

TOWN OF PLAIN DEALING, LOUISIANA  
Water and Sewer Fund

Statement of Revenues, Expenditures and  
Changes in Retained Earnings - Budget (GAAP Basis) and Actual

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

	1995		Variance- favorable (unfavorable)	1994 Actual
	Budget	Actual		
Revenues:				
Charges for services	\$ 195,200	203,593	8,393	208,670
Interest	-	1,976	1,976	1,822
Other	<u>4,800</u>	<u>4,800</u>	<u>-</u>	<u>1,304</u>
Total revenues	<u>200,000</u>	<u>210,369</u>	<u>10,369</u>	<u>211,796</u>
Expenditures:				
Other operating expenses	109,473	142,011	(32,538)	102,876
Personal services	72,740	76,937	(4,197)	70,382
Depreciation	-	43,601	(43,601)	43,300
Interest	<u>17,787</u>	<u>12,865</u>	<u>4,922</u>	<u>18,424</u>
Total expenditures	<u>200,000</u>	<u>275,414</u>	<u>75,414</u>	<u>234,982</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	(65,045)	(65,045)	<u>(23,186)</u>
Other financing sources (uses):				
Transfers in	-	18,000	18,000	35,000
Transfers out	<u>-</u>	<u>(18,000)</u>	<u>(18,000)</u>	<u>(35,000)</u>
Excess (deficiency) of revenues & other sources over expenditures	<u>-</u>	(65,045)	(65,045)	<u>(23,186)</u>
Retained earnings, beginning	<u>286,316</u>	<u>286,316</u>	<u>-</u>	<u>309,502</u>
Retained earnings, ending	<u>\$ 286,316</u>	<u>221,271</u>	<u>(65,045)</u>	<u>286,316</u>

The accompanying notes are an integral part of this statement.

TOWN OF PLAIN DEALING, LOUISIANA  
Water Department

Schedule of Changes in Assets Restricted Under  
Revenue Bond Debt

For the Year Ended December 31, 1995

	Bond Fund	Bond Reserve Fund	Water Replace- ment and Ex- tension Fund	Total
Cash - January 1, 1995	\$ <u>7,419</u>	<u>18,218</u>	<u>12,952</u>	<u>38,589</u>
Cash receipts:				
Transferred from operating account	17,787	-	1,789	3,576
Interest credited	<u>218</u>	<u>466</u>	<u>368</u>	<u>1,052</u>
Total cash receipts	<u>18,005</u>	<u>466</u>	<u>2,157</u>	<u>20,628</u>
Total cash available	25,424	18,684	15,109	59,217
Cash disbursements:				
Principal payment	5,509	-	-	5,509
Interest payment	<u>12,278</u>	<u>-</u>	<u>-</u>	<u>12,278</u>
Total disbursements	<u>17,787</u>	<u>-</u>	<u>-</u>	<u>17,787</u>
Cash - December 31, 1995	\$ <u><u>7,637</u></u>	<u><u>18,684</u></u>	<u><u>15,109</u></u>	<u><u>41,430</u></u>

The accompanying notes are an integral part of this statement.

## TRUST AND AGENCY FUNDS

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**Cemetery Fund** - accounts for the monies received from the sale of lots, the issuance of permits, and the service of maintenance of the cemetery.

**Ad Valorem Tax Fund** - accounts for the collection of property taxes by the Town.

TOWN OF PLAIN DEALING, LOUISIANA  
Trust and Agency

Combining Balance Sheet

December 31, 1995  
With Comparative Totals for December 31, 1994

	<u>Cemetery</u>	<u>Tax Clearing Fund</u>	<u>Totals</u>	
			<u>1995</u>	<u>1994</u>
<u>ASSETS</u>				
Cash	\$ 889	15,800	16,689	20,008
Certificates of deposit	94,217	-	94,217	80,567
Accounts receivable, net of allowance for uncollectible taxes	-	25,997	25,997	20,747
Accrued interest receivable	<u>1,799</u>	-	<u>1,799</u>	<u>1,147</u>
Total assets	<u>96,905</u>	<u>41,797</u>	<u>138,702</u>	<u>122,469</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Due to other funds	<u>-</u>	<u>41,797</u>	<u>41,797</u>	<u>39,589</u>
Total liabilities	<u>-</u>	<u>41,797</u>	<u>41,797</u>	<u>39,589</u>
Fund balance	<u>96,905</u>	<u>-</u>	<u>96,905</u>	<u>82,880</u>
Total liabilities and fund balances	<u>\$96,905</u>	<u>41,797</u>	<u>138,702</u>	<u>122,469</u>

The accompanying notes are an integral part of this statement.

TOWN OF PLAIN DEALING, LOUISIANA  
Cemetery Trust and Agency

Statement of Revenues, Expenditures and Changes in Fund Balance

For the Years Ended December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
Revenues:		
Charges for services	\$ 12,315	3,080
Interest	4,301	2,676
Miscellaneous	<u>1,151</u>	<u>410</u>
Total revenues	<u>17,767</u>	<u>6,166</u>
Expenditures:		
Labor	2,983	2,297
Supplies and materials	<u>759</u>	<u>528</u>
Total expenditures	3,742	2,825
Excess of revenues over expenditures	14,025	3,341
Fund balance at beginning of year	<u>82,880</u>	<u>79,539</u>
Fund balance at end of year	\$ <u><u>96,905</u></u>	<u><u>82,880</u></u>

The accompanying notes are an integral part of this statement.

TOWN OF PLAIN DEALING, LOUISIANA  
Cemetery Trust and Agency

Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget (GAAP Basis) and Actual

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

	1995		Variance- favorable (unfavorable)	1994 Actual
	Budget	Actual		
Revenues:				
Charges for services	\$ -	12,315	12,315	3,080
Interest	-	4,301	4,301	2,676
Miscellaneous	-	1,151	1,151	410
Total revenues	-	17,767	17,767	6,166
Expenditures:				
Labor	-	2,983	(2,983)	2,297
Supplies and materials	-	759	(759)	528
Total expenditures	-	3,742	(3,742)	2,825
Excess (deficiency) of revenues over expenditures	-	14,025	14,025	3,341
Fund balance at beginning of year	82,880	82,880	-	79,539
Fund balance at end of year	\$ 82,880	96,905	14,025	82,880

The accompanying notes are an integral part of this statement.

TOWN OF PLAIN DEALING, LOUISIANA  
Tax Clearing Agency Fund

Balance Sheet

December 31, 1995  
With Comparative Totals for December 31, 1994

<u>ASSETS</u>	<u>1995</u>	<u>1994</u>
Cash	\$ 15,800	18,842
Accounts receivable, net of allowance for uncollectible taxes of \$-0-	<u>25,997</u>	<u>20,747</u>
Total assets	<u>41,797</u>	<u>39,589</u>
<u>LIABILITIES</u>		
Due to other funds	<u>41,797</u>	<u>39,589</u>
Total liabilities	<u>\$ 41,797</u>	<u>39,589</u>

Statement of Changes in Assets and Liabilities  
For the Year Ended December 31, 1995

<u>ASSETS</u>	Balance January 1, 1995	Additions	Deductions	Balance December 31 1995
Cash	\$ 18,842	36,847	39,889	15,800
Accounts receivable, net of allowance for uncollectible taxes of \$-0-	<u>20,747</u>	<u>42,097</u>	<u>36,847</u>	<u>25,997</u>
Total assets	<u>39,589</u>	<u>78,944</u>	<u>76,736</u>	<u>41,797</u>
<u>LIABILITIES</u>				
Due to other funds	<u>39,589</u>	<u>41,497</u>	<u>39,289</u>	<u>41,797</u>
Total liabilities	<u>\$ 39,589</u>	<u>41,497</u>	<u>39,289</u>	<u>41,797</u>

The accompanying notes are an integral part of this statement.

**GENERAL  
FIXED ASSETS  
ACCOUNT GROUP**

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This account group is established to account for all fixed assets of the town other than those used in proprietary fund operations or accounted from in Trust funds. Capital expenditures in all funds are recorded as expenditures of those funds at the time of purchase and are subsequently recorded, at cost, for central purposes in the General Fixed Assets Account Group. In accordance with generally accepted accounting principles for governmental entities, depreciation is not recorded in general fixed assets.



## TOWN OF PLAIN DEALING, LOUISIANA

## Schedule of General Fixed Assets - By Sources

December 31, 1995 and 1994

	<u>1995</u>	<u>1994</u>
General fixed assets:		
General fund	\$ 302,331	286,990
Fire department	138,759	138,759
Cemetery	7,302	7,302
Dam and reservoirs	294,580	294,580
Municipal building	261,241	261,241
Ambulance	40,462	40,462
Machinery and equipment	42,025	42,025
Industrial park	441,272	441,272
Street improvements	<u>211,659</u>	<u>208,100</u>
Total general fixed assets	\$ <u>1,740,067</u>	<u>1,720,731</u>
Investment in general fixed assets from:		
General fund revenues	\$ 582,860	567,519
Federal grants	758,213	754,218
General obligation bonds	52,500	52,500
Sales tax fund revenues	248,202	248,202
Water and sewer fund	25,000	25,000
Louisiana Highway Safety Commission	15,000	15,000
Other sources	<u>58,292</u>	<u>58,292</u>
Total investment in general fixed assets	\$ <u>1,740,067</u>	<u>1,720,731</u>

The accompanying notes are an integral part of this statement.

## GENERAL LONG-TERM OBLIGATION ACCOUNT GROUP

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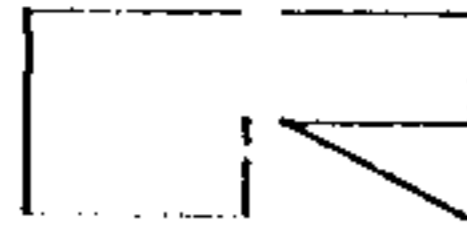
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Accounts for the general long-term liabilities of governmental units other than proprietary fund.

