

TOWN OF PLAIN BEALING, LOUISIANA

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## FINANCIAL STATEMENTS

December 31, 1998

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Please Date 06/16/99

SMITH PUGH BARBEROWITZ L.L.P.  
Certified Public Accountants  
Baton Rouge, Louisiana

**TOWN OF PLAIN BEALING, LOUISIANA**

**FINANCIAL STATEMENTS**

December 31, 1998

## TOWN OF PLAIN DEALING, LOUISIANA

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AUDITORS' REPORT-  
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**FINANCIAL  
SECTION**

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



SMITH PUGH RABINOWITZ L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

The Honorable David Smith, Mayor,  
 and the Members of the Board of Aldermen of  
 The Town of Plain Dealing, Louisiana

We have audited the accompanying general purpose financial statements and the combining and individual fund and account group financial statements of the Town of Plain Dealing, Louisiana, as of and for the year ended December 31, 1996, as listed in the accompanying 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.

Except as discussed in the following paragraph, 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 misstatements. 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 and related 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.

Governmental Accounting Standards Board Technical Bulletin 96-1, *Disclosure about Year 2000 Issues*, requires disclosure of certain matters regarding the year 2000 issue. The Town of Plain Dealing has included such disclosures in Note 5. Because of the unrepresented nature of the year 2000 issue, as affected by the success of related remediation efforts, we will be fully able to make audit for the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the Town of Plain Dealing's disclosures with respect to the year 2000 issue made in Note 5. Further, we do not provide assurance that the Town of Plain Dealing is or will be year 2000 ready, that the Town of Plain Dealing's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Town of Plain Dealing does business will be year 2000 ready.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine evidence supporting year 2000 disclosures, the general purpose financial statements referred above present fairly, in all material respects, the financial position of the Town of Plain Dealing, as of December 31, 1996, and the results of its operations and the cash flows of its proprietary, fund types and similar fund funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated February 12, 1997, on our consideration of the Town of Plain Dealing, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Town of Plain Dealing, Louisiana, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Plain Dealing, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

*Smith Pugh Rabinowitz LLP*  
 Certified Public Accountants

February 17, 1997



## **GENERAL PURPOSE FINANCIAL STATEMENTS**

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

**TOWN OF PLAINS DEALING, LOUISIANA**

Combined Balance Sheet - All Fund Types and Account Groups  
December 31, 1998

	Governmental Fund Type			Proprietary Fund Type		Special District	Overall Fund Assets	Overall Liabilities	Total Governmental Oblig.
	Assets	Liabilities	Net Assets	Assets	Liabilities				
<b>Cash</b>	\$ 54,136	\$ -	\$ 54,136	\$ 16,000	\$ 16,000	\$ -	\$ -	\$ -	\$ 170,146
<b>Accounts receivable</b>	56,210	-	56,210	-	-	-	-	497,654	497,654
<b>Inventory</b>	1,729	-	1,729	11,129	11,129	-	-	81,715	50,239
<b>Prepaid expenses</b>	994	-	994	1,122	2,094	-	-	5,000	7,418
<b>Due from other funds</b>	29,910	1,096	30,006	94,481	-	-	-	80,000	140,000
<b>Invested assets (net of cost)</b>	6,510	-	6,510	15,555	-	-	-	49,000	21,000
<b>Fixed assets (net of accumulated depreciation)</b>	14,632	-	14,632	11,199	-	-	-	68,217	65,010
<b>Accounts payable</b>	-	-	-	1,121,256	-	2,079,493	-	1,270,000	2,079,493
<b>Accounts receivable from other funds</b>	-	-	-	-	-	-	-	18	17,216
<b>Accounts payable to purchase of equipment</b>	-	-	-	-	-	-	-	-	-
<b>Intergovernmental</b>	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<u>208,921</u>	<u>1,011</u>	<u>209,932</u>	<u>1,212,171</u>	<u>1,042,125</u>	<u>2,081,586</u>	<u>2,079,493</u>	<u>1,768</u>	<u>4,450,112</u>
<b>Liabilities</b>	-	-	-	-	-	-	-	-	<u>1,000</u>
<b>Accounts payable</b>	\$ 1,000	-	\$ 1,000	\$ 4,000	-	-	-	\$ 5,000	\$ 6,000
<b>Accounts receivable</b>	80	-	80	1,008	-	-	-	1,000	5,000
<b>Due from other funds</b>	50,216	-	50,216	1,116	2,000	-	-	80,000	140,000
<b>Payable to governmental units</b>	-	-	-	-	-	-	-	-	-
<b>State income bond</b>	-	-	-	6,000	-	-	-	6,000	6,000
<b>Unpaid invoices</b>	-	-	-	8,888	-	-	-	8,888	8,888
<b>Current deposits</b>	-	-	-	81,719	-	-	-	81,719	20,000
<b>State revenue bond payable (net of)</b>	-	-	-	191,000	-	-	-	200,000	200,000
<b>Other long-term liabilities (net of)</b>	-	-	-	-	-	-	-	-	50,000
<b>Total liabilities</b>	<u>51,006</u>	<u>-</u>	<u>51,006</u>	<u>2,110,893</u>	<u>2,000</u>	<u>2,079,493</u>	<u>2,079,493</u>	<u>20,000</u>	<u>4,610,112</u>

**TOWN OF PLAINS BEALING, LOUISIANA**

Combined Balance Sheet - All Fund Types and Account Groups  
December 31, 2009

	Financial Control System		Payables		Assets		Total	
	Debit	Credit	Due	Due	Debit	Credit	Debit	Credit
<b>Capital Assets</b>								
Debt fund								
Investments in general equipment				66,000			66,000	66,000
Net book value						2,078,463		2,078,463
Transfer of								
Fund balance				188,000			188,000	188,000
Debt fund			188					188
General fund								188,000
Special fund								188,000
Capital projects								188,000
Total available and fund equity								2,464,551
	66,000							66,000
Investments	66,000							66,000
Net book value								2,078,463
Transfer of								
Fund balance				188,000			188,000	188,000
Debt fund			188					188
General fund								188,000
Special fund								188,000
Capital projects								188,000
Total available and fund equity								2,464,551

## TOWN OF PLAIN DEALING, LOUISIANA

Continued Statement of Revenues, Expenditures and  
Changes in Fund Balances - All Governmental Fund Types  
Year Ended December 31, 1998

	Governmental Fund Types				Totals	
	General	Special Revenues	Debt Service	Capital Projects	1998	1997
<b>Revenues:</b>						
Taxes	\$ 37,416	\$ 60,831	\$ -	\$ 66,810	\$ 265,176	\$ 231,129
Licenses and permits	56,899	-	-	-	56,899	60,880
Intergovernmental	28,638	33,512	-	-	94,181	194,806
Interest	3,308	-	142	21,506	28,876	34,834
Charges for services	48,311	-	-	-	48,311	47,761
Fees and debts	18,024	-	-	-	35,024	8,236
Miscellaneous	33,790	-	-	-	33,790	32,448
Total Revenues	<u>203,086</u>	<u>128,353</u>	<u>142</u>	<u>198,316</u>	<u>641,081</u>	<u>565,312</u>
<b>Expenditures:</b>						
General government	73,161	-	-	31,091	84,251	73,477
Public safety	133,583	-	-	-	333,583	175,434
State department	70,488	33,523	-	-	305,890	254,717
Capital outlays	17,863	-	-	361,388	319,811	13,195
Miscellaneous	-	71	-	280	271	-
Debt service:						
Interest	-	-	497	-	497	1,416
Principal retirement	-	-	15,880	-	15,880	19,808
Total Expenditures	<u>294,095</u>	<u>33,594</u>	<u>16,377</u>	<u>362,759</u>	<u>452,416</u>	<u>483,432</u>
Excess (deficiency) of revenues over expenditures	<u>(91,009)</u>	<u>94,759</u>	<u>(16,235)</u>	<u>2,857</u>	<u>15,612</u>	<u>181,780</u>
<b>Other financing sources:</b>						
Operating transfers in	550,864	-	-	-	158,981	48,008
Operating transfers out	(1,482)	(128,281)	(1,883)	(1,320)	(164,716)	(38,880)
Net other financing sources (uses)	<u>(924,100)</u>	<u>(128,281)</u>	<u>(1,883)</u>	<u>(1,320)</u>	<u>(14,755)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	<u>65,419</u>	<u>(33,521)</u>	<u>(17,218)</u>	<u>718</u>	<u>(39,203)</u>	<u>181,780</u>
Fund balance at beginning of year	78,315	60,210	17,156	538,640	682,881	580,827
Prior period adjustment	-	-	-	-	-	1,227
Fund balance at end of year	<u>\$ 113,734</u>	<u>\$ 1,811</u>	<u>\$ 158</u>	<u>\$ 538,378</u>	<u>\$ 673,523</u>	<u>\$ 602,584</u>

**TOWNS OF PLAINS INCLUDING LOUISIANA**

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (2014) Actual and Annual - General and Special Services Fund Type  
Year Ended December 31, 2014

	General Fund		Special Services Fund Types		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
<b>Revenues:</b>					
Taxes	\$ 26,000	\$ 27,416	\$ 1949	\$ 96,651	\$ 1,169
License and permits	91,271	96,899	-	-	-
Intergovernmental	21,789	26,419	6681	-	-
Interest	-	3,308	-	-	-
Charges for services	-	48,111	48,503	-	-
Fees and fines	1,000	18,654	-	-	-
Miscellaneous	20,344	20,750	11,681	-	-
<b>Total Revenues</b>	<u>124,404</u>	<u>202,638</u>	<u>76,624</u>	<u>96,651</u>	<u>11,689</u>
<b>Expenditures</b>					
General government	81,877	76,564	6,076	71	(676)
Public safety	110,679	120,500	621,666	-	-
Street & sanitation department	15,715	76,468	(94,700)	-	-
Capital outlays	-	15,562	57,865	-	-
<b>Total Expenditures</b>	<u>208,271</u>	<u>289,094</u>	<u>179,667</u>	<u>71</u>	<u>(676)</u>
Excess (deficiency) of revenues over expenditures	(83,867)	(86,456)	(103,043)	(64,066)	(13,290)
Other financing sources (uses):					
Operating transfers in	83,867	196,981	71,881	-	-
Operating transfers out	-	(11,652)	(11,652)	(11,652)	(11,652)
All other financing sources (uses)	(83,867)	(28,419)	11,689	(1,281)	(85,982)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	-	66,456	68,475	(64,066)	4,409
Fund balances at beginning of year	11,214	74,128	-	78,192	66,978
Fund balances at end of year	<u>\$ 11,214</u>	<u>\$ 140,584</u>	<u>\$ 68,475</u>	<u>\$ 14,126</u>	<u>\$ 71,456</u>

See accompanying notes to financial statements.

