from burglary, misplacement, or misappropriation.

Recommendation: All employees of the Town of Sunset who collect cash should be properly bonded.

TOWN OF SUNSET, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2000

B. 2000 FINDINGS - FINANCIAL STATEMENT AUDIT - Continued

2000-3. Inadequate Use of Prenumbered Receipts

Condition: It was noted during the course of our audit that the Town of Sunset's police department was not consistently using prenumbered receipts.

Criteria: Prenumbered receipts should always be used to ensure a proper system of internal control over the collection of money.

Cause: The Town's policy of using prenumbered receipts was not being consistently followed by the police department.

Effect: Collections of fine revenues cannot always be traced to a specific receipt.

Recommendation: Prenumbered receipts should be used for all collections to ensure proper accountability.

2000-4. Drug Seizure Money Not Properly Accounted For

Condition: It was noted during our audit that certain drug seizure money was neither sent to the District Attorney's office or to the town clerk for deposit.

Criteria: All drug seizure money is required to be sent to the District Attorney's office to be properly accounted for.

Cause: Drug seizure money was not properly remitted in all cases.

Effect: Certain drug seizure money cannot be accounted for.

Recommendation: All drug seizure money confiscated must be properly remitted and accounted for.

2000-5. Unauthorized Collections Received by Police Department

Condition: It was noted during our audit that the Town of Sunset's police department was receiving some payments that they were not authorized to collect.

Criteria: The mayor and council authorized the police department to collect bond payments on evening and weekends only.

Cause: There was a failure of internal control procedures concerning the police departments collection of funds.

Effect: Payments made on accounts may not be properly recorded.

Recommendation: Unauthorized collections should not be collected by the Town of Sunset's police department.

SUPPLEMENTARY INFORMATION

TOWN OF SUNSET, LOUISIANA
COMBINED SCHEDULE OF BONDS PAYABLE
JUNE 30, 2000

	<u>INTEREST</u>		<u>ISSUE</u> <u>DATE</u>	<u>FINAL</u> <u>MATURITY</u> <u>DATE</u>	<u>SERIAL PAYMENTS</u>	<u>BONDS</u>			
	<u>RATES</u>	<u>PAYMENT</u> <u>DATES</u>				<u>AUTHORIZED</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>OUTSTANDING</u>
<u>REVENUE BOND</u>									
Gas, water and sewerage utility	4.50%	17th of each month	2/17/95	3/17/2015	Various	\$410,000	\$410,000	\$55,891	\$243,109
Total revenue bond						410,000	410,000	55,891	343,109
<u>GENERAL OBLIGATION BOND</u>									
General obligation (sewer)	11.00%	10/01	4/01/88	4/01/2008	10,000 (2001-2002)	\$200,000	\$200,000	\$80,000	\$120,000
	8.00%	04/01			15,000 (2003-2006)				
					20,000 (2007-2008)				
Total general obligation bond						200,000	200,000	80,000	120,000

TOWN OF SUNSET, LOUISIANA
COMBINED SCHEDULE OF INVESTMENTS - ALL FUNDS
JUNE 30, 2000

	<u>INTEREST</u> <u>RATES</u>	<u>MATURITY</u> <u>DATES</u>	<u>TOTAL BOOK</u> <u>VALUE</u>
<u>GENERAL FUND</u>			
Certificate of Deposit			
Bank of Sunset and Trust Company	4.75%	10/24/00	\$6,633
Certificate of Deposit			
Bank of Sunset and Trust Company	4.75%	8/03/00	6,692
Certificate of Deposit			
Bank of Sunset and Trust Company	4.75%	7/04/00	23,031
<u>DEBT SERVICE FUNDS</u>			
Certificate of Deposit			
Bank of Sunset and Trust Company	4.75%	9/04/00	9,878
<u>ENTERPRISE FUND</u>			
Certificate of Deposit			
Bank of Sunset and Trust Company	4.75%	7/04/00	29,136
Certificate of Deposit			
Bank of Sunset and Trust Company	4.75%	7/04/00	<u>10,504</u>
<u>Total</u>			<u>85,874</u>

TOWN OF SUNSET, LOUISIANA
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 2000
(UNAUDITED)

