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TOWN OF WHITE CASTLE, LOUISIANA

FINANCIAL REPORT

September 30, 1988

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

Release Date: MAR 1 0 1989

TOWN OF WHITE CASTLE, LOUISIANA

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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the Board of Aldermen,
Town of White Castle, Louisiana

We have audited the accompanying general-purpose financial statements and the combining, individual fund, and account groups financial statements of the **TOWN OF WHITE CASTLE, LOUISIANA** as of and for the year ended September 30, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the **TOWN OF WHITE CASTLE, LOUISIANA** as of September 30, 1998, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In our opinion, the combining, individual fund, and account groups' financial statements referred to above, present fairly, in all material respects, the financial position of each of the individual funds and account groups of the Town of White Castle, Louisiana as of September 30, 1998, and the results of operations of such funds and the cash flows of individual proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued reports dated December 7, 1998, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws and regulations.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements taken as a whole and on the combining and individual fund and account groups financial statements. The accompanying financial information listed as schedules and statistical information in the table of contents is prepared for purposes of additional analysis and is not a required part of the financial statements of the Town of White Castle, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose, combining and individual fund and account groups financial statements and, in our opinion, is fairly presented in all material respects in relation to the general-purpose financial statements and the financial statements of each of the respective individual funds and account groups taken as a whole.

The financial statements for the year ended September 30, 1997, were taken from that financial report in which we expressed an unqualified opinion on the general-purpose, combining, individual fund and account groups financial statements of the Town of White Castle, Louisiana.

Fauch & Wisniewski LLC

Certified Public Accountants

Huson Rouge, Louisiana
December 7, 1998

TOWN OF WHITE CASTLE, LOUISIANA
ALL FUND TYPES AND ACCOUNT GROUPS

COMBINED BALANCE SHEET

September 30, 1994

	Governmental Fund Types		
	General	Special Revenues	Debt Service
ASSETS			
Cash and cash equivalents	\$ 20,790	\$ 189,687	\$ 81,543
Investments, at cost	122,156	583,681	144,000
Accounts receivable, net	-	3,280	124
Due from other governments	-	46,984	-
Due from other funds	22,634	-	704
Prepaid insurance	-	-	-
Prepaid cash	-	-	-
Inventory, at cost	-	-	-
Control fund assets	-	-	-
Fixed assets, net	-	-	-
Available to debt service fund	-	-	-
Amount to be provided for retirement of grants/long-term debt	-	-	-
Total assets	\$ 145,730	\$ 723,740	\$ 226,951
LIABILITIES			
Accounts payable	\$ 55,749	-	-
Payroll and other accrued liabilities	13,211	-	-
Due to other funds	-	3,280	-
Cashier deposits	-	-	-
Deferred revenues	-	17,129	-
Current portion of long-term debt	-	-	-
Long-term debt	-	-	-
Total liabilities	\$ 69,000	\$ 20,409	\$ -
FUND EQUITY			
Contributed capital			
From municipality	-	-	-
From parish	-	-	-
From federal grants	-	-	-
Investment in joint fund assets	-	-	-
Accumulated earnings			
Reserved - debt extinguishment	-	-	-
Reserved - property, repairs and replacement	-	-	-
Designated - subsequent year's expenses	-	-	-
Unreserved	-	-	-
Fund balance			
Reserved - debt service	-	-	226,951
Designated - subsequent year's expenditures	-	173,582	-
Undesignated	26,750	583,129	-
Total fund equity	\$ 26,750	\$ 756,711	\$ 226,951
Total liabilities and fund equity	\$ 145,730	\$ 723,740	\$ 226,951

Proprietary Fund Type	Account Groups		Totals	
	General	General	(Memorandum Only)	
	Fixed Assets	Long-term Debt	1998	1997
\$ 26,690	\$ -	\$ -	\$ 348,718	\$ 622,648
483,759	-	-	1,279,880	1,574,800
52,159	-	-	19,281	42,885
-	-	-	48,914	43,817
-	-	-	25,335	149,419
-	-	-	-	7,386
149,648	-	-	149,649	99,021
3,334	-	-	3,534	6,639
-	2,982,944	-	2,982,944	2,419,976
3,000,199	-	-	3,004,199	2,833,394
-	-	206,993	216,993	214,966
-	-	1,899,413	1,899,413	1,232,186
\$ 3,348,388	\$ 2,982,944	\$ 1,315,418	\$ 8,792,982	\$ 9,287,294
\$ 396,476	\$ -	\$ -	\$ 680,297	\$ 144,322
182,117	-	-	31,548	22,376
33,133	-	-	23,559	149,409
64,760	-	-	64,794	64,393
-	-	-	77,129	60,661
26,300	-	-	28,183	26,324
1,865,465	-	1,315,418	2,278,872	2,285,828
1,924,492	-	1,315,418	2,761,848	2,860,797
288,961	-	-	289,191	165,730
1,896,331	-	-	1,896,370	1,230,680
146,900	-	-	136,588	136,388
-	2,982,944	-	2,982,944	2,419,976
15,899	-	-	31,609	31,379
30,599	-	-	26,589	19,879
31,475	-	-	23,879	16,733
817,272	-	-	871,272	848,579
-	-	-	226,993	214,966
-	-	-	132,342	162,194
-	-	-	585,886	1,072,667
2,441,992	2,982,944	-	4,428,114	4,288,828
\$ 3,348,388	\$ 2,982,944	\$ 1,315,418	\$ 8,792,982	\$ 9,287,294

Notes on Exhibit A-6 are an integral part of this statement.

TOWN OF WHITE CASTLE, LOUISIANA
ALL GOVERNMENTAL FUND TYPES

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended September 30, 1998

	General Fund			Special Revenue Fund		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes:	\$ 48,340	\$ 48,478	\$ 138	\$ -	\$ -	\$ -
License and permits	56,800	57,084	284	-	-	-
Intergovernmental	105,078	85,892	(19,186)	59,098	71,542	(13,446)
Fees	92,800	93,407	607	-	-	-
Other	5,492	12,721	7,229	40,108	41,875	(1,767)
Total revenues	<u>208,510</u>	<u>297,582</u>	<u>(10,928)</u>	<u>99,206</u>	<u>713,957</u>	<u>(21,714)</u>
EXPENDITURES						
General government	234,061	268,070	(34,009)	-	-	-
Public safety	438,288	489,544	(51,256)	-	-	-
Street and sanitation	163,326	177,642	(14,316)	-	-	-
Public health	12,000	12,738	(738)	88,208	11,800	7,408
Recreation	142,800	139,768	3,032	-	-	-
Capital projects	-	-	-	-	-	-
Other services	-	-	-	-	-	-
Total expenditures	<u>988,475</u>	<u>987,722</u>	<u>753</u>	<u>88,208</u>	<u>11,800</u>	<u>7,408</u>
Expense attributable to other governmental fund types	(158,187)	(169,140)	(10,953)	741,882	702,157	(39,725)
OTHER FINANCING SOURCES (USES)						
Operating transfers in	668,500	668,500	-	-	-	-
Operating transfers out	-	-	-	(291,882)	(291,572)	3,110
Total other financing sources (uses)	<u>668,500</u>	<u>668,500</u>	<u>-</u>	<u>(291,882)</u>	<u>(291,572)</u>	<u>3,110</u>
Expense attributable to all other governmental fund types over expenditures and other sources (uses)	\$ (1,728,072)	(1,728,199)	(127,127)	\$ (1,728,082)	(1,728,199)	(117,117)
FUND BALANCE						
Beginning of year		129,156			1,825,199	
Revised equity transfers					(228,211)	
End of year	<u>\$ 86,788</u>	<u>\$ 86,788</u>	<u>\$ -</u>	<u>\$ 86,788</u>	<u>\$ 86,788</u>	<u>\$ -</u>

Debt Service Fund			Capital Project Fund		
Budget	Actual	Variance Favorable (unfavorable)	Budget	Actual	Variance Favorable (unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,300	9,743	2,443	500	2,600	2,100
7,300	9,743	2,443	500	2,600	2,100
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	290,719	290,833	9,114
180,000	190,763	10,763	-	-	-
180,000	190,763	10,763	290,719	290,833	9,114
-	-	-	-	-	-
(178,700)	(171,000)	7,700	(290,219)	(281,333)	8,886
180,000	191,602	11,602	95,500	81,524	(13,976)
(8,000)	(8,322)	(3,322)	-	-	-
180,000	189,887	2,228	95,500	81,524	(13,976)
<u>\$ 8,233</u>	<u>12,827</u>	<u>\$ 3,954</u>	<u>\$ (200,714)</u>	<u>(200,714)</u>	<u>\$ -</u>
	204,960			200,714	
	<u>\$ 206,993</u>			<u>\$ -</u>	

Notes on Exhibit A-1 are an integral part of this statement.

