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TOWN OF GREENSBURG

Greensburg, Louisiana

FINANCIAL STATEMENTS AND AUDITOR'S REPORTS

As of and for the Year
Ended December 31, 2009

In accordance with the provisions of state law, this report is a public document. A copy of the report has been submitted to the governing body of the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

7/21/10

Anthony B. Baglio, C.P.A.
A Professional Accounting Corporation
Hammond, Louisiana

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Louisiana

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As of and for the year Ended December 31, 2009

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Annual Financial Statements

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Anthony B Baglio, CPA
A Professional Accounting Corporation
2011 Rue Simone
Hammond, Louisiana 70403

Independent Auditor's Report

To the Honorable W. Burke Jones,
and Members of the Board of Aldermen
Town of Greensburg
Greensburg, Louisiana

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining und information of the Town of Greensburg, Greensburg, Louisiana, , as of and for the year ended December 31, 2009 which collectively comprise the basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Greensburg's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining und information of the Town of Greensburg as of December 31, 2009, and the respective changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

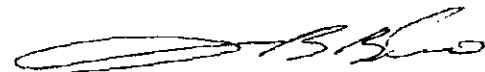
In accordance with *Government Auditing Standards*, I have also issued my report dated July 1, 2010, on my consideration of the Town of Greensburg's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

Town of Greensburg
Greensburg, Louisiana 70441

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 6 through 13 and 45 through 47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Greensburg financial statements as a whole. The supplemental information schedule on Page 49 is presented for purposes of additional analysis and is not a required part of the financial statements. The information has been subjected to auditing procedures applied in the audit of the financial statements and, in my opinion the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Respectfully submitted,



Anthony B Baglio, CPA
A Professional Accounting Corporation
July 1, 2010

Required Supplemental Information (Part I)

Management's Discussion and Analysis

Town of Greensburg
Greensburg, Louisiana

Management's Discussion and Analysis

As management of the Town of Greensburg, Greensburg, Louisiana, we offer readers of the Town of Greensburg's financial statements this narrative overview and analysis of the financial activities of the Town of Greensburg for the fiscal year ended December 31, 2009. This management discussion and analysis ("MD&A") is designed to provide an objective and easy to read analysis of the Town of Greensburg's financial activities based on currently known facts, decisions, or conditions. It is intended to provide readers with a broad overview of the Town of Greensburg's finances. It is also intended to provide readers with an analysis of the Town of Greensburg's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the Town of Greensburg. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Town of Greensburg's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplemental Information ("RSI") that is provided in addition to this MD&A.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Greensburg's financial statements. The Town of Greensburg's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

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

The *statement of net assets* presents information on all of the Town of Greensburg's assets and liabilities using the accrual basis of accounting, the difference between the assets and liabilities are reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town of Greensburg is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Town of Greensburg
Greensburg, Louisiana

Management's Discussion and Analysis

Both of the government-wide financial statements distinguish functions of the Town of Greensburg that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town of Greensburg include general government, public safety, public works, and cultural and recreation. The Town of Greensburg's business-type activities include gas, water, and sewer services.

The government-wide financial statements can be found on pages 18 and 20 of this report.

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

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term effects of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town of Greensburg maintains one individual governmental fund. Information is presented separately in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. There are no non-major governmental funds. The basic governmental fund financial statements can be found on Statements C and E of this report.

The Town of Greensburg adopts an annual budget for its General Fund. A budgetary comparison schedule for the General Fund has been provided herein to demonstrate compliance with those budgets.

Proprietary funds. *Proprietary funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Greensburg uses a proprietary fund to account for its Gas, Water, and Sewer department. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Gas, Water and Sewer

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Management's Discussion and Analysis

department, which is considered a major fund of the Town of Greensburg. The basic proprietary fund financial statements can be found on Statements G, H & I of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-43 of this report.

Other supplemental information. In addition to the basic financial statements and accompanying notes, this report also presents other supplementary information. These schedules can be found on pages 45-47 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Town of Greensburg's net assets for the current year and prior year.

Town of Greensburg - Net Assets

	Governmental Activities		Business-Type Activities		Total	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Current and Other Assets	\$ 1,137,435	\$ 1,091,406	\$ 1,352,309	\$ 1,572,170	\$ 2,489,744	\$ 2,663,576
Capital Assets, Net	273,468	305,314	491,387	502,723	764,855	808,037
Total Assets	<u>1,410,903</u>	<u>1,396,720</u>	<u>1,843,696</u>	<u>2,074,893</u>	<u>3,254,599</u>	<u>3,471,613</u>
Long-Term Liabilities Outstanding	27,000	39,000	-	-	27,000	39,000
Other Liabilities	7,125	30,163	175,736	505,840	182,861	536,003
Total Liabilities	<u>34,125</u>	<u>69,163</u>	<u>175,736</u>	<u>505,840</u>	<u>209,861</u>	<u>575,003</u>
Net Assets Invested in Capital Assets, net of related debt	246,468	266,314	491,387	502,723	737,855	769,037
Restricted	-	-	39,664	39,664	39,664	39,664
Unrestricted	1,130,310	1,061,243	1,136,909	1,026,666	2,267,219	2,087,909
Total Net Assets	<u>\$ 1,376,778</u>	<u>\$ 1,327,557</u>	<u>\$ 1,667,960</u>	<u>\$ 1,569,053</u>	<u>\$ 3,044,738</u>	<u>\$ 2,896,610</u>

The Town of Greensburg's assets exceeded its liabilities by \$3,044,738 at the close of the most recent fiscal year. Of this amount \$2,267,219 or 74.48% is unrestricted net assets. The Town of Greensburg's net assets are comprised of \$1,376,778 from Governmental Activities and \$1,667,960 from Business-Type Activities as shown on Statement A of this report. The Town of Greensburg's net assets increased by \$148,128 over the previous year.

Town of Greensburg
Greensburg, Louisiana

Management's Discussion and Analysis

One of the largest portions of the Town of Greensburg's net assets (24.23 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The Town of Greensburg uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Greensburg's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town of Greensburg's net assets (1.30 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (74.48 percent or \$2,267,219) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of Greensburg is able to report positive net asset balances in both the government-wide and governmental activities. The same situation held true for the prior fiscal year.

In order to further understand what makes up the changes in net assets, the following table provides a summary of the results of the Town of Greensburg's activities for the current year and prior year.