TOWN OF PLAIN DEALING, LOUISIANA  
 General Long-Term Debt Group of Accounts  
 Schedule of General Long-Term Debt  
 For the Year Ended December 31, 1995

	Balance December 31, 1994	General Obligation Sewer Bonds Retired	Operations	Balance December 31, 1995
Amount available in Debt Service Fund	\$ 36,163	-	7,548	43,711
Amount to be provided for retirement of long-term debt	<u>23,837</u>	<u>15,000</u>	<u>(7,548)</u>	<u>1,289</u>
Total available and to be provided	<u>\$ 60,000</u>	<u>15,000</u>	<u>-</u>	<u>45,000</u>
General obligation debt payable	<u>\$ 60,000</u>	<u>15,000</u>	<u>-</u>	<u>45,000</u>

The accompanying notes are an integral part of this statement.



GEOFF L. ROBERTS  
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June 21, 1996

CONFIDENTIAL

The Honorable Leon Sanders, Jr., Mayor  
and Members of the Board of Aldermen  
Town of Plain Dealing, Louisiana  
P. O. Box 426  
Plain Dealing, LA 71064

Dear Mayor Sanders and Members  
of the Board of Aldermen,

We have audited the general purpose financial statements of the Town of Plain Dealing, Louisiana and the combining, individual fund, and account group financial statements of the Town as of and for the year ended December 31, 1995, and have issued our report thereon dated June 21, 1996. In planning and performing our audit of the financial statements of the Town, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control. We have not considered the internal control since the date of our report.

During our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. These comments and recommendations are intended to improve internal control or result in other operating efficiencies and are summarized as follows:

ACCOUNTING MANUAL

An accounting policy should be prepared that indicates the procedures and guidelines that should be followed in regards to such items as transfers, due to and due from other funds and other governmental agencies, capital expenditures, expenses, accounts receivables and payables etc. This would be a great help to all members of your staff.

As in the past, we recommend that all members of your staff be familiar with each other duties. We realize that with limited staff and time, this is not always possible. However, for good internal controls to work properly this recommendation should be implemented. We feel that you will find this beneficial if an employee should have to be absent for an extended period of time.

GENERAL FIXED ASSET ACCOUNT GROUP

We recommend that a system be implemented to account for the purchase and disposition of all fixed assets. If the purchase of a software package is not made, we recommend that a file be setup to account for the purchase and disposition of all fixed assets. At present a separate file is kept for only large assets, such as automobiles. There were several assets bought during 1995 that we feel will eventually be lost in the system if they are not accounted for elsewhere in the Town's files.

PROPRIETARY FUNDS - (WATER AND SEWER DEPARTMENTS)

Over the past several years the Sewer Department has slowly depleted its retained earnings. Should it become necessary for major expenditures to be paid out of this fund, we feel that there would not be sufficient monies to pay for them. We would like to recommend that the Town rectify this situation by one of the following:

- A. The Town could consider increasing its sewer rates by an amount which would not only offset the current year depreciation, but would also rebuild the depleted retained earnings.
- B. The Town could reevaluate the method that it uses to allocate expenditures between the Water and Sewer departments.
- C. The Town could periodically transfer monies from the Water department to the Sewer department to help finance its activities.

BUDGETS

We would like to see more detail in the preparation of the Town's budget. A good way to insure that all items are accounted for, is to review the general ledger account numbers for all categories of expenditures.

We would like to see all budget amendments recorded in the minutes. We found instances where an expenditure was authorized however, an amount was not listed.

A statement made at the end of the year that authorizes all expenditures made during the year is not in our opinion indication of good oversight of the expenditures and the effects that they will have on the budget and/or fund balance/retained earnings.

The Honorable Leon Sanders, Jr., Mayor  
and Members of the Board of Aldermen  
Town of Plain Dealing, Louisiana  
June 21, 1996  
Page 3

INTERFUND TRANSFERS

We found great improvement in this area. However, we still recommend that a system be put in place to allocate the cost of insurance on a consistent basis.

MISCELLANEOUS

Proper coding of accounts is essential to accurate financial statements. We found several instances in particular the ad-valorem tax area. We would like your staff use pay careful attention in this area.

There were several instances where the receipt and disbursement of federal funds were not properly recorded in the general ledger. We recommend that these funds be monitored so that their occurrence can be properly posted to the general ledger.

It should be noted that our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not bring to light all weaknesses in systems and procedures which may exist. We aim, however, to use our knowledge of the Town's organization to make comments and suggestions which we hope will be useful to you.

We would like to take this opportunity to thank the personnel of the Town for their cooperation and assistance during the audit.

This report is intended solely for the information and use of the Mayor and Board of Aldermen, management and others within the organization.

Very truly yours,

*Geoff L. Roberts, CPA*

Geoff L. Roberts, CPA

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**TOWN OF PLAIN DEALING, LOUISIANA**  
**Supplementary Schedule of Federal  
Financial Assistance (Single Audit)**

**December 31, 1995**

**(With Independent Auditors' Report Thereon)**

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

Release Date 8-14-96

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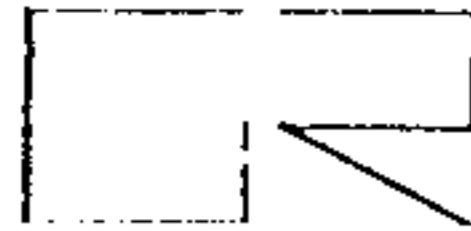
TOWN OF PLAIN DEALING, LOUISIANA

Supplementary Schedule of Federal Financial Assistance  
(Single Audit)

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Independent Auditors' Report on Supplementary  
Schedule of Federal Financial Assistance

To the Honorable Leon Sanders, Jr., Mayor  
and the Members of the Board of Aldermen  
Town of Plain Dealing, Louisiana:

We have audited the general purpose financial statements, and the combining, individual fund and account group financial statements of the Town of Plain Dealing, Louisiana (the "Town") as of and for the year ended December 31, 1995, and have issued our report thereon dated June 21, 1996. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

June 21, 1996

TOWN OF PLAIN DEALING, LOUISIANA

Schedule of Federal Assistance

For the Year Ended December 31, 1995

Federal Grantor/State Pass Through Grantor Name	Sub-Grant	Grant Revenue Received Cash basis	Expenditures		
			Federal Funds	Matching Funds	Local Total Funds
United States Department of Housing and Urban Development; Section 104(d) of Title I. Louisiana Community Development Block Grant Program (LCDBG)	#101-4099	\$545,161	\$545,161	-	\$545,161(1)
Grants are provided for residential Anti-displacement and relocation assistance.	N/A	20,000	3,995	-	3,995
Fire Protection Improvements	N/A	<u>15,000</u>	-	-	-
Street and Drainage Project		\$580,161	\$549,156	-	\$549,156
Special Projects Program					

(1) Major program

See accompanying notes to schedule of federal financial assistance.

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Schedule of Federal Financial Assistance

Year Ended December 31, 1995

(1) General

The accompanying schedule of federal financial assistance presents the activity of all federal financial assistance programs of the Town of Plain Dealing, Louisiana (the "Town"). The Town's reporting entity is defined in note 1(A) to the Town's general purpose financial statements. Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included on the schedule (See note 3).

(2) Basis of Accounting

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

(3) Relationship to General Purpose Financial Statements

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

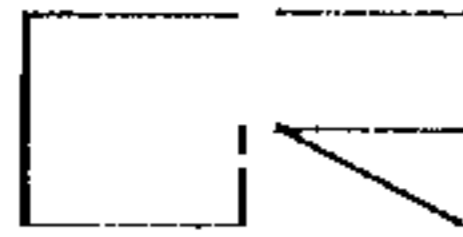
	<u>Intergovernmental Revenues</u>
Special Revenue Funds:	
LCDBG	\$ 545,161
Capital Projects Funds:	
Streets & Drainage Program	20,000
Special Projects Program	<u>15,000</u>
Total	\$ 580,161

(4) Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports.

(5) Major Federal Financial Assistance Programs

Major federal financial assistance programs include any program for which federal expenditures for that program exceed \$300,000. The Town's major federal financial assistance program is the Louisiana Community Development Block Grant.



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Independent Auditors' Report on the Internal Control Structure  
Based on an Audit of the Financial Statements Performed in  
Accordance with Government Auditing Standards

The Honorable Leon Sanders, Jr., Mayor  
and the Members of the Board of Aldermen  
Town of Plain Dealing, Louisiana:

We have audited the general purpose financial statements, and the combining, individual fund, and account group financial statements of the Town of Plain Dealing, Louisiana (the "Town") as of and for the year ended December 31, 1995, and have issued our report thereon dated June 21, 1996.

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

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

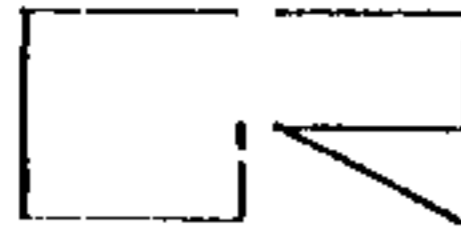
In planning and performing our audit of the management statements of the Town for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to management of the town in a separate letter dated June 21, 1996.

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

June 21, 1996



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Independent Auditors' Report on the Internal Control  
Structure Used in Administering Federal Financial Assistance Programs

The Honorable Leon Sanders, Jr., Mayor  
and the Members of the Board of Aldermen  
Town of Plain Dealing, Louisiana:

We have audited the general purpose financial statements, and the combining, individual fund, and account group financial statements of the Town of Plain Dealing, Louisiana (the "Town") as of and for the year ended December 31, 1995, and have issued our report thereon dated June 21, 1996. We have also audited the compliance of the Town with requirements applicable to its major federal financial assistance program, and have issued our report thereon dated June 21, 1996.