**TOWN OF WHITE CASTLE, LOUISIANA
ALL PROPRIETARY FUND TYPES**

**COMBINED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS**

For the year ended September 30, 1994

	Total	
	1994	1993
OPERATING REVENUES		
Charges for services	\$ 499,210	\$ 602,270
Fees	29,029	33,004
Other	1,722	1,280
Total operating revenues	<u>529,961</u>	<u>636,554</u>
OPERATING EXPENSES		
Gas	600,219	59,000
Depreciation	149,260	141,081
Field	224,294	201,188
Administration	360,521	339,680
Total operating expenses	<u>1,334,304</u>	<u>740,949</u>
Operating income (loss)	<u>(804,343)</u>	<u>(104,395)</u>
NONOPERATING		
Interest income	26,162	20,000
Interest expense	<u>(49,382)</u>	<u>(40,388)</u>
Total nonoperating	<u>(23,220)</u>	<u>(20,388)</u>
Income (loss) before operating transfers	(827,563)	(124,783)
OPERATING TRANSFERS		
Operating transfers out	<u>(21,000)</u>	<u>(21,280)</u>
Net loss	(848,563)	(146,063)
Depreciation transferred to work fund capital	<u>41,200</u>	<u>41,200</u>
Net decrease in retained earnings	<u>(807,363)</u>	<u>(104,863)</u>
RETAINED EARNINGS		
Beginning balance	<u>898,620</u>	<u>1,003,483</u>
Ending balance	<u>\$ 91,257</u>	<u>\$ 898,620</u>

Notes on Exhibit A-4 are an integral part of this statement

TOWN OF WHITE CASTLE, LOUISIANA
ALL PROPRIETARY FUND TYPES
COMBINED STATEMENT OF CASH FLOWS

For the year ended September 30, 1998

	Totals	
	(Percentage Only)	
	1998	1997
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ (17,831)	\$ 30,274
Adjustments to operating income:		
Depreciation	541,771	465,585
Change in operating assets and liabilities:		
Accounts receivable	(5,171)	74
Prepaid's	3,823	(2,375)
Customer deposits	1,559	2,331
Prepaid insurance	7,881	(7,360)
Accounts payable and accrued expenses	51,889	4,736
Net cash provided by operating activities	<u>545,771</u>	<u>493,445</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Due to other funds	(27,280)	49,471
Operating transfers out	(27,000)	(23,360)
Net cash used by non-capital financing activities	<u>(54,280)</u>	<u>(73,889)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Revenue in contracts payable	-	(9,474)
Committed capital	108,431	-
Acquisitions and construction of capital assets	(588,752)	(63,502)
Interest expense	(48,507)	(34,889)
Proceeds from sale of some bonds	119,889	-
Repayment of some bonded bonds	(22,744)	(25,652)
Net cash used by capital activities	<u>(432,203)</u>	<u>(133,516)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of certificate of deposit	26,833	(21,499)
Interest income	24,161	5,692
Net cash provided by investing activities	<u>50,994</u>	<u>(15,807)</u>
Increase in cash and cash equivalents	<u>(25,518)</u>	<u>(53,874)</u>
CASH AND CASH EQUIVALENTS, including restricted cash		
Beginning of period	251,471	295,345
End of period	<u>\$ 225,953</u>	<u>\$ 241,471</u>

Notes on Exhibit A-3 are an integral part of this statement.

TOWN OF WHITE CASTLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement Presentation

The financial statements of the Town of White Castle, Louisiana (the Town) have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The most significant accounting policies of the Town are described below.

Reporting Entity

For financial reporting purposes, the Town includes all funds and account groups that are controlled by or dependent on the Town's executive or legislative branches (the Mayor or the Board of Aldermen, respectively). Control by or dependence on the Town is determined on the basis of budget adoption, taxing authority, outstanding debts secured by revenues or general obligations of the Town, obligations of the Town to finance any deficits that may occur, or receipt of significant subsidies from the Town.

The following organization is not part of the Town and thus is excluded from the accompanying financial statements:

White Castle Housing Authority

White Castle Housing Authority's (the Authority) operating and capital expenditures, including debt service, are financed from federal grants and tenant rents. The Town has no involvement in the determination of the Authority's budget, rental rates, or any obligation for the Authority's outstanding debt. Financial transactions between the Town and the Authority, reported in the accompanying financial statements, reflect contractual agreements between the parties for the provision of specific services by the Town for the Authority.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 managers by segregating transactions related to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the Town are classified into two categories - governmental and proprietary. Each category, in turn, is divided into separate "fund types."

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Town are financed. The acquisition, use, and balances of expendable financial resources and related liabilities of the Town are accounted for through governmental funds. Measurement is focused upon determining changes in financial position, rather than net income. The following are the governmental fund types of the Town:

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

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

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

Capital Projects Funds - Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). During the year ended September 30, 1998 the capital project reported was completed and the balance sheet accounts were eliminated.

Proprietary Fund Types

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Enterprise Funds - Enterprise funds are used to account for utility operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs and expenses, including depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Account Groups

Account groups are used to establish accounting control and accountability for the Town's fixed assets and general long-term debt. The following are the account groups of the Town:

General Fixed Assets Account Group - This group of accounts represents a summary of the fixed assets of the Town. Capital expenditures are recorded as expenditures in the governmental fund types at the time of purchase and are subsequently recorded, at cost, for control purposes, in the general fixed assets account group.

In accordance with generally accepted accounting principles for governmental entities, depreciation is not recorded on general fixed assets.

General Long-Term Debt Account Group - This group of accounts represents a summary of the long-term debt of the Town.

Basis of Accounting

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

Governmental funds are maintained on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become available (collectible within the current period) and measurable (amount can be determined). Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

The modified accrual basis of accounting as applied to the major sources of revenue is as follows:

All salaries taxes and the related state revenue sharing (which is based on population and households in the Town) are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15th of each year, and become delinquent after December 31st. The taxes are generally collected in December of the current year and January and February of the following year.

State aid and grants are recorded as revenue when the Town is entitled to the funds, generally corresponding to when grant related costs are incurred by the Town.

Sales taxes are recognized when collected by the intermediary collecting government.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

Interest income on investments is recorded when investments mature and income is received.

All proprietary funds are accounted for on a flow of economic resources measurement basis and a determination of net income and capital maintenance. With this measurement basis, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The proprietary funds use the accrual basis of accounting and apply applicable FASB pronouncements in accounting and reporting for its proprietary operations. Revenues are recognized when earned, and expenses are recognized at the time liabilities are incurred.

Cash and Cash Equivalents

A consolidated bank account has been established into which most monies are deposited and from which most disbursements are made. In addition, investment purchases are charged and maturities are deposited to the consolidated bank account. The purpose of this consolidation of bank accounts is to provide administrative efficiency and to maximize investment earnings. The account entitled "Cash and cash equivalents" is therefore composed of a fund's pro rata share of the cash balance in the consolidated cash account as well as its pro rata share of certificates of deposit with maturities of three months or less. Each fund shares pro rata the investment earnings according to its average cash balance.

In addition, separate accounts have been established for certain debt service funds as required by bond resolution and compliance laws. The Town also has an imprest account for disbursements of payroll.

Investments

Investments, which are time certificates of deposit with maturities in excess of three months, are stated at cost, which is market value.

Inventories

Inventories are stated at cost that approximates market value, using the first-in, first-out method.

Accounts Receivable

Uncollectible amounts due for all valuations taxes and other receivables are recognized as bad debts through the use of an allowance account or are directly charged off at the time information becomes available which indicates that the particular receivable is not collectible.

Restricted Cash

Restricted cash on the balance sheet of the enterprise funds represents (1) amounts which have been designated to meet unexpected contingencies for property repairs and replacements, (2) funds held for customer deposits and (3) funds held for retirement of sewer system bonds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group at historical cost. Property acquired through donations is recorded at its estimated fair value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are expensed. Improvements are capitalized.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the government.

Depreciation has not been provided on general fixed assets, nor has interest been capitalized.

Property, Plant, Equipment and Depreciation - Proprietary Funds

Property, plant and equipment used by the proprietary funds are stated at cost. Interest costs incurred during construction periods are capitalized. Depreciation has been provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are as follows:

Distribution systems	3 - 30 years
Motors	5 years
Machinery and equipment	3 - 10 years

Compensated Absences

All full-time employees of the Town are entitled to annual vacation and sick leave with pay. Vacation leave entitlement does not carry over from one year to another. Employers are able to accrue unused sick leave without limitation; however, the Town is only liable to pay to an employee who was employed by the Town prior to January 1, 1982, any unused sick leave not to exceed 60 days upon retirement. Vacation and sick leave payments are included in expenditures for governmental fund types when the payments are made to employees; the estimated commitment for compensated absences for governmental funds is reported in the general long-term debt account group.

The Town's policy is to present on an accrual basis in its proprietary funds the amount of earned but unused sick leave estimated to be payable upon retirement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reserves and Designations of Equity

Some portions of fund balances and/or retained earnings are reserved to indicate that a portion of equity is legally restricted to a specific future use and is not available for appropriation or expenditure.

Designated portions of fund balances and/or retained earnings indicate tentative future spending plans, which may be changed and are subject to subsequent authorization before expenditures can be made. The Town has made the following reserves and designations of equity: (a) *Reserved for debt service* is that portion of fund balance which will be used for the payment of general long-term debt principal and interest, (b) *Designated for subsequent years' expenditures* is that portion of fund balance which has been earmarked to make up the following years' budgets, and (c) *Reserved property, repairs and replacement* is that portion of retained earnings to be used for the future acquisition and repairs of property and equipment.

Transfers

Advances between funds that are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various interfund accounts.

Budget Policy and Budgetary Accounting

A proposed budget is prepared and submitted to the Mayor and Board of Aldermen prior to the beginning of each fiscal year. A budget summary and notice of a public hearing is published with the public hearing being conducted prior to the commencement of the budget year.

