

TOWN OF LAKE PROVIDENCE, LOUISIANA  
 FINANCIAL REPORT  
 FOR THE YEAR ENDED JUNE 30, 1998

98002320  
 2279

71

Under provisions of state law, this report is a public document. A TABLE OF CONTENTS in report has been submitted to the Council, or reviewed, and is available to the public. The report is available for public inspection at the District Clerk's Office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Independent Auditor's Report .....	Release Date: <b>6/12/98</b>	1-2
------------------------------------	------------------------------	-----

PRIMARY GOVERNMENT FINANCIAL STATEMENTS  
 COMBINED STATEMENTS - OVERVIEW

Combined Balance Sheet - All Fund Types and Account Groups .....	4-5
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types .....	6
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - All Governmental Fund Types Having Appropriated Budgets .....	7-8
Statement of Revenues, Expenses and Changes in Retained Earnings - Enterprise Fund .....	9
Statement of Cash Flows - Enterprise Fund .....	10
Notes to Financial Statements .....	11-29

Primary Government Supplemental Information Schedules:

Combining and Account Group Schedules:

GENERAL FUND

Balance Sheet .....	26
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual .....	27
Schedule of Revenues Compared to Budget (GAAP Basis) .....	28
Schedule of Expenditures Compared to Budget (GAAP Basis) .....	29-31

However, the primary government financial statements, because they do not include the financial data of component units of the Town of Lake Providence, Louisiana, do not purport to, and do not, present fairly the financial position of the Town as the reporting entity as of June 30, 1998, and the results of its operations and cash flows of its proprietary fund for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated September 24, 1998, on our consideration of Town of Lake Providence's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the primary government financial statements of the Town of Lake Providence, Louisiana taken as a whole. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in our opinion, is fairly presented in all material respects, in relation to the primary government financial statements taken as a whole.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year on which we expressed an unqualified opinion on the primary government (except for the General Fixed Assets Account Group) financial statements of the Town of Lake Providence, Louisiana.

*Roth & Company*

Monroe, Louisiana  
September 24, 1998

**PRIMARY GOVERNMENT FINANCIAL STATEMENTS  
COMBINED STATEMENTS - OVERVIEW**

## TOWN OF LAKE PROVIDENCE, LOUISIANA

## COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

JUNE 30, 1993

ASSETS AND OTHER DEBITS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Cash and Cash Equivalents	\$ 63,890	\$ 35,628	\$ 1,212	\$ 15,562
Certificates of Deposit	24,283	-	-	-
Accounts Receivable	46,271	-	-	-
Allowance for Doubtful Accounts	-	-	-	-
Operating Agreement Receivable	-	-	-	-
Due From Other Funds	28,485	-	272	-
Other Assets	23,415	-	-	-
Restricted Assets:				
Cash	-	-	-	-
Fixed Assets (Net of Accumulated Depreciation)	-	-	-	-
Amounts to be Provided for Retirement of General Long-Term Debt:	-	-	-	-
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 186,348</b>	<b>\$ 35,628</b>	<b>\$ 1,784</b>	<b>\$ 15,562</b>

Proprietary Fund Type	Account Groups		Totals	
	General Fund Assets (Unrestricted)	General Long-Term Debt	June 30, 1999	June 30, 1997 (Restated)
\$ 12,994	\$ -	\$ -	\$ 148,561	\$ 148,334
477,234	-	-	501,537	502,427
129,963	-	-	176,333	177,665
( 13,823)	-	-	( 13,823)	( 16,281)
87,380	-	-	87,380	143,750
262,282	-	-	291,049	287,336
32,365	-	-	60,921	26,288
66,547	-	-	66,547	168,429
2,358,273	4,871,790	-	6,472,065	6,883,090
-----	-----	85,534	85,534	101,388
\$ 3,240,449	\$ 4,871,790	\$ 85,534	\$ 7,968,127	\$ 7,865,176

The accompanying notes are an integral part of this financial statement.

TOWNSHIP OF LAKE PROVIDENCE, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

JUNE 30, 2008

LIABILITIES AND FUND EQUITY	Governmental Fund Types			
	General	Special Revenues	Debt Service	Capital Projects
<b>LIABILITIES</b>				
Accounts Payable and Accrued Liabilities	\$ 12,423	\$ -	\$ -	\$ -
Accounts Payroll	11,907	-	-	-
Due to Other Funds	362,193	853	318	-
Deferred Revenues - Operating Agreement	-	-	-	-
Current Liabilities (Payable from Restricted Assets):				
Customer Deposits	-	-	-	-
Accrued Vacation and Sick Pay	-	-	-	-
Notes Payable	-	-	-	-
<b>Total Liabilities</b>	<b>386,523</b>	<b>853</b>	<b>318</b>	<b>-</b>
<b>FUND EQUITY</b>				
Contributed Capital	-	-	-	-
Residual Earnings:				
Unrestricted	-	-	-	-
Investment in Governmental Assets	-	-	-	-
Fund Balances:				
Reserved for Debt Service	-	-	1,475	-
Unrestricted:				
Designated for Future Expenditures	-	-	-	15,563
Undesignated (Deficit)	(1,218,234)	(54,782)	-	-
<b>Total Fund Equity (Deficit)</b>	<b>(1,218,234)</b>	<b>(54,782)</b>	<b>(1,475)</b>	<b>(15,563)</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 168,289</b>	<b>\$ (53,929)</b>	<b>\$ (1,157)</b>	<b>\$ (15,563)</b>

Proprietary Fund Type	Account Groups		Totals (Memorandum Only)	
	General Fund Assets (Unassigned)	General Long-Term Debt	June 30, 1988	June 30, 1987 (Revised)
Enterprise				
\$ 36,004	\$ -	\$ -	\$ 36,107	\$ 53,009
2,285	-	-	14,182	5,414
17,584	-	-	361,049	387,314
87,880	-	-	87,880	143,740
56,645	-	-	56,645	93,174
28,621	-	64,397	85,018	72,315
-	-	21,157	21,157	48,811
<u>170,336</u>	-	<u>85,554</u>	<u>534,918</u>	<u>810,359</u>
2,684,085	-	-	2,684,085	2,544,865
286,060	-	-	586,060	805,825
-	4,871,790	-	4,871,790	3,638,744
-	-	-	1,475	1,034
-	-	-	15,563	18,108
<u>3,170,465</u>	<u>4,871,790</u>	<u>-</u>	<u>7,355,483</u>	<u>6,988,036</u>
\$ 3,540,444	\$ 4,871,790	\$ 85,554	\$ 7,868,127	\$ 7,583,278

The accompanying notes are an integral part of this financial statement.

**TOWN OF LAKE PROVIDENCE, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - ALL GOVERNMENTAL FUND TYPES**

**FOR THE YEAR ENDED JUNE 30, 1997**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1997**

	Governmental Fund Types			
	General	Special Revenues	Debt Service	Capital Projects
<b>REVENUES</b>				
Taxes	\$ 462,146	\$ 27,926	\$ 14,000	\$ -
Intergovernmental	37,349	-	-	152,960
Licenses and Permits	85,928	-	-	-
Rental Revenues	8,040	-	-	-
Fees and Forfeitures	26,120	-	-	-
Miscellaneous	78,177	2,225	41	2,089
<b>TOTAL REVENUES</b>	<b>795,760</b>	<b>30,151</b>	<b>14,041</b>	<b>155,049</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
General and Administrative	329,086	-	-	-
Public Safety	286,820	33,632	-	-
Public Works	168,591	-	-	-
Culture and Recreation	8,181	-	-	-
Capital Projects	-	-	-	147,880
<b>Debt Service:</b>				
Principal Retirement	-	-	11,348	-
Interest and Fiscal Charges	-	-	2,467	-
<b>TOTAL EXPENDITURES</b>	<b>824,527</b>	<b>33,632</b>	<b>14,003</b>	<b>147,880</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(28,767)</b>	<b>(3,481)</b>	<b>41</b>	<b>7,169</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers - In	322,482	6,800	-	-
Operating Transfers - Out	(3,298)	-	-	(1,332)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>319,184</b>	<b>6,800</b>	<b>-</b>	<b>(1,332)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(28,767)</b>	<b>2,919</b>	<b>41</b>	<b>(4,163)</b>
<b>FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR</b>				
	1,282,370	52,236	3,898	88,488
<b>FUND BALANCES (DEFICIT) AT END OF YEAR</b>				
	<b>\$ 1,253,603</b>	<b>\$ 55,155</b>	<b>\$ 3,939</b>	<b>\$ 84,325</b>



Totals	
(Manufactures Only)	
June 30, 1958	June 30, 1957 (Revised)
\$ 284,809	\$ 199,897
189,932	129,565
83,528	99,839
8,048	7,713
23,128	14,975
<u>87,128</u>	<u>162,528</u>
397,255	394,185
329,818	288,889
420,510	408,408
165,550	162,965
9,380	5,184
107,880	94,590
31,568	7,894
<u>2,400</u>	<u>8,579</u>
1,087,272	996,817
1 480,170	1 372,544
329,492	408,080
1 62,216	—
<u>491,708</u>	<u>408,080</u>
1 1,854	78,486
1 135,970	1 212,984

\$ 138,450    \$ 170,977

The accompanying notes are an integral part of this financial statement.