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

In planning and performing our audits for the year ended December 31, 1995, we considered the internal control structure of the Commission in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements of the Town, and on its compliance with requirements applicable to its major program, and to report on the internal control structure policies and procedures relevant to our audit of the financial statements in a separate report dated June 21, 1996.

The management of the Town is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not

absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

Cycles of Town's activities

- Revenue/receipts
- Purchases/disbursements
- Payroll

General requirements

- Political activity
- Civil rights
- Cash management
- Federal financial reports
- Allowable costs/cost principles
- Drug-Free Workplace Act
- Administrative requirements

Specific requirements

- Types of services allowed or unallowed
- Eligibility
- Matching, level of effort, or earmarking
- Reporting
- Special requirements:
  - Contract rents and utility allowances
  - Contract rents and utility adjustments
  - Site inspection reports
  - Program income
  - Environmental review and certification
  - Approval of request for release of funds
  - Obligation of funds

Claims for advances and reimbursements

Amounts claimed or used for matching

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

During the year ended December 31, 1995, the Town expended 100 percent of its total federal financial assistance under its major federal financial assistance program.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with general requirements, specific requirements, and requirements governing claims for advances and reimbursements, and amounts claimed or used for matching that are applicable to each of the major federal financial assistance programs of the Town, which are identified in the accompanying schedule of federal financial assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

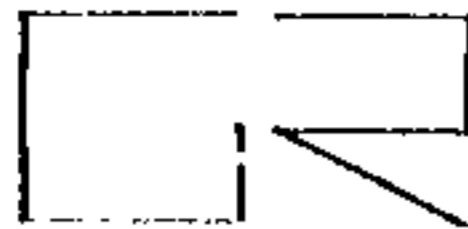
Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of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

However, we noted certain matters involving the internal control structure and its operations that we have reported to the management of the Town in a separate letter dated June 21, 1996.

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

June 21, 1996





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A PROFESSIONAL ACCOUNTING CORPORATION  
CERTIFIED PUBLIC ACCOUNTANTS

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(318) 868-7973

Independent Auditors' Report on Compliance Based on an  
Audit of the Financial Statements Performed in Accordance with  
Government Auditing Standards

To the Honorable Leon Sanders, Jr., Mayor  
and the Members of the Board of Aldermen  
Town of Plain Dealing, Louisiana:

We have audited the general purpose financial statements, and the combining, individual fund, and account group financial statements of the Town of Plain Dealing, Louisiana (the "Town") as of and for the year ended December 31, 1995, and have issued our report thereon dated June 21, 1996.

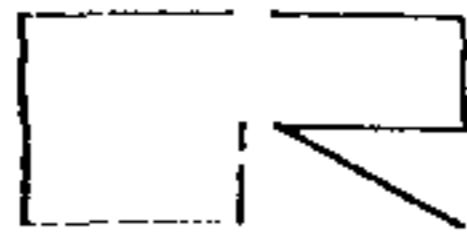
We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are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

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

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

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

June 21, 1996



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Independent Auditors' Report on Compliance With  
General Requirements Applicable to Federal Financial Assistance Programs

To the Honorable Leon Sanders, Jr., Mayor  
and the Board of Aldermen  
Town of Plain Dealing, Louisiana

We have audited the general purpose financial statements, and the combining, individual fund, and account group financial statements of the Town of Plain Dealing, Louisiana (the "Town") as of and for the year ended December 31, 1995, and have issued our report thereon dated June 21, 1996.

We have applied procedures to test the Town's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance for the year ended December 31, 1995

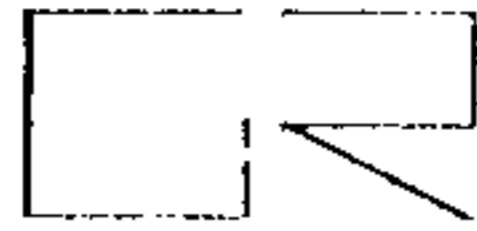
- \* Political activity
- \* Civil rights
- \* Cash management
- \* Federal financial reports
- \* Allowable costs/cost principles
- \* Drug-Free Workplace Act
- \* Administrative requirements

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

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

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

June 21, 1996



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Independent Auditors' Report on Compliance With Specific  
Requirements Applicable to Major Federal Financial Assistance Programs

To the Honorable Leon Sanders, Jr., Mayor  
and the Board of Aldermen  
Town of Plain Dealing, Louisiana

We have audited the general purpose financial statements, and the combining, individual fund, and account group financial statements of the Town of Plain Dealing, Louisiana (the "Town") as of and for the year ended December 31, 1995, and have issued our report thereon dated June 21, 1996

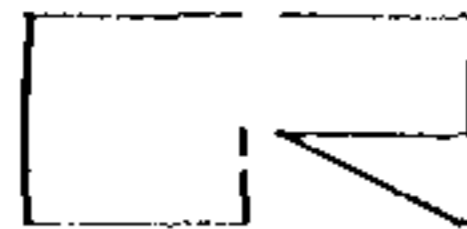
We have also audited the Town's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; contract rents and utility allowances; contract rents and utility adjustments; site inspection reports, program income; environmental review and certification; approval of request for release of funds; obligation of funds; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to its major federal financial assistance program, which is identified in the accompanying schedule of federal financial assistance, for the year ended December 31, 1995. The management of the Town is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

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

In our opinion, the Town complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; contract rents and utility allowances; contract rents and utility adjustments; site inspection reports; program income; environmental review and certification; approval of request for release of funds; obligation of funds; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to its major federal financial assistance program for the year ended December 31, 1995

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

June 21, 1996



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Independent Auditors' Report on Compliance With Specific  
Requirements Applicable to Nonmajor Federal Financial  
Assistance Program Transactions

To the Honorable Leon Sanders, Jr., Mayor  
and the Board of Aldermen  
Town of Plain Dealing, Louisiana

We have audited the general purpose financial statements, and the combining, individual fund, and account group financial statements of the Town of Plain Dealing, Louisiana (the "Town") as of and for the year ended December 31, 1995, and have issued our report thereon dated June 21, 1996.

In connection with our audit of the financial statements of the Town and with our consideration of the Town's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments, we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended December 31, 1995. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and matching, level of effort, or earmarking that are applicable to those transactions. Our procedures were substantially less in scope than an audit the objective of which is the expression of an opinion on the Town's compliance with these requirements. Accordingly, we do not express such an opinion.

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

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

June 21, 1996

TOWN OF PLAIN DEALING, LOUISIANA  
Schedule of Findings and Questioned Costs  
(Single Audit)

Year Ended December 31, 1995

Findings

None

Questioned Costs

-

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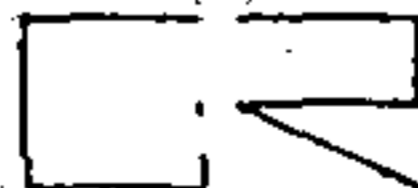
TOWN OF PLAIN DEALING, LOUISIANA

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 1995

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

Release Date 8-14-96



GEOFF L. ROBERTS  
A PROFESSIONAL ACCOUNTING CORPORATION  
CERTIFIED PUBLIC ACCOUNTANTS

TOWN OF PLAIN DEALING, LOUISIANA  
 ANNUAL FINANCIAL REPORT  
 FOR THE YEAR ENDED DECEMBER 31, 1995

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TOWN OF PLAIN DEALING, LOUISIANA  
 ANNUAL FINANCIAL REPORT  
 FOR THE YEAR ENDED DECEMBER 31, 1995

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TOWN OF PLAIN DEALING, LOUISIANA  
 ANNUAL FINANCIAL REPORT  
 FOR THE YEAR ENDED DECEMBER 31, 1995

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## **FINANCIAL SECTION**

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- **AUDITORS' REPORT**
  - **GENERAL PURPOSE FINANCIAL STATEMENTS**
  - **COMBINING AND INDIVIDUAL FUND AND  
ACCOUNT GROUP STATEMENTS AND  
SCHEDULES**
- 
-

**AUDITORS' REPORT—  
OPINION OF INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS**

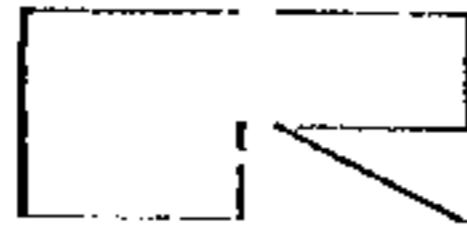
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INDEPENDENT AUDITORS' REPORT

The Honorable Leon Sanders, Mayor  
and Members of the Board of Aldermen  
Town of Plain Dealing, Louisiana:

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements of the Town of Plain Dealing, Louisiana as of and for the year ended December 31, 1995 as listed in the foregoing Table of Contents. These financial statements and schedules are the responsibility of the Town's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Plain Dealing, Louisiana, at December 31, 1995, and the results of its operations and its cash flows of its proprietary fund types and similar trust funds for the year then ended, in conformity with generally accepted accounting principles.

The Honorable Leon Sanders, Mayor  
and Members of the Board of Aldermen  
Town of Plain Dealing, Louisiana  
Page 2

In accordance with Government Auditing Standards, we have also issued a report dated June 1, 1996, on our consideration of the Town's internal control structure and a report dated June 21, 1996, on its compliance with laws and regulations.

*Geoff L. Roberts, CPA, APAC*

Geoff L. Roberts, CPA  
A PROFESSIONAL ACCOUNTING CORPORATION

June 21, 1996

## **GENERAL PURPOSE FINANCIAL STATEMENTS**

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The General Purpose Financial Statements include the combined financial statements which include all funds and account groups of the Town and are designed to provide an overview of the financial position and results of operations for the Town as a whole. Additional information in the form of combining and individual fund and account group statements and schedules are included elsewhere in this report.