The annual operating budget, prepared on the modified accrual basis, covers the general, special revenue, debt service funds, capital projects and enterprise funds. At the end of the fiscal year, unexpended appropriations automatically lapse. Budget amendments are approved by the Board of Aldermen and are included in the financial statements.

The financial transactions of the debt service funds are comparable to the budgeted revenues, expenditures and other financing sources (uses) adopted by the Board of Aldermen. Accordingly, individual budget comparisons are not presented in this financial report.

In connection with budget preparation, a portion of the unreserved fund balance of an individual fund may be designated for expenditures of the subsequent year. Such designation represents the extent to which the fund balance is used to balance the subsequent year's operating budget of that fund, as reflected in the legally adopted budget.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Comparative Total Data

Comparative data for the prior year have been presented in certain accompanying financial statements to provide an understanding of changes in the Town's financial position and operations.

Total Columns as Combined Statements

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are prepared 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.

Statement of Cash Flows

For purposes of the statement of cash flows, liquid investments of the enterprise funds, including restricted assets, with a maturity of three months or less are considered to be cash equivalents.

NOTE 2 - CASH AND INVESTMENTS

The Town may invest in United States bonds, treasury notes, or certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana or other qualifying federally insured investments.

At year end, the Town's cash and related investment balances, including restricted cash, totaled \$1,729,567 and the related bank balances were \$1,757,893. The bank balances at year end were secured by federal depository insurance of \$200,000 and by collateral held by custodial banks in the Town's name.

The collateral pledged at September 30, 1998, was in the form of statutory approved investments as follows:

	Value	
	Par	Market
U.S. Treasury Note	\$ 500,000	\$ 504,430
U.S. Agency	<u>1,167,068</u>	<u>1,372,553</u>
Total	<u>\$ 1,667,068</u>	<u>\$ 1,677,083</u>

NOTE 3 - DUE FROM OTHER GOVERNMENTS

Due from other governments at September 30, 1998, consist of the following:

Parish of Iberville, Louisiana - Sales Tax	<u>\$ 46,558</u>
--	------------------

NOTE 4 - AD VALOREM TAXES

For the year ended September 30, 1998, taxes of 7.0 mills for the general fund were levied on property with assessed valuations totaling \$3,997,680; taxes levied were \$23,332.

NOTE 5 - FIXED ASSETS

General Fixed Assets

A summary of changes in general fixed assets for the year ended September 30, 1998, is as follows:

	Beginning of Year	Net Additions	End of Year
Land	\$ 252,266	\$ -	\$ 252,266
Buildings and improvements	982,506	159,130	1,121,636
Improvements other than buildings	258,370	-	258,370
Equipment	<u>826,024</u>	<u>21,828</u>	<u>847,852</u>
Totals	<u>\$ 2,419,166</u>	<u>\$ 180,958</u>	<u>\$ 2,599,914</u>

Proprietary Fund Fixed Assets

A summary of changes in proprietary fund fixed assets for the year ended September 30, 1998, is as follows:

	Beginning of Year	Net Additions	End of Year
Land	\$ 40,388	\$ -	\$ 40,388
Distribution systems	4,257,461	-	4,257,461
Misc.	71,244	-	71,244
Machinery and equipment	77,003	5,788	82,791
Construction in progress	<u>22,748</u>	<u>799,810</u>	<u>822,558</u>
Total assets	4,468,844	<u>\$ 805,698</u>	4,770,147
Less accumulated depreciation	<u>(1,813,157)</u>		<u>(1,764,852)</u>
Totals - net	<u>\$ 2,655,687</u>		<u>\$ 3,005,295</u>

NOTE 6 - LONG-TERM DEBT

Debt Outstanding

The following is a summary of long-term debt transactions of the Town for the year ended September 30, 1998:

	Beginning of Year	Additions	Retirements	End of Year
General				
Public improvement bonds	\$ 1,100,000	\$ -	\$ 80,000	\$ 1,020,000
Certificates of indebtedness	380,000	-	35,000	345,000
Accumulated sick pay benefits	<u>15,072</u>	<u>1,243</u>	<u>8,408</u>	<u>8,907</u>
	1,495,072	1,243	1,191,408	1,304,907
Enterprise Fund				
Revenue bonds	<u>998,100</u>	<u>119,800</u>	<u>36,334</u>	<u>1,081,566</u>
Totals	<u>\$ 2,493,172</u>	<u>\$ 121,043</u>	<u>\$ 123,742</u>	<u>\$ 2,490,473</u>

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Long-term debt payable at September 30, 1998, is comprised of the following:

General Long-Term Debt

Public Improvement Bonds

\$1,440,000 Public Improvement Bonds secured by a pledge and dedication of the 20% sales and use tax levied and collected by the Parish of Iberville and allocated to the Town, due in annual installments through March 1, 2007; interest varying from 6.0% - 6.5% \$ 1,450,000

Certificate of Indebtedness

\$200,000 Certificate of Indebtedness secured by a pledge and dedication of annual revenues, due in annual installments through June 1, 2007; interest at 6% 271,000

Accumulated Sinking Pay Benefits 8,400

Enterprise Fund

Revenue Bonds

\$1,077,500 Sewer Bonds secured by a pledge and dedication of sewer revenues, due in monthly installments through May 25, 2019; interest at 5% 971,768

\$178,800 advanced on \$238,800 authorized Water Revenue Bonds secured by a pledge and dedication of water revenues, due in monthly installments through March 30, 2008; interest at 4.75% 178,800

Total long-term debt \$ 3,879,936

Debt Service Requirements in Maturity

The annual requirements to amortize debt outstanding at September 30, 1998, including interest payments of \$1,158,089, are as follows:

Year	General Long-Term Debt		Enterprise Fund		Total
	Public Improvement Bonds	Certificate of Indebtedness	Sewer Revenue Bonds	Water Revenue Bonds	
1999	\$ 147,895	\$ 40,620	\$ 75,640	\$ 6,984	\$ 271,139
2000	147,300	41,180	75,640	6,998	271,118
2001	151,855	40,620	75,640	6,998	275,113
2002	158,448	41,000	75,640	6,998	272,086
2003	148,620	41,260	75,640	6,998	272,518
2004 - 2018	612,450	161,608	1,180,538	232,708	2,187,304
	<u>\$1,368,668</u>	<u>\$ 266,288</u>	<u>\$ 1,558,760</u>	<u>\$ 271,686</u>	<u>\$ 3,465,302</u>

NOTE 4. LONG-TERM DEBT (CONTINUED)

Normally, debt issues are not retired prior to their maturity. For accounting purposes, interest coupons issued in connection with the sale of various bond issues become obligations/commitments of the Town only with the passage of time, and they represent fixed and determinable obligations which must be retired from future revenues.

The following table indicates unamortized interest outstanding as September 30, 1988, and the amounts which can be procured to be acquired in future years for retirement of both outstanding debt and interest of the general long-term debt account group which will become due and payable over the remaining life of the various debt issues:

	Amount to be provided for General Long- Term Debt	Unamortized Interest Coupons	Total
Public Improvement bonds to be retired from proceeds of sales tax	\$ 817,815	\$ 308,869	\$ 1,147,884
Certificate of Indebtedness to be retired from excess revenues	262,192	88,280	350,472
Accumulated sick pay benefits to be retired from excess revenues	8,410	-	8,410
Totals	\$ 1,088,417	\$ 418,349	\$ 1,507,366

Interest expense for this debt as of September 30, 1988, was \$121,912.

Bond Restrictions

Sales Tax Bonds

Under the terms of the indenture authorizing the issuance of Public Improvement Bonds - Series 1982, proceeds of the 2.37% sales and use tax, collected by the Parish of Terrebonne, and allocated to the Town, are pledged and dedicated for the establishment and maintenance of the following bond funds:

1. A Public Improvement Bond - Series 1992 Sinking Fund is to be used for the payment of the principal and interest on outstanding bonds as they become due and payable. Monthly payments are to be equal to the sum of one-sixth of interest falling due on the next interest payment date and one-twelfth of principal falling due on the next principal payment date.

NOTE 4 - LONG-TERM DEBT (CONTINUED)**Sales Tax Bonds (Continued)**

2. A Public Improvement Bond - Series 1992 Sales Tax Bond Reserve Fund is to be used solely for the purpose of paying principal and interest on bonds payable from the Bond Sinking Fund, as to which there would otherwise be default. Requirements for establishment of the fund have been met and no further payments are to be made.

Certificate of Indebtedness

In accordance with the terms of the indenture authorizing the issuance of the certificate of indebtedness, excess revenues are used for the establishment of the 1997 certificate of indebtedness sinking fund. The sinking fund is used for the payment of principal and interest on outstanding debt as it becomes due and payable. Monthly payments are equal to the sum of one-sixth of interest becoming due on the next interest payment date and one-twelfth of principal becoming due on the next principal payment date.

Sewer Revenue Bonds

In accordance with the indenture governing Sewerage Utility Fund Revenue Bonds, cash is periodically deposited into accounts administered by a trustee bank. These bonds are a direct liability of the Sewerage Enterprise Fund to be serviced by the earnings from the Fund. Deposits are made to these trust accounts in accordance with the requirements of each.