<u>INSURER</u>	<u>ASSETS COVERED</u>	<u>TYPE OF COVERAGE</u>	<u>LIMITS OF COVERAGE</u>	<u>EFFECTIVE DATES</u>	
				<u>FROM</u>	<u>TO</u>
Louisiana Municipal Risk Management Agency	Workmen's Compensation	Workmen's Compensation	Statutory	1/01/00	1/01/01
St. Paul Fire and Marine Insurance Company	1977 Chevrolet truck 1983 Ford truck 1985 Ford truck 1988 Ford clubwagon 1992 Dodge truck 1986 Pontiac Grand Am 1979 Ford dump truck 1964 Ford fire truck 1980 Ford fire truck 1992 Ford Crown Victoria 1992 Ford Crown Victoria 1994 Ford Crown Victoria 1997 Ford truck	Liability	\$500,000	2/01/00	2/01/01
Commercial Union Insurance Company	Aquatic Harvester 1984 Ford backhoe	Property damage	\$28,000 \$25,500 \$250 deductible - Inland marine \$500 deductible - Property	1/18/00	1/18/01
	Blanket on all properties and buildings of insured	Fire, extended coverage and vandalism	\$1,384,000	1/18/00	1/18/01
Columbia Casualty Insurance Company	General liability on premises and operations	Bodily injury Property damage Fire, legal liability Contractual	\$500,000	2/01/00	2/01/01
Columbia Casualty Insurance Company	Liability on gas system operations	Bodily injury Property damage Fire, legal liability Contractual	\$500,000	2/01/00	2/01/01
Columbia Casualty Insurance Company	1980 Ford fire truck	Comprehensive Collision	\$500 deductible \$1,000 deductible Limits: \$60,000 truck \$15,000 equipment	2/01/00	2/01/01
Columbia Casualty Insurance Company	Law enforcement officer	Personal injury Property damage	\$500,000 \$5,000 deductible	2/01/00	2/01/01

Continued on next page.

TOWN OF SUNSET, LOUISIANA
SCHEDULE OF INSURANCE IN FORCE (CONTINUED)
JUNE 30, 2000
(UNAUDITED)

<u>INSURER</u>	<u>ASSETS COVERED</u>	<u>TYPE OF COVERAGE</u>	<u>LIMITS OF COVERAGE</u>	<u>EFFECTIVE DATES</u>	
				<u>FROM</u>	<u>TO</u>
Nationwide Life Insurance Company	Volunteer firemen	Health and accident scheduled	Accident policy -	9/04/99	9/04/00
Employers' Mutual Companies	Town clerk	Employee Dishonesty Bond	\$100,000	1/17/00	1/17/01
Employers' Mutual Companies	Blanket on employees	Employee Dishonesty Bond	\$50,000	1/17/00	1/17/01
Columbia Casualty Insurance Company	Errors and Omissions	Public officials liability	\$500,000	2/01/00	2/01/01
Columbia Casualty Insurance Company	Town clerk	Employee Dishonesty Bond	\$5,000	2/01/00	2/01/01

TOWN OF SUNSET, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO GOVERNING BODY
FOR THE YEAR ENDED JUNE 30, 2000

GENERAL

COMPENSATION TO BOARD MEMBERS

The compensation of the Town of Sunset's governing body is included in the general administrative expenditures of the General Fund. The Mayor is paid \$600 per month and the board members are paid \$300 per month.

	<u>COMPENSATION</u>
John L. Olivier, Mayor	\$7,200
Clayton Babineaux, Alderman	3,600
Dalton Belson, Jr., Alderman	3,600
Vivian Olivier, Alderwoman	3,600
Patrick Richard, Alderman	3,600
Joseph E. Meche, Alderman	1,200
Barbara Meche, Alderwoman	<u>2,400</u>
	<u>25,200</u>

TOWN OF SUNSET, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2000

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

1999-1 Budget Adoption and Amendment
Corrective action taken.

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

No Findings

SECTION III - MANAGEMENT LETTER

No Findings

Joel Lanclos, Jr., CPA
Russell J. Stelly, CPA
Chizal S. Fontenot, CPA
James L. Nicholson, Jr., CPA
G. Kenneth Pavy, II, CPA
Darren J. Cart, CPA
Michael A. Roy, CPA



JOHN S. DOWLING & COMPANY
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

RECEIVED

LEWIS COUNTY CLERK

00 OCT 30 AM 10:14

John S. Dowling, CPA
1904-1984

Retired

Harold Dupre, CPA
1996

John Newton Stout, CPA
1998

Dwight Ledoux, CPA
1998

The Honorable John L. Olivier
and Members of the Board of Aldermen
Town of Sunset, Louisiana

We have audited the general purpose financial statements of the Town of Sunset, Louisiana, as of and for the year ended June 30, 2000, and have issued our report thereon dated August 29, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

As part of our examination, we have issued our report on the general purpose financial statements, dated August 29, 2000, and our report on internal control and compliance with laws, regulations, contracts, and grants dated August 29, 2000.

During the course of our examination, we became aware of the following matter which represents an immaterial deviation of compliance.