TOWN OF PLAIN DEALING, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups

Exhibit 1

December 31, 1995

	Governmental Fund Types			Proprietary Fund Types	Fiduciary Fund Type	Account Groups		Totals		
	General	Special Revenue	Debt Service			Capital Projects	Enterprise		Trust and Agency	General Fixed Assets
<b>ASSETS</b>										
Cash	\$ 22,548	1,501	17,165	270,005	16,689	-	-	487,151	362,473	
Certificates of deposit	48,609	-	-	54,068	94,217	-	-	196,894	179,585	
Receivables:										
Accounts	4,695	-	-	-	25,997	-	-	57,382	47,903	
Accrued interest	633	-	-	-	1,799	-	-	2,432	1,631	
Due from other funds	25,358	-	16,439	-	-	-	-	64,071	224,169	
Restricted assets - cash (Note 4)	13,630	-	-	-	73,604	-	-	87,234	79,570	
Fixed assets (net of accumulated depreciation) - (Note 5)	-	-	-	-	1,218,707	-	1,740,067	2,958,774	2,983,039	
Amount available in Debt Service Funds	-	-	-	-	-	-	43,711	-	36,163	
Amount to be provided for retirement of general long-term debt from:										
Ad valorem taxes	-	-	-	-	-	-	-	1,289	23,837	
Total assets	\$ 105,473	1,501	33,604	324,073	138,702	-	1,740,067	3,898,938	3,957,371	
<b>LIABILITIES</b>										
Accounts payable	\$ 6,885	-	-	-	-	-	-	9,661	10,528	
Accrued expenses	783	-	-	-	-	-	-	2,047	1,783	
Due to other funds	1,448	-	-	-	41,797	-	-	64,071	224,169	
Payable from restricted assets:										
Water revenue bond	-	-	-	-	5,300	-	-	5,300	5,100	
Interest payable	-	-	-	-	10,239	-	-	10,239	9,652	
Customer deposits	-	-	-	-	36,974	-	-	36,974	33,769	
Water revenue bond payable (Note 6)	-	-	-	-	238,170	-	-	238,170	243,978	
General long-term bonds payable (Note 6)	-	-	-	-	-	-	45,000	45,000	60,000	
Total liabilities	\$ 9,116	-	-	-	41,797	-	45,000	410,462	588,879	
<b>FUND EQUITY</b>										
Contributed capital:										
Investment in general fixed assets	-	-	-	-	-	-	1,740,067	1,740,067	1,720,731	
Retained earnings:										
Unreserved	-	-	-	-	221,271	-	-	221,271	286,316	
Fund balance:										
Reserved for debt service	-	-	33,604	-	-	-	-	33,604	36,163	
Reserved for next years expenditures	-	-	-	-	-	-	-	-	11,988	
Unreserved - undesignated	96,357	1,501	-	324,073	96,905	-	-	518,836	338,596	
Total fund equity	\$ 96,357	1,501	-	324,073	96,905	-	1,740,067	3,488,476	3,368,492	
Total liabilities and fund equity	\$ 105,473	1,501	33,604	324,073	138,702	-	1,740,067	3,898,938	3,957,371	

The accompanying notes are an integral part of this statement.



TOWN OF PLAIN DEALING, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances --

All Governmental Fund Types

For the Year Ended December 31, 1995

	Governmental Fund Types			Totals		
	General	Special Revenue	Debt Service	Capital Projects	(Memorandum Only) 1995	1994
<b>Revenues:</b>						
Taxes	\$ 25,262	93,913	16,601	93,913	229,689	221,520
Licenses and permits	47,562	-	-	-	47,562	46,749
Intergovernmental	24,148	545,161	-	35,000	604,309	52,560
Interest	2,266	-	-	7,928	10,194	6,834
Charges for services	39,381	-	-	-	39,381	37,856
Fines and forfeits	6,115	-	-	-	6,115	5,849
Miscellaneous	25,329	-	-	-	25,329	39,348
<b>Total revenues</b>	<b>170,063</b>	<b>639,074</b>	<b>16,601</b>	<b>136,841</b>	<b>962,579</b>	<b>410,716</b>
<b>Expenditures:</b>						
General government	96,658	-	-	-	96,658	76,308
Public safety	88,935	-	-	-	88,935	117,954
Street department	49,964	-	-	3,995	53,959	80,125
Health	-	545,161	-	-	545,161	44,494
Capital outlays	10,912	-	-	-	10,912	15,997
Miscellaneous	-	-	958	10	968	713
Debt service:						
Interest	-	-	3,202	-	3,202	4,118
Principal retirement	-	-	15,000	-	15,000	15,000
<b>Total expenditures</b>	<b>246,469</b>	<b>545,161</b>	<b>19,160</b>	<b>4,005</b>	<b>814,795</b>	<b>354,709</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(76,406)</b>	<b>93,913</b>	<b>(2,559)</b>	<b>132,836</b>	<b>147,784</b>	<b>56,007</b>
<b>Other financing sources (uses):</b>						
Operating transfers in	151,977	-	-	-	151,977	85,000
Operating transfers out	-	(151,977)	-	-	(151,977)	(85,000)
<b>Net other financing sources (uses)</b>	<b>151,977</b>	<b>(151,977)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other uses</b>	<b>75,571</b>	<b>(58,064)</b>	<b>(2,559)</b>	<b>132,836</b>	<b>147,784</b>	<b>56,007</b>
<b>Fund balance at beginning of year</b>	<b>20,786</b>	<b>59,565</b>	<b>36,163</b>	<b>191,238</b>	<b>307,752</b>	<b>251,745</b>
<b>Fund balance at end of year</b>	<b>\$ 96,357</b>	<b>1,501</b>	<b>33,604</b>	<b>324,074</b>	<b>455,536</b>	<b>307,752</b>

The accompanying notes are an integral part of this statement.

TOWN OF PLAIN DEALING, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes  
in Fund Balances - Budget (GAAP Basis) and Actual -  
General and Special Revenue Fund Types

For the Year Ended December 31, 1995

	General Fund		Variance- favorable (unfavorable)	Special Revenue Fund Types		Variance- favorable (unfavorable)
	Budget	Actual		Budget	Actual	
Revenues:						
Taxes	\$ 20,908	25,262	4,354	80,000	93,913	13,913
Licenses and permits	41,025	47,562	6,537	-	-	-
Intergovernmental	5,600	24,148	18,548	-	545,161	545,161
Interest	-	2,266	2,266	-	-	-
Charges for services	38,000	39,381	1,381	-	-	-
Fines and forfeits	2,400	6,115	3,715	-	-	-
Miscellaneous	19,700	25,329	5,629	-	-	-
Total revenues	127,633	170,063	42,430	80,000	639,074	559,074
Expenditures:						
General government	68,458	96,658	(28,200)	-	-	-
Public safety	89,169	88,935	234	-	-	-
Street & Sanitation department	50,006	49,964	42	-	-	-
Health	-	-	-	-	545,161	(545,161)
Capital outlays	-	10,912	(10,912)	-	-	-
Total expenditures	207,633	246,469	(38,836)	-	545,161	(545,161)
Excess (deficiency) of revenues over expenditures	(80,000)	(76,406)	3,594	80,000	93,913	13,913
Other financing sources (uses):						
Operating transfers in	105,000	151,977	46,977	-	-	-
Operating transfers out	-	-	-	(105,000)	(151,977)	(46,977)
Net other financing sources (uses)	105,000	151,977	46,977	(105,000)	(151,977)	(46,977)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	25,000	75,571	50,571	(25,000)	(58,064)	(33,064)
Fund balance at beginning of year	20,786	20,786	-	59,565	59,565	-
Fund balance at end of year	\$ 45,786	96,357	50,571	34,565	1,501	(33,064)

The accompanying notes are an integral part of this statement.

## TOWN OF PLAIN DEALING, LOUISIANA

Combined Statement of Revenues, Expenses and Changes in  
Retained Earnings/Fund Balances - Proprietary Fund Types  
and Similar Trust and Agency Funds

For the Year Ended December 31, 1995

	Proprietary	Fiduciary	Totals	
	Fund Type Enterprise	Fund Type Trust	(Memorandum Only) 1995	1994
Operating revenues:				
Charges for services	\$ 203,593	12,315	215,908	211,750
Interest	4,800	4,301	9,101	2,676
Miscellaneous	-	1,151	1,151	1,714
Total operating revenues	<u>208,393</u>	<u>17,767</u>	<u>226,160</u>	<u>216,140</u>
Operating expenses:				
Personal services	76,937	-	76,937	70,382
Contractual services	4,808	-	4,808	5,103
Labor	-	2,983	2,983	2,297
Supplies and materials	24,860	759	25,619	49,756
Heat, light and power	19,353	-	19,353	22,352
Depreciation	43,601	-	43,601	43,300
Miscellaneous	92,990	-	92,990	26,193
Total operating expenses	<u>262,549</u>	<u>3,742</u>	<u>266,291</u>	<u>219,383</u>
Operating income	<u>(54,156)</u>	<u>14,025</u>	<u>(40,131)</u>	<u>(3,243)</u>
Non-operating revenues (expenses):				
Interest income	1,976	-	1,976	1,822
Interest expense	(12,865)	-	(12,865)	(18,424)
Transfers in	18,000	-	18,000	35,000
Transfers out	(18,000)	-	(18,000)	(35,000)
Net non-operating revenues (expenses)	<u>(10,889)</u>	<u>-</u>	<u>(10,889)</u>	<u>(16,602)</u>
Net income	<u>(65,045)</u>	<u>14,025</u>	<u>(51,020)</u>	<u>(19,845)</u>
Retained earnings/fund balance, beginning	<u>286,316</u>	<u>82,880</u>	<u>369,196</u>	<u>389,041</u>
Retained earnings/fund balance, ending	<u>\$ 217,271</u>	<u>96,905</u>	<u>318,176</u>	<u>369,196</u>

The accompanying notes are an integral part of this statement.