1. The Sewer System Revenue Fund requires all revenue derived from its operations to be deposited in a bank that is a member of the Federal Deposit Insurance Corporation as long as any of the bonds are outstanding. Required transfers are made on a monthly basis to designated trust accounts.
2. The Sewer Revenue Bond Fund requires monthly fund transfers from the sewer system revenue fund to provide payment of the next maturing interest and principal of the revenue bonds.
3. The Sewer Revenue Bond Reserve Fund requires monthly transfers of \$215 until \$75,841 has been accumulated. This fund is restricted to payment of principal and interest in case of default.
4. The Sewer Depreciation and Contingency Fund requires monthly transfers of \$323. The fund is restricted to payments for unusual or extraordinary maintenance, repairs, replacement, and excisions and improvements that will either enhance its revenue producing capacity or provide improved service. It will also be used to pay principal and interest if these are not sufficient funds in the Sewer Revenue Bond Fund, or Sewer Revenue Bond Reserve Fund.

The Town of White Castle has complied with the above conditions.

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Water Revenue Bonds

In accordance with the indenture governing Water Utility Fund Revenue Bonds, 1989 is deposited into accounts administered by a trustee bank. These bonds are a direct liability of the Water Enterprise Fund to be serviced by the earnings from the fund. Deposits are made to these trust accounts in accordance with the requirements of each.

1. The Water Revenue Fund requires all revenue derived from the operation of the system be deposited into the Revenue Fund. Required transfers are made on a monthly basis to designated trust accounts.
2. The Water Revenue Bond and Interest Sinking Fund requires monthly transfers from the Water Revenue Fund to provide payment of the next maturing interest and principal of the revenue bonds. The first debt service payment is due April 20, 1999.
3. The Water Revenue Bond Reserve Fund requires monthly transfers of \$48 - \$55 and \$12,570 had been accumulated. This fund is restricted to payment of principal and interest in case of default.
4. The Water Depreciation and Contingency Fund requires monthly transfers of \$124. The Fund is established to use for extensions, additions, improvements, renewals and replacements necessary to properly operate the system. Such payments into the Fund are to continue over the life of the Bonds.

The Town of White Castle has complied with the above restrictions.

NOTE 7 - DEDICATED REVENUES

Proceeds of the Inventory Facility sales and use tax were dedicated to the following purposes as of September 30, 1998:

Opening, reconstructing, paving, and improving streets, sidewalks, roads and alleys; constructing bridges; purchasing or constructing water works, sewers, drains, drainage canals, pumping plants, sewerage disposal works, light and power plants, gas plants, halls, jails, fire departments stations, hospitals, auditoriums, public parks, museums, libraries, docks, wharves, river terminals and other public buildings, including the necessary equipment and furnishings thereof; or for any one or more such purposes.

Concurrent with this dedication, transfers from the sales tax fund are being used to retire the Public Improvement Bonds - Series 1990. See Note 6.

NOTE 4 - SEGMENTS OF ENTERPRISE ACTIVITIES

These services, gas, water, and sewerage, are provided by the Town and are financed by user charges. The significant financial data for the year ended September 30, 1998, for these services are as follows:

	Gas Utility	Waterworks Utility	Sewerage Utility	Total
Operating revenues	\$ 275,596	\$ 143,604	\$ 203,409	\$ 622,609
Depreciation	9,924	23,419	115,852	149,195
Operating income (loss)	28,904	(29,997)	(39,748)	(17,841)
Operating transfers net	(27,680)	-	-	(27,680)
Net income (loss)	22,547	(29,840)	(70,282)	(57,975)
Current capital contributions	-	198,471	-	198,471
Assets	323,613	794,008	2,626,564	3,744,185
Property and equipment:				
Additions	-	283,879	18,929	302,795
Long-term debt	-	179,809	971,766	1,091,566
Net working capital	189,619	146,543	144,429	480,591
Total equity	232,241	586,760	1,627,983	2,446,984

NOTE 5 - RETIREMENT PLANS

The employees of the Town are covered under the Federal Insurance Contributions Act (Social Security). The Town's contributions were \$39,948 and taxable payroll was \$722,198 for the year ended September 30, 1998.

Qualifying Town employees are members in the Municipal Employees' Retirement System of the State of Louisiana and contribute 2.8% of their wages through payroll withholdings. The Town contributed an additional 2.75% of the employees' wages for the three quarters ended June 30, 1998, and 1.75% of the employees' wages for the quarter ended September 30, 1998. Total expenditures were \$8,837 for the fiscal year.

Qualifying policemen of the Town are members of the Police Retirement System of the State of Louisiana and contributed 2.9% of their annual wages through payroll withholdings. The Town contributed an additional 5% of the employees' wages. The Town's contribution to the plan totaled \$11,383 based on \$126,905 of eligible wages for the year ended September 30, 1998. The amounts are paid to the Retirement System, which is responsible for administering the plan and distributing benefits.

NOTE 10 - INTERFUND RECEIVABLE AND PAYABLE BALANCES

Interfund balances at September 30, 1998, were as follows:

	Interfund	
	Receivable	Payable
General Fund		
Gas Utility Fund	\$ 7,488	\$ -
Waterworks Utility Fund	7,518	-
Sewerage Utility Fund	7,518	-
Section 8	500	-
Sales Tax Fund		
1992 Sinking Fund	-	791
1992 Sinking Fund		
Sales Tax Fund	791	-
Section 8		
General Fund	-	500
Enterprise Funds		
Gas Utility Fund		
General Fund	-	7,488
Waterworks Utility Fund		
General Fund	-	7,518
Sewerage Utility Fund		
General Fund	-	7,518
	<u>\$ 23,535</u>	<u>\$ 23,535</u>

NOTE 11 - INTERFUND TRANSFERS

Residual Equity Transfer

A residual equity transfer of \$108,631 was made from the Sales Tax Fund to the Waterworks Utility Fund to finance certain improvements to the water tower.

Operating Transfers

Operating transfers for the year ended September 30, 1998, were as follows:

	Transfers	
	In	Out
General Fund	\$ 658,580	\$ -
Special Revenue Fund:		
Sales Tax	-	804,130
Debt Service Funds:		
1992 Sinking Fund	158,919	-
1992 Reserve Fund	-	8,525
1997 Sinking Fund	38,673	-
Capital Project Fund	82,524	-
Enterprise Fund:		
Gas Utility Fund	-	27,000
	<u>\$ 939,696</u>	<u>\$ 839,655</u>

NOTE 12- COMPENSATION TO GOVERNING BODIES

The Town compensated its Mayor and members of the Board of Aldermen as follows:

Mayor	
Maurice Brown	\$ 9,355
Board of Aldermen	
Barbara O'Leary	4,758
John Donatelli	4,758
Steve Dolson	4,758
Harold Schenayder	4,758
Ernest Allen	4,758
	<u>\$ 32,142</u>

NOTE 13- COMMITMENTS AND CONTINGENCIES

Contracted

At September 30, 1998, the Town had outstanding commitments resulting from construction and engineering contracts of approximately \$121,000.

Sewer Revenue Bonds

On June 25, 1998, the Town entered into a loan agreement with the U.S. Department of Agriculture which authorized the incurrence of indebtedness of \$98,000 for capital improvements to the Town's sewerage system. In addition, the U.S. Department of Agriculture has approved \$138,000 of grant funding for this capital improvement project.

Water Revenue Bonds

On September 8, 1997, the Town entered into a loan agreement with the Federal Home Administration which authorized the incurrence of indebtedness of \$250,000 payable over 40 years at 5% per annum. The debt is for the rehabilitation of the Town's water tank and system.

During the year ended September 30, 1998, the Town received \$119,800 in proceeds from this debt issuance. The remaining balance of \$130,200 is scheduled to be received by the Town during the next fiscal year.

Litigation

A suit arising from operation of the police department has been filed against the Town. The suit is covered by insurance; however, the ultimate effect of such litigation cannot be ascertained at this time. It is the opinion of Town management that the ultimate resolution of such litigation will not have a material effect on the financial position of the Town. The Town is vigorously defending this matter.

Various other suits and claims arising in the ordinary course of operations are pending against the Town. The majority of the assets are either covered by insurance or other defenses; however, the ultimate effect of such litigation cannot be ascertained at this time. It is the opinion of the Town's management that the ultimate resolution of such litigation will not have a material effect on the financial position of the Town.

NOTE 13 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Grants

The Town receives Federal, State and local grants for specific purposes that are subject to audit by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. It is the opinion of Town management that the Town's compliance with the terms of grants will result in no disallowed costs.

NOTE 14 - YEAR 2000 ISSUE

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations for the fiscal year ending September 30, 2000.

The Town of White Castle has completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 issue and that are necessary to conducting Town operations. The Town has identified such systems as being financial reporting, payroll, and utility operations.

The Town is assessing the changes needed to these systems to be Year 2000 compliant. As September 30, 1998, no amounts were expended or had been committed for this project.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Management cannot assure that the Town is or will be Year 2000 ready, that the Town's remediation efforts will be successful in whole or in part, or that parties with whom the Town does business will be Year 2000 ready.