## TOWN OF PLAIN DEALING, LOUISIANA

Combined Statement of Revenues, Expenses and  
 Changes in Retained Earnings/Fund Balances - Proprietary Fund Types  
 and Similar Trust and Agency Funds  
 For the Year ended December 31, 1999

	Proprietary Fund Exp. (Revenues)	Fiduciary Fund Type - Trust	Total (Subsidiaries Only)	
			1999	1997
<b>Operating Revenues:</b>				
Charges for service	\$ 249,158	\$ 1,146	\$ 250,304	\$ 251,621
Interest	-	3,681	3,681	3,286
Miscellaneous	3,386	180	3,566	3,021
Total Operating Revenues	252,544	4,907	257,451	257,928
<b>Operating Expenses:</b>				
Personnel services	81,849	-	81,849	71,251
Contractual services	7,266	-	7,266	6,860
Travel	-	1,510	1,510	1,580
Supplies and materials	26,023	1,055	27,078	24,890
Capital outlay	-	1,099	1,099	-
Heat, light and power	33,846	-	33,846	36,334
Depreciation	43,871	-	43,871	44,811
Miscellaneous	71,681	-	71,681	45,811
Total Operating Expenses	261,786	3,664	265,451	251,871
Operating Income	11,758	1,243	13,001	7,057
<b>Non-operating revenues (expenses):</b>				
Interest income	3,588	-	3,588	3,210
Interest expense	(12,088)	-	(12,088)	(14,477)
Transfers in	49,233	-	49,233	-
Transfers out	(44,488)	-	(44,488)	-
Net non-operating revenue (expense)	(3,755)	-	(3,755)	(8,267)
Net income	8,003	1,243	9,246	(1,210)
Retained earnings/fund balance, beginning	189,647	112,530	302,177	296,861
Prior period adjustments	-	-	-	9,630
Retained earnings/fund balance, ending	\$ 197,650	\$ 113,773	\$ 311,423	\$ 305,281

## TOWN OF PLAIN DEALING, LOUISIANA

Combined Statement of Cash Flows -  
 Proprietary Fund Types and Similar Type Funds  
 For the Year Ended December 31, 1998

	Proprietary Fund Type - Enterprise	Proprietary Fund Type - County	Totals (Miscellaneous Data)	
			1998	1997
<b>Cash Flows from operating activities:</b>				
Net income (loss)	\$ 33,756	\$ (1,789)	\$ 18,158	\$ (1,117)
Adjustments to reconcile net income to cash provided by operating activities:				
Depreciation	41,809	-	45,818	44,003
Price period adjustment	-	-	-	5,600
Change in assets and liabilities:				
Increase in accounts receivable	(7,179)	-	(7,179)	(9,787)
Decrease (increase) in due from other Fund	29,828	-	29,818	(65,912)
Increase (decrease) in accounts payable	(14,499)	-	(14,499)	18,158
Increase (decrease) in due to other funds	(8,117)	-	(8,117)	33,754
Increase (decrease) in other liabilities	(1,162)	-	(1,162)	871
Total adjustments	1,281	-	3,881	28,882
Net cash provided (used) by operating activities	34,037	(1,789)	13,649	27,656
<b>Cash flows from investing activities:</b>				
Payable of bond issues	(7,179)	-	(7,179)	(10,205)
Purchase of investments	(2,677)	-	(2,677)	(2,508)
Interest on investments	1,524	5,415	8,668	8,217
Net cash provided (used) by investing activities	(8,332)	5,415	3,812	(4,496)
<b>Cash flows from financing activities:</b>				
Increase in restricted funds	(3,337)	-	(3,337)	(1,889)
Decrease in restricted liabilities	(954)	-	(954)	1,600
Principal payments of long-term debt	(1,950)	-	(1,950)	(8,182)
Net cash used by financing activities	(6,241)	-	(6,241)	(8,471)
<b>Cash flows from noncapital financing activities:</b>				
Interest expense	(11,820)	-	(11,820)	(14,473)
Operating transfers in (out), net	4,715	-	4,715	-
Net cash used by noncapital financing activities	(7,105)	-	(7,105)	(14,473)
Net (increase) (decrease) in cash and cash equivalents	(7,395)	3,627	(8,864)	2,686
Cash and cash equivalents at beginning of year	116,325	118,828	227,553	224,297
Cash and cash equivalents at end of year	\$ 108,930	\$ 122,455	\$ 218,689	\$ 226,983

See accompanying notes to financial statements.

# TOWN OF PLAIN DEALING, LOUISIANA

## Notes to Financial Statements December 31, 1998

### I. Summary of Significant Accounting Policies:

The Town of Plain Dealing, Louisiana was incorporated in 1896, under the provisions of LA R.S. 33:321-48. The Town operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting policies of the Town of Plain Dealing, Louisiana conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes (R.S. 17) and to the guidelines found in the Louisiana Budgetary-Audit and Accounting Guide, and in the industry audit guide, *Audit of State and Local Government Units*.

#### A. Financial Reporting Entity

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

#### B. Fund Accounting

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

#### GOVERNMENTAL FUNDS

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

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources other than general assessments, receivables, taxes, or major capital projects that are legally restricted to expenditures for specified purposes.

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

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

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

#### PROPRIETARY FUNDS

The Proprietary Fund is used to account for the Town's ongoing operations and activities which are similar to those which occur in the private sector. The Proprietary Fund is accounted for on a capital maintenance measurement basis, that is, the measurement focus is upon determination of net income.

**Enterprise Funds** - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs incurred, including depreciation, providing goods or services to the general public on a continuing basis are financed by or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.



## TOWN OF PLAIN BEALING, LOUISIANA

Notes to Financial Statements  
December 31, 1998

### B. Summary of Significant Accounting Policies (Continued):

#### TRUSTARY FUNDS

**Trust and Agency Funds** - Trust and Agency Funds are used to account for assets held by the Town in a trustee capacity or in an agent for individuals, private organizations, other governments, and/or other funds.

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

Agency funds are recorded in net asset (debit) equal (balancing) and do not involve measurement of results of operations.

#### ACCOUNT GROUPS

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

**General Fund Assets Account Group** - This account group is established to account for all fixed assets of the Town including those accounted for in the enterprise funds.

**General Long-Term Debt Account Group** - This account group is established to account for long-term obligations of the Town.

### C. Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liability associated with a fund are determined by its measurement basis. All governmental funds and Expendable Trust Funds are accounted for on a spending or "historical cost" measurement basis. This means that only current assets and current liabilities are included in their balance sheet. The reported fund balance (net current assets) is considered a measure of "available spendable resources". Long-term fixed operating statements present investment revenues and other financing resources and discuss expenditures and other funding uses in net current assets. Accordingly, they are said to present a summary of revenues and uses of "available spendable resources" during a period.

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

All fixed assets are valued at historical cost or estimated fair market value for assets acquired before 1979 and still in hand. Donated fixed assets are valued at their estimated fair market value on the date donated.

Assets in the General Fund Assets Account Group are not depreciated, are not amortized, and are not impaired. Depreciation is computed on the straight-line method for the fixed assets of the Proprietary Funds over the estimated useful lives of the assets. The portion of depreciation expense applicable to assets acquired with grants, cost recovery, and donated resources is reflected as a reduction of the respective contribution income.

All Proprietary and Nonexpendable Trust Funds are prepared for use as a form of economic resource management form. With this measurement basis, all assets and all liabilities associated with operations of these funds are included in the balance sheet. Their fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present revenues (including and decreasing operations) in net total assets.

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

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

## TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements  
December 31, 1998

### B. Summary of Significant Accounting Policies (Continued):

#### C. Fixed Assets and Long-Term Liabilities (Continued)

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

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

**Fixed Assets** - All forms of property, plant and equipment which do not constitute assets of the enterprise fund are recorded in the general fund assets group of accounts. Such assets are maintained on the basis of original cost (with paid price trade-in allowances, if applicable) except that assets acquired before 1950 and still on hand are recorded at their fair market value at the start on July 1, 1970 and no depreciation is computed or recorded thereon.

Property, plant and equipment which constitute assets of the enterprise fund are recorded, except for those assets acquired before July 1, 1950 and still on hand are recorded at their fair market value at July 1, 1950. Depreciation computed on these assets is under the straight-line method of depreciation based on the estimated useful lives of the individual assets.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, canals and piers, streets and sidewalks, drainage systems and lighting systems, are not capitalized along with other general fixed assets.

#### D. Basis of Accounting

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

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

In applying the susceptible to accrual concept in intergovernmental systems, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, generally two types of these revenues. First, revenues must be deposited on the specific purpose or project before any amounts will be paid to the Town; therefore, revenues are recognized based upon the expenditures recorded.

Licenses and permits, charges for general governmental services, fines and penalties, and miscellaneous other revenues except investment are deemed as revenues when received in and because they are generally not measurable until actually received. Ad Valorem taxes are recorded as revenue at year end if they are collected on the 15<sup>th</sup> day of that year. Other taxes, charges or fees, and investment earnings are recorded as revenue since they are measurable and available.

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

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

## TOWN OF PLAINS BEALING, LOUISIANA

Notes to Financial Statements  
December 31, 1998

### 1. Summary of Significant Accounting Policies (Continued)

#### D. Basis of Accounting (Continued)

The preparation of financial statements generally 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### E. Budgets and Budgetary Accounting

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

1. The Mayor prepares a proposed budget and submits same to the Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to create and implement the budget, the budget is adopted through passage of an ordinance.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts retained require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted by the Board of Aldermen.

#### F. Investments

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

#### G. Bad Debt

Uncollectible amounts due from customers' utility and sewerage accounts are recognized as bad debts through the establishment of an allowance account as the more information becomes available which would indicate the collectibility of the particular account. There were no allowances for bad debts at December 31, 1998 or 1997.