TOWN OF PLAIN DEALING, LOUISIANA  
 Combined Statement of Cash Flows -  
 Proprietary Fund Types and Similar Trust Funds

For the Year Ended December 31, 1995

	Proprietary Fund Type <u>Enterprise</u>	Fiduciary Fund Type <u>Cemetery</u>	Totals (Memorandum Only)	
			<u>1995</u>	<u>1994</u>
<i>Cash flows from operating activities:</i>				
Net income	\$ (65,045)	14,025	(51,020)	(19,845)
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	43,601	-	43,601	43,300
Change in assets and liabilities:				
Decrease (increase) in accounts receivable	(3,025)	(652)	(3,677)	(3,094)
Decrease (increase) in due from other fund	92,306	-	92,306	(58,165)
Increase (decrease) in accounts payable and accrued expenses	(3,306)	-	(3,306)	2,188
Increase (decrease) in due to other funds	(4,121)	-	(4,121)	23,447
Increase (decrease) in other liabilities	(57)	-	(57)	213
Total adjustments	<u>125,398</u>	<u>(652)</u>	<u>124,746</u>	<u>7,889</u>
Net cash provided by operating activities	<u>60,353</u>	<u>13,373</u>	<u>73,726</u>	<u>(11,956)</u>
<i>Cash flows from investing activities:</i>				
Capital expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,782)</u>
Net cash used in investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,782)</u>
<i>Cash flows from financing activities:</i>				
Decrease (increase) in restricted assets	(5,115)	-	(5,115)	(5,227)
Increase in restricted liabilities	3,992	-	3,992	7,848
Principal payments of long-term debt	<u>(5,708)</u>	<u>-</u>	<u>(5,708)</u>	<u>(4,786)</u>
Net cash provided by financing activities	<u>(6,831)</u>	<u>-</u>	<u>(6,831)</u>	<u>(2,165)</u>
Net increase (decrease) in cash and cash equivalents	53,522	13,373	66,895	(23,903)
Cash and cash equivalents at beginning of year	<u>115,721</u>	<u>81,733</u>	<u>197,454</u>	<u>221,357</u>
Cash and cash equivalents at end of year	\$ <u>169,243</u>	<u>95,106</u>	<u>264,349</u>	<u>197,454</u>
<i>Supplemental disclosures of cash flow information:</i>				
<i>Cash paid during the year for:</i>				
Interest	\$ <u>12,278</u>	<u>-</u>	<u>12,278</u>	<u>13,001</u>

The accompanying notes are an integral part of this statement.

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements

December 31, 1995

(1) Summary of Significant Accounting Policies:

The Town of Plain Dealing was incorporated in 1890, under the provisions of LA R.S. 33:321 - 48. The Town operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting policies of the Town of Plain Dealing conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

A. Financial Reporting Entity

This report includes all funds and account groups which are controlled by or dependent on the Town executive and legislative branches (the Mayor and Board of Aldermen). Control by or dependence on the Town was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

B. Fund Accounting

The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. These include general, special revenue, enterprise, trust and agency, debt service and capital projects funds and long-term debt and general fixed assets groups of accounts.

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 PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(1) Summary of Significant Accounting Policies - continued:

Special Revenue Funds - Special Revenue Funds are 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.

Proceeds of the 1% sales and use tax are deposited in a special fund and dedicated and used for general operating purposes including but not limited to the opening, construction, paving, resurfacing, improving and for maintaining streets, alleys, etc.

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.

The general obligation sewer bonds are secured as to payment by ad valorem taxes assessed on all property and improvements in the Town of Plain Dealing.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds, Special Assessment Funds, and Trust Funds).

During the fiscal year 1979, the Town of Plain Dealing received grants from the Environmental Protection Agency (E.P.A.) for repairs and extensions to sewer lines. The terms of the grant specified that the Town would pay all land costs, easement and right-of-way costs. The actual cost would be funded with 75% E.P.A. funds and the remaining 25% provided by the Town of Plain Dealing. Extensive studies were made to determine the extent of water infiltration into the system. This project was completed June 30, 1983, with actual costs totalling \$683,721. Of this total cost, \$219,673 was borne by the Town of Plain Dealing.

On September 28, 1987, the Town accepted an offer of grant from the Economic Development Administration of \$426,016 for the installation of water and sewer, streets and drainage, and rail facilities for the Plain Dealing Industrial Park. The total cost of this project was \$441,272.

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(1) Summary of Significant Accounting Policies - continued:

On December 29, 1986, the Town obtained a grant from the State of Louisiana for \$63,450, to be used for the expansion of the Hartin Industries Facilities. By expanding these facilities, approximately forty new jobs were created for the area. The total cost of this project was \$63,444.

Beginning April 1, 1993 and additional 1% sales tax was levied on all sales at retail, the use, the lease or rental, the consumption of tangible personal property and on sales of services in the Town and was dedicated for the purpose of acquiring, construction and improving industrial parks and industrial buildings along with any necessary sites, equipment and furnishings in connection therewith.

In December 1993 the Town received a grant from the State of Louisiana in the amount of \$25,000 to be used for street and drainage improvements.

In 1994 the Town applied for and received monies from the Louisiana Community Development Block Grant (LCDBG) program. The Town received \$33,578 in grants which were used for improvements to local public facilities.

In 1995 the Town applied for and received monies from the Louisiana Community Development Block Grant (LCDBG) program. The Town received \$545,161 in grants which were used for Fire Protection Improvements. The Town also received \$15,000 from the State of Louisiana Office of Rural Development to be used for short term street improvements. Another \$20,000 was received for the street and drainage program.

PROPRIETARY FUNDS

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed by 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.

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(1) Summary of Significant Accounting Policies - continued:

FIDUCIARY FUNDS

Trust and Agency Funds - Trust and 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.

These include Expendable Trust, Nonexpendable Trust, Pension Trust, and Agency funds. Nonexpendable Trust and Pension Trust Funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Expendable Trust Funds are accounted for in essentially the same manner as governmental funds.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds and Expendable Trust Funds are accounted for on a spending of "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets.



TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(1) Summary of Significant Accounting Policies - continued:

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Water Utility -	
Wells	20-25 years
Storage tanks	25-50 years
Lines and meters	20-50 years
Other equipment	6-20 years
Right-of-ways	-
Sewerage Utility -	
Waste Disposal Plant	60 years
Lines	50 years
Other equipment	6-10 years

All fixed assets are valued at historical cost or estimated fair market value for assets acquired before 1959 and still on hand. Donated fixed assets are valued at their estimated fair market value on the date donated.

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

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

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources", since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become current receivables.

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(1) Summary of Significant Accounting Policies - continued:

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 Account Group.

Fixed Assets - All items of property, plant and equipment which do not constitute assets of the enterprise fund are recorded in the general fixed assets group of accounts. Such assets are maintained on the basis of original cost (cash paid plus trade-in allowance, if applicable) except that assets acquired before 1959 and still on hand are recorded at their fair market value of the asset on July 1, 1959 and no depreciation is computed or recorded thereon.

Property, plant and equipment which constitute assets of the enterprise fund are recorded at cost, except for those assets acquired before July 1, 1959 and still on hand are recorded at their fair market value at July 1, 1959. Depreciation computed on these assets is under the straight-line method of depreciation based on the estimated useful lives of the individual assets.

In accordance with Statement 1, the option to exclude infrastructure general fixed assets was elected.

D. Basis of Accounting

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

All Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt which is recognized when due.

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(1) Summary of Significant Accounting Policies - continued:

All proprietary funds are accounted for using the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when incurred.

Purchase of various operating supplies are regarded as expenditures at the time purchased, and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year.

E. Budgets and Budgetary Accounting

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

1. The Mayor prepares a proposed budget and submits same to the Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(1) Summary of Significant Accounting Policies - continued:

6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principals (GAAP). Budgeted amounts are as originally adopted by the Board of Aldermen.

F. Investments

Investments are stated at cost. Discounts and premiums on the purchase of investments are amortized over the life of the investment remaining from the date of purchase to the date of maturity.

G. Bad Debts

Uncollectible amounts due from customers' water and sewerage receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. There were no allowances for bad debts at December 31, 1994 or 1993.

H. Inventory

Inventory consists of minor maintenance and repair parts and are not accounted for separately. The effect on the financial statements is not material.

I. Accumulated Unpaid Vacation

No provision for accumulated or earned vacations at December 31, 1994 has been recorded, as none had accumulated as of this date.