**TOWN OF LAKE PROVIDENCE, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET GAAP BASIS AND ACTUAL**  
**ALL GOVERNMENTAL FUNDS TYPE HAVING APPROPRIATED BUDGETS**

**FOR THE YEAR ENDED JUNE 30, 1998**

	General Fund		
	GAAP Basis Budget	Actual	Variance- Favorable (Unfavorable)
<b>REVENUES</b>			
Taxes	\$ 162,500	\$ 162,146	\$ 354
Intergovernmental	37,300	37,369	69
Licenses and Permits	83,500	83,928	428
Rental Revenues	30	8,040	7,990
Fines and Forfeitures	23,080	23,120	130
Miscellaneous	78,020	78,752	732
<b>TOTAL REVENUES</b>	<b>385,200</b>	<b>395,356</b>	<b>10,156</b>
<b>EXPENDITURES</b>			
<b>Current:</b>			
General and Administrative	329,160	329,098	140
Public Safety	386,325	386,879	( 554)
Public Works	166,880	166,351	529
Culture and Recreation	9,400	9,381	19
<b>Debt Service:</b>			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>881,825</b>	<b>881,827</b>	<b>2</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>( 496,625)</b>	<b>( 486,471)</b>	<b>10,144</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers - In	521,480	521,480	-
Operating Transfers - Out	( 20,890)	( 20,890)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>499,590</b>	<b>499,590</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>( 10,435)</b>	<b>( 1,899)</b>	<b>10,144</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>( 1,281,320)</b>	<b>( 1,281,320)</b>	<b>-</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 1,204,410</b>	<b>\$ 1,218,230</b>	<b>\$ 13,840</b>

Special Revenue Funds			Debt Service Funds		
GAAP Basis Budget	Actual	Variance-Favorable (Unfavorable)	GAAP Basis Budget	Actual	Variance-Favorable (Unfavorable)
\$ 21,867	\$ 22,026	\$ 159	\$ 14,833	\$ 14,033	\$ 800
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,200	2,295	95	41	41	-
<u>20,667</u>	<u>24,321</u>	<u>3,654</u>	<u>14,874</u>	<u>14,074</u>	<u>(800)</u>
-	-	-	-	-	-
33,619	33,632	(13)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	11,568	11,588	(20)
-	-	-	<u>2,465</u>	<u>2,485</u>	<u>(20)</u>
<u>33,619</u>	<u>33,632</u>	<u>(13)</u>	<u>14,033</u>	<u>14,033</u>	<u>-</u>
( 3,553)	( 3,451)	102	41	41	-
6,000	6,000	-	-	-	-
-	-	-	-	-	-
<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
2,447	2,549	102	41	41	-
-	-	-	-	-	-
<u>32,236</u>	<u>32,236</u>	<u>-</u>	<u>1,434</u>	<u>1,434</u>	<u>-</u>
\$ 34,643	\$ 34,785	\$ 142	\$ 1,475	\$ 1,475	\$ -

The accompanying notes are an integral part of this financial statement.

**TOWN OF LAKE PROVIDENCE, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**ALL GOVERNMENTAL FUND TYPES HAVING APPROPRIATED BUDGETS (Continued)**

**FOR THE YEAR ENDING JUNE 30, 1993**

	GAAP Basis Budget	Totals (Miscellaneous Only)	
		Actual	Variance- Favorable (Unfavorable)
<b>REVENUES</b>			
Taxes	\$ 204,480	\$ 205,185	\$ 705
Intergovernmental	33,280	33,369	89
Licenses and Permits	83,580	83,938	358
Rental Revenues	50	8,040	7,990
Fees and Fines	29,080	29,120	40
Miscellaneous	81,021	82,029	1,008
<b>TOTAL REVENUES</b>	<b>428,511</b>	<b>438,581</b>	<b>10,070</b>
<b>EXPENDITURES</b>			
Current:			
General and Administrative	328,180	329,086	906
Public Safety	418,985	420,231	1,246
Public Works	166,880	166,321	(559)
Culture and Recreation	8,400	8,381	(19)
Debt Service:			
Principal Retirement	11,588	11,588	-
Interest and Fiscal Charges	2,482	2,482	-
<b>TOTAL EXPENDITURES</b>	<b>938,485</b>	<b>938,482</b>	<b>(3)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(510,147)</b>	<b>(499,901)</b>	<b>10,246</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers - In	528,482	528,482	-
Operating Transfers - Out	(1,28,880)	(1,28,880)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(76,398)</b>	<b>(76,398)</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(1, 18,555)</b>	<b>(1, 389)</b>	<b>18,246</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>(1, 153,785)</b>	<b>(1, 153,785)</b>	<b>-</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 164,769</b>	<b>\$ 154,094</b>	<b>\$ 10,246</b>

The accompanying notes are an integral part of this financial statement.

3000 OF LAKE PROVIDENCE, LOUISIANA

STATEMENTS OF REVENUES, EXPENSES,  
AND CHANGES IN RETAINED EARNINGS - ENTERPRISE FUND

FOR THE YEARS ENDED JUNE 30, 1999 AND 1997

	1999	1997 (Revised)
<b>OPERATING REVENUES</b>		
Water Sales	\$ 404,078	\$ 403,741
Water Taps	2,540	1,050
Sewer Service Charges	128,074	122,429
Sanitation Service Charges	278,189	282,380
Maintenance Fees and Delinquency Charges	70,164	73,586
Street Light Receipts	58,575	48,586
Lakeview Sewer District Collections	<u>62,826</u>	<u>42,082</u>
<b>TOTAL OPERATING REVENUES</b>	<b>908,257</b>	<b>869,994</b>
<b>OPERATING EXPENSES</b>		
General and Administrative	126,247	205,888
Water Department	182,995	199,453
Sewer Department	124,270	134,539
Sanitation Department	298,214	262,380
Depreciation	<u>249,679</u>	<u>258,631</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>882,898</b>	<b>848,831</b>
<b>TOTAL OPERATING INCOME</b>	<b>13,660</b>	<b>13,121</b>
<b>NONOPERATING REVENUES</b>		
Sales Tax Revenues	226,699	224,779
Interest Income	<u>20,858</u>	<u>21,879</u>
<b>TOTAL NONOPERATING REVENUES</b>	<b>247,557</b>	<b>246,658</b>
<b>INCOME BEFORE OPERATING TRANSFERS</b>	<b>261,217</b>	<b>263,339</b>
<b>OPERATING TRANSFERS</b>		
Operating Transfers - In	33,480	-
Operating Transfers - Out	<u>(1,511,184)</u>	<u>(1,649,020)</u>
<b>TOTAL OPERATING TRANSFERS</b>	<b>(1,477,704)</b>	<b>(1,649,020)</b>
<b>NET LOSS</b>	<b>(1,216,487)</b>	<b>(1,385,670)</b>
<b>RETAINED EARNINGS AT BEGINNING OF YEAR</b>	<b>900,000</b>	<b>980,000</b>
<b>RETAINED EARNINGS AT END OF YEAR</b>	<b>\$ 683,513</b>	<b>\$ 594,330</b>

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

## TOWN OF LAKE PROVIDENT, LOUISIANA

## STATEMENTS OF CASH FLOWS - ENTERPRISE FUND

FOR THE YEARS ENDED JUNE 30, 1998 AND 1997

	1998	1997
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		(Revised)
Operating Income	\$ 289,200	\$ 263,129
Adjustments to Reconcile Net Income To Net Cash Provided by Operating Activities:		
Depreciation	249,678	258,651
(Increase) Decrease in Accounts Receivable	( 14,218)	1,186
Increase in Prepaid Insurance	( 32,500)	( 3,324)
Decrease in LP&L Operating Agreement	98,290	79,880
Increase (Decrease) in Accounts Payable	4,211	( 8,085)
Increase in Accrued Payroll	808	1,785
Increase in Accrued Vacation and Sick Pay	863	18,758
Increase in Due to Other Funds	3,133	(118,512)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>547,665</b>	<b>468,798</b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Operating Transfers - In	23,890	-
Operating Transfers - Out	( 1,111,190)	( 449,889)
Increase in Customer Deposits	8,421	3,264
<b>NET CASH USED BY NON-CAPITAL FINANCING ACTIVITIES</b>	<b>( 1,078,769)</b>	<b>( 446,519)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Increase in Property, Plant, and Equipment	( 153,689)	( 38,382)
<b>NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>( 153,689)</b>	<b>( 38,382)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Increase in Contributed Capital	118,040	38,382
Decrease in Deferred Income LP&L Operating Agreement	( 98,290)	( 79,880)
Proceeds from Certificates of Deposit	3,282	3,282
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>22,932</b>	<b>( 32,919)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>( 4,766)</b>	<b>( 48,474)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>117,264</b>	<b>165,688</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 112,498</b>	<b>\$ 117,264</b>
Cash in Bank	\$ 12,854	\$ 8,885
Restricted Assets	99,642	108,429
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>\$ 112,498</b>	<b>\$ 117,264</b>

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

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDING JUNE 30, 1998**

**INTRODUCTION**

The Town of Lake Providence, Louisiana (the Town) consists of an executive branch of government headed by a mayor and a legislative branch of government consisting of five aldermen. The Town's combined balance sheet includes the accounts of all town operations. The Town's major operations include police and fire protection, street and drainage maintenance, administrative services, and other health and welfare activities. In addition, the Town operates a Utility Enterprise Fund to provide water and sewerage services and garbage and trash collection.

The following is a summary of certain significant accounting policies and practices:

**Note 1 - Summary of Significant Accounting Policies**

**A. Basis of Presentation**

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local government entities. The GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

**B. Reporting Entity**

As the municipal governing authority, for reporting purposes, the Town of Lake Providence, Louisiana is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government, the Town of Lake Providence, Louisiana, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which money and significance of their relationship with the Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Town of Lake Providence, Louisiana for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Town to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Town.
2. Organizations for which the Town does not appoint a voting majority but are fiscally dependent on the Town.

**TOWN OF LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 1988**

**Note 1 - Summary of Significant Accounting Policies (continued)**

1. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the process criteria, the Town has determined that the following component unit is part of the reporting entity:

Component Unit	Fiscal Year/End	Criteria Used
Town Court of Lake Providence	Fisc. 30	2

Since the Town is legally separate and financially independent of other state and local governments and has a separately elected governing body, it meets the definition of a primary government as defined by GASB Statement No. 14.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the Town of Lake Providence, Louisiana financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the Town of Lake Providence, Louisiana.