#### H. Depreciation

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

#### I. Restricted Assets

The Debt Service and Enterprise Funds, because of certain bond covenants, are required to establish and maintain prescribed amounts of resources consisting of cash and temporary investments that can be used only to service maturing debt. The Enterprise Funds also require customer and vendor deposits. Also, the General Fund restricts the use of the Medical Clinic Funds and the Cemetery Fund restricts the use of its operating account and contribute of deposit.

# TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements  
December 31, 1998

## I. Summary of Significant Accounting Policies (Continued)

### J. Compensated Absences

Liability is recorded for accruing accumulating rights to receive vacation or sick pay benefits.

### K. Comparative Data

Comparative year data for the prior year have been prepared in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative (i.e., presentation of prior year) data by fund type) data have not been presented in each of the statements since their inclusion would make the statements overly complex and difficult to read.

### L. Total Information Combined Statements - Overview

Total balances on the Combined Statements - Overview are reported 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. Notably, in such data comparable to a consolidation, interfund class entries have not been made in the aggregation of this data.

### M. Reserves

Use of the term "reserves" in describing governmental fund "Fund Balances" and proprietary fund "Restricted Earnings" indicates that a portion of the fund balance or retained earnings is not appropriate for expenditure or is legally segregated for a specific future use. These reserves are as follows:

<b>General Fund:</b>		
Medical Clinic - checking account	\$	6,917
Medical Clinic - certificate of deposit		<u>11,881</u>
Total	\$	<u>18,798</u>
<b>Capital Projects:</b>		
Street Project #14 - fund balance	\$	63,000
Project of Development - fund balance		<u>492,548</u>
Total	\$	<u>555,548</u>

### N. Debt Service

This amount represents the portion of fund balance or retained earnings that has been reported in the Debt Service Fund for future payments of principal and interest on bonded debt and revenue bonds.

### O. Interfund Transactions

There are several types of transactions that are reported in the financial statements as interfund items. Interfund transactions which constitute reimbursements of the fund for expenditures or expenses initially made from that fund which are properly applicable to and for that fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditures or expenses in the fund(s) of being reimbursed. Reimbursing or non-reimbursing transfers of equity between funds are treated as modified equity transfers and reported in addition to or deductions from fund balance. All other transfers are treated as operating transfers and are included in the results of operations of both governmental and proprietary funds. Referred should be made to notes regarding interfund transactions.

### P. Statement of Cash Flows

For purposes of the statement of cash flows, the Town considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

### Q. Refundable Deposits

The Water Fund of the Town employs customers to place a deposit before service is rendered. These monies are considered restricted and are held until the customer discontinues service.

## TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements  
December 31, 1998

### 3. Ad Valorem Taxes

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

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

For the year ended December 31, 1998, taxes of \$1.63 mills were levied on property with assessed values totaling \$1,428,128 and were allocated as follows:

General purposes purposes \$ .02, mills

Total taxes levied were \$271,604. Taxes receivable at December 31, 1998, consisted of the following:

Taxes receivable current roll	\$	11,129
Taxes receivable prior roll		-
		11,129
Less: allowance for uncollectible taxes		-
		\$ 11,129

### 3. Restricted Assets

Restricted assets were applicable to the following at December 31:

	1998	1997
<b>Governmental Fund Type:</b>		
Prevental care - clinic account	\$ 4,915	\$ 2,993
Restricted certificate of deposit	13,612	20,580
	17,527	23,573
<b>Proprietary Fund Type:</b>		
Customer deposits account	4,656	4,931
Customer deposits - certificate of deposit	54,178	51,558
Water Revenue Bond account	6,715	3,603
Water Revenue Bond Reserve - certificate of deposit	21,814	19,965
Water Employment & Extension account	21,830	19,583
	\$ 108,993	\$ 100,639

### 4. General Fund Assets and Property, Plant and Equipment:

	Balance January 1, 1998	Additions	Depletion	Balance December 31, 1998
Buildings	\$ 291,241	\$ 10,798	\$ -	\$ 302,039
Machinery & equipment	41,323	-	-	41,323
Class. & equipment	294,580	-	-	294,580
Conveyer	1,082	1,899	-	2,981
Fire department	141,504	-	-	141,504
General fund	386,008	15,335	1,333	400,010
Industrial Park	441,272	91,501	-	532,773
Street improvements	278,563	212,566	-	491,129
	\$ 1,747,529	\$ 312,430	\$ 1,333	\$ 2,078,402

## TOWN OF FLAIR DEALING, LOUISIANA

Notes to Financial Statements  
December 31, 1998

### 4. General Fixed Assets and Property, Plant and Equipment (Continued)

A summary of proprietary fund type property, plant and equipment at December 31, 1998:

Water utility:		
Wells	\$	244,208
Storage tanks		88,208
Lines and mains		203,549
Other equipment		14,800
Right-of-way		3,808
Retrofit Water System		22,680
Sewer utility:		
Linet		15,080
Liners		44,990
Treatment plant		483,750
Sewer Project #14		683,720
Other		<u>30,080</u>
Total		1,871,287
Less accumulated depreciation		<u>(539,080)</u>
Net	\$	<u>1,332,207</u>

Depreciation is computed using the straight-line method.

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

Water Utility:	
Wells	20-25 years
Storage tanks	20-30 years
Lines and mains	20-30 years
Other equipment	5-20 years
Right-of-ways	-
Sewerage Utility:	
Waste Disposal Plant	50 years
Liner	20 years
Other equipment	5-10 years

Since July 1, 1999, the Townbook keeps records with a lifespan of fixed asset cost. All assets acquired since that time are recorded at original cost. Assets acquired before July 1, 1999, are recorded at their fair market value as of July 1, 1999.

## TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements  
December 31, 1999

#### 4. General Fund Assets and Property, Plant and Equipment (Continued):

During the year ended June 30, 1996, the Town began keeping separate accounting records for the water department and the sewer department. The financial statements for both departments have been combined.

#### 5. Year 2000 Issues:

Year 2000 issues arise from computers being programmed to give years to use only two-digit format for assumptions that the first two digits related always to 19 to identify the year when processing time-sensitive information. This method of identifying dates could cause problems when processing information with dates in the year 2000 or later. As a result, the systems that use only two digits to identify dates could process date inaccurately or stop functioning altogether. The effects of the year 2000 is expected to extend beyond systems and any equipment that is dependent on microchip technology.

As stated in Note 1, the Town provides public services, public safety and various other public works to its citizens. The execution of these services generally does not rely upon microchip technology since these services are not measured in cents. However, the effect of the year 2000 issue upon the Town's revenues, utilities, and utility providers from which it obtains services has not been determined. As a result the effect of any of these entities' non-compliance with the year 2000 issue upon the Town has also not been determined.

For the year ended December 31, 1999, The Town of Plain Dealing, Louisiana, incurred no material remediation costs concerning the year 2000 issue. No significant long term investments of equipment that is not year 2000 compliant was recognized for the year ended December 31, 1999. However, during February and March, 1999, the Town incurred remediation costs of approximately \$9,000 concerning the year 2000 issue. These costs included hardware and software for year 2000 compliant systems to be used in the daily financial operations of the Town.

#### 6. Other Reported Individual Fund Balances:

##### A. Interfund Receivables and Payables

	Interfund Receivables	Interfund Payables
General fund	\$ 23,412	\$ 24,240
Sales tax fund	1,000	-
Industrial development fund	-	1,000
Water department	24,240	1,167
Sewer department	7,167	-
Tax clearing account	-	21,500
General Obligation Sewer Bonds	138	-
	<u>\$ 55,957</u>	<u>\$ 52,907</u>

##### B. Operating Transfers

	Operating In	Transfer Out
General fund	\$ 199,980	\$ 1,482
Sales tax department	-	150,981
General obligation sewer bonds	-	1,800
Water department	47,138	-
Sewer department	1,900	44,499
Special projects programs	-	240
Street and drainage program	-	1,850
	<u>\$ 248,118</u>	<u>\$ 203,212</u>

**TOWN OF PLAIN DEALING, LOUISIANA**

Notes to Financial Statements  
December 31, 1998

**7. Changes in Long-Term Debt:**

The following is a summary of bond transactions for the year ended December 31, 1998:

	General Obligation	Water Revenue	Total
Bonds outstanding January 1, 1998	\$ 15,000	\$ 212,143	\$ 227,143
Bonds retired	<u>(15,000)</u>	<u>(1,000)</u>	<u>(16,000)</u>
Bonds outstanding December 31, 1998	\$ _____	\$ 211,143	\$ 211,143

Bonds outstanding at December 31, 1998, are comprised of the following individual issues:

General Obligation Series Bonds dated December 30, 1978, \$150,000, 7% serial bonds due in annual installments of \$5,000 through 1996; \$10,000 through 1997, and \$15,000 through 1998 - to be retired from all various taxes.	\$	-
Water Revenue Bonds dated August 30, 1979, \$200,000, at 7%, due in annual installments of \$17,787, including interest, through 2003, and a final installment of \$5,791 in 2007 - to be retired from the income and revenue of the water system.	\$	211,143

The annual payments to amortize all debt outstanding as of December 31, 1998 including interest payments of \$100,821 follows:

Year Ended December 31,	General Obligation	Water Revenue	Total
1999	\$ -	\$ 17,787	\$ 17,787
2000-2004	-	38,535	38,535
2005-2007	-	38,535	38,535
2010-2014	-	38,535	38,535
2015-2020	-	79,809	79,809
	\$ _____	\$ 211,143	\$ 211,143

Funds in the Debt Service Funds as December 31, 1998, amounted to \$118 which are available to service the General Obligation Bonds.

Under the terms of the bond indenture on outstanding Water Utility Bonds dated August 30, 1979, all income and revenue of water system, current or derived from obligations of the water system are pledged and dedicated to the retirement of said bonds, and are to be set aside monthly into the following special fund:

- A sum equal to 1/12th of the total amount of principal and interest falling due in the ensuing year is to be deposited into an account entitled "Water and Revenue Bond Fund" and retained in the Finance Board Administration on an annual basis.



## TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements  
December 31, 1998

### 7. Changes in Long-Term Debt (Continued)

- D. A sum at least equal to five percent (5%) of the amount to be paid into an account entitled "Water Revenue Bond Reserve Fund" until such time as there has been accumulated a sum equal to the highest combined principal and interest falling due in any year, as a Debt Service Reserve. This Reserve is to be raised solely for the purpose of paying the principal of and interest on bonds payable from the Water Revenue Bond Fund so to make them avoid otherwise in default.
- C. The sum of \$75,000 in an account entitled "Water Replacement and Enclosure Fund" to care for depreciation, extensions, additions, improvements and replacements necessary to operate the system properly. The funds may also be used to make up deficiencies in the Revenue Bond Fund or Reserve Fund, but if so used, it shall be replaced as soon as possible out of earnings from the system after making the required payments into the respective funds.

Such sums payable are substantially in the form of Water Revenue Bonds and are collected by revenue of the system and the bond moneys of the system and mature 48 years from the date they were issued.

### 8. Retirement Commitments

#### Municipal Police Employees Retirement System of Louisiana (System)

##### A. Plan Description

All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 10 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3.33 percent of their final average salary for each year of creditable service. Final average salary is the employee's average salary over the 30 consecutive or disjoint months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the age specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and actuarial supplementary information for the System. This report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 9404 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (800) 577-7410.

##### B. Funding Policy

Plan members are required by state statute to contribute 7.5 percent of their annual covered salary to the Town of Plain Dealing in payment of contributions at an actuarial determined rate. The current rate is 5.0 percent of annual covered payroll. The contribution requirements of plan members and the Town of Plain Dealing are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:505, the employee 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 amounts actually contributed by the town for the years ending December 31, 1998, 1997, and 1996, were \$1,265, \$1,476, and \$1,500, respectively, which matched the required contributions.

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

## TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements  
December 31, 1998

### 9. Mayor and Aldermen's Salaries:

	December 31, 1998	
	Mayor Salaries	Aldermen Salaries
Leon Sanders, Jr.	\$ 5,800	\$ -
Acacelia Thompson	-	600
Art Arnold	-	600
Tommy Potts	-	600
Patrick Boggs	-	600
David Anderson	-	600
Total	\$ 5,800	\$ 3,000

### 10. Cash and Cash Equivalents:

For reporting purposes cash equivalents include cash, demand deposits and certificates of deposit. Cash and cash equivalents are stated at cost, which approximates market. At December 31, 1998 the Town's cash deposits are \$111,365 and the bank balance was \$111,948. At December 31, 1998 all deposits were insured and collateralized by securities with market values exceeding the amount on deposit. Collateral securities may be held in the Town's name to the Federal Reserve Bank and require the Town's approval in order to release the collateral. In accordance with LSA-RS 48:1, all of the Town's bank balances are classified as Category 1.

Certificates of Deposit	Interest Rate	Maturity Date	Total Book Value
General Fund	4.45%	06/15/99	\$ 26,200
General Fund - Restricted	5.00%	05/18/99	11,623
<b>Proprietary Funds:</b>			
Water Department - Restricted	5.15%	06/15/99	21,604
Water Department - Restricted	5.00%	05/18/99	24,176
<b>Trust Funds:</b>			
Country	5.15%	06/15/99	189,924
<b>Capital Project Funds:</b>			
Sewer Project	5.15%	06/15/99	61,000
Industrial Development	5.15%	06/15/99	381,961
Industrial Development	5.15%	06/15/99	50,684
Industrial Development	5.15%	06/15/99	64,733
Total all funds			\$ 793,521

### 11. Compliance, Stewardship, and Accountability:

Excess of Expenditures Over Appropriations - For those funds for which a budget or annual appropriation was made, 1998 actual expenditures exceed budgeted expenditures on a departmental basis as follows:

Fund	Expenditures		Unfavorable Variance
	Budget	Actual	
<b>General Fund:</b>			
Public Safety	\$ 180,639	\$ 180,300	\$ (33,944)
Street & Sanitation	\$ 15,725	\$ 30,468	\$ (54,793)

# TOWN OF PLAIN DEALING, LOUISIANA

Notes to Financial Statements  
December 31, 1998

## 11. Compliance Stewardship, and Accountability (continued)

1998 actual revenues was less than budgeted revenues on a departmental basis as follows:

Fund	Revenues		Unfavorable Variance
	Budget	Actual	
Special Revenue Fund: Taxes	\$ 94,000	\$ 90,811	\$ (3,189)

Explanations for some of the larger unfavorable budget variances are as follows:

### Special Fund

**Police Salary** - During 1998 the Town hired additional police officers and purchased their used vehicles and equipment for them. Additional costs were incurred in wages, insurance, and maintenance and repairs.

**Street & Sanitation** - The Town reports the collection of garbage fees and the payment for collections separately. However, they are listed together during the budget process.

## 12. Commitments and Contingencies

The Town is exposed to various risks of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Town carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance. Insurers have not exceeded insurance coverage in any of the past three fiscal years.

The Town participates in governmental and state-subsidized grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursements which may arise as the result of these audits is not believed to be material.

**Litigation** - The Town is party to various legal proceedings arising periodically in normal course of governmental operations. In the opinion of the administration, the outcome of these legal proceedings will not have a material adverse effect on the accompanying combined financial statements and accordingly, no provision for losses has been recorded.

COMBINING AND  
INDIVIDUAL FUND  
AND ACCOUNT GROUP  
STATEMENTS AND SCHEDULES

**GOVERNMENTAL  
FUNDS**

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

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**GENERAL FUND**

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

## TOWN OF PLAIN BEALING, LOUISIANA

## General Fund

## Balance Sheet

December 31, 1998 and 1997  
with Comparative Totals for December 31, 1997

	1998	1997
<b>ASSETS</b>		
Cash	\$ 91,346	\$ 13,667
Restricted assets - cash	6,813	2,979
Certificates of deposit	56,210	93,586
Restricted assets - certificates of deposit	11,015	96,586
Accounts receivable, an allowance for uncollectible accounts	3,159	6,979
Accrued interest receivable	964	819
Due from other funds	<u>27,462</u>	<u>28,849</u>
<b>Total Assets</b>	<u>201,629</u>	<u>116,812</u>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Accounts payable	8,208	8,796
Accrued expenses	501	1,781
Due to other funds	<u>54,388</u>	<u>24,547</u>
<b>Total Liabilities</b>	<u>63,097</u>	<u>35,124</u>
<b>Fund Balance</b>		
Unassigned	(21,836)	68,909
Reserved - restricted assets	<u>17,636</u>	<u>12,426</u>
<b>Total Fund Balance</b>	<u>15,800</u>	<u>81,335</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 78,897</u>	<u>\$ 116,459</u>

## TOWN OF PLAIN DEALING, LOUISIANA

## General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance  
- Budget (PLAP Basis) and ActualFor the Year Ended December 31, 1999  
with Comparative Actual Amounts for the Year Ended December 31, 1997

	1999		Variance- Favorable/ Unfavorable	1997 Actual
	Budget	Actual		
<b>Revenues:</b>				
Taxes	\$ 28,800	\$ 27,610	\$ (1,194)	\$ 28,582
Licenses and permits	81,287	86,899	5,612	88,886
Intergovernmental	21,980	20,619	(1,361)	18,161
Charges for services	-	48,311	48,311	47,793
Fees and fines	3,800	10,634	7,134	4,536
Miscellaneous	20,044	18,545	(1,499)	27,409
Interest income	-	3,200	3,200	4,136
<b>Total Revenues</b>	<u>154,811</u>	<u>205,818</u>	<u>50,007</u>	<u>188,603</u>
<b>Expenditures:</b>				
<b>General Government:</b>				
Salaries and benefits	23,008	27,001	(4,003)	26,548
Office	8,198	8,897	697	10,382
Legal and audit	7,567	7,283	284	7,200
Insurance	26,087	6,083	20,004	17,614
Miscellaneous	13,728	21,562	(7,834)	11,816
<b>Total General Government</b>	<u>80,688</u>	<u>71,266</u>	<u>9,422</u>	<u>71,720</u>
<b>Public Safety:</b>				
Police department	95,550	104,860	(9,310)	98,487
Fire department	17,498	18,628	(1,130)	17,811
<b>Total Public Safety</b>	<u>113,048</u>	<u>123,488</u>	<u>(10,440)</u>	<u>116,298</u>
Street & sanitation	13,712	76,898	(63,186)	61,278
Capital outlay	-	17,857	17,857	9,445
<b>Total Expenditures</b>	<u>208,458</u>	<u>284,099</u>	<u>(75,641)</u>	<u>265,987</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(53,647)</u>	<u>(78,281)</u>	<u>(24,634)</u>	<u>(77,384)</u>
<b>Other financing sources (uses):</b>				
Transfers in	65,800	158,940	93,140	40,000
Transfers out	-	(1,291)	(1,291)	-
<b>Net other financing sources (uses)</b>	<u>65,800</u>	<u>157,649</u>	<u>91,849</u>	<u>40,000</u>
<b>Excess (deficiency) of revenues and other financing over expenditures</b>	<u>12,153</u>	<u>79,368</u>	<u>67,215</u>	<u>(37,384)</u>
Fund balance at beginning of year	74,315	74,315	-	188,602
Prior period adjustment	-	-	-	1,287
<b>Fund balance at end of year</b>	<u>\$ 86,468</u>	<u>\$ 153,683</u>	<u>\$ 67,215</u>	<u>\$ 241,205</u>



## SPECIAL REVENUE FUNDS

---

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

**Sales Tax Fund** - accounts for general operating and maintenance of streets, alleys, etc. Financing is provided by a 3% sales and use tax.