Town of Greensburg
Greensburg, Louisiana

Management's Discussion and Analysis

Town of Greensburg - Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenue						
Program revenue:						
Charges for Services	\$ 71,050	\$ 72,704	\$ 1,642,504	\$ 2,648,783	\$ 1,713,554	\$ 2,721,487
Operating Grants and Contributions	18,263	9,576	-	-	18,263	9,576
Capital Grants and Contributions	893	20,853	-	-	893	20,853
General Revenue:						
Property Taxes	20,253	23,496	-	-	20,253	23,496
Sales Taxes	167,132	164,633	-	-	167,132	164,633
Gaming Revenues	127,432	190,782	-	-	127,432	190,782
Transfer in from Local Government	-	-	4,820	-	4,820	-
State Grants	-	-	20,000	-	20,000	-
Investment Earnings	29,404	34,251	26,657	30,658	56,061	64,909
Franchise Taxes	49,862	50,981	-	-	49,862	50,981
Other	8,428	32,350	-	-	8,428	32,350
Total Revenue	492,717	599,626	1,693,981	2,679,441	2,186,698	3,279,067
Expenses						
General Government	143,188	158,498	-	-	143,188	158,498
Public Safety	221,284	175,677	-	-	221,284	175,677
Public Works	71,432	49,192	-	-	71,432	49,192
Cultural and Recreation	5,612	9,054	-	-	5,612	9,054
Matching Funds Other Governments	-	-	-	-	-	-
Gas, Water and Sewer	-	-	1,595,074	2,405,542	1,595,074	2,405,542
Interest on Debt	1,980	2,700	-	-	1,980	2,700
Total Expenses	443,496	395,121	1,595,074	2,405,542	2,038,570	2,800,663
Increase in Net Assets	49,221	204,505	98,907	273,899	148,128	478,404
Net Assets-Beginning of Year	1,327,557	1,123,052	1,569,053	1,295,154	2,896,610	2,418,206
Net Assets-End of Year	\$ 1,376,778	\$ 1,327,557	\$ 1,667,960	\$ 1,569,053	\$ 3,044,738	\$ 2,896,610

Governmental activities increased the Town of Greensburg's net assets by \$ 49,221. Key elements of this increase are as follows:

Franchise Tax Decreased by \$1,119 (2.19 percent)

Other Revenues Decreased by \$23,922 (73.95 percent)

Total Expenses Increased by \$48,375 (12.24 percent)

Town of Greensburg
Greensburg, Louisiana

Management's Discussion and Analysis

The following are the governmental revenue percentages by source:

	<u>Amount</u>	<u>Percentage</u>
Charges for Services	71,050	14.42%
Operating Grants and Contributions	18,263	3.71%
Capital Grants and Contributions	893	0.18%
Property Taxes	20,253	4.11%
Sales Tax	167,132	33.92%
Gaming Revenues	127,432	25.86%
Investment Earnings	29,404	5.97%
Franchise Taxes	49,862	10.12%
Other	8,428	1.71%
	<u>492,717</u>	<u>100.00%</u>

The following are the governmental expenses by function:

	<u>Amount</u>	<u>Percentage</u>
General Government	143,188	32.29%
Public Safety	221,284	49.89%
Public Works	71,432	16.11%
Cultural and Recreation	5,612	1.26%
Other	1,980	0.45%
	<u>443,496</u>	<u>100.00%</u>

Business-Type Activities

The Business-Type Activities of the Town of Greensburg are those that the Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town of Greensburg's gas, water, and sewer services are reported here.

Financial Analysis of the Government's Funds

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

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

Town of Greensburg
Greensburg, Louisiana

Management's Discussion and Analysis

The Town of Greensburg maintains one individual governmental fund, the General Fund. The General Fund is the chief operating fund of the Town of Greensburg. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$1,130,310. As a measure of the General Fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 270 percent of total general fund expenditures and transfers out.

The fund balance of the Town of Greensburg's General Fund increased by \$69,067 during the current fiscal year. This represents a 6.50% increase in fund balance. During the fiscal year 2008 the fund balance had increased by \$196,315. The decrease in 2009 is due to a decrease in revenues of \$108,079 and an increase in expenses of \$18,969.

Major Fund Budgetary Highlights

The difference between the original and final amended budgets of the General Fund shows an increase in amounts available of \$41,197 and an increase of \$17,852 in charges to appropriations. During the year, actual revenue was under budgeted revenues by \$648 and actual expenditures were \$22,090 less than the final budgeted amounts.

Capital Assets and Debt Administration

Capital assets. The Town of Greensburg's investment in capital assets for its governmental activities as of December 31, 2009, amounted to \$273,468 (net of accumulated depreciation). The Town's investment in capital assets for its business-type activities as of December 31, 2009, amounted to \$491,387 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure. The total decrease in the Town of Greensburg's capital assets net of depreciation for the current fiscal year was \$43,182.

Additional information on the Town of Greensburg's capital assets can be found in note 7 on pages 39 and 40 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Greensburg had total debt outstanding of \$27,000. This debt is in the form of a certificate of indebtedness in the original amount of \$110,000 made on July 3, 2001 for the purpose of acquiring a fire truck. The principal is payable annually and interest semiannually at a rate of 6% from revenues of the General Fund.

The Town of Greensburg's debt has remained the same amount during the current fiscal year, with no debt issuances.

Additional information on the Town of Greensburg's long-term debt can be found in note 12 on pages 41 and 42 of this report.

Town of Greensburg
Greensburg, Louisiana

Management's Discussion and Analysis

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Town of Greensburg's budget for the 2010 fiscal year:

The two major revenue sources for the General Fund are gaming revenues and sales tax. These two revenues make up approximately 60% of total General Fund revenues. Gaming revenues have been budgeted for 2010 at \$145,000. Sales taxes have been budgeted at \$158,000 for 2010. Total revenues are budgeted at \$480,300 which is a decrease from \$493,363 amended budget for 2009.

Expenditures include anticipated capital outlay of \$10,000 for Highways and \$15,000 for Park Improvements.

Request for Information

This financial report is designed to provide a general overview of the Town of Greensburg's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed Wilburn B Jones, Mayor of the Town of Greensburg, 14516 Hwy 37, Greensburg, Louisiana, 70441.