**C. Fund Accounting**

The Town uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (i.e., general fund assets and general long-term debt) that are not recorded in the "funds" because they do not directly affect net reportable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, except the funds of activities in the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The Town's



TOWN OF LAKE CHARLOTTE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDING JUNE 30, 1998

Note 1 - Summary of Significant Accounting Policies (continued)

C. Fund Accounting (continued)

current operations require the use of the governmental and proprietary fund categories. The fund types used by the Town are described as follows:

**GOVERNMENTAL FUNDS**

**General Fund**

This 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.

**Special Revenue Funds**

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

**Debt Service Funds**

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

**Capital Project Funds**

These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or improvements (other than those financed by Proprietary Funds).

**PROPRIETARY FUNDS**

**Enterprise Funds**

These 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 be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**ACCOUNT GROUPS**

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

**TOWN OF LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 1998**

**Note 3 - Summary of Significant Accounting Policies (continued)**

**General Fixed Assets Account Group**

Fixed assets used in governmental fund type operations (general fund assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds.

Public Domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, canals and gutters, streets and sidewalks, drainage systems, and lighting systems are capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Depreciated fixed assets are valued at their estimated fair value on the date created.

The costs of normal maintenance and repairs that do not add to the value of fixed assets or materially extend their useful lives are not capitalized but are only recognized as a normal expenditure of the governmental funds.

**General Long-Term Debt Account Group**

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.

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

**D. Total Columns on Combined Statements - Disclosure**

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.

**E. Basis of Accounting**

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

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2008**

**Note 1 - Summary of Significant Accounting Policies (continued)**

The modified accrual basis of accounting is used for reporting all governmental fund types and the fiduciary fund type agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town uses the following practices in recognizing and reporting revenues and expenditures:

**REVENUES**

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 and are billed to the taxpayers in October. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed to the extent collections are expected. The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of East Carroll Parish.

Federal and state grants are normally "expenditure driven", which means that the Town does not incur, or is not entitled to, the grant funds until liability for the expenditure has been incurred. Any amounts received in excess of actual expenditures/liabilities at year end is reflected as deferred revenue on the fund's balance sheet.

Interest earnings on time deposits are recognized as revenue when the time deposits have matured and the interest is available.

Substantially all other revenues are recognized when received by the Town.

Based on the above criteria, ad valorem taxes, federal and state grants, fees, charges and commissions for services have been treated as susceptible to accrual.

**EXPENDITURES**

Expenditures in the governmental funds are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Compensated absences are recognized as expenditures when leave is actually taken or when employees, or their heirs, are paid for accrued leave upon retirement or death. The cost of leave privileges not requiring current available resources are recognized in the general long-term-debt account group. The cost of leave privileges in the enterprise funds are accrued when incurred under the accrual basis of accounting.

**PROPRIETARY FUNDS**

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Unbilled Water and Sewer Fund utility service receivables are recorded at year end.

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1998**

Note 1 - Summary of Significant Accounting Policies (continued)

**OTHER FINANCING SOURCES/USES**

Transfers between funds that are not expected to be repaid are accounted for as either financing sources (uses) and are recognized when the underlying events occur.

**F. Budgets and Budgetary Accounting**

The Town follows the procedures of Act 584 as passed by the Louisiana Legislature in establishing the budgetary data reflected in the financial statements that is prepared on the basis of generally accepted accounting principles.

1. The proposed budget for the Town is made available for public inspection within fifteen days prior to the beginning of each fiscal year.
2. Public hearings are conducted before the budget is adopted to obtain taxpayer comments.
3. Before the beginning of the fiscal year, the Board of Aldermen enact an ordinance making appropriations for the upcoming fiscal year.
4. The Mayor may authorize transfers of budgetary amounts within departments. However, any revision requiring alteration of levels of expenditures or transfers between departments must be approved by the Board of Aldermen.
5. Operating appropriations and nonmajor capital appropriations, to the extent not expended, lapse at year end. Major capital appropriations continue in force until the project is completed.
6. All legally adopted budgets of the Town are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets are adopted for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds.

Budget comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent adopted amendments.

**G. Cash and Cash Equivalents**

Under state law, the Town may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For purposes of the Statement of Cash Flows, cash equivalents include all highly liquid investments (excluding restricted assets) with a maturity date of three months or less when purchased.

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1998**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**H. Unbilled Accounts Receivable**

Within the Town's Utility Fund, an estimated amount has been recorded for services rendered but not yet billed as of the close of the year. The receivable was computed by taking the month billings the Town sent to the customers in July and prorating the amount of days applicable to the current year. Unbilled accounts receivable were \$10,360 at June 30, 1998.

**I. Noncurrent Receivables**

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

**J. Bad Debts**

Uncollectible amounts for all various taxes receivables are generally not significant. As a result, the direct write-off method for recognizing bad debts is used. Under this method, the receivable is charged to expense when the account is deemed to be uncollectible. For customers' utility receivables, the allowance method is used to account for uncollectible amounts. Under this method, an allowance account is set up for what is deemed to be uncollectible.

**K. Due from Other Funds**

Amounts designated as "due from other funds" are considered "available spendable resources".

**L. Fixed Assets**

The accounting and reporting treatment applied to the fixed assets associated with a particular fund are determined by the fund's measurement focus.

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. Assets are recorded at cost on date purchased or, if donated, at fair market value on date of donation.

Assets in the General Fixed Asset Account Group are not depreciated.

Public domain general fixed assets consisting of certain improvements including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, traffic signals and lighting systems, are capitalized.

**TOWN OF LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 1998**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**L. Fixed Assets (continued)**

Fixed assets of the enterprise fund are recorded at cost, if purchased, and at fair market value in case of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or extend the life of the respective assets are charged to expense. Contributions received in aid of construction are credited to contributions accounts and do not reduce the cost of the assets acquired with such contributions.

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

Buildings	38-40 Years
Improvements	40 Years
Equipment	3-10 Years

**M. Electrical System Operating Agreement**

On October 13, 1976, the Board of Aldermen authorized an operating agreement between the Town of Lake Providence and Louisiana Power and Light (LPL&L) for the operation by LPL&L of the electric system within the corporate limits of Lake Providence for a period of eight years beginning March 1977 and ending March 1985. The agreement provides that LPL&L will pay to the Town \$600,000 in monthly installments of \$8,250.

**N. Compensated Absence**

Accumulated unpaid vacation, sick pay and other employee benefit amounts are accrued when incurred in enterprise funds under the accrual basis of accounting. Such amounts are not accrued in governmental funds under the modified accrual basis of accounting. However, such amounts are reflected in the General Long-Term Debt Account Group.

Employees of the Town earn one week vacation pay after completing one year of service. Upon completion of three full years of service they shall have earned two weeks vacation, and two weeks vacation each year thereafter. At the end of each year, employees may carry forward earned vacation time.

For all Town employees, sick leave is accumulated at rates ranging up to 15 days per year. Unused sick leave may be carried forward, however, up to a maximum of 60 days of unused sick leave is paid to an employee upon retirement, separation or death at which time being carried by that employee upon separation.

**TOWNSHIP OF LAKE PROVIDENCE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1998**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**G. Long-Term Debt**

Long-Term debts expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, net of the governmental funds. Long-term debts expected to be financed from enterprise fund operations are accounted for in those enterprise funds.

**F. Reserves and Designations of Fund Equity**

Some portions of fund balances and/or retained earnings are reserved to indicate that a portion of fund equity is legally restricted in a specific future use and is not available for appropriation or expenditure. Designated portions of fund balances indicate tentative future spending plans, which may be changed and are subject to subsequent authorization before expenditures can be made.

**G. Dedicated Revenues**

During the year ended June 30, 1998, the Town used \$15,721 of the proceeds from its 7% sales tax to acquire fixed assets for its water and Sewer Systems. This amount is recorded as Property, Plant and Equipment and Contributed Capital on the accompanying combined balance sheet.

**H. 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.

**Note 2 - Cash and Cash Equivalents**

At June 30, 1998, the Town has cash and cash equivalents (bank balances net of overdrafts) as follows:

Demand Deposits	\$ 259,312
-----------------	------------

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 1998, are recorded as follows:

**TOWNSHIP OF LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 1998**

**Note 2 - Cash & Cash Equivalents (continued)**

Bank Balances	\$ 299,120
Federal Deposit Insurance	\$ 608,080
Federal Securities (Uncollateralized)	413,887
<b>Total</b>	<b>\$ 1,321,087</b>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the Town, they are considered uncollateralized (Category T) under the provisions of GASB Codification C39.106; however, Louisiana Revised Statute 59:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Town that the fiscal agent bank has failed to pay deposited funds upon demand.

**Note 3 - Ad Valorem Taxes**

Property taxes are due as of January 1. An enforceable lien attaches to the property with unpaid taxes and is sold at a tax sale.

**Property Tax Calendar**

Assessment Date	January 1, 1997
Levy Date	September 1, 1997
Tax Bills mailed	October 15, 1997
Total Taxes are Due	December 31, 1997
Penalties and Interest are Added	January 1, 1998
Tax Sale - 1997 Delinquent Property	May 1, 1998

The ad valorem tax ratings is as follows:

	<b>Mills</b>
General Ad Valorem Tax	9.84
Public Capital Acquisitions	2.25
Fire Station	.238
<b>TOTAL</b>	<b>12.33</b>



**TOWN OF LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 1998**

**Note 4 - Accounts Receivable**

Accounts receivable at June 30, 1998, consisted of the following:

	General Fund	Enterprise Fund	Total
Accounts Receivable	\$ 48,371	\$ 118,139	\$ 166,510
Other Receivables	-----	87,580	87,580
<b>Total</b>	<b>\$ 48,371</b>	<b>\$ 205,719</b>	<b>\$ 254,090</b>

**Note 5 - Fixed Assets**

Property records reflecting the source from which assets were acquired were not maintained prior to June 30, 1993. In addition, the property accounting records for equipment, furniture and fixtures, and real estate were inadequate for appropriate audit tests, for assets acquired prior to June 30, 1972.