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

## TOWN OF PLAIN DEALING, LOUISIANA

## Special Revenue Funds

## Combining Balance Sheet

December 31, 1998  
with Comparative Totals for December 31, 1997

	<u>Totals</u>			
	<u>Sales Tax</u>	<u>Louisiana Community Development Block Grant</u>	<u>1998</u>	<u>1997</u>
<b>ASSETS</b>				
Cash	\$ 25	\$ -	\$ 25	\$ 69,146
Due from other funds	<u>1,006</u>	<u>-</u>	<u>1,006</u>	<u>1,006</u>
<b>Total Assets</b>	<u>1,031</u>	<u>-</u>	<u>1,031</u>	<u>70,152</u>
<b>Liabilities and Fund Balances</b>				
Fund Balances	<u>\$ 1,031</u>	<u>\$ -</u>	<u>\$ 1,031</u>	<u>\$ 70,152</u>

## TOWNSHIP OF PLAIN BEALING, LOUISIANA

## Special Revenue Funds

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

For the Year Ended December 31, 1998  
with Comparative Totals for the Year Ended December 31, 1997

	Sales Tax	Louisiana Community Development Block Grant	Totals	
			1998	1997
<b>Revenues:</b>				
Taxes	\$ 90,831	\$ -	\$ 90,830	\$ 90,279
Intergovernmental				
Federal grant	-	178,512	178,502	178,744
Total Revenues	90,831	178,512	269,332	269,023
<b>Expenditures:</b>				
Street department	-	178,512	178,502	178,744
Road development	-	-	-	-
Miscellaneous	71	-	71	-
Total Expenditures	71	178,512	178,573	178,744
Excess (deficiency) of revenues over expenditures	90,760	-	90,760	90,279
<b>Other Financing Sources:</b>				
Operating transfers out	(118,281)	-	(118,281)	(118,892)
Excess (deficiency) of revenues over expenditures & other uses	(27,521)	-	(27,521)	(28,613)
Fund balance at beginning of year	70,252	-	70,252	10,029
Fund balance at end of year	\$ 42,731	\$ -	\$ 42,731	\$ 11,416

## TOWN OF PLAIN DEALING, LOUISIANA

## Sales Tax - Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance -  
Budget (GAAP Basis) and ActualFor the Year Ended December 31, 1998  
with Comparative Totals for the Year Ended December 31, 1997

	1998			1997 Actual
	Budget	Actual	Variance - Favorable (Unfavorable)	
<b>Revenues:</b>				
Taxes	\$ 34,000	\$ 30,871	\$ (3,129)	\$ 31,271
Total Revenues	34,000	30,871	(3,129)	31,271
<b>Expenditures - General government</b>		11	(23)	.
Total Expenditures	.	11	(23)	.
Excess (deficiency) of revenues over expenditures	34,000	30,760	(3,240)	31,271
<b>Other financing uses:</b>				
Transfers out	(34,000)	(35,381)	(1,381)	(40,000)
Excess (deficiency) of revenues over expenditures and other uses	.	(4,621)	(4,621)	31,271
Fund balance at beginning of year	38,231	39,231	.	11,572
Fund balance at end of year	\$ 38,231	\$ 1,811	\$ (36,420)	\$ 30,251

**DEBT SERVICE  
FUND**

---

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

**General Obligation Sewer Bond Fund** - accumulates monies for payment of the \$185,000, 7% General Obligation Sewer Bonds which are serial bonds due in annual installments of \$3,000 through March 1, 1994, \$10,000 through March 1, 1999, and \$15,000 through March 31, 1998. Financing provided through unlimited ad valorem taxation.

## TOWN OF PLAIN DEALING, LOUISIANA

## Debt Service Fund

## Balance Sheet

December 31, 1998  
with Comparative Totals for December 31, 1997

	General Obligation Secure Bonds	
	1998	1997
<u>Assets</u>		
Cash	\$ -	\$ 407
Creditors of Deposits	-	16,480
Accrued Interest	-	196
Due from other funds	<u>138</u>	<u>138</u>
Total Assets	<u>138</u>	<u>17,221</u>
<u>Liabilities and Fund Balance</u>		
Fund Balance:		
Reserve for debt service	<u>138</u>	<u>17,221</u>
Total Liabilities and Fund Balance:	<u>\$ 138</u>	<u>\$ 17,221</u>

## TOWN OF PLAIN DEALING, LOUISIANA

## Debt Service Fund

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

For the Year Ended December 31, 1998  
with Comparative Totals for the Year Ended December 31, 1997

	<u>General Obligation Special Bonds</u>	
	<u>1998</u>	<u>1997</u>
<b>Revenues:</b>		
Interest income	\$ 142	\$ 408
Total Revenues	<u>142</u>	<u>408</u>
<b>Expenditures:</b>		
Interest expense	437	1,416
Bond redemption	<u>15,000</u>	<u>15,000</u>
Total Expenditures	<u>15,437</u>	<u>16,416</u>
Excess (deficiency) of revenues over expenditures	<u>(15,295)</u>	<u>(16,008)</u>
<b>Other Financing Sources (Uses):</b>		
Operating transfers in	<u>(1,901)</u>	<u>-</u>
Net other financing sources (uses)	<u>(1,901)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(17,196)</u>	<u>(16,008)</u>
Fund balance at beginning of year	<u>17,236</u>	<u>31,271</u>
Fund balance at end of year	<u>\$ 38</u>	<u>\$ 15,263</u>

## TOWN OF PLAIN DEALING, LOUISIANA

General Obligation Bonds - Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balance -  
Budget and ActualFor the Year Ended December 31, 1998  
with Comparative Actual Amounts for the Year Ended December 31, 1997

	1998		Variance - Favorable Unfavorable	1997 Actual
	Budget	Actual		
<b>Revenues:</b>				
Interest income	\$ -	\$ 141	\$ 141	\$ 480
Total Revenues	-	141	141	480
<b>Expenditures:</b>				
Interest expense	-	417	(417)	1,416
Debt redemption	-	15,000	(15,000)	15,000
Total Expenditures	-	15,417	(15,417)	16,416
Excess (deficiency) of revenues over expenditures	-	(15,276)	(15,276)	(16,014)
<b>Other Financing Sources (uses)</b>				
Operating transfers-in	-	(1,900)	(1,900)	-
Net other financing sources (uses)	-	(1,900)	(1,900)	-
Excess (deficiency) of revenues over expenditures	-	(17,176)	(17,176)	(16,014)
Fund balance at beginning of year	17,386	17,386	-	33,532
Fund balance at end of year	\$ 17,386	\$ 188	\$ (17,198)	\$ 17,518



## CAPITAL PROJECTS FUNDS

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

**Sewer Project #14 Fund** - accounts for the costs of modification of existing treatment plant service rehabilitation and extension of sewer collection.

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

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

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

## TOWN OF PLAIN DEALING, LOUISIANA

## Capital Projects Funds

## Combining Balance Sheet

December 31, 1998

with Comparative Totals for December 31, 1997

	Water Project #14 Fund	Streets & Drainage Program	Industrial Development	Special Projects Program	Total	
					1998	1997
<b>Assets</b>						
Cash in bank	\$ -	\$ -	\$ 50,946	\$ -	\$ 50,946	\$ 41,000
Certificates of deposits	63,008	-	408,110	-	471,140	484,310
Accrued interest	-	-	1,821	-	1,821	1,821
<b>Total Assets</b>	<b>63,008</b>	<b>-</b>	<b>459,847</b>	<b>-</b>	<b>522,875</b>	<b>531,089</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities:</b>						
Due to other funds	-	-	1,806	-	1,806	1,586
Accounts payable	-	-	1,455	-	1,455	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>3,261</b>	<b>-</b>	<b>3,261</b>	<b>1,586</b>
Fund balances	63,008	-	458,340	-	521,378	529,503
<b>Total Liabilities and Fund Balances</b>	<b>\$ 63,008</b>	<b>\$ -</b>	<b>\$ 458,840</b>	<b>\$ -</b>	<b>\$ 520,875</b>	<b>\$ 531,089</b>

**TOWN OF PLAIN BEALING, LOUISIANA**

**Capital Projects Funds**

**Comparing Statement of Revenues, Expenditures and  
Changes in Fund Balances**

**For the Year Ended December 31, 1998  
with Comparative Totals for the Year Ended December 31, 1997**

	<u>Yours</u>					
	<u>Senior Project 414 Fund</u>	<u>Street &amp; Drainage Program</u>	<u>Industrial Development</u>	<u>Special Projects Program</u>	<u>1998</u>	<u>1997</u>
<b>Revenues:</b>						
State grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	98,850	-	98,850	97,274
Interest	3,238	25	23,193	-	24,508	18,858
<b>Total Revenues</b>	<b>3,238</b>	<b>25</b>	<b>112,043</b>	<b>-</b>	<b>116,367</b>	<b>117,062</b>
<b>Expenditures:</b>						
General government	-	-	11,891	-	11,891	1,700
Street improvements	-	-	-	-	-	94,600
Capital outlays	-	-	51,581	18,587	300,883	1,968
Miscellaneous	-	-	-	288	288	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>63,472</b>	<b>18,787</b>	<b>312,779</b>	<b>98,168</b>
Excess of revenues over expenditures	3,238	25	48,571	(18,787)	1,588	19,894
<b>Other Financing sources (uses):</b>						
Operating transfers out	-	(3,190)	-	(244)	(3,158)	-
Net other financing sources (uses)	-	(3,190)	-	(244)	(3,158)	-
Excess (deficiency) of revenues plus expenditures	3,238	(3,065)	48,571	(19,031)	798	19,894
Fund balance at beginning of year	39,508	1,881	408,208	11,614	506,649	415,768
Fund balance at end of year	<b>\$ 42,746</b>	<b>\$ -</b>	<b>\$ 456,879</b>	<b>\$ -</b>	<b>\$ 507,447</b>	<b>\$ 435,662</b>

**ENTERPRISE  
FUND**

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

## TOWN OF PLAIN DEALING, LOUISIANA

## Water and Sewer Fund

## Comparing Balance Sheet

December 31, 1998  
with Comparative Totals for December 30, 1997

## ASSETS

	1998			1997
	Water Department	Sewer Department	Combined	
<b>Current Assets:</b>				
Cash	\$ 31,886	\$ 31,485	\$ 63,371	\$ 116,523
Accounts receivable	31,586	9,838	41,424	55,086
Accrued interest	1,123	-	1,123	1,000
Due from other funds	54,246	7,965	62,211	118,897
<b>Total Current Assets</b>	<u>164,790</u>	<u>49,688</u>	<u>214,478</u>	<u>273,476</u>
<b>Restricted Assets, Cash</b>				
Customer deposits	38,834	-	38,834	37,481
Water reserve bond fund	6,715	-	6,715	3,623
Water reserve bond reserve fund	21,814	-	21,814	39,963
Water replacement and extension fund	21,850	-	21,850	38,584
<b>Total Restricted Assets</b>	<u>89,213</u>	<u>-</u>	<u>89,213</u>	<u>89,649</u>
<b>Property, Plant &amp; Equipment:</b>				
Improvements	856,811	1,113,126	1,970,147	1,867,671
Less accumulated depreciation	(589,841)	(469,864)	(1,059,705)	(875,170)
<b>Net property, plant &amp; equipment</b>	<u>266,970</u>	<u>643,262</u>	<u>910,442</u>	<u>992,501</u>
<b>Total Assets</b>	<u>\$ 459,482</u>	<u>\$ 493,756</u>	<u>\$ 1,095,752</u>	<u>\$ 1,345,675</u>