J. 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 Town's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(1) Summary of Significant Accounting Policies - continued:

K. Total Columns on Combined Statements - Overview

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

(2) Ad Valorem Taxes:

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

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

For the year ended December 31, 1995, taxes of 12.56 mills were levied on property with assessed valuations totaling \$3,328,710 and were dedicated as follows:

General corporate purposes	7.62 mills
Debt service	<u>4.94 mills</u>
	<u>12.56 mills</u>

Total taxes levied were \$41,809. Taxes receivable at December 31, 1995, consisted of the following:

Taxes receivable current roll	\$25,697
Taxes receivable prior roll	<u>300</u>
Less: allowance for uncollectible taxes	<u>-</u>
	<u>\$25,997</u>

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(3) Interfund Receivables, Payables:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General fund	\$ 25,358	1,448
Water department	4,274	18,000
Sewer department	18,000	2,826
Tax Clearing Account	-	41,797
General Obligation Sewer Bonds	<u>16,439</u>	<u>-</u>
	<u>\$ 64,071</u>	<u>64,071</u>

(4) Restricted Assets:

Restricted assets were applicable to the following at December 31:

	<u>1995</u>	<u>1994</u>
Governmental Fund Type:		
Restricted cash - clinic account	\$ <u>13,630</u>	<u>11,081</u>
Proprietary Fund Type:		
Customer deposits	32,174	29,900
Water Revenue Bond account	7,637	7,419
Water Revenue Bond Reserve account	18,684	18,218
Water Replacement & Extension account	<u>15,108</u>	<u>12,951</u>
	<u>\$ 73,603</u>	<u>68,488</u>

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(5) General Fixed Assets and Property, Plant and Equipment:

	Balance January 1, 1995	Additions	Deletions	Balance December 31, 1995
Buildings	\$ 261,241	-	-	261,241
Machinery & equipment	42,025	-	-	42,025
Ambulance	40,462	-	-	40,462
Dam & reservoirs	294,580	-	-	294,580
Cemetery	7,302	-	-	7,302
Fire department	138,759	-	-	138,759
General fund	285,208	15,341	-	300,549
Industrial Park	441,272	-	-	441,272
Street improvements	209,882	3,995	-	213,877
	<u>\$1,720,731</u>	<u>19,336</u>	<u>-</u>	<u>1,740,067</u>

A. A summary of Proprietary fund type property, plant and equipment at December 31, 1995:

Water utility:		
Wells		\$ 214,524
Storage tanks		88,210
Lines and meters		463,484
Other equipment		23,711
Right-of-way		3,008
Bolinger Water System		22,691
Sewer utility:		
Land		15,000
Lines		32,450
Treatment plant		454,282
Sewer Project 414		683,721
Other		5,240
Total		2,006,321
Less accumulated depreciation		<u>796,114</u>
Net		<u>\$ 1,210,207</u>

\* Depreciation is computed using the straight-line method.

\*\*Since July 1, 1959, the Town has kept records with a history of fixed asset cost. All assets acquired since that time are recorded at original cost. Assets acquired before July 1, 1959, are recorded at their fair market value as of July 1, 1959.

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(5) General Fixed Assets and Property, Plant and Equipment - continued:

During the year ended June 30, 1980, the Town began keeping separate accounting records for the water department and the sewer department. The financial statements for both departments have been combined.

(6) Changes in Long-Term Debt:

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

	<u>General Obligation</u>	<u>Water Revenue</u>	<u>Total</u>
Bonds outstanding January 1, 1995	\$ 60,000	248,978	308,978
Bonds retired	<u>15,000</u>	<u>5,508</u>	<u>20,508</u>
Bonds outstanding December 31, 1995	\$ <u>45,000</u>	<u>243,470</u>	<u>288,470</u>

Bonds outstanding at December 31, 1995 are comprised of the following individual issues:

General Obligation Sewer Bonds dated December 31, 1978, \$185,000 7%, serial bonds due in annual installments of \$5,000 through 1984; \$10,000 through 1993, and; \$15,000 through 1998 - to be retired from ad valorem taxes. \$ 45,000

Water Revenue Bonds dated August 31, 1979, \$300,000 5%, due in annual installments of \$17,787, including interest, through 2018, and a final installment of \$5,751 in 2019 - to be retired from the income and revenue of the water system. \$ 243,470



TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(6) Changes in Long-Term Debt - continued:

The annual requirements to amortize all debt outstanding as of December 31, 1995 including interest payments of \$187,349 are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>General</u> <u>Obligation</u>	<u>Water</u> <u>Revenue</u>	<u>Total</u>
1996	17,288	17,787	35,075
1997-2001	31,830	88,935	120,765
2002-2006	-	88,935	88,935
2007-2011	-	88,935	88,935
2012-2016	-	88,935	88,935
2017-2019	-	53,174	53,174
	<u>\$ 49,118</u>	<u>426,701</u>	<u>475,819</u>

Funds in the Debt Service Funds at December 31, 1995, amounted to \$17,165 which are available to service the General Obligation Bonds.

Under the terms of the bond indenture on outstanding Water Utility Bonds dated August 31, 1979, all income and revenue of every nature, earned or derived from obligation of the Utility system are pledged and dedicated to the retirement of said bonds, and are to be set aside monthly into the following special funds:

- A. A sum equal to 1/12th of the total amount of principal and interest falling due in the ensuing year is to be deposited into an account entitled "Water Revenue Bond Fund" and remitted to the Farmers Home Administration on an annual basis.
- B. A sum at least equal to five (5%) percent of the amount to be paid into an account entitled "Water Revenue Bond Reserve Fund" until such time as there has been accumulated a sum equal to the highest combined principal and interest falling due in any year, as a Debt Service Reserve. This Reserve is to be retained solely for the purpose of paying the principal of and interest on bonds payable from the Water Revenue Bond Fund as to which there would otherwise be default.

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(6) Changes in Long-Term Debt - continued:

C. The sum of \$75 into an account entitled "Water Replacement and Extension Fund" to care for depreciation, extensions, additions, improvements and replacements necessary to operate the System properly. The funds may also be used to make up deficiencies in the Revenue Bond fund or Reserve Fund, but if so used, it shall be replaced as soon as possible out of earnings from the system after making the required payments into the respective funds.

Such notes payable are substantially in the form of Water Revenue Bonds and are collateralized by revenue of the system and the fixed assets of the system and mature 40 years from the date they were issued.

(7) Retirement Commitments:

Police employees of the Town of Plain Dealing are members of the state retirement system for municipal police employees. Contributions to the system are made by both the employees and the Town as a percentage of salaries. The Town contributed \$3,596 to this system during the year as its share of the policemen's contributions. Future deficits in the system will be financed by the state and the Town has no further liability to the system. Data concerning the actuarial status of the system are not available.

All other employees of the Town of Plain Dealing are members of the federal Social Security System.

(8) Mayor and Aldermen's Salaries:

	<u>December 31, 1995</u>	
	<u>Mayor</u>	<u>Aldermen</u>
	<u>Salaries</u>	<u>Salaries</u>
Leon Sanders, Jr.	\$ 3,000	-
Renardin Thompson	-	600
Joe Arnold	-	600
Tommy Boggs	-	600
Patrick Boggs	-	600
David Anderson	-	600
	<u>          </u>	<u>          </u>
Total	\$ <u>3,000</u>	<u>3,000</u>

TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements - Continued

December 31, 1995

(9) Cash and Cash Equivalents:

For reporting purposes cash equivalents include cash, demand deposits and certificates of deposit. Cash and cash equivalents are stated at cost, which approximates market. At year end, the Town's total cash balance was as follows:

Balance Per Bank	Outstanding Checks	Outstanding Deposits	Balance Per Books
\$ <u>776,728</u>	\$ <u>5,314</u>	\$ <u>-</u>	\$ <u>771,414</u>

According to Statement No. 3 of the Governmental Accounting Standards Board, the amount of the total bank balance must be classified in three categories of risk, defined as follows:

- Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3 - Uncollateralized. (This includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name.)

In accordance with GASB No. 3, all of the Town's bank balance is classified as Category 1.

Certificates of deposit	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Total Book Value</u>
General Fund	5.00%	3-27-96	\$ 48,610
Trust Funds: Cemetery	5.00%	2-23-96	94,217
Capital Project Funds: Sewer Project	5.00%	6-30-96	<u>54,068</u>
Total all funds			<u>\$196,895</u>

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

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## **GOVERNMENTAL FUNDS**

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- **GENERAL FUND**
- **SPECIAL REVENUE FUNDS**
- **DEBT SERVICE FUND**
- **CAPITAL PROJECTS FUNDS**

**GENERAL  
FUND**

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

TOWN OF PLAIN DEALING, LOUISIANA  
General Fund

Comparative Balance Sheet

December 31, 1995 and 1994

<u>ASSETS</u>	<u>1995</u>	<u>1994</u>
Cash	\$ 12,548	6,690
Restricted assets - cash	13,630	11,081
Certificate of deposit	48,609	-
Accounts receivable, no allowance for uncollectible accounts	4,695	3,491
Accrued interest receivable	633	-
Due from other funds	<u>25,358</u>	<u>91,180</u>
Total assets	<u>105,473</u>	<u>112,442</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	6,885	5,446
Accrued expenses	783	462
Due to other funds	<u>1,448</u>	<u>89,633</u>
Total liabilities	<u>9,116</u>	<u>95,541</u>
Fund balance:		
Unreserved	96,357	4,913
Reserved	-	11,988
Total fund balance	<u>96,357</u>	<u>16,901</u>
Total liabilities and fund balance	<u>\$ 105,473</u>	<u>112,442</u>

The accompanying notes are an integral part of this statement.

TOWN OF PLAIN DEALING, LOUISIANA  
General Fund

Statement of Revenues, Expenditures and Changes in Fund  
Balance - Budget (GAAP Basis) and Actual

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

	<u>1995</u>		Variance-	
	<u>Budget</u>	<u>Actual</u>	favorable	<u>1994</u>
			(unfavorable)	Actual
<b>Revenues:</b>				
Taxes	\$ 20,908	25,262	4,354	20,999
Licenses and permits	41,025	47,562	6,537	46,749
Intergovernmental	5,600	24,148	18,548	18,982
Charges for services	38,000	39,381	1,381	37,856
Fines and forfeits	2,400	6,115	3,715	5,849
Miscellaneous	19,700	25,329	5,629	39,348
Interest income	-	2,266	2,266	242
	<u>127,633</u>	<u>170,063</u>	<u>42,430</u>	<u>170,025</u>
<b>Expenditures:</b>				
General government:				
Salaries and benefits	21,297	39,803	(18,506)	25,427
Office	6,310	9,416	(3,106)	5,207
Legal and audit	3,600	6,079	(2,479)	3,292
Insurance	20,311	21,941	(1,630)	16,717
Miscellaneous	16,940	19,419	(2,479)	25,665
	<u>68,458</u>	<u>96,658</u>	<u>(28,200)</u>	<u>76,308</u>
Public Safety:				
Police department	77,559	78,869	(1,310)	93,382
Fire department	11,610	10,066	1,544	24,572
	<u>89,169</u>	<u>88,935</u>	<u>234</u>	<u>117,954</u>
Street & Sanitation	<u>50,006</u>	<u>49,964</u>	<u>42</u>	<u>54,570</u>
Total expenditures	<u>207,633</u>	<u>235,557</u>	<u>(27,924)</u>	<u>248,832</u>
Excess (deficiency) of revenues over expenditures	\$(80,000)	(65,494)	14,506	(78,807)

(Continued)

See accompanying notes are an integral part of this statement.