A summary of changes in general fixed assets follows:

	Balance July 1, 1993	Additions	Deletions	Balance June 30, 1998
Land	\$ 114,021	\$ -	\$ -	\$ 114,021
Buildings	800,154	-	-	800,154
Streets and Sidewalks	2,289,472	4,200	-	2,293,672
Equipment	648,953	12,949	-----	661,902
<b>Total</b>	<b>\$ 4,815,550</b>	<b>\$ 18,249</b>	<b>\$ -----</b>	<b>\$ 4,833,799</b>

A summary of proprietary fixed type property, plant, and equipment at June 30, 1998, follows:

Buildings	\$ 241,392
Water Plant	5,818,542
Sewer Plant	2,784,288
Machinery and Equipment	470,849
Construction in Progress	129,548
<b>Total</b>	<b>10,574,809</b>
Less: Accumulated Depreciation	(7,898,357)
<b>Net Depreciable Assets</b>	<b>2,676,452</b>
Land	23,328
 <b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	 <b>\$ 2,700,779</b>

**TOWN OF LAKE CHARTRON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1998**

**Note 6 - Restricted Assets and Related Accounts**

At June 30, 1998, all restricted assets in the Utility Fund were in the form of demand deposits. These assets represent amounts held for customer utility deposits.

The assets are restricted for the purpose of constructing, acquiring, improving, extending, operating, and/or maintaining the Town's sewers and sewage disposal facilities and/or its waterworks facilities.

In the Debt Service Fund, the restricted assets were acquired by the ordinances authorizing the various property tax millages.

**Note 7 - Pensions and Retirement Plans**

**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA**

Substantially all town employees are members of the Municipal Employees' Retirement System of Louisiana (MERS), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The MERS is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All members participate in Plan B.

All permanent employees working at least 20 hours per week and elected city officials are eligible to participate in the system. Under the MERS, a member who starts at or after age 60 with at least 10 years of creditable service, or at or after age 55 with 25 years of creditable service, or at any age with at least 30 years of creditable service is entitled to a retirement benefit, payable monthly for life, equal to 3 percent of the member's final compensation multiplied by his years of creditable service.

Final compensation is a member's average monthly earnings during the highest 36 consecutive months of joined months if service was interrupted. A member who withdraws from active service prior to retirement eligibility is entitled to receive benefits beginning on the normal retirement date, assuming completion of ten years of creditable service and no prior refund of contributions. The system also provides death and disability benefits. Benefits are established by state statute.

**Funding Policy** - State statute requires covered employees to contribute 3 percent of their salaries to the system. As provided by Louisiana Revised Statute 11:183, the employer contributions are determined by actuarial valuations and are subject to change each year based on the results of the valuation for the prior fiscal year. The current actuarially determined rate is 2.75 percent of annual covered payroll.

The Town's contributions to the System under Plan B for the years ending June 30, 1995, 1997, and 1998 were \$8,713, \$8,598, and \$8,889, respectively, equal to the required contributions for each year.

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1998**

**Note 7 - Pension and Retirement Plans (continued)**

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees' Retirement System, 7007 Office Park Blvd., Baton Rouge, Louisiana 70809, or by calling (504) 815-4818.

**Note 8 - Postemployment Health Care Benefits**

The Town does not provide medical coverage for its retirees; accordingly there is no liability for postemployment health care benefits. Retirees are able to continue their insurance coverage but must pay for it in its entirety without any Town assistance.

**Note 9 - Long-Term Debt**

The following is a summary of long-term obligations transactions of the Town of Lake Providence for the year ended June 30, 1998:

All Valorem tax notes to Hibernia National Bank for \$12,141. The notes were issued in July 1993 for the purchase of a new fire truck, due in annual installments of \$34,000 through July 1998, with interest payable annually at 18 percent.

The annual requirement to amortize the note payable outstanding as of June 30, 1998, including interest payments of \$3,292 is \$14,000.

Other long-term obligations at June 30, 1998, consist of accrued vacation and sick leave of \$44,240.

**Note 10 - Interfund Receivables and Payables**

Individual fund interfund receivables and payables at June 30, 1998, were as follows:

Fund	Receivables	Payables
General Fund	\$ 28,885	\$ 362,292
Special Revenue Funds:		
Ad Valorem Tax - Police Department	-	379
Ad Valorem Tax - Fire Department	-	414
Proprietary Funds:		
Utility Fund	361,292	21,504
Data Service Fund	123	318
<b>TOTAL</b>	<b>\$,350,299</b>	<b>\$,811,698</b>

**TOWN OF LAKE PROVIDENCE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 1998**

**Note 11 - Interfund Operating Transfers In and Out**

Interfund operating transfers in and out during the year ended June 30, 1998, were as follows:

Fund	Operating Transfers	
	In	Out
General Fund	\$ 315,482	\$ 29,899
Special Revenue Funds:		
Police Dept.	6,000	-
Capital Project Funds:		
Recreational Fund	-	12,336
Enterprise Fund:		
Utilities	25,800	311,155
<b>TOTAL</b>	<b>\$ 367,282</b>	<b>\$ 363,390</b>

**Note 12 - Segment Information for Enterprise Fund**

The Town maintains a Utilities enterprise fund which provides water and sewer services. Segment information for the year ended June 30, 1998, was as follows:

Operating Revenues	\$ 608,377
Depreciation	\$ 348,670
Operating Income	\$ 15,661
Operating Transfers In	\$ 29,899
Operating Transfers Out	\$( 311,156)
Net (Loss)	\$( 218,865)
Property, Plant and Equipment:	
Additions	\$ 153,661
Net Working Capital	\$ 608,690
Total Assets	\$ 3,543,444
Total Equity	\$ 3,324,579

**Note 13 - Litigation**

There are several pending lawsuits in which the Town is involved. The Town Attorney is of the opinion that the potential claims against the Town, not covered by insurance, resulting from such litigation, would not materially affect the financial position of the Town at June 30, 1998.

**Note 14 - Intergovernmental Agreement**

The East Carroll Parish Police Jury and the Town of Lake Providence entered into an agreement effective April 19, 1994, for animal control in the parish. The Parish will provide the pound, food for animals at the pound, and 50 percent of the costs of euthanasia for unclaimed animals at the pound. The Town will provide a vehicle and its costs, personnel for pick up and euthanasia enforcement, and 50 percent of the costs of euthanasia. This agreement will continue until terminated by either party either by default or a minimum thirty days notice.

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDING JUNE 30, 1998**

**Note 15 - Capital Leases**

The Town records items under capital leases as assets and obligations in the accompanying financial statements. Equipment was recorded as a capital lease for \$47,343. The following is a schedule of future minimum lease payments under capital lease and the present value of the net minimum lease payments as of June 30, 1998:

	Year Ending June 30,	Amount
Total Minimum Lease Payments	1999	\$ 2,567
Less: Amount Representing Interest		____(25)
<b>PRESENT VALUE OF NET MINIMUM LEASE PAYMENTS</b>		<b>\$ 2,542</b>

**Note 16 - Prior Period Adjustments**

In the financial statements for the year ended June 30, 1997, changes were made affecting ending fund balance and retained earnings for two fund types. The changes resulted from a correction to accumulated depreciation and correction of Sales Tax transfers. These changes have the following effects on the beginning fund balance and retained earnings:

	General Fund	Utility Fund
Fund Balance and Retained Earnings as Previously Reported	\$ 124,290	\$ 364,746
Adjustment for:		
Correction of Accumulated Depreciation	-	108,612
Correction of Amounts Due From General Fund for Sales Tax Transfer	\$ 251,603	____(251,607)
<b>FUND BALANCE AND RETAINED EARNINGS RESTATE</b>	<b>\$ 375,893</b>	<b>\$ 255,151</b>

**Note 17 - Reconciliation**

The Town has elected to restate its 1997 beginning fund balance in the Special Revenue Fund by a decrease of \$204,112 and an increase in beginning retained earnings of \$204,112 in the Utility Enterprise Fund. This was done to report the results of the sales tax revenues for the operations, maintenance and capital for water and sewer in the fund for which all the revenues are earmarked. In 1997, Utility Fund revenues and expenses amounted by \$204,192 and \$99,075, respectively, and Special Revenue Fund revenues and expenditures decreased by those same amounts as a result of the restatement.

**Note 18 - Fund Deficit**

At June 30, 1998, the General Fund had a fund deficit of \$218,278. This deficit is caused by a prior period adjustment involving amounts due to the Utility Fund for sales tax transfers made in prior years.

### **General Fund**

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

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
GENERAL FUND**

**BALANCE SHEETS**

**JUNE 30, 1998 AND 1997**

<b>ASSETS</b>	<b>1998</b>	<b>1997 (Revised)</b>
Cash in Bank	\$ 83,899	\$ 77,790
Certificates of Deposit	24,289	25,090
Accounts Receivable	46,271	45,196
Due from Other Funds	28,485	24,752
Prepaid Insurance	23,416	13,184
<b>TOTAL ASSETS</b>	<b>\$ 186,349</b>	<b>\$ 185,712</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	\$ 21,429	\$ 22,756
Accrued Payroll	11,807	7,629
Due to Other Funds	362,292	362,282
<b>TOTAL LIABILITIES</b>	<b>395,528</b>	<b>392,667</b>
<b>FUND BALANCE</b>		
Unreserved and Unassigned	(210,279)	(1,067,352)
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 186,349</b>	<b>\$ 185,712</b>