(Continued)

**TOWN OF PLAIN DEALING, LOUISIANA**
**Water and Sewer Fund**
**Combining Balance Sheet**

December 31, 1998

with Comparative Totals for December 31, 1997

**LIABILITIES AND FUND EQUITY**

	1998			1997
	Water Department	Sewer Department	Combined	
<b>Liabilities:</b>				
<b>Current liabilities payable from current assets:</b>				
Accounts payable	\$ 4,102	\$ 2,408	\$ 6,510	\$ 11,009
Due to other funds	3,149	-	3,149	84,808
Other	1,088	-	1,088	2,124
<b>Total Current Liabilities payable from current assets</b>	<b>8,339</b>	<b>2,408</b>	<b>10,747</b>	<b>108,141</b>
<b>Current liabilities payable from restricted assets:</b>				
Water revenue bond	6,287	-	6,287	6,182
Accrued interest	8,848	-	8,848	8,596
Customer deposits	31,124	-	31,124	31,429
<b>Total Current Liabilities payable from restricted assets</b>	<b>46,259</b>	<b>-</b>	<b>46,259</b>	<b>46,207</b>
<b>Long-Term Liabilities payable from restricted assets:</b>				
Water revenue bond	279,886	-	279,886	271,700
<b>Total Liabilities payable from restricted assets</b>	<b>286,142</b>	<b>-</b>	<b>286,142</b>	<b>271,527</b>
<b>Fund Equity:</b>				
<b>Contributed Capital:</b>				
Municipality	-	219,673	219,673	219,673
Federal grants	-	793,824	793,824	793,824
<b>Total Contributed Capital</b>	<b>-</b>	<b>1,013,497</b>	<b>1,013,497</b>	<b>1,013,497</b>
<b>Retained Earnings:</b>				
Unreserved	386,882	(121,356)	265,526	182,847
<b>Total Fund Equity</b>	<b>386,882</b>	<b>892,141</b>	<b>1,278,667</b>	<b>1,164,744</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 1,171,423</b>	<b>\$ 892,141</b>	<b>\$ 2,063,564</b>	<b>\$ 1,274,611</b>

## TOWN OF PLAIN DEALING, LOUISIANA

## Water and Sewer Fund

## Combining Statement of Revenues, Expenses and Changes in Funded Savings

For the Year Ended December 31, 1998  
with Comparative Totals for the Year Ended December 31, 1997

	1998			1997
	Water Department	Sewer Department	Combined	
<b>Operating Revenues:</b>				
Charges for services	\$ 208,128	\$ 41,830	\$ 249,958	\$ 203,357
Other	5,306	-	5,306	4,308
Total Operating Revenues	213,434	41,830	255,264	207,665
<b>Operating Expenses:</b>				
Personnel services	53,479	29,470	82,949	72,253
Contractual services	3,683	3,683	7,366	6,966
Supplies and materials	18,243	7,784	26,027	24,688
Heat, light and power	18,224	9,622	27,846	26,583
Depreciation	18,892	24,819	43,711	41,032
Other	51,861	23,832	75,693	43,002
Total Operating Expenses	163,382	99,712	263,094	234,524
Operating Income (Loss)	50,052	(57,882)	(7,832)	(26,859)
<b>Non-Operating Revenues (Expenses):</b>				
Interest income	3,588	-	3,588	3,290
Interest expense	(12,048)	-	(12,048)	(11,450)
Transfers in	41,200	1,905	43,105	-
Transfers out	-	(44,488)	(44,488)	-
Net Non-Operating Revenues (Expenses)	32,740	(42,583)	(9,843)	(8,160)
Net Income (Loss)	82,792	(100,465)	(17,673)	(35,019)
Retained earnings, beginning	290,384	140,454	430,838	391,554
Prior period adjustment	-	-	-	9,680
Retained earnings, ending	\$ 373,176	\$ 39,989	\$ 413,165	\$ 406,215

## TOWN OF PLAIN DEALING, LOUISIANA

## Water and Sewer Fund

## Combining Statement of Cash Flows

For the Year Ended December 31, 2008  
with Comparative Totals for the Year Ended December 31, 2007

	2008			2007
	Water Department	Sewer Department	Combined	
<b>Cash flows from operating activities:</b>				
Net income (loss)	\$ 31,083	\$ (18,800)	\$ 12,283	\$ (1,911)
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	28,891	34,509	63,400	44,042
Post period adjustment	-	-	-	9,608
Change in assets and liabilities:				
Increase in accounts receivable	(5,970)	(1,695)	(7,665)	(8,787)
Decrease (Increase) in due from other fund	(18,188)	49,177	30,989	66,512)
Increase (Decrease) in accounts payable	(12,159)	(2,244)	(14,403)	16,108
Increase (Decrease) in due to other funds	(18,508)	(28,688)	(47,196)	33,714
Increase (Decrease) in other liabilities	(1,187)	-	(1,187)	871
Total adjustments	(68,508)	41,952	(26,556)	28,881
Net cash provided by operating activities	30,551	3,299	33,850	21,529
<b>Cash flows from investing activities:</b>				
Purchase of fixed assets	-	(3,554)	(3,554)	(34,895)
Purchase of investments	(1,671)	-	(1,671)	(1,808)
Interest on investments	3,214	-	3,214	3,327
Net cash used in investing activities	832	(3,554)	(2,722)	(33,376)
<b>Cash flows from financing activities:</b>				
Increase in restricted assets	(3,281)	-	(3,281)	(1,083)
Increase in restricted liabilities	(984)	-	(984)	1,428
Principal payments of long-term debt	(5,829)	-	(5,829)	(6,182)
Net cash provided by financing activities	(11,094)	-	(11,094)	(5,837)
<b>Cash flows from noncapital financing activities:</b>				
Interest expense	(11,838)	-	(11,838)	(11,837)
Operating transfers in (out), net	45,318	112,295	157,613	-
Net cash provided by noncapital financing activities	33,480	112,295	145,775	(11,837)
Net increase in cash and cash equivalents	35,446	142,869	178,315	44,311)
Cash and cash equivalents at beginning of year	88,148	76,585	164,733	123,846
Cash and cash equivalents at end of year	\$ 123,594	\$ 219,454	\$ 343,048	\$ 168,157



## TOWN OF PLAIN DEALING, LOUISIANA

## Water and Sewer Fund

Statement of Revenues, Expenditures and Changes in Retained Earnings -  
Budget (GAAP Basis) and ActualFor the Year Ended December 31, 1998  
with Comparative Actual Amounts for the Year Ended December 31, 1997

	1998		Variance - Favorable (unfavorable)	1997 Actual
	Budget	Actual		
<b>Revenues:</b>				
Charges for services	\$ 211,240	\$ 208,158	\$ 3,082	\$ 211,150
Interest	-	3,588	3,588	3,218
Other	5,400	3,358	(2,042)	4,728
Total Revenues	216,640	218,052	1,412	219,096
<b>Expenditures:</b>				
Other operating expenses	137,232	134,928	2,304	102,824
Personal services	67,418	82,048	(15,631)	72,150
Depreciation	-	40,801	(40,801)	40,812
Interest	12,088	12,088	-	12,452
Total Expenditures	216,740	273,788	(57,048)	238,238
Excess (deficiency) of revenues over expenditures	-	4,264	4,264	(11,232)
<b>Other financing sources (uses):</b>				
Transfers in	-	48,233	48,233	-
Transfers out	-	(44,999)	(44,999)	-
Excess (deficiency) of revenues & other sources over expenditures	-	8,999	8,999	(11,232)
Retained earnings, beginning	189,647	189,647	-	191,254
Prior period adjustment	-	-	-	8,658
Retained earnings, ending	\$ 189,647	\$ 198,646	\$ 8,999	\$ 188,672

See accompanying notes to combined financial statements.

## TOWNSHIP OF PLAIN BEALING, LOUISIANA

## Water Department

Schedule of Changes in Assets Restricted Under Revenue Bond Debt  
For the Year Ended December 31, 1998

	Bond Fund	Bond Reserve Fund	Water Replacement and Extension Fund	Total
Cash - January 1, 1998	\$ 3,631	\$ 18,968	\$ 18,938	\$ 41,537
Cash receipts:				
Transferred from operating activities	30,314	-	1,789	32,103
Interest credited	888	1,049	526	1,713
Total cash receipts	31,202	1,049	2,315	34,566
Total cash available	62,833	19,017	21,253	62,833
Cash disbursements:				
Principal payment	5,559	-	-	5,559
Interest payment	11,828	-	-	11,828
Total disbursements	17,387	-	-	17,387
Cash - December 31, 1998	\$ 45,446	\$ 19,017	\$ 21,253	\$ 45,446

**TRUST AND AGENCY  
FUNDS**

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

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

## TOWN OF PLAIN DEALING, LOUISIANA

## Trust and Agency

## Combining Balance Sheet

December 31, 1998  
with Comparative Totals for December 31, 1997

Assets	Current	Tax Clearing Fund	Totals	
			1998	1997
Cash	\$ 3,901	\$ 16,411	\$ 20,312	\$ 20,410
Certificates of deposit	109,004	-	109,004	109,110
Accounts receivable, net of allowance for uncollectible items	-	11,739	11,739	8,854
Accrued interest receivable	2,884	-	2,884	2,900
Total Assets	<u>115,789</u>	<u>28,150</u>	<u>143,939</u>	<u>141,274</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Due to other funds	-	28,150	28,150	28,587
Total Liabilities	-	28,150	28,150	28,587
Fund Balances	<u>115,789</u>	<u>-</u>	<u>115,789</u>	<u>112,687</u>
Total Liabilities and Fund Balances	<u>\$ 115,789</u>	<u>\$ 28,150</u>	<u>\$ 143,939</u>	<u>\$ 141,274</u>