Basic Financial Statements
Government-Wide Financial Statements

**Town of Greensburg
Greensburg, Louisiana**

Statement A

**Statement of Net Assets
December 31, 2009**

	Governmental Activities	Business-Type Activities	Total 2009
Assets			
Cash and Cash Equivalents	\$ 294,168	\$ 664,860	\$ 959,028
Investments - CD's	764,725	456,107	1,220,832
Receivables, Net	49,218	172,149	221,367
Interest Receivable	17,607	11,809	29,416
Due from other Funds	-	-	-
Prepaid Insurance	11,717	4,854	16,571
Prepaid Maintenance Fees	-	1,716	1,716
Restricted Assets - Cash	-	40,814	40,814
Due from other Governments	-	-	-
Capital Assets (Net)	273,468	491,387	764,855
Total Assets	<u>1,410,903</u>	<u>1,843,696</u>	<u>3,254,599</u>
Liabilities			
Accounts, Salaries, and Other	7,125	134,922	142,047
Interest Payable	-	-	-
Customer Deposits	-	40,814	40,814
Due to other funds	-	-	-
Long-Term Liabilities:	-	-	-
Due Within One Year	13,000	-	13,000
Due in More Than One Year	14,000	-	14,000
Total Liabilities	<u>34,125</u>	<u>175,736</u>	<u>209,861</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	246,468	491,387	737,855
Restricted	-	39,664	39,664
Unrestricted	1,130,310	1,136,909	2,267,219
Total Net Assets	<u>\$ 1,376,778</u>	<u>\$ 1,667,960</u>	<u>\$ 3,044,738</u>

See Accompanying Notes

**Town of Greensburg
Greensburg, Louisiana**

Statement B

**Statement of Activities
For the Year Ended December 31, 2009**

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets		Total 2009	
	(Expenses)	Charges for Services	Operating Grants and Contributions	Capital Grants Contributions	Governmental Activities		Business-Type Activities
Governmental Activities							
General Government	\$ (143,188)	\$ 60,075			\$ (83,113)	\$ -	\$ (83,113)
Public Safety	(215,734)	10,975	6,413	893	\$ (197,453)	-	(197,453)
Public Works	(71,432)		6,300		\$ (65,132)	-	(65,132)
Cultural and Recreation	(5,612)				\$ (5,612)	-	(5,612)
Interest on Long-Term Debt	(1,980)				\$ (1,980)	-	(1,980)
Total Government Activities	<u>\$ (437,946)</u>	<u>\$ 71,050</u>	<u>\$ 12,713</u>	<u>\$ 893</u>	<u>\$ (353,290)</u>	<u>-</u>	<u>\$ (353,290)</u>
Business-type Activities:							
Gas, Water & Sewer	<u>\$ (1,595,074)</u>	<u>\$ 1,642,504</u>				47,430	<u>47,430</u>
Total Business-Type Activities	<u>\$ (1,595,074)</u>	<u>\$ 1,642,504</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>47,430</u>	<u>47,430</u>
Total Primary Government	<u>\$ (2,033,020)</u>	<u>\$ 1,713,554</u>	<u>\$ 12,713</u>	<u>\$ 893</u>	<u>\$ (353,290)</u>	<u>47,430</u>	<u>\$ (305,860)</u>
General Revenues:							
Property Taxes					20,253		20,253
Alcoholic Taxes					3,398		3,398
Sales Taxes					167,132		167,132
Franchise Taxes					49,862		49,862
Tobacco Taxes					-		-
Gaming Revenues					127,432		127,432
Royalties					4,919		4,919
Gain (Loss) on Sale of Assets					-		-
Transfer In from Local Government					-	4,820	4,820
State Grant					-	20,000	20,000
Investment Earnings					29,404	26,657	56,061
Other General Revenues					111		111
Total General Revenues and Transfers					402,511	51,477	453,988
Change in Net Assets					49,221	98,907	148,128
Net Assets, Beginning					1,327,557	1,569,053	2,896,610
Net Assets, Ending					<u>\$ 1,376,778</u>	<u>\$ 1,667,960</u>	<u>\$ 3,044,738</u>

See Accompanying Notes

Basic Financial Statements
Governmental Fund Financial Statements

**Town of Greensburg
Greensburg, Louisiana**

Statement C

**Balance Sheet, Governmental Funds
December 31, 2009**

	<u>General Fund 2009</u>
Assets	
Cash and cash equivalents	\$ 294,168
Investments	764,725
Receivables, Net	49,218
Interest Receivable	17,607
Prepaid Insurance	11,717
Total Assets	<u>1,137,435</u>
 Liabilities and Fund Balances	
Liabilities:	
Accounts Payable	7,125
Total Liabilities	<u>7,125</u>
 Fund Balances:	
Unreserved	1,130,310
Total Fund Balance	<u>1,130,310</u>
Total Liabilities and Fund Balances	<u>\$ 1,137,435</u>

See Accompanying Notes

**Town of Greensburg
Greensburg, Louisiana**

Statement D

**Reconciliation of The Governmental Funds Balance Sheet
to The Government-Wide Statement of Net Assets**

December 31, 2009

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Fund Balances, Total Governmental Funds (Statement C)	1,130,310
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Governmental Capital Assets	694,418	
Less Accumulated depreciation	<u>(420,950)</u>	
		273,468

Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Notes and loans payable	<u>(27,000)</u>	
		<u>(27,000)</u>

Net Assets of Governmental Activities (Statement A)	<u>\$ 1,376,778</u>
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See Accompanying Notes

**Town of Greensburg
Greensburg, Louisiana**

Statement E

**Governmental Funds
Statement of Revenues, Expenditures and
and Changes in Fund Balances
For the Year Ended December 31, 2009**

	<u>General Fund 2009</u>
Revenues	
Taxes:	
Ad Valorem	\$ 20,253
Sales and Use	167,132
Other Taxes, Penalties, Interest, Etc.	53,260
Licenses and Permits	60,075
Intergovernmental Revenues:	
Federal Grants	-
State funds:	
Parish Transportation Funds	6,300
Gaming Revenues	127,432
Other State Funds	4,583
Intergovernmental transfer of assets	-
Fines and Forfeitures	10,975
Fire Insurance Rebates	2,723
Rents and Royalties	4,919
Investment Earnings	29,404
Donations	
Other Revenues	111
On Behalf Payment	5,550
Total Revenues	<u>492,717</u>
Expenditures	
General Government	140,913
Public Safety	188,618
Public Works	70,183
Cultural and Recreation	4,156
Debt Service	13,980
Capital Outlay	5,800
Matching Funds to Other Governments	-
Total Expenditures	<u>423,650</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>69,067</u>
Other Financing Sources (Uses)	
Transfers In	-
Transfers Out	-
Sale of Capital Assets	-
Total Other Financing Sources and Uses	<u>-</u>
Net Change in Fund Balance	<u>69,067</u>
Fund Balance -- Beginning	1,061,243
Fund Balance -- Ending	<u><u>\$ 1,130,310</u></u>

See Accompanying Notes

Town of Greensburg
Greensburg, Louisiana

Statement F

**Reconciliation of The Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2009**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total Governmental Funds (Statement E)	\$	69,067
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlays	5,800	
Depreciation expense	<u>(37,646)</u>	(31,846)