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET 2004 (P. BASIS) AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2008  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	Budget	Actual	Variance- Favorable (Unfavorable)	2007 Actual (Revised)
<b>REVENUES</b>				
Taxes	\$ 162,500	\$ 162,146	\$ 354	\$ 158,846
Intra-governmental	37,300	37,269	31	42,852
Licenses and Permits	82,500	82,928	428	99,839
Rental Revenues	50	8,040	7,990	3,715
Fines and Penalties	22,000	22,120	120	14,975
Miscellaneous	78,200	78,723	523	128,800
Total Revenues	382,750	393,326	10,576	453,827
<b>EXPENDITURES</b>				
General Government	229,160	229,026	134	238,499
Public Safety	386,275	386,879	( 604)	378,854
Public Works	166,890	166,551	339	162,983
Culture and Recreation	8,400	8,281	119	5,156
Total Expenditures	890,725	890,737	\$	825,492
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	( 507,975)	( 497,411)	10,564	( 371,665)
<b>OTHER FINANCING SOURCES</b>				
Operating Transfers - In	525,482	525,482	-	448,080
Operating Transfers - Out	( 25,890)	( 25,890)	-	-
Total Other Financing Sources (Used)	499,592	499,592	-	448,080
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	( 13,383)	( 2,819)	10,564	73,545
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	( 203,255)	( 203,255)	-	( 208,722)
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	\$ ( 216,638)	\$ ( 216,074)	\$ 564	\$ ( 205,177)



**TOWN OF LAKE PROVIDENCE, LOUISIANA  
GENERAL FUND**

**SCHEDULE OF REVENUES COMPARED TO BUDGET (GAAP BASIS)**

**FOR THE YEAR ENDED JUNE 30, 1998**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1997**

	Budget	Actual	Variance- Favorable (Unfavorable)	1997 Actual
<b>TAXES</b>				
Property Tax	\$ 76,500	\$ 76,555	\$ 55	\$ 72,241
Cablevision Franchise Tax	13,900	13,262	( 638)	13,234
LA Gas Franchise Tax	16,500	16,458	( 42)	13,403
LP&L Franchise Tax	50,800	56,871	6,071	52,529
Total Taxes	161,500	163,146	1,646	158,407
<b>INTERGOVERNMENTAL REVENUES</b>				
Tobacco Taxes	27,800	27,527	( 273)	27,527
Boat Taxes	8,500	8,382	( 118)	12,775
Other Intergovernmental	1,800	1,650	( 150)	3,550
Total Intergovernmental Revenues	37,800	37,559	( 241)	43,852
<b>LICENSES AND PERMITS</b>				
Business Licenses	75,500	75,844	344	69,493
Permits	8,000	8,084	84	2,384
Total Licenses and Permits	83,500	83,928	428	71,877
<b>RENTAL REVENUE</b>				
Community Room	30	-	( 30)	143
Industrial Plant	-	8,040	8,040	2,370
Total Rental Revenues	30	8,040	7,990	2,513
<b>FINES AND FORFEITURES</b>				
City Court Fines	23,000	23,120	120	14,695
<b>MISCELLANEOUS REVENUES</b>				
Interest Revenue	3,500	4,251	751	3,728
Concessory Fees	3,000	2,607	( 393)	4,813
Miscellaneous Revenues	27,500	27,258	( 242)	21,102
Fire Insurance Rebates	3,500	2,333	( 1,167)	15,162
LP&L Operating Agreement	37,500	37,500	-	75,000
Total Miscellaneous Revenues	76,000	76,951	951	119,905
<b>TOTAL REVENUES</b>	<b>\$ 385,280</b>	<b>\$ 395,136</b>	<b>\$ 9,856</b>	<b>\$ 472,819</b>

**TOWN OF LAKE CHARLOTTE, LOUISIANA  
GENERAL FUND**

**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)**

**FOR THE YEAR ENDED JUNE 30, 1998  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1997**

	Budget	Actual	Variance- Favorable (Unfavorable)	1997 Actual
<b>GENERAL AND ADMINISTRATIVE</b>				
Salaries	\$ 118,530	\$ 118,279	\$ 251	\$ 108,400
Payroll Taxes	10,480	11,417	( 1,737)	8,842
Payroll Benefits	11,600	11,574	26	14,864
Materials and Supplies	18,400	18,277	123	16,975
Gasoline and Oil	2,800	2,802	( 2)	6,299
Equipment Repair and Maintenance	4,200	4,204	( 4)	4,882
Town Hall Maintenance	1,400	1,414	( 14)	961
Courtesy Mowing	200	205	( 5)	314
Cemetery Maintenance and Supplies	2,400	2,261	139	1,800
General Insurance	18,800	18,896	96	24,258
Credit Card	1,200	1,288	88	1,071
Telephone	3,600	3,584	16	4,070
Utilities	3,858	3,896	( 38)	3,445
Accounting and Auditing	12,500	12,470	30	7,947
Assessment	2,400	2,077	( 323)	2,419
Coroner's Fee	8,800	8,879	79	7,699
Clerk of Court	200	200	-	1,088
Mayor's Service Officer	200	204	( 4)	-
Health Lien	2,600	2,648	( 48)	2,648
Deed and Registration	1,400	1,418	( 18)	1,271
Election Expense	3,800	3,847	( 47)	85
Collection Fees Occupational Licenses	4,180	4,080	100	4,151
Legal Fees	9,080	8,994	86	2,625
Printing and Publishing	1,250	1,264	( 14)	2,986
Postage	2,280	2,126	154	2,171
Youth Build	38,250	38,275	( 25)	-
Taxi	1,180	1,180	-	1,586
Miscellaneous Expense	4,550	4,550	-	-
Bank Charges	200	182	118	586
Street Lighting	46,800	46,822	( 22)	49,897
Capital Acquisitions	3,700	3,739	( 39)	6,578
<b>TOTAL GENERAL AND ADMINISTRATIVE</b>	<b>379,160</b>	<b>379,036</b>	<b>124</b>	<b>288,400</b>

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
GENERAL FUND**

**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) (Continued)**

**FOR THE YEAR ENDED JUNE 30, 1997  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1997**

	Budget	Actual	Variance- Favorable (Unfavorable)	1997 Actual
<b>PUBLIC SAFETY</b>				
<b>FIRE</b>				
Salaries	\$ 77,500	\$ 77,509	\$ 99	\$ 61,411
Vacations	2,000	2,038	1 381	2,734
Payroll Taxes	8,000	8,009	1 91	3,635
Payroll Benefits	21,200	21,277	1 377	16,275
Materials and Supplies	800	820	1 201	30
Gasoline and Oil	50	50	-	144
Other Repair and Maintenance	50	45	5	-
General Insurance	3,500	3,504	1 141	6,138
Telephone	3,000	3,668	52	3,510
Utilities	3,000	3,281	1 281	3,012
Total Fire	120,600	120,491	109	180,234
<b>POLICE</b>				
Salaries	158,000	158,289	1 289	168,021
Payroll Taxes	18,000	18,930	1 101	14,738
Payroll Benefits	48,250	48,515	1 265	34,964
Materials and Supplies	5,000	5,551	551	1,744
Gasoline and Oil	8,500	8,543	1 43	5,588
Repairs and Maintenance - Peds	5,000	5,384	1 384	17,840
Radio Repair and Maintenance	600	640	1 19	80
General Insurance	4,000	4,925	525	12,064
Telephone	4,200	4,284	1 41	3,922
Miscellaneous	3,575	3,584	1 91	1,800
Fooding Expenses	400	389	11	717
Taxes	400	449	1 49	-
Computer Expense	1,800	985	815	517
Training, Crime Lab and Trial Cases	200	278	1 178	3,255
Capital Acquisitions	800	782	18	-
Total Police	266,725	266,388	1 337	320,639
<b>TOTAL PUBLIC SAFETY</b>	<b>386,325</b>	<b>386,879</b>	<b>1 554</b>	<b>500,874</b>

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
GENERAL FUND**

**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) (Continued)**

**FOR THE YEAR ENDED JUNE 30, 1998**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1997**

	Budget	Actual	Variance- Favorable (Unfavorable)	1997 Actual
<b>PUBLIC WORKS</b>				
<b>STREET DEPARTMENT</b>				
Salaries	\$ 60,500	\$ 60,518	\$ 18	\$ 60,159
Contract Labor	2,000	1,879	121	-
Fuel/Toll Taxes	6,200	6,346	146	6,831
Fuel/Toll Benefits	34,200	34,310	110	17,360
Materials and Supplies	8,500	8,418	82	9,923
Gasoline and Oil	4,800	4,626	174	7,128
Equipment Repairs and Maintenance	2,000	2,604	604	3,282
Vehicle Repairs and Maintenance	600	593	7	5,133
Other Repairs and Maintenance	1,000	867	133	-
General Insurance	2,900	2,858	42	6,724
Utilities	400	418	18	415
Landfill Charges	1,800	1,733	67	5,284
Miscellaneous	50	73	23	75
Street Improvements	-	-	-	12,690
Lump Pitches	18,500	18,563	63	17,133
Telephone	-	-	-	87
Capital Expenditures	4,000	4,384	384	-
Total Street Department	<u>158,550</u>	<u>158,218</u>	<u>332</u>	<u>132,013</u>
<b>ANIMAL CONTROL</b>				
Salaries	-	-	-	782
Fuel/Toll Taxes	-	-	-	63
Materials and Supplies	2,500	2,326	174	2,724
Gasoline and Oil	-	-	-	193
Equipment Repairs and Maintenance	570	568	2	142
Training	80	15	65	-
Capital Expenditures	-	-	-	224
Animal Housing	400	411	11	1,324
Total Animal Control	<u>3,550</u>	<u>3,321</u>	<u>229</u>	<u>18,920</u>
<b>TOTAL PUBLIC WORKS</b>	<b>162,100</b>	<b>161,539</b>	<b>561</b>	<b>150,933</b>

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
GENERAL FUND**

**SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS) (Continued)**

**FOR THE YEAR ENDED JUNE 30, 1998  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1997**

	Budget	Actual	Variance- Favorable (Unfavorable)	1997 Actual
<b>CULTURE AND RECREATION</b>				
Salaries	\$ 8,680	\$ 8,575	\$ 105	\$ 3,618
Payroll Taxes	790	758	32	278
Equipment Repairs	-	-	-	468
Materials and Supplies	-	-	-	844
Utilities	50	50	-	-
<b>TOTAL CULTURE AND RECREATION</b>	<b>9,410</b>	<b>9,383</b>	<b>27</b>	<b>5,198</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 151,810</b>	<b>\$ 151,827</b>	<b>\$ 17</b>	<b>\$ 578,489</b>

**Primary Government Supplemental Information Schedules:**  
**Combining and Account Group Schedules**

#### SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditures for specified purposes.

### **SPECIAL REVENUE FUNDS**

*Ad Valorem Tax, Police Department Fund* - to account for the funds received as property taxes to be used for the maintenance and other expenditures for the police department.