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

**TOWN OF WHITE CASTLE, LOUISIANA
GENERAL FUND**

BALANCE SHEET

September 30, 1998

	<u>1998</u>	<u>1997</u>
ASSETS		
Cash and cash equivalents	\$ 20,990	\$ 33,993
Investments, at cost	132,596	-
Due from other funds	<u>22,604</u>	<u>149,419</u>
Total assets	<u>\$ 165,786</u>	<u>\$ 183,402</u>
LIABILITIES		
Accounts payable	\$ 55,789	\$ 23,001
Payroll and related payables	<u>19,251</u>	<u>60,825</u>
Total liabilities	68,020	53,826
FUND BALANCE		
Undesignated	<u>96,766</u>	<u>129,156</u>
Total liabilities and fund balance	<u>\$ 165,786</u>	<u>\$ 183,002</u>

**TOWN OF WHITE CASTLE, LOUISIANA
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended September 30, 1998

	1998		Variance - favorable (unfavorable)	1997 Actual
	Budget	Actual		
REVENUES				
Taxes				
Ad valorem	\$ 22,590	\$ 22,792	\$ 162	\$ 21,001
Public utility franchise	20,620	20,683	5	20,464
Cable T.V. franchise	4,900	5,043	143	4,788
License and permits	58,000	57,184	(816)	66,806
Intergovernmental				
Tobacco	10,998	10,998	-	10,998
Recreation	50,000	28,280	(21,720)	50,000
Road	4,600	5,875	1,275	3,572
Video poker	18,500	18,046	(454)	16,382
Fire insurance	11,000	5,482	(5,518)	-
Local housing authority	14,000	17,254	3,254	15,870
Fees	52,000	53,687	1,687	22,985
Other				
Lease and royalty	4,800	4,473	(327)	4,004
Interest	800	885	85	-
Miscellaneous	4,000	5,353	1,353	10,836
Total revenues	\$ 276,888	\$ 266,180	\$ (20,701)	\$ 248,472

(continued)

TOWN OF WHITE CASTLE, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

For the year ended September 30, 1998

	1998		Variance - Favorable (unfavorable)	1997 Actual
	Budget	Actual		
EXPENDITURES				
General government	234,163	268,855	(34,691)	286,581
Public safety	439,288	489,944	49,744	488,275
Streets and sanitation	145,326	113,842	31,684	198,139
Public health	32,000	32,358	(358)	34,999
Recreation	142,600	119,968	2,232	49,440
Total expenditures	993,377	944,967	4,778	837,435
Excess of expenditures over revenues	(536,483)	(640,690)	(104,207)	(580,690)
OTHER FINANCING SOURCES				
Operating transfers in	678,500	658,500	-	549,669
Excess (deficiency) of revenues over expenditures and other sources	\$ (117,983)	(32,589)	\$ (104,207)	(41,851)
FUND BALANCE				
Beginning of year		128,158		170,237
End of year		\$ 96,766		\$ 128,158

Notes on Exhibit A-8 are an integral part of this statement.

**TOWN OF WHITE CASTLE, LOUISIANA
GENERAL FUND**

**STATEMENT OF DEPARTMENTAL EXPENDITURES -
BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended September 30, 1991

	1991		Variance: (favorable/ unfavorable)	1991 Actual
	Budget	Actual		
GENERAL GOVERNMENT				
Salaries	\$ 30,000	\$ 28,375	\$ 1,625	\$ 30,414
Payroll taxes	5,000	5,700	(700)	4,823
Municipal retirement	1,000	1,245	(245)	1,502
Employer's insurance	20,210	20,210	0.00	22,032
Insurance	28,000	28,128	(128)	30,479
Accounting	28,000	20,971	7,029	8,918
Legal fees	27,000	30,168	(3,168)	19,815
General fixed assets	15,000	17,214	(2,214)	7,491
Maintenance - building	8,200	14,377	(6,177)	18,320
Publishing	8,000	12,865	(4,865)	7,110
Office supplies	4,500	3,914	586	3,879
Fuels and other options	7,500	7,808	(308)	3,664
Copier's fee	3,000	5,170	(2,170)	710
Telephone	8,000	5,898	2,102	4,410
Travel	28,000	22,890	5,110	28,610
Printing	450	714	(264)	-
Contract on Aging	3,000	3,896	(896)	4,412
Commissioners	1,500	1,500	-	1,500
Drug testing	500	811	(311)	99
Maintenance contract	3,500	4,260	(760)	2,996
Appraisals	500	500	-	500
Other	17,600	17,714	(114)	18,088
Total general government	244,861	268,652	(23,791)	290,744
RECREATION				
Capital outlay	141,200	118,729	22,471	48,499
Utilities	1,000	1,128	(128)	111
Materials and supplies	-	-	-	828
Total recreation	142,200	119,857	22,343	49,438
PUBLIC HEALTH				
	12,800	12,714	(86)	10,722

**TOWN OF WHITE CASTLE, LOUISIANA
GENERAL FUND**

**STATEMENT OF DEPARTMENTAL EXPENDITURES -
BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended September 30, 1998

	1998		Variance - Favorable (or Unfavorable)	1997 Actual
	Budget	Actual		
PUBLIC SAFETY				
Police				
Salaries	290,000	293,778	3,778	293,375
Flycatch taxes	18,000	18,000	000	18,000
Miscellaneous	18,000	11,860	(6,140)	5,896
Employee's insurance	40,400	51,194	10,794	57,172
General fixed assets	23,100	19,774	3,326	38,429
Maintenance - vehicle	18,000	13,408	4,592	8,340
Insurance	3,100	4,640	1,540	-
Field supplies	300	4,607	(4,307)	8,227
Clothing	3,100	3,287	187	4,900
Printing	800	608	192	1,000
Out hours	6,000	2,375	3,625	3,890
Drug testing	700	766	96	602
Maintenance - building	300	427	127	527
Vehicle fuel	6,000	6,827	827	5,220
Does and seatbelt options	250	219	31	194
Travel	4,300	4,365	65	1,090
Telephone	3,000	3,004	4	485
Maintenance contracts	250	280	30	787
Other	8,700	8,998	2,298	8,920
Total police	482,140	584,728	102,588	714,680
Volunteer fire				
Tools and equipment	14,000	14,928	(928)	32,527
Vehicle fuel	3,000	1,203	(1,797)	127
Telephone	800	582	218	733
Total volunteer fire	17,800	16,713	(1,087)	33,287
Total public safety	500,000	601,441	101,501	747,967

**TOWN OF WHITE CASTLE, LOUISIANA
GENERAL FUND**

**STATEMENT OF DEPARTMENTAL EXPENDITURES -
BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended September 30, 1997

	1997		Variance - Favorable (unfavorable)	1997 Actual
	Budget	Actual		
STREETS AND SANITATION				
Salaries	57,800	58,865	(1,065)	55,607
Employer's insurance	13,700	18,479	4,779	13,651
Payroll taxes	4,414	4,711	(297)	4,079
Municipal retirement	1,470	1,779	309	1,059
Insurance	2,300	1,059	1,241	-
Maintenance - equipment	4,340	3,300	1,040	1,966
Maintenance - street	6,500	638	5,862	8,037
Maintenance - vehicle	2,000	5,035	(3,035)	600
Utilities	44,000	44,267	(267)	49,290
Vehicle fuel	2,000	2,000	0	1,817
Chemicals	1,500	1,500	0	1,457
Drug testing	200	175	25	80
Order	2,000	290	1,710	55
Total streets and sanitation	145,230	133,647	11,583	118,071
Total expenses	\$ 815,374	\$ 944,997	\$ -1,293	\$ 877,628

Notes on Exhibit A-4 are an integral part of this statement.

SPECIAL REVENUE FUNDS

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

TOWN OF WHITE CASTLE, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

September 30, 1999

	Sales Tax		Total	
	Fund	Section B	1999	1997
ASSETS				
Cash and cash equivalents	\$ 92,244	\$ 17,620	\$ 109,864	\$ 200,580
Investments, at cost	863,485	-	863,485	748,218
Interest receivable	3,260	-	3,260	-
Due from other governments	46,854	-	46,854	43,692
Total assets	\$ 1,005,123	\$ 17,620	\$ 1,022,743	\$ 1,899,892
LIABILITIES				
Due to other funds	\$ 791	\$ 580	\$ 1,371	\$ -
Deferred income	-	13,120	13,120	46,461
Total liabilities	791	13,620	14,421	46,461
FUND BALANCE				
Designated - subsequent year's expenditures	112,982	-	112,982	162,184
Undesignated	892,120	-	892,120	862,988
Total fund balance	1,005,102	-	1,005,102	1,025,182
Total liabilities and fund balance	\$ 1,005,123	\$ 17,620	\$ 1,022,743	\$ 1,899,892

Notes to Exhibit B-6 are an integral part of this statement.

**TOWN OF WHITE CASTLE, LOUISIANA
SPECIAL REVENUE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

For the year ended September 30, 1995

	Sales Tax		Total	
	Fund	Section B -	1994	1995
REVENUES				
Intergovernmental				
Beverly Parish sales tax	\$ 680,745	\$ -	\$ 680,745	\$ 753,670
BLD receipts	-	58,997	58,997	23,795
Other				
Interest	41,607	883	41,898	41,268
Total revenues	721,792	59,880	773,580	823,793
EXPENDITURES				
Public health				
Rent and utility assistance	-	45,290	45,290	22,987
Administrative	-	6,010	6,010	2,827
Audit	-	300	300	-
Total expenditures	-	51,600	51,600	25,814
Excess of revenues over expenditures	721,792	-	721,792	797,979
OTHER FINANCING USES				
Operating transfers out	(584,133)	-	(584,133)	(626,023)
Excess (deficiency) of revenues over expenditures and other financing uses	(182,339)	-	(182,339)	171,956
FUND BALANCE				
Beginning of year	1,025,192	-	1,025,192	893,603
Residual equity transfer	(138,453)	-	(138,453)	873,923
End of year	\$ 786,739	\$ -	\$ 786,739	\$ 1,025,192

Notes on Exhibit A-4 are an integral part of this statement.