**TOWN OF PLAIN DEALING, LOUISIANA**

**County Trust and Agency**

**Statement of Revenues, Expenditures and Changes in Fund Balance**

**For the Year Ended December 31, 1998**  
**with Comparative Totals for December 31, 1997**

	<u>1998</u>	<u>1997</u>
<b>Revenues:</b>		
Charges for services	\$ 3,466	\$ 4,278
Interest	9,607	8,286
Miscellaneous	<u>100</u>	<u>620</u>
Total Revenues	<u>13,173</u>	<u>13,184</u>
<b>Expenditures:</b>		
Salaries	3,518	3,880
Supplies and materials	2,058	1,401
Capital outlay	<u>1,088</u>	<u>-</u>
Total Expenditures	<u>6,664</u>	<u>5,281</u>
Amount of revenues over expenditures	6,509	7,903
Fund balance at beginning of year	<u>111,730</u>	<u>103,827</u>
Fund balance at end of year	<u>\$ 118,239</u>	<u>\$ 111,730</u>

## TOWN OF PLAIN DEALING, LOUISIANA

## Tax Clearing Agency Fund

## Balance Sheet

December 31, 1998

with Comparative Totals for December 31, 1997

	<u>1998</u>	<u>1997</u>
<b>Assets</b>		
Cash	\$ 16,421	\$ 16,121
Accounts receivable, net of allowance for uncollectible taxes of \$0	<u>11,129</u>	<u>8,864</u>
Total Assets	<u>\$ 27,550</u>	<u>\$ 24,985</u>
<b>Liabilities</b>		
Due to other funds	<u>27,550</u>	<u>24,985</u>
Total Liabilities	<u>\$ 27,550</u>	<u>\$ 24,985</u>

Statement of Changes in Assets and Liabilities  
For the Year Ended December 31, 1998

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>Assets</b>				
Cash	\$ 16,121	\$ 21,898	\$ 26,798	\$ 16,421
Accounts receivable, net of allowance for uncollectible taxes of \$0	<u>8,864</u>	<u>27,036</u>	<u>24,381</u>	<u>11,129</u>
Total Assets	<u>\$ 24,985</u>	<u>\$ 48,934</u>	<u>\$ 51,179</u>	<u>\$ 27,550</u>
<b>Liabilities</b>				
Due to other funds	<u>24,985</u>	<u>27,636</u>	<u>26,651</u>	<u>27,550</u>
Total Liabilities	<u>\$ 24,985</u>	<u>\$ 55,272</u>	<u>\$ 53,302</u>	<u>\$ 27,550</u>

**GENERAL  
FIXED ASSETS  
ACCOUNT GROUP**

---

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

## TOWN OF PLAIN DEALING, LOUISIANA

## Schedule of General Fixed Assets - By Source

December 31, 1998 and 1997

	1998	1997
<b>General Fixed Assets:</b>		
General fund	\$ 303,600	\$ 300,440
Fire department	641,534	183,388
County	8,481	7,300
Dam and reservoirs	294,880	194,548
Buildings	303,819	281,241
Machinery and equipment	42,315	43,325
Industrial park	312,110	441,270
River improvements	448,177	238,511
<b>Total General Fixed Assets</b>	<b>\$ 2,078,456</b>	<b>\$ 1,387,033</b>
<b>Investment in general fixed assets from:</b>		
General fund revenues	\$ 587,149	\$ 358,779
Federal grants	1,008,798	767,860
General obligation bonds	31,580	52,500
State tax fund revenues	219,261	148,300
Water and sewer fund	15,800	20,000
Louisiana Highway Safety Committee	19,800	25,000
Other sources	38,771	28,193
<b>Total investment in general fixed assets</b>	<b>\$ 2,078,456</b>	<b>\$ 1,387,033</b>



## TOWN OF PLAIN DEALING, LOUISIANA

Schedule of Changes in General Fixed Assets -  
By Function and Activity

For the Year Ended December 31, 1988

	General Fixed Assets January 1, 1988	Additions	Deletions	General Fixed Assets December 31, 1988
<b>General Government:</b>				
General fund	\$ 308,618	\$ 15,335	\$ 1,310	\$ 315,839
Street improvements	228,511	312,366	-	448,777
Municipal buildings	281,341	11,798	-	293,098
Machinery and equipment	42,315	-	-	42,315
Industrial park	442,172	51,581	-	493,753
Total General Government	1,502,957	511,780	1,310	1,813,427
Fire department	141,514	-	-	141,514
Crusading	7,302	1,089	-	8,391
Tram and excavator	284,548	-	-	284,548
	433,364	1,089	-	434,453
Total General Fixed Assets	\$ 1,936,321	\$ 512,869	\$ 1,310	\$ 2,028,480

**GENERAL LONG-TERM  
DEBT ACCOUNT GROUP**

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

## TOWN OF PLAIN DEALING, LOUISIANA

## General Long-Term Debt Group of Accounts

## Schedule of General Long-Term Debt

For the Year Ended December 31, 1998

	Balance December 31, 1997	General Obligation Sewer Bonds Retired	Operations	Balance December 31, 1998
Amount available in Debt Service Fund	\$ 17,350	\$ -	\$ (17,349)	\$ 1
Amount to be provided for retirement of long-term debt	<u>15,000</u>	<u>(15,000)</u>	<u>17,349</u>	<u>(139)</u>
Total available and to be provided	<u>15,000</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>
General obligation debt payable	\$ <u>15,000</u>	\$ <u>(15,000)</u>	\$ <u>-</u>	\$ <u>-</u>

**ADDITIONAL  
REPORT REQUIRED BY  
GOVERNMENT AUDITING  
STANDARDS**

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- **Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**



SMITH PUGH RABINOWITZ L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

400 WARDEN L STREET SUITE 800 - SHREVEPORT, LOUISIANA 71155-3535 - TELEPHONE 337 533 5701 - FAX 337 484 4706  
201 WOODROW WOOD SUITE 713 - BOSSIERE LAKE, LOUISIANA 71111 - TELEPHONE 337 742 4800 - FAX 337 742 4800

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

The Honorable David Smith, Mayor,  
and the members of the Board of Aldermen of  
The Town of Plain Dealing, Louisiana

We have audited the general purpose financial statements of the Town of Plain Dealing, Louisiana, as of and for the year ended December 31, 1998, and have issued our report thereon dated February 23, 1999 which was qualified because insufficient audit evidence exists to support the Town of Plain Dealing's disclosures with respect to the year 2000 issue. Except as discussed in the preceding sentence, we conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Town of Plain Dealing, Louisiana's, general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are reportable in the accompanying Government Auditing Standards disclosure described in the accompanying schedule of findings as items 98-6, 98-7, 98-8, and 98-9.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Town of Plain Dealing, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and on its compliance with the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its application that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Town of Plain Dealing, Louisiana's ability to record, process, summarize and report financial data consistent with the objectives of management in the general purpose financial statements. Reportable conditions are disclosed in the accompanying schedule of findings as items 98-1, 98-2, 98-3, 98-4, and 98-5.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements or assertions that could be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. The 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 none of the reportable conditions described above is a material weakness.

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

Smith Pugh Rabinowitz L.L.P.  
Certified Public Accountants

February 11, 1999

## AUDIT FINDINGS

- Schedule of Audit Findings
- Corrective Action Plan
- Summary of Schedule of Prior Audit Findings

## TOWN OF PLAIN DEALING, LOUISIANA

### SCHEDULE OF AUDIT FINDINGS

December 31, 1998

#### FINDINGS RELATED TO FINANCIAL STATEMENTS

##### Findings Related to Internal Control

###### Finding 28-1:

**Condition:** The Town does not currently have specific policies and procedures for controlling the issuing of police tickets and collecting unpaid tickets. Multiple ticket books are being used in an uncoordinated manner.

**Recommendation:** The Town should develop written documentation by policies and procedures for the issuing of police tickets and collection of unpaid tickets.

###### Finding 28-2:

**Condition:** The Town does not reimburse expenditures paid out of one fund for another fund timely.

**Recommendation:** The Town should reconcile their capital items monthly and reimburse those funds accordingly.

###### Finding 28-3:

**Condition:** The Town has not adequately accounted for customer deposits.

**Recommendation:** The Town should reconstruct their records as far back as reasonably possible to determine the proper inter-deposit liability. The Town should keep an updated list of all customer deposits.

###### Finding 28-4:

**Condition:** The Town has a Capital Projects Fund (Sewer Project 414) which was closed out several years ago and has remained on the books. The only activity is the accumulation of interest income from a certificate of deposit.

**Recommendation:** The Town should contact the proper grant agency for this project to either get approval to spend the remaining monies for similar expenditures to the original grant or return the money to the grant agency.

###### Finding 28-5:

**Condition:** The Town Council approved the issuance of sewer rates during their May 21, 1998, regular meeting without mention of the date the new rates were in effect. During an audit and in testing a random sample of customer sewer billings in July, we noted that the old sewer rates were still being used.

**Recommendation:** The Town should determine the effective date of the sewer rate change and research customer accounts to determine if they were properly billed.

**TOWN OF PLAIN BEALING, LOUISIANA**

**SCHEDULE OF AUDIT FINDINGS**

December 31, 1998

**Findings Related to Compliance**

**Finding 58-1**

**Criteria:** Louisiana R.S. 24:911 requires that the Town maintain records of all land, buildings, improvements other than buildings, equipment, and any other personal fixed assets which were purchased or otherwise acquired, and for which such entry is assessable.

**Condition:** The Town has not adequately complied with this statute.

**Recommendation:** The Town needs to maintain adequate records of these assets. The records should include information as to the date of purchase of such property or equipment, the initial cost, the disposition, the purpose of such disposition, and the recipient of the property or equipment disposed of. When determining the exact cost, exact selling price, or any other relevant information of property or equipment obtained prior to January 1, 1980, the Town may provide estimates of the information.