*Ad Valorem Tax, Fire Department Fund* - to account for the funds received as property taxes to be used for the maintenance and other expenditures for the fire department.



TOWN OF LAKE PROVIDENCE, LOUISIANA  
 SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 1958  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1957

	Ad Valorem Tax Police Department Fund	Ad Valorem Tax Fire Department Fund	1958	Total 1957 (Restated)
<b>ASSETS</b>				
Cash in Bank	\$ 939	\$ 53,649	\$ 54,588	\$ 53,089
<b>TOTAL ASSETS</b>	<b>\$ 939</b>	<b>\$ 54,649</b>	<b>\$ 55,588</b>	<b>\$ 53,089</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Due to Other Funds	\$ 379	\$ 474	\$ 853	\$ 853
<b>TOTAL LIABILITIES</b>	<b>379</b>	<b>474</b>	<b>853</b>	<b>853</b>
 <b>FUND BALANCES</b>				
Unencumbered	560	54,175	54,735	52,236
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 939</b>	<b>\$ 54,649</b>	<b>\$ 55,588</b>	<b>\$ 53,089</b>

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
SPECIAL REVENUE FUNDS**

**COMBINED SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES**

**FOR THE YEAR ENDED JUNE 30, 1992  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1991**

	Ad Valorem Tax	Ad Valorem Tax	Total	
	Police Department Fund	Fire Department Fund	1991	1992 (Revised)
<b>REVENUES</b>				
Taxes	\$ 21,070	\$ 4,856	\$ 25,926	\$ 27,218
Interest	127	2,178	2,305	3,839
Total Revenues	21,197	7,034	28,181	29,248
<b>EXPENDITURES</b>				
Public Safety	28,685	4,829	33,514	36,578
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>( 7,488)</b>	<b>2,205</b>	<b>( 5,283)</b>	<b>( 7,330)</b>
<b>OTHER FINANCING SOURCES</b>				
Operating Transfers In	6,000	—	6,000	—
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>( 1,488)</b>	<b>2,205</b>	<b>717</b>	<b>( 7,330)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>3,000</b>	<b>31,230</b>	<b>34,230</b>	<b>32,582</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>1,512</b>	<b>33,435</b>	<b>34,947</b>	<b>25,252</b>

**DEBT SERVICE FUND**

To account for funds accumulated and to be accumulated for the payment of the cost of a fire truck purchased by the Town.

TOWNSHIP OF LAKE PROVIDENCE, LOUISIANA  
DEBT SERVICE FUND

BALANCE SHEETS

JUNE 30, 1998 AND 1997

	1998	1997
<b>ASSETS</b>		
Cash in Bank	\$ 1,503	\$ 1,472
Due from Other Funds	<u>   32</u>	<u>   32</u>
<b>TOTAL ASSETS</b>	<b>\$ 1,785</b>	<b>\$ 1,744</b>
 <b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Due to Other Funds	\$ 318	\$ 308
<b>FUND BALANCES</b>		
Reserve for Debt Service	<u>1,472</u>	<u>1,434</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 1,785</b>	<b>\$ 1,744</b>

TOWN OF LAKE PROVIDENCE, LOUISIANA  
 DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED JUNE 30, 1998  
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1997

	1998	1997
<b>REVENUES</b>		
Taxes	\$ 14,000	\$ 14,000
Interest	83	—
Total Revenues	<u>14,084</u>	<u>14,000</u>
<b>EXPENDITURES</b>		
Principal Retirement	11,358	7,484
Interest	2,462	6,509
Total Expenditures	<u>14,020</u>	<u>14,003</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	64	—
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	1,434	1,434
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 1,498</u>	<u>\$ 1,434</u>

### **CAPITAL PROJECT FUNDS**

**Recreational Fund** - to account for construction of a recreational playground which includes a tennis court, basketball court and a children's play court.

**LEDMG Sewer Fund** - to account for construction of sewer system improvements in and around the Town of Lake Providence.

**TOWNSHIP LAKE PROGRESS, LOUISIANA  
CAPITAL PROJECT FUND**

**COMBINING BALANCE SHEET**

**JUNE 30, 1991 AND 1992**

	Recreation Fund	LTDPO Special Fund	Totals	
ASSETS			1991	1992
Cash in Bank	\$ 15,560	\$ _____	\$ 15,560	\$ 18,189
<b>TOTAL ASSETS</b>	<b>\$ 15,560</b>	<b>\$ _____</b>	<b>\$ 15,560</b>	<b>\$ 18,189</b>
 <b>FUND BALANCES</b>				
<b>FUND BALANCES</b>				
Unreserved:				
Designated for Future Expenditures	\$ 15,560	\$ _____	\$ 15,560	\$ 18,189
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 15,560</b>	<b>\$ _____</b>	<b>\$ 15,560</b>	<b>\$ 18,189</b>

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
CAPITAL PROJECT FUNDS**

**COMPARING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES**

**FOR THE YEAR ENDED JUNE 30, 1998  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1997**

	Recreational Fund	1997 Sever Fund	Total	1997 Actual
<b>REVENUES</b>				
Flowing Authority	\$ 12,623	\$ -	\$ 12,623	\$ -
State	-	139,940	139,940	82,413
Service Income	687	-	687	417
Miscellaneous Income	4,812	-	4,812	18,064
Total Revenues	<u>17,922</u>	<u>139,940</u>	<u>157,862</u>	<u>100,904</u>
<b>EXPENDITURES</b>				
Recreation	3,941	-	3,941	2,007
Administration	-	22,500	22,500	-
Engineering	-	18,850	18,850	12,680
Construction	-	96,590	96,590	74,923
Total Expenditures	<u>3,941</u>	<u>138,940</u>	<u>142,881</u>	<u>94,530</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	13,981	-	13,981	6,374
<b>OTHER FINANCING USE</b>				
Opening Transfer Out	(12,300)	-	(12,300)	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USE</b>	1,681	-	(1,681)	6,374
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>18,108</u>	<u>-----</u>	<u>18,108</u>	<u>34,618</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$ 15,362</u>	<u>\$ -----</u>	<u>\$ 15,362</u>	<u>\$ 38,108</u>



#### **ENTERPRISE FUND**

To account for the provision of water and sewerage services to residents of the Town of Lake Providence. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt services, and billing and collections.

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
UTILITIES ENTERPRISE FUND**

**BALANCE SHEETS**

**JUNE 30, 1998 AND 1997**

<b>ASSETS</b>	<b>1998</b>	<b>1997 (Revised)</b>
<b>CURRENT ASSETS</b>		
Cash In Bank	\$ 12,994	\$ 8,800
Cashier's Checks of Deposits	477,234	478,517
Accounts Receivable-Customers	139,982	112,869
Less: Allowance for Doubtful Accounts	( 15,823)	( 10,264)
Accrued Interest Receivable	1,965	1,960
Prepaid Insurance	35,540	13,841
Due From Other Funds	362,193	362,292
Due from L.P.M.U.	<u>87,580</u>	<u>75,800</u>
<b>TOTAL CURRENT ASSETS</b>	<b>1,060,624</b>	<b>1,041,444</b>
<b>RESTRICTED ASSETS</b>		
Cash	1,085	17,308
Customer Deposits	<u>58,554</u>	<u>81,159</u>
<b>TOTAL RESTRICTED ASSETS</b>	<b>59,547</b>	<b>108,479</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Buildings	241,192	241,092
Water Plant	8,818,842	5,213,194
Sanitary Plant	3,704,386	3,686,852
Machinery, Equipment and Other	478,845	478,845
Construction in Progress	<u>138,580</u>	<u>138,580</u>
<b>Total</b>	<b>10,379,905</b>	<b>10,158,563</b>
Less: Accumulated Depreciation	<u>8,048,181</u>	<u>7,788,488</u>
Net Depreciable Assets	<u>2,331,724</u>	<u>2,422,353</u>
Land	<u>23,529</u>	<u>23,529</u>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>2,355,253</b>	<b>2,446,286</b>
<b>OTHER ASSETS</b>		
Due from L.P.M.U. Operating Agreement/Long Term	<u>          </u>	<u>68,758</u>
<b>TOTAL ASSETS</b>	<b>\$ 3,515,444</b>	<b>\$ 3,596,219</b>

<u>LIABILITIES AND FUND EQUITY</u>	1988	1987 (Revised)
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 38,994	\$ 32,627
Accrued Payroll	2,185	1,785
Accrued Vacation and Sick Pay	20,621	19,758
Due to Other Funds	27,544	23,861
Deferred Income-LP&L Depositing Agreement	<u>82,580</u>	<u>75,000</u>
<b>TOTAL CURRENT LIABILITIES</b>	174,924	153,031
<b>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)</b>		
Customer Deposits	98,645	95,174
<b>OTHER NONCURRENT LIABILITIES</b>		
Deferred Income-LP&L Agreement	<u>—</u>	<u>68,750</u>
<b>TOTAL LIABILITIES</b>	273,569	316,955
 <b>FUND EQUITY</b>		
<b>CONTRIBUTED CAPITAL:</b>		
Municipality	881,526	881,526
State Grants	1,815,940	1,776,880
FEMA Grants	<u>87,429</u>	<u>87,429</u>
<b>TOTAL CONTRIBUTED CAPITAL</b>	2,784,895	2,745,835
<b>RETAINED EARNINGS:</b>		
Unreserved and Undesignated	<u>381,968</u>	<u>481,825</u>
<b>TOTAL FUND EQUITY</b>	<u>3,166,863</u>	<u>3,227,660</u>
<b><u>TOTAL LIABILITIES AND FUND EQUITY</u></b>	<b>\$ 3,434,444</b>	<b>\$ 3,544,615</b>