Immaterial Deviation of Compliance

2000-6. Actual Expenditures Exceed Budgeted Expenditures by More Than Five Percent

Condition: Total actual expenditures exceeded total budgeted expenditures by \$75 in the Special Revenue Fund, which caused the percentage variance to be 5.61 percent.

Criteria: Louisiana Revised Statute 39:1310 states that the budget must be properly amended when total actual expenditures exceed total budgeted expenditures by 5 percent or more.

Cause: The budget was not properly amended to account for the increase in expenditures.

Effect: Although the budget was amended before the fiscal year-end, the actual expenditures exceeded budget expenditures by more than 5 percent.

Recommendation: The Town of Sunset should attempt to budget expenditures more accurately to reflect actual expenditures in the future.

John S. Dowling & Co.

Opelousas, Louisiana
August 29, 2000

Officials

JOHN L. OLIVIER
Mayor
LOUIS PADILLA
Chief of Police
STACHE R. SMITH
Clerk
NORMA STEELY
Town Supervisor

RECEIVED
LEGISLATIVE AUDITOR
00 OCT 30 AM 10:14

Aldermen

CLAYTON BARNETT
DALE FORBES
BARBARA M. CHIE
VIVIAN S. OLIVIER
PATRICK RICHARD

Town of Sunset

805 Napoleon Avenue

Sunset, Louisiana

70587

Louisiana Legislative Auditor
P.O. Box 44337
Baton Rouge, La. 70804-0433
(504) 382-6623

Dear Sirs:

The Town of Sunset, Louisiana respectfully submits the following
Corrective Action Plan for the year ended June 30, 2000.

Name and address of independent public accounting firm:

John S. Dowling & Company
P.O. Box 433
Opelousas, La. 70571-0433

The findings from the Independent Accountant's Audit Report for
the year ending, June 30, 2000, is discussed below. The finding
is numbered consistently with the number assigned in the report.

- 1000 Absence of Approval of Invoices:
Any expenditures for the Sunset Police Department will be
approved (all invoice, by the Mayor and Board of Aldermen
- 2000-2 Inadequate Provisions for the Safeguarding of Cash:
Cash will only be collected by those that are bonded by
the Town of Sunset
- 2000-3 Inadequate Use of Prenumbered Receipts:
The Sunset Police Department now only has Prenumbered
receipts at all times to ensure proper accountability
- 2000-4 Drug Seizure Money Not Properly Accounted For:
Any drug seizure money will be forwarded to the D.A.'s
Office
- 2000-5 Unauthorized Collections Received by Police Department:
The Sunset Police Department will only collect cash bonds,
no fines or partial payments will be collected

If you need additional information feel free to contact me at the
number listed above.

Sincerely,


John L. Olivier
Mayor

Lache pas la Patate

Officials

JOHN L. OLIVIER
Mayor
LUS PADUEA
Chief of Police
STACIE R. SIBILLI
Clerk
NORMA STELLY
Town Supervisor

Advisors

CLAYTON BABINEAUX
DALTON DESSON JR.
BARBARA MUEHL
VIVIAN S. OLIVIER
PATRICK BROUARD

Town of Sunset

855. Napoleon Avenue

Sunset, Louisiana

70587

Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, La. 70804-9397
(504) 669-5200
OFFICE OF THE CLERK OF THE HOUSE OF REPRESENTATIVES

Dear Sirs:

The Town of Sunset, Louisiana respectfully submits the following Corrective Action Plan for the year ended June 30, 2000.

Name and address of independent public accounting firm:

John S. Dowling & Company
P.O. Box 433
Opelousas, La. 70571-0433

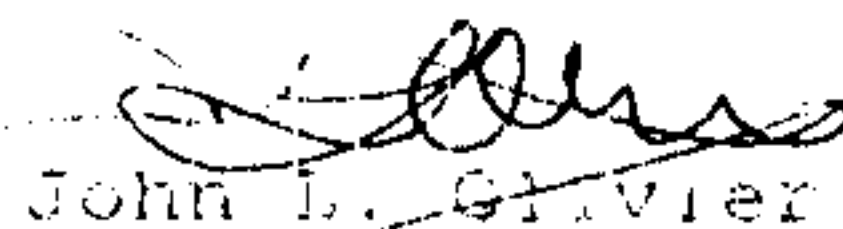
The findings from the Independent Accountant's Audit Report for the year ending, June 30, 2000, is discussed below. The finding is numbered consistently with the number assigned in the report.

2000-6 Actual Expenditures Exceed Budgeted Expenditures by More Than Five Percent:

The Town of Sunset will budget expenditures more accurately to reflect actual expenditures in the future

Should you need any further information, feel free to contact me.

Sincerely,


John L. Olivier
Mayor, Town of Sunset

Lache pas la Patate