TOWN OF PLAIN DEALING, LOUISIANA  
General Fund

Statement of Revenues, Expenditures and Changes in Fund  
Balance - Budget (GAAP Basis) and Actual - Continued

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

	1995		Variance- favorable (unfavorable)	1994 Actual
	Budget	Actual		
Other financing sources (uses):				
Transfers in	\$105,000	151,977	46,977	85,000
Capital Outlays	-	(10,912)	(10,912)	(15,997)
Net other financing sources (uses):	<u>105,000</u>	<u>141,065</u>	<u>36,065</u>	<u>69,003</u>
Excess (deficiency) of revenues and other sources over expenditures	25,000	75,571	50,571	(9,804)
Fund balance at beginning of year	<u>20,786</u>	<u>20,786</u>	-	<u>30,590</u>
Fund balance at end of year	<u>\$ 45,786</u>	<u>96,357</u>	<u>50,571</u>	<u>20,786</u>

The accompanying notes are an integral part of this statement.

## SPECIAL REVENUE FUNDS

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

**Sales Tax Fund** - accounts for general operating and maintenance of streets, alleys, etc. Financing is provided by a 1% sales and use tax.

**Ambulance Fund** - accounts for the operations and maintenance of the Town's ambulance service. Financing is provided by the proceeds from the ambulance service and donations. This fund is in the process of being phased out due to the establishment of a parish wide ambulance service.

**Louisiana Community Development Block Grants Fund** - accounts for federal monies received by the Town.

TOWN OF PLAIN DEALING, LOUISIANA  
Special Revenue Funds

Combining Balance Sheet

December 31, 1995  
With Comparative Totals for December 31, 1994

	<u>Sales Tax</u>	<u>Ambulance</u>	<u>Louisiana Community Development Block Grant</u>	<u>Totals</u>	
				<u>1995</u>	<u>1994</u>
<u>ASSETS</u>					
Cash	\$ 1,501	-	-	1,501	82,588
Certificates of deposit	-	-	-	-	46,493
Accrued interest	-	-	-	-	484
Due from other funds	-	-	-	-	-
	<u>1,501</u>	<u>-</u>	<u>-</u>	<u>1,501</u>	<u>129,565</u>
Total assets					
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Due to other funds	-	-	-	-	70,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,000</u>
Total liabilities					
Fund balances	1,501	-	-	1,501	59,565
	<u>1,501</u>	<u>-</u>	<u>-</u>	<u>1,501</u>	<u>129,565</u>
Total liabilities and fund balances	\$ <u>1,501</u>	<u>-</u>	<u>-</u>	<u>1,501</u>	<u>129,565</u>

The accompanying notes are an integral part of this statement.

## TOWN OF PLAIN DEALING, LOUISIANA

## Special Revenue Funds

## Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended December 31, 1995

With Comparative Totals for the Year Ended December 31, 1994

	Sales Tax	Ambulance	Louisiana Community Development Block Grant	Totals 1995	Totals 1994
Revenues:					
Taxes	\$ 93,913	-	-	93,913	90,460
Intergovernmental Federal Grants	-	-	545,161	545,161	33,578
Interest	-	-	-	-	1,934
Total revenues	<u>-</u>	<u>-</u>	<u>545,161</u>	<u>639,074</u>	<u>125,972</u>
Expenditures:					
Health	-	-	-	-	34,494
Rural development	-	-	545,161	545,161	10,000
Total expenditures	<u>-</u>	<u>-</u>	<u>545,161</u>	<u>545,161</u>	<u>44,494</u>
Excess (deficiency) of revenues over expenditures	93,913	-	-	93,913	81,478
Other financing uses:					
Operating transfers out	<u>105,000</u>	<u>46,977</u>	<u>-</u>	<u>151,977</u>	<u>85,000</u>
Excess (deficiency) of revenues over expenditures & other uses	(11,087)	(46,977)	-	(58,064)	(3,522)
Fund balance at beginning of year	<u>12,588</u>	<u>46,977</u>	<u>-</u>	<u>59,565</u>	<u>63,087</u>
Fund balance at end of year	<u>\$ 1,501</u>	<u>-</u>	<u>-</u>	<u>1,501</u>	<u>59,565</u>

The accompanying notes are an integral part of this statements.

TOWN OF PLAIN DEALING, LOUISIANA  
Sales Tax Special Revenue Fund

Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget (GAAP Basis) and Actual

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

	<u>1995</u>		Variance-	1994
	<u>Budget</u>	<u>Actual</u>	favorable (unfavorable)	<u>Actual</u>
Revenues:				
Taxes	\$ <u>80,000</u>	<u>93,913</u>	<u>13,913</u>	<u>90,460</u>
Total revenues	<u>80,000</u>	<u>93,913</u>	<u>13,913</u>	<u>90,460</u>
Expenditures: General government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	80,000	93,913	13,913	90,460
Other financing uses:				
Transfers out	<u>105,000</u>	<u>105,000</u>	<u>-</u>	<u>85,000</u>
Excess (deficiency) of revenues over expenditures and other uses	(25,000)	(11,087)	13,913	5,460
Fund balance at beginning of year	<u>12,588</u>	<u>12,588</u>	<u>-</u>	<u>7,128</u>
Fund balance at end of year	\$ <u><u>(12,412)</u></u>	<u><u>1,501</u></u>	<u><u>13,913</u></u>	<u><u>12,588</u></u>

The accompanying notes are an integral part of this statement.

TOWN OF PLAIN DEALING, LOUISIANA  
Ambulance Special Revenue Fund

Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget (GAAP Basis) and Actual

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

	1995		Variance- favorable (unfavorable)	1994 Actual
	Budget	Actual		
Revenues:				
Charges for service	\$ -	-	-	-
Donations	-	-	-	-
Intergovernmental	-	-	-	-
Interest	-	-	-	1,934
	-	-	-	1,934
Total revenues	-	-	-	1,934
Expenditures:				
Health	-	-	-	916
Rural Development	-	-	-	10,000
	-	-	-	10,916
Total expenditures	-	-	-	10,916
Excess (deficiency) of revenues over expenditures	-	-	-	8,982
Other financing uses:				
Transfers out	46,977	46,977	-	-
	(46,977)	(46,977)	-	-
Excess (deficiency) of revenues over expenditures and other uses	(46,977)	(46,977)	-	-
Fund balance at beginning of year	46,977	46,977	-	55,959
Fund balance at end of year	\$ -	-	-	46,977

The accompanying notes are an integral part of this statement.

## DEBT SERVICE FUND

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The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The Debt Service Fund is funded by the proceeds of a dedicated ad valorem tax.

**General Obligation Sewer Bond Fund** - accumulates monies for payment of the \$185,000, 7% General Obligation Sewer Bonds which are serial bonds due in annual installments of \$5,000 through March 1, 1984, \$10,000 through March 1, 1993, and \$15,000 through March 31, 1998. Financing is provided through unlimited ad valorem taxation.

TOWN OF PLAIN DEALING, LOUISIANA  
Debt Service Funds

Balance Sheet

December 31, 1995  
With Comparative Totals for December 31, 1994

		General Obligation Sewer Bonds	
		<u>1995</u>	<u>1994</u>
<u>ASSETS</u>			
Cash	\$	17,165	17,754
Due from other funds		<u>16,439</u>	<u>18,409</u>
Total assets		<u>33,604</u>	<u>36,163</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Fund balance:			
Reserved for debt service		<u>33,604</u>	<u>36,163</u>
Total liabilities and fund balance	\$	<u>33,604</u>	<u>36,163</u>

The accompanying notes are an integral part of this statement.



TOWN OF PLAIN DEALING, LOUISIANA  
Debt Services Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1995 with  
Comparative Totals for the Year Ended December 31, 1994

	General Obligation Sewer Bonds	
	1995	1994
Revenues:		
Taxes	\$ <u>16,601</u>	<u>18,243</u>
Total revenues	<u>16,601</u>	<u>18,243</u>
Expenditures:		
Interest expense	3,202	4,118
Bond redemption	15,000	15,000
Miscellaneous	<u>958</u>	<u>703</u>
Total expenditures	<u>19,160</u>	<u>19,821</u>
Excess (deficiency) of revenues over expenditures	(2,559)	(1,578)
Fund balance at beginning of year	<u>36,163</u>	<u>37,741</u>
Fund balance at end of year	\$ <u><u>33,604</u></u>	<u><u>36,163</u></u>

The accompanying notes are an integral part of this statement.

## CAPITAL PROJECTS FUNDS

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Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

**Sewer Project 414 Fund** - accounts for the costs of modification of existing treatment plant service rehabilitation and extension of sewer collection.

**Street and Drainage Program** - The Town has received grants from the State of Louisiana to make major improvements to its streets and drainage facilities.

**Industrial Development** - A special 1% tax increase was levied beginning April 1, 1993 to be used for the purpose of acquiring construction and improvement of industrial parks and buildings.