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
UTILITIES ENTERPRISE FUND**

**SCHEDULES OF REVENUES, EXPENSES,  
AND CHANGES IN RETAINED EARNINGS**

**FOR THE YEAR ENDED JUNE 30, 1998 AND 1997**

	1998	1997 (Revised)
<b>OPERATING REVENUES</b>		
Water Sales	\$ 404,078	\$ 400,741
Water Taps	2,540	1,850
Sewer Service Charges	129,034	122,429
Sanitation Service Charges	379,188	382,640
Maintenance Fees and Delinquent Charges	78,161	73,386
Street Light Receipts	39,575	48,586
Lakeview Sewer District Collections	42,826	42,083
<b>TOTAL OPERATING REVENUES</b>	<u>808,357</u>	<u>866,655</u>
<b>OPERATING EXPENSES</b>		
General and Administrative	178,347	165,888
Water Department	283,985	291,451
Sewer Department	124,370	129,509
Sanitation Department	308,214	362,380
Depreciation	248,670	238,631
<b>TOTAL OPERATING EXPENSES</b>	<u>802,686</u>	<u>848,039</u>
<b>TOTAL OPERATING INCOME</b>	15,671	17,121
<b>NONOPERATING REVENUES</b>		
Sales Tax Reversions	236,680	234,779
Interest Income	28,890	31,429
<b>TOTAL NONOPERATING REVENUES</b>	<u>265,570</u>	<u>266,208</u>
<b>INCOME BEFORE OPERATING TRANSFERS</b>	269,241	263,329
<b>OPERATING TRANSFERS</b>		
Operating Transfers - In	20,890	-
Operating Transfers - Out	(211,155)	(448,089)
<b>TOTAL OPERATING TRANSFERS</b>	<u>(190,265)</u>	<u>(448,089)</u>
<b>NET LOSS</b>	(20,024)	(185,671)
<b>RETAINED EARNINGS AT BEGINNING OF YEAR</b>	<u>805,025</u>	<u>928,696</u>
<b>RETAINED EARNINGS AT END OF YEAR</b>	<b>\$ 584,960</b>	<b>\$ 805,025</b>

TRIMBLE LANE PROVIDENCE, LOUISIANA

SCHEDULES OF CASH FLOWS - ENTERPRISE FUND

FOR THE YEARS ENDED JUNE 30, 1998 AND 1997

	1998	1997
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		(Revised)
Operating Income	\$ 289,201	\$ 263,329
Adjustments to Reconcile Net Income To Net Cash Provided by Operating Activities:		
Depreciation	248,870	259,651
(Increase)/Decrease in Accounts Receivable	( 14,218)	9,186
Increase in Prepaid Insurance	( 22,501)	( 7,389)
Decrease in LPRL Operating Agreement	56,230	75,080
Decrease in Accounts Payable	4,211	( 8,066)
Increase in Accrued Payroll	500	1,183
Increase in Accrued Vacation and Sick Pay	865	19,158
Decrease in Due to Other Funds	3,728	1,135,312
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>547,689</b>	<b>480,798</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating Transfers - In	25,290	-
Operating Transfers - Out	( 511,154)	( 449,800)
Increase in Customer Deposits	3,471	3,251
<b>NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>( 482,393)</b>	<b>( 446,349)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Increase in Property, Plant and Equipment	( 153,660)	( 76,787)
<b>NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>( 153,660)</b>	<b>( 76,787)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Increase in Contributed Capital	199,948	76,787
Decrease in Deferred Income LPRL Operating Agreement	( 56,230)	( 75,080)
Proceeds from Contributions of Deposits	1,300	9,882
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>145,018</b>	<b>11,589</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>( 4,706)</b>	<b>( 48,334)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>117,264</b>	<b>165,608</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 112,558</b>	<b>\$ 117,274</b>
Cash in Bank	\$ 12,934	\$ 8,802
Restricted Assets	99,624	108,472
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>\$ 112,558</b>	<b>\$ 117,274</b>

**TOWN OF LAKE PROVIDENCE, LOUISIANA**  
**UTILITIES ENTERPRISE FUND**  
**SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT**  
**FOR THE YEARS ENDED JUNE 30, 1998 AND 1997**

<u>DEPARTMENT</u>	1998	1997 (Revised)
<b>General and Administrative</b>		
Accounting and Auditing Fees	\$ 20,404	\$ 17,847
Bank Charges	441	887
Collection Fees - Comstock	3,414	3,786
Disc and Registration	300	240
Insurance	25,689	28,669
Legal Fees	13,264	5,282
Maintenance and Repairs	471	2,881
Materials and Supplies	1,147	3,134
Miscellaneous	7,858	749
Payroll Taxes	1,747	3,879
Payroll Benefits	1,566	5,150
Printing	2,175	1,987
Postage	3,831	5,928
Salaries	17,990	17,189
Sales Tax Election Repeal	8,585	-
State Sales Tax	11,283	12,540
<b>TOTAL GENERAL AND ADMINISTRATIVE</b>	<u>128,947</u>	<u>185,838</u>
<b>Water Department</b>		
Gas and Oil	3,731	6,187
Insurance	18,657	12,544
Materials, Repairs and Supplies	33,313	18,758
Payroll Taxes	8,270	5,923
Payroll Benefits	19,678	21,133
Salaries	75,073	80,351
Vehicle Maintenance	133	1,839
Telephone	2,214	826
Utilities	38,626	38,628
Miscellaneous	586	-
<b>TOTAL WATER DEPARTMENT</b>	<u>183,988</u>	<u>181,458</u>
<b>Sewer Department</b>		
Gas and Oil	1,683	6,276
Insurance	5,484	11,280
Lakeville Sewer District	26,758	21,258
Materials, Repairs and Supplies	20,684	13,972
Miscellaneous	373	454
Payroll Taxes	1,446	1,458
Payroll Benefits	3,171	7,873
Salaries	14,856	14,489
Taxing	1,788	2,663
Vehicle Maintenance	276	3,199
Utilities	44,180	45,119
<b>TOTAL SEWER DEPARTMENT</b>	<u>124,379</u>	<u>179,339</u>

TOWN OF LAKE PROVIDENCE, LOUISIANA  
UTILITIES ENTERPRISE FUND  
SCHEDULES OF OPERATING EXPENSES BY DEPARTMENT (Continued)  
FOR THE YEARS ENDED JUNE 30, 1998 AND 1997

<u>DEPARTMENT</u>	<u>1998</u>	<u>1997</u> (Revised)
Sanitation Department		
Waste Management	\$ 208,314	\$ 182,580
Depreciation	248,670	358,263
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 456,984</b>	<b>\$ 540,843</b>

**GENERAL FIXED ASSETS ACCOUNT GROUP**

To account for Fixed Assets not used in proprietary fund.



**TOWN OF LAKE PROVIDENCE, LOUISIANA  
GENERAL FIXED ASSET ACCOUNT GROUP**

**SCHEDULE OF GENERAL FIXED ASSETS**

**JUNE 30, 1998 AND 1997  
(UNAUDITED)**

	1998	1997
<b>GENERAL FIXED ASSETS</b>		
Land	\$ 114,001	\$ 114,000
City Hall	313,008	313,008
Fire Station	430,185	431,395
Industrial Plant	157,991	157,950
Streets and Sidewalks	2,390,622	2,389,400
Equipment	660,895	660,950
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$4,070,199</b>	<b>\$4,095,319</b>
<b>INVESTMENT IN GENERAL FIXED ASSETS FROM:</b>		
Property Acquired Prior to June 30, 1992 (Note 5)	\$ 312,885	\$ 317,840
Federal Revenue Sharing	488,585	486,300
General Fund	1,174,068	1,157,800
Federal and State Grants	1,144,571	1,144,371
Contributions of Individuals	430,185	431,395
Louisiana Law Enforcement Grant	2,490	2,490
Enterprise Fund	50,080	50,000
Sales and Ad Valorem Tax Fund	39,170	39,370
Capital Project Fund	360,178	363,378
Capital Leases	24,220	24,219
<b>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</b>	<b>\$4,671,780</b>	<b>\$4,691,569</b>

TOWNSHIP OF LAKE PROVIDENCE, LOUISIANA  
 GENERAL FIXED ASSET ACCOUNT GROUP

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS:  
 BY FUNCTION AND ACTIVITY

FOR THE YEAR ENDED JUNE 30, 1998  
 (UNAUDITED)

FUNCTION AND ACTIVITY	June 30, 1997	Additions	Dispositions	June 30, 1998
<b>GENERAL GOVERNMENT ADMINISTRATION</b>				
General Government Buildings	\$ 427,879	\$ -	\$ -	\$ 427,879
Administration	145,182	6,207	-	151,389
<b>TOTAL GENERAL GOVERNMENT ADMINISTRATION</b>	573,061	6,207	-	579,268
<b>PUBLIC SAFETY</b>				
Police Protection	251,899	5,833	-	257,732
Fire Protection	474,620	-	-	474,620
<b>TOTAL PUBLIC SAFETY</b>	726,519	5,833	-	732,352
<b>OTHER</b>				
Streets and Sidewalks	2,348,422	4,208	-	2,352,630
Animal Control	2,796	-	-	2,796
Parks and Recreation	5,162	-	-	5,162
Industrial Plant	152,951	-	-	152,951
<b>TOTAL OTHER</b>	2,508,331	4,208	-	2,512,539
<b>TOTAL GENERAL FIXED ASSETS</b>	\$ 4,805,980	\$ 16,248	\$ -	\$ 4,822,228

**GENERAL LONG-TERM DEBT ACCOUNT GROUP**

To account for unamortized principal amounts on general long-term debt and other long-term obligations of the Town expected to be financed from governmental-type funds. Payment of maturing debt obligations, including interest, is accounted for in the debt service funds.