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Repayment of principal	<u>12,000</u>	<u>12,000</u>
Change in Net Assets of Governmental Activities (Statement B)	<u>\$</u>	<u>49,221</u>

See Accompanying Notes

Basic Financial Statements

Proprietary Fund Financial Statements

STATEMENT G

Town of Greensburg
Statement of Net Assets, Proprietary Funds
December 31, 2009

	Gas, Water & Sewer 2009
ASSETS	
Cash and cash equivalents	664,860
Investments	456,107
Receivables (net of allowances for uncollectibles)	172,149
Interest Receivable	11,809
Prepaid Insurance	4,854
Prepaid Maintenance Fees	1,716
Restricted Assets - Cash	40,814
Capital Assets, Net of Accumulated Depreciation	491,387
Due from Other Governments	
TOTAL ASSETS	<u><u>1,843,696</u></u>
LIABILITIES AND NET ASSETS	
Liabilities:	
Accounts payables	134,922
Payable from restricted assets-Customer Deposits	40,814
Due to other funds	
Total Liabilities	<u><u>175,736</u></u>
Net Assets:	
Invested in Capital Assets, net of related debt	491,387
Restricted	39,664
Unrestricted	<u>1,136,909</u>
TOTAL NET ASSETS	<u><u>1,667,960</u></u>
TOTAL NET ASSETS AND LIABILITIES	<u><u>1,843,696</u></u>

See Accompanying Notes

**Town of Greensburg
Proprietary Fund
Statement of Revenues, Expenditures and
and Changes in Fund Net Assets
For the Year Ended December 31, 2009**

	Gas, Water, & Sewer Fund			Total Proprietary Fund 2009
	Gas	Water	Sewer	
Operating Revenues:				
Gas Sales	1,530,285			1,530,285
Less: Cost of Gas Sold	(1,291,602)			(1,291,602)
Gross Profit on Gas Sales	238,683			238,683
Water Sales		66,626		66,626
Sewer Sales			38,600	38,600
Commissions	344			344
Late Fees	6,649			6,649
Other Revenue	-			-
Total Operating Revenues	245,676	66,626	38,600	350,902
Operating Expenses				
Salaries and Related Benefits	147,235			147,235
Analytical Services			4,255	4,255
Cathodic Protection	3,230			3,230
Continuing Education	-	105	-	105
Depreciation Expense	3,532	19,889	13,012	36,433
Dues & Subscriptions	830	-	-	830
Insurance	13,804			13,804
Materials and Supplies	14,609	19,978		34,587
Miscellaneous	-			-
Office Expense	6,443			6,443
Professional Fees	5,775			5,775
Repairs & Maintenance	-	6,064		6,064
Utilities	35,390			35,390
Vehicles Expense	9,321			9,321
Total Operating Expenses	240,169	46,036	17,267	303,472
Net Operating Income	5,507	20,590	21,333	47,430
Nonoperating Revenues (Expense):				
Transfer In from Local Government	4,820			4,820
State Grants	20,000			20,000
Interest Income	26,657			26,657
Intergovernmental transfer of assets				-
Sale of capital assets				-
Interest Expense				-
Total Nonoperating Income (Expenses):	51,477	-	-	51,477
Net Income before Contributions and Transfers	56,984	20,590	21,333	98,907
Contributions and Transfers				
Operating Transfers In				
Operating Transfers Out				
Capital Grant Contributions	-	-	-	-
Total Contributions and Transfers	-	-	-	-
Net Change in Fund Balance	56,984	20,590	21,333	98,907
Fund balances -- beginning				1,569,053
Fund balances -- ending				1,667,960

See Accompanying Notes

**Town of Greensburg
Proprietary Fund
Statement of Cash Flows
For the Year Ended December 31, 2009**

	Gas, Water, & Sewer 2009
CASH FLOWS FROM OPERATING ACTIVITIES	<u>1,600,484</u>
Cash Received from Customers	(1,765,217)
Cash Payment for operations	(125,089)
Cash Payment to employees	<u> </u>
NET CASH FLOWS USED BY OPERATING ACTIVITIES	<u>(289,822)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfer In from Local Governments	4,820
State Grants	<u>20,000</u>
NET CASH (USED) FOR NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>24,820</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Construction in progress	(4,820)
Payments for capital acquisitions	<u>(20,277)</u>
NET CASH (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(25,097)</u>
CASH FLOW FROM INVESTING ACTIVITIES:	
Interest Income	30,593
Interest Expense	<u> </u>
NET CASH PROVIDED (USED) FOR INVESTING ACTIVITIES	<u>30,593</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(259,506)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>965,179</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 705,673</u></u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS	
Cash	664,859
Restricted Cash	<u>40,814</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 705,673</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Income (Loss)	\$ 47,430
Adjustments to Reconcile Operating Income to Net Cash Flow from Operating Activities:	
Depreciation	36,433
Changes in Assets and Liabilities:	
Decrease (Increase) in Prepaid Expenses	(1,561)
Decrease (Increase) in Other Receivables	
Decrease (Increase) in Customer Receivables	(42,020)
Increase (Decrease) in Accounts Payable and Taxes Payable	(330,104)
Net Cash Flows Used By Operating Activities	<u><u>\$ (289,822)</u></u>

See Accompanying Notes

Notes to the Financial Statements

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

Introduction

The Town of Greensburg was incorporated under the provisions of a special charter. The Town operates under a Mayor-Board of Aldermen form of government. The Town of Greensburg provides public utilities, fire protection, and various other services to its residents. The Town provides law enforcement to the community, and maintains the streets and highways used by the residents.

The Board of Aldermen of the Town is comprised of five members, and a Mayor. Each Alderman, as well as the Mayor is elected for four year terms. The Board of Aldermen and the Mayor are compensated.

The Town of Greensburg is located in St. Helena Parish in the southeastern part of Louisiana. The population of the Town is 724. The Town of Greensburg employs approximately 22 employees, excluding the Board of Aldermen and the Mayor.

The Town provides natural gas, water, and sewer services for approximately 325 residential users, and 132 commercial users. It also maintains approximately 6.0 miles of town streets, and 6.3 miles of state highways.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the municipality is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the municipality may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

1. Summary of Significant Accounting Policies

A. Government-Wide and Fund Financial Statements

The accompanying basic financial statements of the Town of Greensburg have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999.