**TOWN OF WHITE CASTLE, LOUISIANA
SALES TAX FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended September 30, 1998

	1998		Variance - Favorable (unfavorable)	1997 Actual
	Budget	Actual		
REVENUES				
Intergovernmental				
Harris Parish sales tax	\$ 780,800	\$ 680,743	\$ (199,057)	\$ 707,672
Other				
Interest	40,100	41,027	1,093	48,009
Total revenues	<u>820,900</u>	<u>721,770</u>	<u>(99,130)</u>	<u>755,681</u>
OTHER FINANCING USES				
Operating transfers out	<u>(903,082)</u>	<u>(880,151)</u>	<u>22,931</u>	<u>(828,271)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	<u>\$ (171,464)</u>	<u>141,619</u>	<u>\$ (313,083)</u>	<u>141,269</u>
FUND BALANCE				
Beginning of year		1,825,192		873,920
Residual equity transfer		<u>(1,038,421)</u>		<u> </u>
End of year		<u>\$ 786,771</u>		<u>\$ 1,825,192</u>

Notes to Exhibit C follow as integral part of this statement.

TOWN OF WHITE CASTLE, LOUISIANA
SECTION 8

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended September 30, 1998

	1998		Variance - Favorable (unfavorable)	1997 Actual
	Budget	Actual		
REVENUES				
Intergovernmental				
HHS receipts	\$ 54,208	\$ 48,997	\$ (5,211)	\$ 25,735
Other				
Interest	1,808	881	(927)	1,279
Total revenues	<u>56,016</u>	<u>49,878</u>	<u>(6,138)</u>	<u>27,014</u>
EXPENDITURES				
Public health				
Rent and utility assistance	44,948	49,290	(4,342)	22,987
Administrative	8,748	8,930	(1,182)	2,807
Audit	1,508	580	1,028	-
Total expenditures	<u>55,204</u>	<u>60,800</u>	<u>5,596</u>	<u>25,794</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
FUND BALANCE				
Beginning of year		-		-
End of year		<u>\$ -</u>		<u>\$ -</u>

Notes on Exhibit A-6 are an integral part of this statement.

DEBT SERVICE FUNDS

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

**TOWN OF WHITE CASTLE, LOUISIANA
DEBT SERVICE FUNDS**

COMBINING BALANCE SHEET

September 30, 1998

	Public Improvement Bonds Sales Tax Bonds		Certificate of Indebtedness	Total	
	1992 Sinking Fund	1992 Reserve Fund	1997 Sinking Fund	1998	1997
ASSETS					
Cash and cash equivalents	\$ 60,568	\$ -	\$ 14,808	\$ 81,568	\$ 76,960
Investments, at cost	-	144,000	-	144,000	144,000
Interest receivable	724	-	-	724	-
Due from other funds	720	-	-	720	-
Total assets	\$ 62,012	\$ 144,000	\$ 14,808	\$ 216,993	\$ 214,960
FUND BALANCE					
Reserved - debt service	\$ 62,012	\$ 144,000	\$ 14,808	\$ 216,993	\$ 214,960

Notes on Exhibit A-4 are an integral part of this statement

**TOWN OF WHITE CASTLE, LOUISIANA
DEBT SERVICE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES**

For the year ended September 30, 1997

	Public Improvement Bonds Sales Tax Bonds		Certificates of Indebtedness	Total	
	1997 Bonding Fund	1997 Reserve Fund	1997 Bonding Fund	1996	1997
REVENUES					
Other					
Interest	\$ 0	\$ 8,575	\$ 3,188	\$ 9,713	\$ 9,713
EXPENDITURES					
DEBT SERVICE					
Principal retirement	83,880	-	23,008	103,008	75,880
Interest and fiscal charges	49,897	-	14,698	83,793	74,861
Total expenditures	133,777	-	37,696	186,793	149,661
Excess (deficiency) of revenues over expenditures	(133,777)	8,575	(36,508)	(171,688)	(141,491)
OTHER FINANCINGS SOURCES (USES)					
Operating transfers in	188,899	-	38,673	187,612	345,549
Operating transfers out	-	(8,575)	-	(8,575)	(8,796)
Total other financing sources (uses)	188,899	(8,575)	38,673	186,997	360,253
Excess of revenues over expenditures and other financing sources (uses)	5,122	-	2,165	12,617	18,760
FUND BALANCE:					
Beginning of year	58,170	144,880	12,643	214,966	194,206
End of year	\$ 63,292	\$ 144,880	\$ 14,808	\$ 228,980	\$ 214,966

Notes on Exhibit A-6 are an integral part of this statement.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for the proceeds of a bond issue for the purpose of street and drainage improvements in White Center. Such expenditures are to be funded with the proceeds of public improvement bonds.

**TOWN OF WHITE CASTLE, LOUISIANA
CAPITAL PROJECT FUND**

BALANCE SHEET

September 30, 1998

	1998	1997
ASSETS		
Cash and cash equivalents	\$ -	\$ 64,754
Investments, at cost	-	288,000
Total assets	\$ -	\$ 352,754
LIABILITIES		
Accounts payable	\$ -	\$ 72,091
FUND BALANCE		
Unassigned	-	280,753
Total liabilities and fund balance	\$ -	\$ 352,754

**TOWN OF WHITE CASTLE, LOUISIANA
CAPITAL PROJECT FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended September 30, 1998

	1998		Variance - favorable (unfavorable)	1997 Actual
	Budget	Actual		
REVENUES				
Other				
Incentive	\$ 480	\$ 2,136	\$ 2,136	\$ 1,881
EXPENDITURES				
Capital projects				
Contract payments	275,709	266,709	16,800	48,009
Engineering	21,080	28,889	116	28,165
Professional	-	290	(290)	3,946
Total expenditures	296,789	295,888	906	101,120
Excess (deficiency) of revenues over expenditures	(296,299)	(294,277)	11,882	(99,287)
OTHER FINANCING SOURCES				
Proceeds from long-term debt	-	-	-	308,080
Operating transfers in	95,586	83,524	(11,982)	-
Total other financing sources	95,586	83,524	11,982	308,080
Excess (deficiency) of revenues over expenditures and other financing sources	\$ (200,713)	(208,716)	\$ -	308,713
FUND BALANCE				
Beginning of year		308,713		-
End of year		\$ -		\$ 308,713

Notes to Exhibit A-4 are an integral part of this statement.

PROPRIETARY (ENTERPRISE) FUNDS

Proprietary (Enterprise) Funds are used to account for operations that are similar to private business enterprises. The intent is that the costs of providing services to the general public on a continuing basis be financed through user charges.

TOWN OF WHITE CASTLE, LOUISIANA
ENTERPRISE FUNDS

COMBINING BALANCE SHEET

September 30, 1998

	ASSETS				Total
	Gas Utility Fund	Waterworks Utility Fund	Sewerage Utility Fund	1998	
CURRENT ASSETS	\$	\$	\$	\$	\$
Cash and cash equivalents	24,002	22,318	25,278	76,008	153,799
Investments, at cost	156,610	152,674	154,372	463,756	493,772
Accounts receivable, net	8,746	14,418	19,171	42,335	42,335
Prepaid insurance	-	-	-	-	2,186
Inventory, at cost	1,729	1,895	-	3,624	5,619
Total current assets	221,087	171,425	198,821	596,342	795,912
RESTRICTED ASSETS, net	79,981	70,166	10,483	160,630	69,125
PROPERTY ASSETS, net	61,522	532,415	2,398,157	3,492,094	2,811,995
Total assets	\$ 362,590	\$ 734,006	\$ 2,409,461	\$ 3,548,066	\$ 3,677,032

LIABILITIES

CURRENT	2024	2023	2022	2021
Accounts payable	15,262	31,365	18,009	804,478
Payroll and related liabilities	19,998	309	371	17,044
Due to other funds	1,882	7,218	2,538	32,124
Other current liabilities	1,509	301	377	4,581
Current portion of long-term debt	-	472	22,481	28,181
Total current liabilities	38,551	42,365	24,486	878,006
Payable from encumbered assets				
Customer deposits	19,881	24,300	-	64,784
Long-term debt	-	192,378	844,093	1,865,463
Total liabilities	58,432	267,043	928,581	2,808,257

CAPITAL

CONTRIBUTIONS				
From municipality	-	289,341	-	289,163
From grants	-	-	1,066,173	1,866,273
From federal grant	-	116,009	-	116,008
RETAINED EARNINGS				
Reserved - debt extinguishment	-	218	13,379	15,889
Reserved - property, repairs and replacement	-	4,814	13,649	29,009
Designated - subsequent year's expenditures	-	16,218	3,323	23,429
Unreserved	202,241	157,878	422,161	817,272
Total capital	202,241	286,365	1,611,981	2,846,989
Total liabilities and capital	58,432	267,043	2,550,562	2,748,385

Notes on Exhibit B.6 are an integral part of this statement.