**Finding 58.2**

**Criteria:** Louisiana R.S. 26:1004 states that in the budget preparation, the budget documents should set forth the proposed financial plan for the general fund and each special revenue fund and should include the following:

- (1) A budget message signed by the budget preparer.
- (2) A statement for the general fund and each special revenue fund showing the estimated fund balances at the beginning of the year, estimates of all receipts and revenues to be received, revenues itemized by source, recommended expenditures itemized by agency, department, bureau, and chapter, other financing sources and uses by source and use, and the estimated fund balances at the end of the fiscal year.

**Condition:** The Town has not adequately complied with this statute.

**Recommendation:** The Town should revise their budget preparations to comply completely with this statute.

**Finding 58-3**

**Criteria:** Louisiana Constitution Article 7, Section 14, prohibits the loans, credits, property, or things of value of any political subdivision to be loaned to any person, association, or corporation, public or private.

**Condition:** The accounts receivable of the Town of Plain Bealing, Louisiana, have remained with past due amounts greater than ninety (90) days old for utility services are ongoing.

**Notes:** In many, continuing to provide utility services to past due accounts results in a loan to the customers.

**Recommendation:** The Town should abide by their contract Ordinance Number 3 of 1998 where the Town has given the Utilities Superintendent specific instructions to discontinue service to customers who have not paid their bill on or before the 2<sup>nd</sup> of the same month. The Town also should determine if this Ordinance conforms to the legal requirements of Louisiana Constitution Article 7, Section 14.



**TOWN OF PLAIN DEALING, LOUISIANA**

**SCHEDULE OF AUDIT FINDINGS**

**December 31, 1998**

**Findings Related to Compliance (continued)**

**Finding 55.3**

**Condition:** The Town has omitted the resolution from their minutes to levy the assessed valuation of all property subject to ad valorem taxation for the year 1998. The Town also omitted to declare in their minutes the emergency water system repairs by Hamblin Well Services, Inc.

**Recommendation:** The Town should amend their minutes to include these items that were previously omitted.

# TOWN OF PLAIN DEALING

"Help Finance the Education System that Matters"

P.O. Box 419

Plain Dealing, Louisiana 70854

225-226-6226

OFFICIAL

OFFICIAL USE

## CORRECTIVE ACTION PLAN

April 25, 1998

BRUCE BARRIS, Mayor  
JOHN W. BARRIS, Jr., Council  
BRIAN H. BARRIS, Council  
JAMES D. SCOTCHERNO, Council  
MICHAEL L. BARRIS, Council  
FRANK BARRIS, Council

FRANK BARRIS  
FRANK BARRIS  
FRANK BARRIS  
FRANK BARRIS  
FRANK BARRIS  
FRANK BARRIS

Mr. David G. Kyle, CPA  
Legislative Auditor, State of Louisiana  
P. O. Box 81197  
Metairie, LA 70004-0197

Dear Mr. Kyle:

The Town of Plain Dealing, Louisiana, respectfully submits the following corrective action plan for the year ended December 31, 1998, for the Schedule of Findings. The findings are numbered consistently with the numbers assigned in the schedule.

### FINDINGS RELATED TO FINANCIAL STATEMENTS

#### Findings Related to Internal Control

##### Finding 78-1:

**Recommendation:** The Town should develop written documentation for policies and procedures for the issuing of police tickets and collection of unpaid tickets.

**Action Taken:** The Town will establish a written policy providing procedures for the issuing of police tickets and collection of unpaid tickets. The Town will order new ticket books and work on returning unused tickets to the old books. The Town will also issue bench warrants for defendants not appearing on their court date.

##### Finding 78-2:

**Recommendation:** The Town should reconcile disbursement paid out of one fund to another and reimburse those funds accordingly on a monthly basis.

**Action Taken:** The Town is currently exploring ways to consolidate and streamline various funds. This should decrease the need to transfer funds between the different accounts of the Town.

##### Finding 78-3:

**Recommendation:** The Town should reexamine their records as far back as reasonable possible to determine the proper correct deposit liability. The Town should keep an updated list of all customer deposits.

**Action Taken:** The Town has purchased new computers and is in the process of updating the water system billing software. We are anticipating that this new software will enable us to track water deposits and have an updated listing of the water deposit accounts.

**Finding 20-4:**

**Recommendation:** The Town should contact the proper grant agency for this project (Sewer Project 414) to either get approval to spend the remaining monies for similar expenditures as the original grant or return the money to the grant agency.

**Action Taken:** The Town is in the process of determining the source of the Sewer Project 414 funds to determine the disposition of these funds.

**Finding 20-5:**

**Recommendation:** The Town should determine the effective date of the sewer rate change and research customer accounts to determine if they were properly billed.

**Action Taken:** The sewer rate increase was approved at the May 12, 1998, council meeting and was to take effect 70 days after approval. Readings are usually done about the 15<sup>th</sup> of the month and so it is possible that it could take up to 2 billing cycles to show up on the water bills (August bills for July usage).

**Findings Related to Compliance**

**Finding 20-6:**

**Recommendation:** The Town needs to maintain adequate general fund asset records.

**Action Taken:** All departments have done a physical inventory of their equipment. The Town will assign a value to all land, buildings, and other improvements owned by the Town.

**Finding 20-7:**

**Recommendation:** The Town should revise their budget preparation to comply completely with this statute (G.S. 157-1308).

**Action Taken:** The Town will amend the 1999 budget to comply with this statute and will follow this statute in preparing future budgets.

**Finding 20-8:**

**Recommendation:** The Town should abide by their current Ordinance Number 1 of 1998 when the Town has given the Utilities Superintendent specific instructions to discontinue service to customers who have not paid their bill on or before the 15<sup>th</sup> of the same month.

**Action Taken:** I spoke with the Utilities Superintendent, Billy Woods, and reminded him of this Ordinance. The Superintendent will comply with this Ordinance.

**Finding 36.5:**

*Recommendation:* The Town should amend their minutes to include these items (a) unless its resolution and emergency declaration previously omitted.

*Action Taken:* At the May 1999 council meeting, prior minutes will be amended to include the of values tax resolution and emergency will again declarations.

Respectfully,  
  
David Smith, Mayor

**TOWNS OF PLAIN BEALING, LOUISIANA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

December 31, 1998

**FROM AUDIT FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN A SEPARATE  
LETTER TO MANAGEMENT**

**Finding 1:**

- Condition:** The Town does not maintain adequate general fixed assets records.
- Recommendation:** The Town officials should identify and inventory all general fund assets and make acceptable estimates of the acquisition costs.
- Current status:** A list of general fund fixed assets has been started by the Town staff, but it is not complete. A similar finding for the year ended December 31, 1998, is noted on the Schedule of Findings under Finding 9B-2.

**Finding 2:**

- Condition:** The Town does not have an established manual for accounting policies and procedures.
- Recommendation:** The Town should develop written documentation for accounting policies and procedures.
- Current status:** Duties of each employee were documented. No similar audit findings were noted in the audit for the year ended December 31, 1998.

**Finding 3:**

- Condition:** The Town does not have current procedures for handling police tickets.
- Recommendation:** The Town should develop written documentation for policies and procedures for police tickets such as the numerical control of tickets issued and formal procedures for the collection of unpaid tickets.
- Current status:** Ticket logs are now being used to help control the numeric sequence of tickets issued, but the police are using several ticket books, furthermore making the control of the numeric sequence difficult. No formal procedures have been developed for collecting unpaid tickets. A similar finding for the year ending December 31, 1998, is noted on the Schedule of Findings under finding 9C-1.

**Finding 4:**

- Condition:** There were several expenditures without purchase orders.
- Recommendation:** The Town should enforce the requirement for and proper approval of purchase orders for non-recurring expenditures.
- Current status:** The recommendation has been followed. No similar findings were noted during the audit for the year ended December 31, 1998.

**TOWN OF PLAIN BEALING, LOUISIANA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
December 31, 1998

**PRIOR AUDIT FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN A SEPARATE LETTER TO MANAGEMENT (CONTINUED)**

**Finding 1:**

**Condition:** The Town did not reimburse expenditures paid out of one fund for another fund timely.

**Recommendation:** The Town should reconcile these expenditures monthly and reimburse those funds accordingly.

**Current status:** A similar audit finding for the year ended December 31, 1998, is noted on the Schedule of Findings under Finding 98-2.

**Finding 2:**

**Condition:** The accountability of customer deposits was not done properly.

**Recommendation:** The Town should set up new liability accounts to account for current water deposits and meter rentals to be reconciled monthly. For prior year deposits and rentals, the Town should reconstruct their records as far back as reasonably possible to determine the proper meter deposit liability.

**Current status:** A similar audit finding for the year ended December 31, 1998, is noted on the Schedule of Findings under Finding 98-3.

**Finding 3:**

**Condition:** The remaining amount in the General Obligation Bond account after the bonds were paid off in March, 1998, represents interest accumulated over the years.

**Recommendation:** The Town should use the remaining funds for the same purpose as the bonds.

**Current status:** A Town Council passed a motion to transfer the remaining balance in March, 1998, after the bond sale was paid, from the Sinking Fund to the Sewer Department checking account to be used for the normal operations of the Sewer Department. No similar findings were noted during the audit for the year ended December 31, 1998.

**Finding 4:**

**Condition:** The Town should retain interest accumulated over the years from initial grant money deposits after the grant principal was expended.

**Recommendation:** The Town should contact those grant agencies to either get approval to spend the remaining monies for similar expenditures at the original grant or return the money to the grant agency.

**Current status:** The Town Council passed a motion to transfer the remaining balances of the Street and Drainage Project and the Special Projects Fund to the Water Department account. A similar audit finding for the year ended December 31, 1998, for the Sewer Project Fund is noted on the Schedule of Findings under finding 98-4.

**TOWN OF PLAIN DEALING, LOUISIANA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

December 31, 1998

**PRIOR AUDIT FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN A SEPARATE LETTER TO MANAGEMENT (CONTINUED)**

**Findings:**

- |                        |   |
|------------------------|---|
| <b>Condition:</b>      | Within the prior year audit findings for the year ended December 31, 1997, the Town has not changed how the budget is prepared. |
| <b>Recommendation:</b> | The Town should revise their budget preparation process to better estimate the subsequent year's revenues and expenditures.     |
| <b>Current status:</b> | A similar audit finding for the year ended December 31, 1998, is noted on the Schedule of Findings under finding 98-3.          |