**Special Projects Programs** - The Town received monies from the State of Louisiana - Office of Rural Development for the short term repairs of its streets.

TOWN OF PLAIN DEALING, LOUISIANA  
Capital Projects Funds

Combining Balance Sheet

December 31, 1995  
With Comparative Totals for December 31, 1994

	Sewer Project 414 Fund	Streets & Drainage Program	Industrial Develop- ment	Special Projects Programs	Totals	
					1995	1994
<u>ASSETS</u>						
Cash in bank	\$ -	16,614	238,391	15,000	270,005	139,712
Certificates of deposit	<u>54,068</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,068</u>	<u>51,526</u>
Total assets	<u>54,068</u>	<u>16,614</u>	<u>238,391</u>	<u>15,000</u>	<u>324,073</u>	<u>191,238</u>
<u>FUND BALANCES</u>						
Fund balances	<u>54,068</u>	<u>16,614</u>	<u>238,391</u>	<u>15,000</u>	<u>324,073</u>	<u>191,238</u>
Total fund balances	<u>\$54,068</u>	<u>16,614</u>	<u>238,391</u>	<u>15,000</u>	<u>324,073</u>	<u>191,238</u>

The accompanying notes are an integral part of this statement.

TOWN OF PLAIN DEALING, LOUISIANA  
Capital Projects Funds

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances

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

	Sewer Project 414 Fund	Streets & Drainage Program	Industrial Development	Special Projects Program	Totals	
					1995	1994
Revenues:						
State grants	\$ -	20,000	-	15,000	35,000	-
Sales taxes	-	-	93,913	-	93,913	91,818
Interest	2,543	552	4,833	-	7,928	4,658
Total revenues	<u>2,543</u>	<u>20,552</u>	<u>98,746</u>	<u>15,000</u>	<u>136,841</u>	<u>96,476</u>
Expenditures:						
Streets Improvements	-	3,995	-	-	3,995	25,555
Miscellaneous	-	10	-	-	10	10
Total expenditures	<u>-</u>	<u>4,005</u>	<u>-</u>	<u>-</u>	<u>4,005</u>	<u>25,565</u>
Excess of revenues over expenditures	<u>2,543</u>	<u>16,547</u>	<u>98,746</u>	<u>15,000</u>	<u>132,836</u>	<u>94,148</u>
Fund balance at beginning of year	<u>51,526</u>	<u>67</u>	<u>139,645</u>	<u>-</u>	<u>191,238</u>	<u>120,327</u>
Fund balance at end of year	<u>\$ 54,069</u>	<u>16,614</u>	<u>238,391</u>	<u>15,000</u>	<u>324,074</u>	<u>191,238</u>

The accompanying notes are an integral part of this statement.

## ENTERPRISE FUND

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**Water and Sewer Fund** - accounts for the provision of water and sewer services to the residents of the Town and some residents of the Parish. All activities necessary to provide such services are accounted for in the fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, billing and collection.

TOWN OF PLAIN DEALING, LOUISIANA  
Water and Sewer Fund

Exhibit-5-1

Comparative Balance Sheet

December 31, 1995 and 1994

	1995			1994		
	Water Department	Sewer Department	Combined	Water Department	Sewer Department	Combined
<b>ASSETS</b>						
Current assets:						
Cash	\$ 68,849	100,394	169,243	115,721		
Accounts receivable	20,749	5,941	26,690	23,665		
Due from other funds	4,274	18,000	22,274	114,580		
Total current assets	93,872	124,335	218,207	253,966		
Restricted assets, cash:						
Customers' deposits	32,174	-	32,174	29,900		
Water revenue bond fund	7,637	-	7,637	7,419		
Water revenue bond reserve fund	18,684	-	18,684	18,218		
Water replacement and extension fund	15,109	-	15,109	12,952		
Total restricted assets	73,604	-	73,604	68,489		
Property, plant & equipment:						
Improvements	815,628	1,190,693	2,006,321	2,014,821		
Less accumulated depreciation	451,502	336,112	787,614	752,513		
Net property, plant and equipment	364,126	854,581	1,218,707	1,262,308		
Total assets	\$ 531,602	978,916	1,510,518	1,584,763		
<b>LIABILITIES AND FUND EQUITY</b>						
Liabilities:						
Current liabilities (payable from current assets):						
Accounts payable	\$ 1,372	404	1,776	1,776	5,082	
Due to other funds	18,000	2,826	20,826	20,826	24,947	
Other	1,264	-	1,264	1,264	1,321	
Total current liabilities (payable from current assets)	20,636	3,230	23,866	23,866	31,350	
Current liabilities (payable from restricted assets):						
Water revenue bonds	5,300	-	5,300	5,300	5,100	
Accrued interest	10,239	-	10,239	10,239	9,652	
Customers' deposits	36,974	-	36,974	36,974	33,769	
Total current liabilities (payable from restricted assets)	52,513	-	52,513	52,513	48,521	
Long-term liabilities (payable from restricted assets):						
Water revenue bond	238,170	-	238,170	238,170	243,878	
Total liabilities (payable from restricted assets)	290,683	-	290,683	290,683	292,399	
Fund equity:						
Contributed capital:						
Municipality	-	219,673	219,673	219,673	219,673	
Federal grants	-	755,025	755,025	755,025	755,025	
Total contributed capital	-	974,698	974,698	974,698	974,698	
Retained earnings:						
Unreserved	220,283	988	221,271	221,271	286,316	
Total fund equity	220,283	975,686	1,195,969	1,195,969	1,261,014	
Total liabilities and fund equity	\$ 531,602	978,916	1,510,518	1,510,518	1,584,763	

The accompanying notes are an integral part of this statement.

TOWN OF PLAIN DEALING, LOUISIANA  
Water and Sewer Fund

Comparative Statement of Revenues, Expenses and Changes in Retained Earnings

For the Year Ended December 31, 1995 and with  
Comparative Totals for the Year Ended December 31, 1994

	1995			1994
	Water Department	Sewer Department	Combined	
Operating revenues:				
Charges for services	\$ 153,282	50,311	203,593	208,670
Other	<u>4,800</u>	<u>-</u>	<u>4,800</u>	<u>1,304</u>
Total operating revenues	<u>158,082</u>	<u>50,311</u>	<u>208,393</u>	<u>209,974</u>
Operating expenses:				
Personal services	63,166	13,771	76,937	70,382
Contractual services	2,404	2,404	4,808	5,103
Supplies and materials	15,294	9,566	24,860	49,228
Heat, light and power	12,473	6,880	19,353	22,352
Depreciation	21,184	22,417	43,601	43,300
Other	<u>78,207</u>	<u>14,783</u>	<u>92,990</u>	<u>26,193</u>
Total operating expenses	<u>192,728</u>	<u>69,821</u>	<u>262,549</u>	<u>216,558</u>
Operating income (loss)	<u>(34,646)</u>	<u>(19,510)</u>	<u>(54,156)</u>	<u>(6,584)</u>
Non-operating revenues (expenses):				
Interest income	1,976	-	1,976	1,822
Interest expense	(12,865)	-	(12,865)	(18,424)
Transfers in	-	18,000	18,000	35,000
Transfers out	<u>(18,000)</u>	<u>-</u>	<u>(18,000)</u>	<u>(35,000)</u>
Net non-operating revenues (expenses)	<u>(28,889)</u>	<u>18,000</u>	<u>(10,889)</u>	<u>(16,602)</u>
Net income (loss)	<u>(63,535)</u>	<u>(1,510)</u>	<u>(65,045)</u>	<u>(23,186)</u>
Retained earnings, beginning	<u>283,818</u>	<u>2,498</u>	<u>286,316</u>	<u>309,502</u>
Retained earnings, ending	\$ <u><u>220,283</u></u>	<u><u>988</u></u>	<u><u>221,271</u></u>	<u><u>286,316</u></u>

The accompanying notes are an integral part of this statement.

TOWN OF PLAIN DEALING, LOUISIANA  
Water and Sewer Fund

Comparative Statement of Cash Flows

For the Year Ended December 31, 1995  
and for the Year Ended December 31, 1994

	1995			1994
	Water Department	Sewer Department	Combined	
Cash flows from operating activities:				
Net income (loss)	\$ (63,535)	(1,510)	(65,045)	(23,186)
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	21,184	22,417	43,601	43,300
Change in assets and liabilities:				
Decrease (increase) in accounts receivable	(2,441)	(584)	(3,025)	(2,782)
Decrease (increase) in due from other fund	85,359	6,947	92,306	(58,165)
Increase (decrease) in accounts payable and accrued expenses	(660)	(2,646)	(3,306)	2,188
Increase (decrease) in due to other funds	(6,947)	2,826	(4,121)	23,447
Increase (decrease) in other liabilities	(57)	-	(57)	213
Total adjustments	96,438	28,960	125,398	8,201
Net cash provided by operating activities	32,903	27,450	60,353	(14,985)
Cash flows from investing activities:				
Capital expenditures	-	-	-	(9,782)
Net cash used in investing activities	-	-	-	(9,782)
Cash flows from financing activities:				
Decrease (increase) in restricted assets	(5,115)	-	(5,115)	(5,227)
Increase in restricted liabilities	3,992	-	3,992	7,848
Principal payments of long-term debt	(5,708)	-	(5,708)	(4,786)
Net cash provided by financing activities	(6,831)	-	(6,831)	(2,165)
Net increase in cash and cash equivalents	26,072	27,450	53,522	(26,932)
Cash and cash equivalents at beginning of year	42,777	72,944	115,721	142,653
Cash and cash equivalents at end of year	\$ 68,849	100,394	169,243	115,721
Supplemental disclosures of cash flow information:				
Cash paid during the year for:				
Interest	\$ 12,278	-	12,278	13,001
The accompanying notes are an integral part of this statement.				