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meetings the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However,

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town of Greensburg reports the following major governmental funds in a single governmental Fund:

The General Fund is the municipality's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Town of Greensburg reports the following major proprietary funds in a single proprietary Fund:

The Gas, Water, & Sewer Fund is used to account for operations that are financed and operated in manner similar to private business enterprise, where the intent of the governing authority is that the cost (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the Town of Greensburg's Proprietary Funds are charges for usage of gas, water, and sewer. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Deposits and Investments

The municipality's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the municipality's investment policy allow the municipality to invest in collateralized certificates of deposits, government back securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

D. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

All trade and property tax receivables are shown net of an allowance for uncollectibles. Property taxes are levied on a calendar year basis and become due on January 1 of each year. The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Taxes Levied</u>
Taxes due for: 2009	6.37	6.37	\$ 21,573

The following are the principal taxpayers and related property tax revenue for the municipality:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>	<u>Ad Valorem Tax Revenue for Municipality</u>
Bank of Greensburg	Bank	646,240	19.08%	\$ 4,117
Texas Petroleum	Oil Exploration	213,990	6.32%	\$ 1,303
Dixie Electric	Public Service	202,790	5.99%	\$ 1,292
Century Telephone	Public Service	155,630	4.60%	\$ 991

The Town assesses a 1% sales and use tax. The proceeds from the sales and use tax are used as follows:

Sales Tax - Acquiring necessary lands and capital improvements, necessary employees, fire and police protection, encouragement of industrial development, and for the general purpose of properly operating and maintaining the Town of Greensburg for its inhabitants. The proceeds of this tax are accounted for in the General Fund.

E. Inventories and Prepaid Items

All inventories are valued at cost. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

F. Restricted Assets

Restricted assets applicable to the Gas, Water, and Sewer Fund consist of cash reserved from customer deposits of \$40,814 as of December 31, 2009.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The municipality maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Roads, bridges, and infrastructure	40 years
Land improvements	10-20 years
Buildings and building improvements	40 years
Furniture and fixtures	5-10 years
Vehicles	5-15 years
Equipment	7-10 years

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

H. Compensated Absences

The Town of Greensburg recognition and measurement criteria for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

1. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
2. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

The Town of Greensburg has the following policy relating to vacation and sick leave: Full time employees earn annual leave based on the years of service. Sick leave begins after six months of full time employment. A full time employee earns 8 hours per month up to 480 hours and then the accumulation stops. Vacation time is earned after one year of continuous employment. After one year the employee earns two weeks, after ten years three weeks, and after 20 years four weeks. Neither sick leave nor vacation time is paid upon termination.

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

The cost of current annual leave privileges, computed in accordance with GASB Codification Section C60, is recognized as current year expenditure when annual leave is actually taken.

I. Long-Term Obligations

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

J. Fund Equity

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

K. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the municipality, which are either unusual in nature or infrequent in occurrence.

L. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

M. Reconciliations of Government-Wide and Fund Financial Statements

The following reconciles the fund balances of governmental funds to the government-wide statement of net assets.

Record Net Capital Assets	\$ 273,468
Record Long-term Debt	<u>(27,000)</u>
Net Adjustment	<u>246,468</u>

The following reconciles the net changes in fund balance-total governmental funds to the changes in net assets of governmental activities.

Capitalization of Capital Assets	5,800
Record Depreciation Expense	(37,646)
Record Loss on Sale of Assets	-
Record Debt Service Principal Payments as Liability	-
Proceeds from sale of assets	-
Net effect of changes	<u>(31,846)</u>
Adjustments to Beginning Fund Balance for prior year:	
Recording of net Capital Assets	305,314
Record Long-Term Debt	<u>(27,000)</u>
	278,314
Net Adjustment	<u>246,468</u>

2. Stewardship, Compliance Accountability, and Deficits

The following individual funds have deficits in unreserved fund balance (net assets) at December 31, 2009:

F u n d
N o n e

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

3. Cash and Cash Equivalents

At December 31, 2009, the Town of Greensburg has cash and cash equivalents (book balances) totaling \$959,028 and restricted cash of \$40,814 as follows:

	General Fund	Proprietary Fund
Demand deposits	\$ 294,168	664,168
Demand Deposits-Restricted cash		40,814
Time and Savings		692
	<hr/>	<hr/>
Total	\$ 294,168	\$ 705,674

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2009, the Town of Greensburg has \$1,127,859 in deposits (collected bank balances). These deposits are secured from risk by \$294,722 of federal deposit insurance and \$833,137 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the municipality that the fiscal agent has failed to pay deposited funds upon demand.

4. Investments

Investments are categorized into three categories of credit risk:

1. Insured or registered, or securities held by the Town or its agent in the Town's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department of agent in the Town's name.

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent, but not in the Town's name.

All investments held by the Town fall into category 1 credit risk, defined as: insured or registered, or securities held by the Town or its agent in the Town's name. In accordance with GASB-31, Accounting and Financial Reporting for Certain Investments and for External Investment Pool, all investments are carried at fair value, with the estimate of fair value based on quoted market prices. At December 31, 2009, the Town's investment balances are as follows:

	General <u>Fund</u>	Proprietary <u>Funds</u>
Certificates of Deposit	\$764,725	\$456,107

The deposits as listed above are stated at cost with approximates market value. These deposits totaling \$1,220,832 are secured from risk by \$315,518 of federal deposit insurance and \$905,314 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Town that the fiscal agent has failed to pay deposited funds upon demand.

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

5. Receivables

The receivables of \$250,782 at December 31, 2009, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Proprietary Funds</u>	<u>Total</u>
Taxes:			
Ad valorem	\$ 5,907	\$	\$ 5,907
Sales and use	14,405		14,405
Beer Taxes	832		832
Franchise Tax	13,161		13,161
Due from other Governments	3,150		3,150
Other:			-
Gaming Revenues	10,745		10,745
Oil Royalties	1,280		1,280
Other	-		-
Interest Receivable	17,607	11,809	29,416
Less: Allowance for uncollectable	(263)		(263)
Gas, Water, and Sewer		180,560	180,560
Less: Allowance for uncollectables		(8,411)	(8,411)
Total	<u>\$ 66,824</u>	<u>\$ 183,958</u>	<u>\$ 250,782</u>

6. Inter-fund Receivables/Payables/Transfers

There were no interfund Receivables or Payables at December 31, 2009.