**TOWN OF WHITE CASTLE, LOUISIANA
ENTERPRISE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS**

For the year ended September 30, 1994

	Gas Utility Fund	Waterworks Utility Fund	Sewerage Utility Fund	Total	
				1994	1993
OPERATING REVENUES					
Charges for services	\$ 234,207	\$ 142,731	\$ 202,067	\$ 579,005	\$ 461,711
Penalties	20,679	-	-	20,679	20,684
Other	90	83	82	1,755	1,381
Total operating revenues	<u>274,976</u>	<u>142,814</u>	<u>202,149</u>	<u>618,934</u>	<u>483,776</u>
OPERATING EXPENSES					
Gas %	83,138	-	-	83,138	80,665
Depreciation	5,034	23,438	112,852	141,324	130,280
Field	14,787	83,733	81,628	280,148	265,188
Administration	47,653	52,481	50,473	150,607	138,428
Total operating expenses	<u>150,602</u>	<u>159,652</u>	<u>247,953</u>	<u>558,207</u>	<u>494,561</u>
Operating income (loss)	<u>124,374</u>	<u>(16,838)</u>	<u>(45,804)</u>	<u>(17,831)</u>	<u>(10,785)</u>
NONOPERATING					
Interest income	36,443	3,977	9,762	50,182	36,864
Interest expense	-	-	(28,382)	(48,382)	(28,388)
Total nonoperating	<u>36,443</u>	<u>3,977</u>	<u>(18,620)</u>	<u>(11,443)</u>	<u>(8,524)</u>
Income (loss) before operating transfers	<u>160,817</u>	<u>(12,861)</u>	<u>(56,062)</u>	<u>(40,971)</u>	<u>11,004</u>
OPERATING TRANSFERS					
Operating transfers out	<u>(27,000)</u>	<u>-</u>	<u>-</u>	<u>(27,000)</u>	<u>(27,000)</u>
Net income (loss)	<u>133,817</u>	<u>(12,861)</u>	<u>(56,062)</u>	<u>(67,971)</u>	<u>(15,996)</u>
Depositable transfers of restricted capital	<u>-</u>	<u>-</u>	<u>46,318</u>	<u>46,318</u>	<u>46,318</u>
Net change: Increased (or decreased) earnings	<u>133,817</u>	<u>(12,861)</u>	<u>(9,744)</u>	<u>(21,453)</u>	<u>30,630</u>
RETAINED EARNINGS					
Beginning balance	<u>299,884</u>	<u>291,144</u>	<u>487,282</u>	<u>1,078,310</u>	<u>931,728</u>
Ending balance	<u>\$ 433,701</u>	<u>\$ 278,283</u>	<u>\$ 477,538</u>	<u>\$ 1,189,522</u>	<u>\$ 962,358</u>

Notes on Exhibit A-4 are an integral part of this statement

**TOWN OF WHITE CASTLE, LOUISIANA
ENTERPRISE FUNDS**

COMBINING STATEMENT OF OPERATING EXPENSES

For the year ended September 30, 1998

EXPENSE	Gas	Waterworks	Sewerage	Total	
	Utility Fund	Utility Fund	Utility Fund	1998	1997
Gas	\$ 183,718	\$ -	\$ -	\$ 183,718	\$ 88,913
Depreciation	9,824	21,408	102,852	149,190	151,381
Field					
Salaries	51,861	40,486	23,400	115,748	118,908
Payroll taxes	3,181	4,218	2,896	10,295	10,927
Municipal retirement	1,897	1,658	974	4,529	4,608
Employees' insurance	-	-	5,154	5,154	5,280
Maintenance - equipment	1,114	148	9,148	10,410	7,651
Chemical	-	36,882	6,358	43,242	28,015
Tools	181	-	-	181	-
Field supplies	4,649	9,177	4,177	18,003	13,088
Uncollectible	-	1,189	-	1,189	474
Disability paid	-	-	1,115	1,115	1,983
Engineering	901	-	2,119	3,020	6,286
Drug testing	217	88	-	305	1,781
Other	2,898	-	158	3,056	3,778
Total field	74,781	81,725	58,876	215,382	207,148
Administration					
Salaries	12,348	12,088	12,000	36,436	36,388
Employee benefits	3,860	2,654	-	6,514	11,777
Insurance	14,348	14,487	14,388	43,223	29,148
Office supplies	317	300	311	928	3,108
Uncollectible	2,278	-	1,218	3,496	1,758
Computer service	780	780	622	2,182	12,214
Utilities	1,108	18,280	18,708	38,096	21,774
Telephone	2,310	1,940	2,071	6,321	6,888
Fuel	618	478	367	1,463	1,692
Printing	388	328	328	1,044	310
Dues and subscriptions	-	158	-	158	215
Travel	-	35	904	939	730
Vehicle maintenance	958	3,128	2,128	6,214	4,628
Professional	6,300	6,000	6,300	18,600	8,447
Total administration	42,612	50,881	48,471	141,964	126,889
Total operating expenses	\$ 218,492	\$ 158,894	\$ 210,247	\$ 687,442	\$ 315,222

Notes on Exhibit A-6 are an integral part of this statement

GENERAL FIXED ASSETS ACCOUNT GROUP

This account group is used to establish accounting control and accountability for the Town's general fixed assets.

TOWN OF WHITE CASTLE, LOUISIANA

STATEMENT OF GENERAL FIXED ASSETS

September 30, 1999

	<u>1998</u>	<u>1997</u>
GENERAL FIXED ASSETS		
Land	\$ 292,266	\$ 292,266
Buildings	1,121,636	982,306
Improvements other than building	359,178	359,178
Equipment	<u>849,872</u>	<u>826,034</u>
 Total	 <u>\$ 2,582,944</u>	 <u>\$ 2,479,976</u>
INVESTMENTS IN GENERAL FIXED ASSETS		
General obligation bonds	\$ 34,062	\$ 34,062
Sales tax revenues	386,036	386,036
Federal revenue sharing	85,768	85,768
General fund	1,004,135	871,167
State revenue sharing	37,360	37,360
Special revenue funds	359,823	359,823
State grant	191,478	191,478
Capital projects fund	236,147	236,147
Donation	<u>38,168</u>	<u>38,168</u>
 Total	 <u>\$ 2,582,944</u>	 <u>\$ 2,479,976</u>

Notes on Schedule A-4 are an integral part of this statement.

GENERAL LONG-TERM DEBT ACCOUNT GROUP

This account group is used to account for unamortized general long-term liabilities of the Town except for those in the proprietary funds.

TOWN OF WHITE CASTLE, LOUISIANA
COMBINING STATEMENT OF GENERAL LONG-TERM DEBT

September 30, 1998

	Public	Municipal	Sewer	Water	Total
Improvement Bond Sales Tax	Bonds - 1992	Bonds - 1992	Bonds - 1992	Bonds - 1992	Bonds - 1992

AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE PAYMENT OF GENERAL LONG-TERM DEBT

Amount available in debt service funds for debt retirement

\$ 212,184 \$ 14,809 \$ - \$ 226,993 \$ 214,980

Amount to be provided for general long-term debt

\$17,816 262,190 8,418 1,088,417 1,276,186

Total available and to be provided

\$ 1,890,000 \$ 277,009 \$ 8,418 \$ 1,319,819 \$ 1,423,072

GENERAL LONG-TERM DEBT PAYABLE

Bond payable, current principal and accrued but not yet paid interest

\$ 1,890,000 \$ 277,009 \$ 8,418 \$ 1,319,819 \$ 1,423,072

SUPPLEMENTARY FINANCIAL INFORMATION

TOWN OF WHITE CASTLE, LOUISIANA

COMPARATIVE SCHEDULE OF BONDED DEBT

September 30, 1998

	Interest		Term	Maturity	Bonds			
	Rate	Payment			Authorized	Issued	Retired	Outstanding
Public Improvement Bonds Secured by sales tax	6% - 6.75%	217,971	20/30	3/1997	\$ 1,440,000	\$ 1,440,000	\$ 418,000	\$ 1,022,000
Street Revenue Bonds Secured by sewer fees	3.00%	Monthly	6/25/94	5/2/14	\$ 1,877,280	\$ 1,877,280	\$ 105,214	\$ 872,066
Water Revenue Bonds Secured by water fees	4.75%	Monthly	4/1/98	3/28/98	\$ 250,000	\$ 119,800	\$ -	\$ 119,800

TOWN OF WHITE CASTLE, LOUISIANA

BONDED DEBT

Public Improvement Bonds, Series 1992, Dated March 1, 1992

Interest Payable March 1 and September 1 of Each Year

September 30, 1998

Maturity	Interest Rate	Principal	Yearly Payments		Bonds Outstanding
			Interest	Total	
1999	8.0%	\$ 80,000	\$ 62,996	\$ 147,996	\$ 945,000
2000	8.1%	90,000	57,700	147,700	855,000
2001	8.2%	100,000	51,850	151,850	755,000
2002	6.5%	109,000	45,447	150,447	645,000
2003	6.0%	110,000	38,629	148,629	540,000
2004	6.5%	120,000	31,268	151,268	420,000
2005	6.5%	130,000	23,075	153,075	290,000
2006	6.5%	140,000	14,500	154,500	150,000
2007	6.5%	150,000	4,878	154,878	-
Total		\$ 1,030,000	\$ 330,069	\$ 1,360,069	

Original issue dated March 1, 1992, for \$1,440,000. Paying agent, First National Bank of Commerce in New Orleans, Louisiana.

This obligation was incurred for the purpose of construction, acquiring and/or improving streets, street lighting and sidewalks, and a municipal police and jail building.

The bonds are secured by an irrevocable pledge and dedication of the Town's allocation of the avails of proceeds of the special two-thirds of one percent (2 2/3%) sales and use tax levied and collected by the Parish of Iberville, State of Louisiana.