**TOWN OF LAKE PROVERENCE, LOUISIANA  
SCHEDULE C OF GENERAL LONG-TERM DEBT**

JUNE 30, 1998

	Amount Available and to be Provided For Payment of Long-Term Debt		
	Amount Available in Debt Service Funds for Debt Retirement	Amount to be Provided	Total Available and to be Provided
Five Year Note Payable	\$ 1,313	\$ 13,228	\$ 12,741
Backlog Lease	-	8,416	8,416
Accrued Vacation and Sick Leave and Compensatory Time	_____	64,387	64,387
<b>TOTALS JUNE 30, 1998</b>	<b>\$ 1,313</b>	<b>\$ 85,031</b>	<b>\$ 83,514</b>
<b>TOTALS JUNE 30, 1997</b>	<b>\$ 1,419</b>	<b>\$ 89,924</b>	<b>\$ 88,369</b>

(1) Payments of compensated absences are dependent upon many factors; therefore, the timing of future payments is not readily determinable.

General Long-Term Debt Payable

<b>Bonds and Other Payables</b>		<b>Total General Long-Term Debt</b>	<b>Amount Available and to be Expended From</b>
<b>Due Within One Year</b>	<b>Due After One Year</b>		
\$ 12,741	\$ -	\$ 12,741	Sales Tax
8,418	-	8,418	General Fund Revenue
<u>64,392 (11)</u>	<u>-</u>	<u>64,392</u>	General Fund Revenue
\$ 85,554	\$ -	\$ 85,554	
\$ 89,211	\$ 21,057	\$ 110,268	

**OTHER SUPPLEMENTAL INFORMATION**

**LITTLE & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS  
P. O. BOX 2483  
MONROE, LOUISIANA 70001

TELEPHONE (504) 333-5707  
TELEFAX (504) 333-1431

1115 MONROE HIGHWAY  
MONROE, LOUISIANA 70001

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

Honorable Mayor and Board of Aldermen  
Lake Providence, Louisiana

We have audited the primary government financial statements of the Town of Lake Providence, Louisiana, (the Town) as of and for the year ended June 30, 1998, and have issued our report thereon dated September 24, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Town's primary government financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs as item 98-1.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Town's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the primary government financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Town's ability to record, process, summarize and report financial data consistent with the assertions of management in the primary government financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs as items 98-2 and 98-3.

**Prior Year Findings**

See Schedule of Prior Year Findings

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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.

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

This report is intended for the information of management of the Town of Lake Providence, Louisiana, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

*Smith & Company*

Monroe, Louisiana  
September 24, 1988



**TOWN OF LAKE PROVIDENCE, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 1998**

We have audited the financial statements of the Town of Lake Providence, Louisiana as of and for the year ended June 30, 1998, and have issued our report thereon dated September 24, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Except for the general fixed assets account group, the auditor's report expresses an unqualified opinion of the primary government financial statements of the Town of Lake Providence, Louisiana.

**Section I - Summary of Auditor's Report**

**A. Report on Internal Control and Compliance Material to the Financial Statements**

**Internal Control**

Material Weaknesses      yes    no Reportable Conditions    yes    no

**Compliance**

Compliance Material to Financial Statements      yes    no

**B. Federal Awards - N/A**

**Internal Control**

Material Weaknesses      yes    no Reportable Conditions      yes    no

**Type of Opinion on Compliance**

For Major Programs Unqualified      Qualified       
Disclaimer      Adverse     

Are their findings required to be reported in accordance with Circular A-133, Section 318(a)?

**C. Identification of Major Programs - N/A**

CFDA Number(s) Name of Federal Program (or clause)

Dollar threshold used to distinguish between Type A and Type B Programs    \$55

Is the audit a "low-risk" audit, as defined by OMB Circular A-133?    N/A

**Section II - Financial Statement Findings**

**98-1 - Budget Adoption**

**Condition:**

The Town's proposed budget for the fiscal year ending June 30, 1998 was adopted after the close of the fiscal year ending June 30, 1997.

**Criteria:**

Louisiana Revised Statute 39:1583 requires the proposed budget to be submitted to the governing authority no later than fifteen days prior to the beginning of the new fiscal year.

**Effect:**

By not adopting a proposed budget in a timely manner, the Town is in violation of state law.

**Recommendation:**

The Town should adopt the next fiscal year's budget at least fifteen days prior to the end of the current fiscal year end.

**Response:**

The Town will take steps to insure the adoption of future budgets is done on time in accordance with state law.

**98-2 - Fixed Assets**

**Condition:**

During our review of fixed assets, we noted that the Town has tagged and labeled all property of the Town but has not completed a detail listing of the property.

**Criteria:**

In order for the Town to be able to exercise control over its fixed assets, the detail listing must be complete and must be reconciled to the general ledger.

**Effect:**

Because a detail listing is not maintained, the risk that control cannot be exercised over such assets is increased.

**Recommendation:**

We recommend the Town complete a detail listing of the property of the Town.

**Response:**

The Town is in the process of creating a departmental ledger listing of the property of the Town.

**66-3 - Insurance Coverage**

**Condition:**

The overall adequacy of insurance coverage cannot be accurately determined because the total of the property and equipment has not been ascertained.

**Criteria:**

In order for the Town to have adequate insurance coverage on all property and equipment, a detailed listing should be completed.

**Effect:**

By not having adequate insurance coverage on property and equipment, the Town could sustain uninsured losses on some of the equipment.

**Recommendation:**

When the departmental ledger listing of the property of the Town is completed, insurance coverage should be reviewed with the agent and all deficient assets, if any should be covered. Care should be taken to notify the insurance agent whenever the Town purchases or disposes of an asset.

**Response:**

When the departmental ledger is completed, the Town will review coverages and any deficiencies will be corrected.

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 1958**

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

- 90-1 It was recommended that the Town require vacations be taken at a time during the year when the employee's work load would be at a minimum, and where possible, the Town should shift employees from one department to another to help fill in for vacationing employees. This matter has since been resolved.
- 90-2 It was recommended that any items for sale by the Town should be declared surplus and published in the Town's official journal at least fifteen days prior to the date of sale. This matter has since been resolved.
- 90-3 It was recommended the Town should adopt the next fiscal year's budget at least fifteen days prior to the end of the current fiscal year end. This matter is still pending in current year finding 98-1.
- 90-4 It was recommended the Clerk's office should request that files be turned over to the Town on a daily basis. This matter has since been resolved.
- 90-5 It was recommended the Town should establish policies that insure that a complete court record is kept and that there is a final disposition made on each case instead of continuing them indefinitely. This matter has since been resolved.
- 90-6 It was recommended the Town complete a detail listing of the property of the Town. This matter is still pending in current year finding 98-2.
- 90-7 It was recommended that when the departmental ledger listing of the property of the Town is completed, insurance coverage should be reviewed with the agent and all deficient areas, if any, should be covered. This matter is still pending in current year finding 98-3.

**Section II - Internal Control and Compliance, Material to Federal Awards**

This section is not applicable for this entity.

**Section III - Management Letter**

No management letter was issued.

**LITTLE & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS  
P. O. BOX 2481  
MONROE, LOUISIANA 70001

TELEPHONE (504) 331-1111  
TELEFAX (504) 331-6111

1111 NORTH IBERIA STREET  
MONROE, LOUISIANA 70001

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and Board of Aldermen  
Lake Providence, Louisiana

We have audited the accompanying primary government financial statements of the Town of Lake Providence, Louisiana (which is "the Town" as well as "the primary government"), as of and for the year ended June 30, 1998. 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 the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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.

The Town has not maintained adequate records of their general fund assets; therefore, we are unable to express, and we do not express, an opinion on the financial statements of the General Fund Assets Account Group.

A primary government is a legal entity or political body and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. On the other hand, a reporting entity includes the primary government and all of its component units. (See Note 1)

In our opinion, except for general fund assets account group described in the third paragraph, the primary government financial statements referred to above present fairly, in all material respects, the financial position of the primary government of the Town, as of June 30, 1998, and the results of its operations and cash flows of its proprietary fund for the year then ended, in conformity with generally accepted accounting principles.

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
FINANCIAL REPORT  
FOR THE YEAR ENDING JUNE 30, 1998**

**TABLE OF CONTENTS (CONTINUED)**

	Page
<b>Primary Government Supplemental Information Schedules (Continued)</b>	
<b>Combining and Account Group Schedules (Continued)</b>	
<b>SPECIAL REVENUE FUNDS</b>	
Combining Balance Sheet .....	33
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances .....	34
<b>DEBT SERVICE FUNDS</b>	
Balance Sheet .....	25
Schedule of Revenues, Expenditures and Changes in Fund Balances .....	26
<b>CAPITAL PROJECT FUNDS</b>	
Balance Sheet .....	37
Schedule of Revenues, Expenditures and Changes in Fund Balances .....	38
<b>ENTERPRISE FUND</b>	
Utilities Enterprise Fund -	
Balance Sheet .....	39
Schedule of Revenues, Expenses and Changes in Retained Earnings .....	40
Schedule of Cash Flows .....	41
Schedule of Operating Expenses by Department .....	42-43

**TOWN OF LAKE PROVIDENCE, LOUISIANA  
FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 1998**

**TABLE OF CONTENTS (CONTINUED)**

	Page
<b>Finances (Government Supplemental Information Schedules) (Continued)</b>	
<b>Combining and Account Group Schedules (Continued)</b>	
<b>GENERAL FIXED ASSETS ACCOUNT GROUP</b>	
Schedule of General Fixed Assets .....	44
Schedule of Changes in General Fixed Assets - by Function and Activity .....	45
<b>GENERAL LONG-TERM DEBT ACCOUNT GROUP</b>	
Schedule of General Long-Term Debt .....	48
<b>OTHER SUPPLEMENTAL INFORMATION</b>	
Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards .....	47-48
Schedule of Findings and Questioned Costs .....	49-51
Summary Schedule of Prior Year Findings .....	51