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

7. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2009, for the primary government is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated				
Land	65,675			65,675
Construction in Progress				-
Total capital assets, not being depreciated	65,675	-	-	65,675
Capital assets being depreciated				
Buildings	145,177	5,300	-	150,477
Machinery and equipment	477,766	500	-	478,266
Total capital assets being depreciated	622,943	5,800	-	628,743
Less accumulated depreciation for:				
Buildings	64,971	3,587		68,558
Machinery and equipment	318,333	34,059		352,392
Total accumulated depreciation	383,304	37,646	-	420,950
Total Capital assets being depreciated, net	239,639	(31,846)	-	207,793
Business-type activities:				
Capital assets, not being depreciated				
Land	4,000	-	-	4,000
Construction in progress		4,820	-	4,820
Total capital assets, not being depreciated	4,000	4,820	-	8,820
Capital assets being depreciated				
Buildings	11,096	-	-	11,096
Improvements other than buildings	1,551,688	17,000	-	1,568,688
Machinery and equipment	172,510	3,277	-	175,787
Total capital assets being depreciated	1,735,294	20,277	-	1,755,571
Less accumulated depreciation for:				
Buildings	6,455	454		6,909
Improvements other than buildings	1,088,001	29,144		1,117,145
Machinery and equipment	142,117	6,833		148,950
Total accumulated depreciation	1,236,573	36,431	-	1,273,004
Total business-type assets being depreciated, net	498,721	(16,154)	-	482,567

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

Depreciation expense of \$37,646 for the year ended December 31, 2009, was charged to the following governmental functions:

General Government	\$ 2,274
Public Safety	32,666
Public Works	1,249
Cultural and Recreation	<u>1,457</u>
Total	<u><u>\$ 37,646</u></u>

8. Construction Commitments

The Town of Greensburg does not have any active construction projects as of December 31, 2009.

9. Accounts, Salaries, and Other Payables

The payables of \$142,047 at December 31, 2009, are as follows:

	General Fund	Proprietary Fund	Total
Salaries	\$ -	\$ -	\$ -
Withholdings	(1,156)	408	(748)
Accounts	8,281	134,514	142,795
Garnishments	-	-	-
Sales Tax Payable	-	-	-
Other-Interest Payable	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 7,125</u>	<u>\$ 134,922</u>	<u>\$ 142,047</u>

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

10. Short-Term Debt

The Town of Greensburg did not have any short-term debt during the fiscal year December 31, 2009.

11. Leases

In June 1989 the Town of Greensburg entered into a lease agreement with the St. Helena Babe Ruth Association whereby the Town Leases a parcel of land to them for a period of 50 years for a sum of \$1.

12. Long-Term Obligations

The following is a summary of the long-term obligation transactions for the year ended December 31, 2009:

	Certificate of Indebtedness
Long-term obligations at Beginning of Year	\$ 39,000
Additions	
Deductions	<u>12,000</u>
Long-term obligations at End of Year	<u>\$ 27,000</u>

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of December 31, 2009:

	Certificate of Indebtedness
Current portion	\$ 13,000
Long-term portion	<u>14,000</u>
Total	<u>\$ 27,000</u>

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

On July 3, 2001, the town incurred debt in the form of a certificate of indebtedness in the amount of \$110,000 for the purpose of acquiring a fire truck. The principal is payable annually and interest semiannually at a rate of 6% from revenues of the general fund.

<u>Year Ending December 31, 2009</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2010	13,000	1,620	14,620
2012	<u>14,000</u>	<u>840</u>	<u>14,840</u>
Total	<u>27,000</u>	<u>2,460</u>	<u>\$ 29,460</u>

In accordance with R.S. 39:562, the municipality is legally restricted from incurring long-term bonded debt in excess of 36% of the assessed value of taxable property. At December 31, 2009, the statutory limit is \$1,219,190.

13. Retirement Systems

Employees of the Town of Greensburg are members of the social security system. In addition to employee payroll deductions, the Town of Greensburg funds are remitted to match employee contributions.

Amounts contributed to social security for the year ended December 31, 2009 are as follows:

	<u>2009</u>
Aggregate Contributions	\$38,123
Town Portions	\$19,062

14. Reserved and Designated Retained Earnings/ Fund Balances

At December 31, 2009, The Statement of Net Assets for the Proprietary fund has restricted assets in the amount of \$40,814 as, which are restricted deposits from customers.

Town of Greensburg
Greensburg, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2009

15. Risk Management

The Town of Greensburg is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town of Greensburg attempts to minimize risk from significant losses through the purchase of insurance.

16. On-Behalf Payments For Fringe Benefits and Salaries

For the year ended December 31, 2009, on behalf payments in the form of supplemental payments were paid to an employee of the police department. The town recorded \$5,550 on behalf payments in revenues and expenditures in the general fund.

17. Contracts

The Town as of December 31, 2009 had a contract with an energy company who furnishes natural gas for the Greensburg community. The utility company manages all aspects for the purchase, transportation, and delivery of the gas. The initial term of the contract began on October 1, 2003, and expired on September 30, 2004. At the conclusion of the initial term, the contract will automatically extend for successive one-year periods, provided however that either party may terminate this agreement at the end of any term, by giving the other party ninety days advance written notice of termination.

18. Litigation

The Town does not have any suits filed against them nor any claims asserted against them as of December 31, 2009.

19. Compliance with Laws

The Town did not comply with the supplemental pay reporting requirements.

Required Supplemental Information (Part II)

Town of Greensburg
Statement of Revenues, Expenditures, and Changes in Fund Balances-
Budget and Actual-General Fund
For the Year Ended December 31, 2009

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget Positive (Negative)</u>
Budgetary Fund Balances, Beginning	\$ 925,211	\$ 1,061,245	\$ 1,061,243	\$ (2)
Resources (Inflows)				
Taxes:				
Ad valorem	22,500	20,000	20,253	253
Sales and use	165,500	157,700	167,132	9,432
Other taxes, penalties, interest, etc.	52,500	51,200	53,260	2,060
Licenses and permits	66,600	60,000	60,075	75
Intergovernmental revenues:				
Federal grants				-
State funds:				
Parish transportation funds	6,300	6,300	6,300	-
Law ENF - Electronics	1,000			-
Gaming Revenues	190,000	145,000	127,432	(17,568)
Federal Grants - FEMA			-	-
Other State Funds	-	4,600	4,583	(17)
Intergovernmental transfer of assets				-
Fines and forfeitures	7,000	13,000	10,975	(2,025)
Fire Insurance Rebates	2,800	2,723	2,723	-
Rents and Royalties	35,000	3,640	4,919	1,279
Investment earnings	38,000	29,000	29,404	404
Sale of Assets	-			-
Other revenues	1,000	200	111	(89)
Donations		-	-	-
Supplemental Pay	-	-	5,550	5,550
Amounts available for Appropriations	<u>1,513,411</u>	<u>1,554,608</u>	<u>1,553,960</u>	<u>(648)</u>
Charges to Appropriations (outflows)				
General government	150,912	149,750	140,913	8,837
Public safety	191,848	183,285	188,618	(5,333)
Public works	56,648	74,725	70,183	4,542
Cultural and recreation	8,000	6,500	4,156	2,344
Health and Welfare				-
Debt service	13,980	24,980	13,980	11,000
Capital outlay	6,500	6,500	5,800	700
Total Charges to Appropriations	<u>427,888</u>	<u>445,740</u>	<u>423,650</u>	<u>22,090</u>
Budgetary Fund Balances, Ending	<u>\$ 1,085,523</u>	<u>\$ 1,108,868</u>	<u>\$ 1,130,310</u>	<u>\$ 21,442</u>