TOWN OF WHITE CASTLE, LOUISIANA

BONDED DEBT

Sewer Revenue Bonds, Dated May 25, 1994

Principal and Interest Payable on the 25th Day of Each Month

September 30, 1998

Maturity	Interest Rate	Principal	Yearly Payments		Bonds Outstanding
			Interest	Total	
1999	5.0%	\$ 37,681	\$ 47,968	\$ 75,641	\$ 944,884
2000	5.0%	29,898	48,543	75,641	914,986
2001	5.0%	20,586	45,025	75,641	884,400
2002	5.0%	11,150	43,490	75,641	852,250
2003	5.0%	33,756	41,845	75,641	818,454
2004	5.0%	33,524	40,117	75,641	782,930
2005	5.0%	37,342	38,299	75,641	745,588
2006	5.0%	39,253	36,388	75,641	706,335
2007	5.0%	41,260	34,380	75,641	665,074
2008	5.0%	43,372	32,268	75,641	621,702
2009	5.0%	45,598	30,051	75,641	576,212
2010	5.0%	47,927	27,718	75,641	528,589
2011	5.0%	50,379	25,268	75,641	477,814
2012	5.0%	52,953	22,688	75,641	424,861
2013	5.0%	55,662	19,979	75,641	368,899
2014	5.0%	58,509	17,132	75,641	310,000
2015	5.0%	61,500	14,138	75,641	248,182
2016	5.0%	64,638	10,991	75,641	184,533
2017	5.0%	67,927	7,684	75,641	118,950
2018	5.0%	71,469	4,268	75,641	43,047
2019	5.0%	45,147	734	45,921	
		<u>\$ 971,765</u>	<u>\$ 585,915</u>	<u>\$ 1,558,741</u>	

Original issue dated May 25, 1994, for \$1,077,508. Paying agent, Farmers Home Administration in Bogalusa, Louisiana

This obligation was incurred for the purpose of constructing a wastewater treatment facility and sewer force main.

Payments of principal and interest on bonds are secured by and payable solely from revenues generated by sewer fees.

TOWN OF WHITE CASTLE, LOUISIANA
SCHEDULE OF SUPPLEMENTARY INFORMATION

September 30, 1998
 (Without Audit)

Records maintained by the Town of White Castle indicated there were 811 customers serviced by the Sewer Utility Fund at September 30, 1998.

At September 30, 1998, the aging of accounts receivable for the Enterprise Funds were as follows:

Current	\$ 43,965
31-60 days	6,613
Over 60 days	<u>1,752</u>
	<u>\$ 52,330</u>

During the fiscal year ended September 30, 1998, the Town processed 126,824 gallons of sludge through the sewer treatment system.

TOWN OF WHITE CASTLE, LOUISIANA

SCHEDULE OF PAYROLL LIABILITIES

September 30, 2016
(Unaudited)

Item	Kind of Liability	Program/Account Name	Amount	Expiration Date		
Louisiana Municipal Bond Management Agency	Interest due	SA Interest due	\$	\$0.00	May 1, 2017	
		Commercial General Liability	Firearm Operations, General Liability	\$00.00	May 1, 2017	
	Less: unearned compensation liability	Firearm and Unmanned Operation	\$00.00	May 1, 2017		
		Medical payments	\$4,000 per occurrence	May 1, 2017		
		Fire/Exp. Liability	\$1,000 per occurrence	May 1, 2017		
		Liability policies	\$00.00	May 1, 2017		
		Public officials/errors & omissions liability	Public officials errors & omissions	\$00.00	May 1, 2017	
		Workers compensation	Flight employees	Monthly	May 1, 2017	
		Other Liabilities	Commercial property	Fire/Exp. Insur. policy, 100% Bldg. 604	\$00.00	October 31, 2016
				Computers	0.00	October 31, 2016
Fire and extended coverage	ATA Building (other policy to ATA Building system)		47,000	October 31, 2016		
	0.00		0.00			
Fire and extended coverage	Ware house (other policy to 8 also previous policy) (other)		100,000	October 31, 2016		
	47,000		47,000			
Fire and extended coverage	Truck and 1 car garage, 100% Bldg. 6, 1-truck and 1 car garage		200,000	October 31, 2016		
	47,000		47,000			
Fire and extended coverage	Jail house, 100% Bldg. 6, Bldg. 6, Jail house		100,000	October 31, 2016		
	50,000		50,000			
Fire and extended coverage	Fire station, 100% Bldg. 604	80,000	October 31, 2016			
	0.00	0.00				
Fire and extended coverage	City of Aging Building, 100% - Later to City of Aging Building system	100,000	October 31, 2016			
	10,000	10,000				
Fire and extended coverage	Building, 100% Bldg. 6, Office	100,000	October 31, 2016			
	20,000	20,000				
Fire and extended coverage	Storage/pumping station, 100% Bldg. 6	50,000	October 31, 2016			
	0.00	0.00				
Fire and extended coverage	Storage/pumping station, 100% Bldg. 6	50,000	October 31, 2016			
	0.00	0.00				
Fire and extended coverage	Storage/pumping station, 100% Bldg. 6	50,000	October 31, 2016			
	0.00	0.00				
Commercial related assets	Cy protection	\$2,000	October 31, 2016			
	Auto home insurance	\$0.00				
	Car insurance	\$0.00				
Commercial property coverage	Commercial auto, 100% Bldg. 6	200,000	October 31, 2016			
	0.00	0.00				
Non-current Assets	Capital assets fund	Equipment	75,000	August 31, 2017		
		Public employee liability fund	23,000	September 30, 2017		
		Capital assets fund	0.00	June 30, 2017		

SPECIAL INDEPENDENT AUDITORS' REPORTS



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

The Honorable Mayor and
Members of the Board of Aldermen,
Town of White Castle, Louisiana

We have notified the general purpose and the combining, individual fund and account groups financial statements of the **TOWN OF WHITE CASTLE, LOUISIANA**, as of and for the year ended September 30, 1998, and have issued our report therein dated December 7, 1998.

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

Compliance

As part of obtaining reasonable assurance about whether the **TOWN OF WHITE CASTLE, LOUISIANA**'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, non-compliance 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 non-compliance that is required to be reported under Government Auditing Standards, which is as follows:

Illegal Payments

Observation: During the year ended September 30, 1998, the Town made commission payments to the Chief of Police for traffic tickets issued. The Chief of Police was paid \$2 for every ticket issued in the Town. During the year ended September 30, 1998, the Town paid \$778.

Recommendation: We recommend the Town discontinue such payments to the Chief of Police.

Management response: In July 1998, the Town discontinued the payment of a commission to the Chief of Police based on traffic ticket issuance.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the TOWN OF WHITE CASTLE, LOUISIANA's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving 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 entity's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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, the reportable conditions described below involving internal control over financial reporting are also considered to be material weaknesses as defined above.

SEGREGATION OF DUTIES

Observation: There is not sufficient segregation of duties to have effective internal control. The findings result from the small size of the Town, which is served by a limited accounting system. These limitations allow no opportunity for meaningful segregation of duties.

Recommendation: No action recommended.

Management response: We concur with the finding.

FINES

Observation: The Town's police department collects funds associated with fines. As collected, the funds are forwarded to the Town's administration department for deposit. The Town's police department maintains documentation to support the receipt of these funds. Based on our review of fine collection documentation, we discovered the following:

- Receipts were missing from the numerically sequenced receipt listing, through January 1998. Subsequent to January, receipts were present.
- Several employees of the police department were collecting fine payments.
- Partial payments on fines were maintained at the Town Hall until the fine is paid in full. The funds were not deposited on a daily basis.

- The Town collects checks for insufficient funds received by local businesses. The Town charges a \$30 fee to the individual with the NSF check. The funds were disbursed with cash by employees of the police department and recorded in the receipts ledger. No report is maintained by the Town documenting the collection of NSF balances, payment to the business and fee charged by the Town.

This is a prior year finding. During the year ended September 30, 1998, the Town purchased computer software designed to account for ticket issuance and subsequent cash collection. In April 1998, the Town began utilizing the computer software. On the other hand, the revised procedure was not sufficient to adequately address the reportable conditions.

Recommendations: We have the following recommendations concerning financial reporting of fines:

- Fine payments be collected through Town Hall by the utility clerks.
- Fine assessment and collection records be maintained by utilizing computer software purchased by the Town in 1998, to include the preparation of revenue reconciliations, ticket issuance records, and outstanding fines for appropriate collection measures.
- Collections and disbursements related to NSF checks be made through the Town's accounting office and recorded in the Town's accounting records.
- Partial payment collections be deposited on a daily basis.

Management response: The Town will enact a policy that will accomplish the following:

- Emphasize the job tasks required of the Secretary of the Chief of Police in the collection of fines, with a periodic audit of compliance therewith. Alternatively, the collection of such funds could be reassigned to the Town's Finance office.
- The collection of partial payments on fines assessed by the Town will be prohibited.
- NSF collections will be disbursed through the Town's Finance office.

This report is intended for the information of management, the Board of Aldermen, and the Legislative Auditors. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountants

Baton Rouge, Louisiana
December 7, 1998

TOWN OF WHITE CASTLE, LOUISIANA

SCHEDULE OF PRIOR YEAR FINDINGS

For the year ended September 30, 1998

97-8 Fixed Asset Management and Confiscated Goods Inventory

During the year ended September 30, 1997, a physical inventory listing of Town property and confiscated items made by the Police Department was not made. The Town conducted a physical inventory of such items for the year ended September 30, 1998.