See Accountants' Report

Town of Greensburg
Greensburg, Louisiana

Notes to Budgetary Comparison Schedules

Budget Policies

Budgetary procedures applicable to the Town of Greensburg are defined in state law, Louisiana Revised Statutes 39:1301-1315. The Town of Greensburg used the following budget practices:

1. The Town of Greensburg must adopt a budget each year for the general fund and each special revenue fund, if applicable.

The Town of Greensburg must prepare and submit the proposed budget for consideration not later than fifteen days prior to the beginning of each fiscal year. At the same time, if total proposed expenditures are \$500,000 or more, a notice of public hearing on the proposed budget must be published in the official journal in the parish. The notice of public hearing was published in the official journal on November 19, 2008 and held on December 9, 2008.

All action necessary to adopt and implement the budget must be completed prior to the beginning of the fiscal year. The budget was adopted on December 9, 2008.

Budgetary amendments involving the transfers of funds from one program or function to another or involving increase in expenditures resulting from revenues exceeding amount estimated require the approval of the Board of Aldermen. The secretary-treasurer presents necessary budget amendments to the Aldermen during the year when actual operations are different from those anticipated in the original budget. The Town of Greensburg adopts the amendments and they are made available for public inspection.

2. All budgetary appropriations lapse at the end of each fiscal year.

3. The Town of Greensburg does not use encumbrance accounting.

4. Budgets are integrated into the accounting system, and the budgetary data, as presented in the financial statements for the general fund, compare the expenditures with the amended budgets. All budgets are presented in accordance with the (GAAP) basis of accounting. Proprietary funds are not budgeted.

Town of Greensburg
Greensburg, Louisiana

Notes to Budgetary Comparison Schedules

Excess of Expenditures over Appropriations

The following individual funds had actual expenditures over budgeted appropriations for the year ended December 31, 2009:

<u>Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
none				

Other Supplemental Schedules

Town of Greensburg

Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2009

Board Member	Term	Total Amount
Wilburn Jones, Mayor (225) 222-4988 6421 Hwy 10, Greensburg, LA 70441	12/01/08 - 12/01/12	5,500
<u>Board of Aldermen</u>		
Danny Carruth (225) 222-6074 857 Taylor Road, Greensburg, LA 70441	12/01/08 - 12/01/12	2,750
Jimmy Meadows (225) 222-6467 P.O. Box 279, Greensburg, LA 70441	12/01/08 - 12/01/12	2,750
Larry Carruth (225) 222-6324 P.O. Box 127, Greensburg, LA 70441	12/01/08 - 12/01/12	2,750
Hunter Carter 6432 Hwy 10, Greensburg, LA 70441	12/01/08 - 12/01/12	2,750
Paula McNabb (225) 222-3634 725 Taylor St, Greensburg, LA 70441	12/01/08 - 12/01/12	2,750
Total		<u>19,250</u>

See Accountants' Report

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

**ANTHONY B BAGLIO, CPA
A PROFESSIONAL ACCOUNTING CORPORATION**

2011 Rue Simone
Hammond, Louisiana 70403
(985) 542-4155 or (985) 542-4186

July 1, 2010

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

To the Honorable W. Burke Jones,
and Members of the Board of Aldermen
Town of Greensburg
Greensburg, Louisiana

I have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Greensburg, Greensburg, Louisiana, as of and for the year ended December 31, 2009, which comprise the Town of Greensburg's basic financial statements and have issued my report thereon dated July 1, 2010. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Town of Greensburg's, Greensburg, Louisiana internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Greensburg's, Greensburg, Louisiana internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Town of Greensburg's, Greensburg, Louisiana internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.


My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above. However, I identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses that I consider to be significant deficiency in internal control over financial reporting, as item numbers 2009-01-2009-04. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Greensburg's, Greensburg, Louisiana financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings and responses as item number 2009-05

Town of Greensburg's response to the finding identified in my audit will be sent in a separate letter.. I did not audit the Town of Greensburg's response and, accordingly, I express no opinion on it.

This report is intended solely for the information and use of management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.


Anthony B. Baglio, CPA
A Professional Accounting Corporation
Hammond, Louisiana
July 1, 2010

**Town of Greensburg
Greensburg, Louisiana**

Schedule of Findings and Responses

Town of Greensburg
Greensburg, Louisiana

Schedule of Findings and Responses
As of and For the Year Ended December 31, 2009

INTERNAL CONTROL

FINDING NO. 09-01

Traffic Tickets and Misdemeanor Summonses

Two ticket books were examined during the audit. Each ticket book has ten tickets. Five tickets were selected from each book. Of the ten (10) tickets that were selected three (3) were not entered into the computer for tracking and therefore not paid. The department lacks proper controls in the area of traffic tickets and misdemeanor summonses.

Good Controls Required

- Accounting for the numerical sequence of traffic tickets and misdemeanor summonses is the key controlling factor
- Good controls over traffic tickets and misdemeanor summonses require that (1) the supply of ticket books be locked and ticket books be issued only when police officers return previously issued tickets as issued citations; (2) police officers be prohibited from collecting fines; and (3) records be maintained that account for the final disposition of all citations.
- Traffic citations should not be reduced or dismissed "outside" of traffic court. R.R. 32:398.2.B requires that all traffic citations be disposed of only by trial or acceptance of a plea in open court.
- Report all traffic violations (except for parking) to DPS within 30 days after the date of the person's conviction and sentencing or the final disposition of the case (R.S. 32:393(c)).

It is recommended that the Police Chief establish proper procedures and controls for the department.

Response by Management

Management response to findings will be sent in a separate letter.

Town of Greensburg
Greensburg, Louisiana

Schedule of Findings and Responses
As of and For the Year Ended December 31, 2009

FINDING NO. 09-02

Lack of Segregation of Duties

The Town of Greensburg has a small office staff making segregation of duties difficult. They do not have controls in place to monitor the daily accounting functions. There is inadequate oversight of the financial reporting and internal control functions by those charged with governance. The financial statements and bank reconciliations are done by an outside CPA firm which would be the only control in place.

It is recommended that a system of checks and balances be set up for the daily operations of the office. These controls should be monitored by the governing authority to be sure all functions of the office are flowing correctly.

Response by Management

Management response to findings will be sent in a separate letter.

FINDING NO. 09-03

Procedures Manual

The town does not have a formal written procedure manual to have a clear understanding of what should be done, how it should be done, who should do it, and when it should be done and to ensure the procedures followed meet management's expectations. Written procedures aid in the continuity of operations and for cross-training of staff.

It is recommended that the Town locate a sample procedures manual for a municipality and modify it for the Town of Greensburg.

Response by Management

Management response to findings will be sent in a separate letter.

**Town of Greensburg
Greensburg, Louisiana**

**Schedule of Findings and Responses
As of and For the Year Ended December 31, 2009**

FINDING NO. 09-04

Overtime Pay

In reviewing payroll it was determined that one employee was overpaid for overtime worked.

In June of 2009 an incorrect overtime rate was set up in the computer causing overtime to be overpaid from June through November of 2009 for this employee. The amount of the overpayment totaled approximately \$3,816.

It is recommended the Town collect the overpayment from the employee.

Response by Management

Management response to findings will be sent in a separate letter.

COMPLIANCE

FINDING NO. 09-05

Supplemental Pay Reporting

In reviewing personnel files it was determined that supplemental pay reporting requirements were not being done by the Town.

One of the police officers has been receiving police supplemental pay but the Town has not been withholding taxes nor reporting the pay on the police officer's W-2. According to Louisiana R. S. 33:2218.4.C and R. S. 33:2004.C municipalities are required to withhold and remit all required federal and state taxes.

It is recommended the Town begin withholding the taxes on the supplemental pay retroactive to January 1, 2009.

Response by Management

Management response to findings will be sent in a separate letter.

**Town of Greensburg
Greensburg, Louisiana**

Status of Prior Year Audit Findings

TOWN OF GREENSBURG

Greensburg, Louisiana

Status of Prior Year Audit Findings

Year Ended December 31, 2009

Ref No	Fiscal Year Finding Initially Occurred	Description of Finding	Management's Corrective Action Taken	Planned Corrective Action/Partial Corrective Action Taken
--------	---	---------------------------	---	---

Section I - Internal Control and Compliance Material to the Financial Statements:Internal Control

08-01	Dec-05	Traffic tickets and misdemeanor summonses.	See Finding 09-01	
08-02	Dec-05	Lack of segregation of duties.	See Finding 09-02	
08-03		Town does not have procedure manual	See Finding 09-03	
08-04		Town is relying on the banks to be sure cash and investments are adequately insured and securities are property pledged.	Corrected	
08-05		Town does not have written ethics policy.	Corrected	
08-06	Dec-05	Procedures for collecting past due utility accounts not adequate.	Corrected	
08-07		Payroll-time cards not being approved by a supervisor. No written approved pay rates and no forms I-9 verifying employment eligibility.	Corrected	

TOWN OF GREENSBURG

Greensburg, Louisiana

Status of Prior Year Audit Findings

Year Ended December 31, 2009

Ref No	Fiscal Year Finding Initially Occurred	Description of Finding	Management's Corrective Action Taken	Planned Corrective Action/Partial Corrective Action Taken
Section II- Internal Control and Compliance Material to the Federal Awards				

Compliance

08-08		The Town of Greensburg did not have sufficient Pledged Securities in the amount of \$60,681 at December 31, 2008 to cover collected bank balances	Corrected	
08-09		The Town of Greensburg did not submit the annual audit for the fiscal year ended December 31, 2008 by the deadline of June 30, 2009.	Corrected	

Section III-Management Letter

No Findings for Section III

Town of Greensburg

W. Burke Jones
Mayor

Home of the Forest Festival

P.O. Box 160
Greensburg, LA 70441

Danny Carruth
Mayor ProTem

Larry Carruth
Treasurer

Telephone # 225-222-4312
Fax # 225-222-4372

Jimmie Meadows
Alderman

Paula McNabb
Alderman

Hunter Carter
Clerk

July 12, 2010

RE: Responses for Audits Findings for the Year Ending December 31, 2009

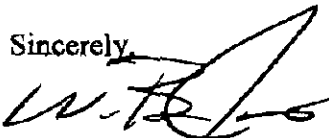
To Whom It May Concern:

Please find the Town of Greensburg's responses to the findings by the CPA Firm of Anthony Baglio for the year ending December 31, 2009.

It is the intention of the Board of Aldermen and I to take the necessary steps to systematically correct all issues related to this audit by December 31, 2010.

A copy of this letter will be given to each board member, and these audit findings will be fully disclosed at the July board meeting. If I can be of further assistance in this matter, please do not hesitate to contact my office at 225-222-4312.

Sincerely,



W. Burke Jones
Mayor, Town of Greensburg

"We are an equal opportunity employer"

Town of Greensburg

W. Burke Jones
Mayor

Home of the Forest Festival
P.O. Box 160
Greensburg, LA 70441

Jimmie Meadows
Alderman

Danny Carruth
Mayor ProTem

Paula McNabb
Alderman

Larry Carruth
Treasurer

Telephone # 225-222-4312
Fax # 225-222-4372

Hunter Carter
Clerk

The Town of Greensburg offers the following responses to audit findings for the year ending December 31, 2009:

- Finding No. 09-01—Traffic Tickets and Misdemeanor Summonses.

All tickets are to be entered into the computer database on the next business day after the ticket /summons is written.

- Finding No. 09-02—Lack of Segregation of Duties.

The limited size of the town precludes a desirable segregation of duties and other features of an adequate system of internal controls. Additionally, to employ such controls may not be cost effective for the Town of Greensburg. Nevertheless, an effort will be made to better address this issue through the formulation and implementation of a comprehensive policy and procedure manual.

- Finding No. 09-03—Procedures Manual

The Town of Greensburg has located a sample manual and will craft a policy and procedure manual to address issues specific to the Town of Greensburg.

- Finding No. 09-04 and Finding No. 09.05—Overpayment of one employee's overtime and supplemental pay reporting, respectively addressed below.

The employee was notified of the overpayment. After consulting with the town's attorney and CPA firm a dollar figure was determined to pay the Town of Greensburg back for the overpayment and for tax withholdings from supplemental pay dating back to January, 2009. He has paid back a sum of \$3,948.16, which addresses both issues. Please see the attached copy of the detailed dollar amounts that were identified.

"We are an equal opportunity employer"