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**TOWN OF PORT BARRE, LOUISIANA**

Financial Report

Year Ended September 30, 1998

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Release Date MAR 24 1999

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## INDEPENDENT AUDITORS' REPORT

The Honorable John Fontenot, Mayor  
and Members of the Board of Aldermen  
Town of Port Barre, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Port Barre, Louisiana, as of and for the year ended September 30, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town's elected officials. 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 Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues, requires disclosure of certain matters regarding the year 2000 issue. The Town of Port Barre has included such disclosures in Note 18. Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the Town of Port Barre's disclosures with respect to the year 2000 issue made in Note 18. Further, we do not provide assurance that the Town of Port Barre is or will be year 2000 ready, that the Town of Port Barre's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Town of Port Barre does business with 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 regarding year 2000 disclosures, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Port Barre, Louisiana, as of September 30, 1998, and the results of its operations and the cash flows of its proprietary fund type 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 5, 1999 on our consideration of the Town of Port Barre's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplementary Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the general

purpose financial statements of the Town of Port Barre, Louisiana. Such information, except for that portion marked "unaudited", on which we express no opinion, 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.

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose financial statements of the Town of Port Barre, Louisiana.

***Kolder, Champagne, Slaven & Rainey, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
February 5, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS-OVERVIEW)**

TOWN OF PORT BARRE, LOUISIANA  
 Combined Balance Sheet - All Fund Types and Account Groups  
 September 30, 1998

	Governmental Fund Types				Proprietary Fund Type Enterprise	Fiduciary Fund Type Agency	Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects			General Fixed Assets	General Long-Term Debt	1998	1997
Cash	\$ 9,462	\$ 132,784	\$ 120,744	\$ -	\$ 291,740	\$ 4,371	\$ -	\$ -	\$ 559,101	\$ 280,021
Interest-bearing deposits	-	-	93,754	-	-	-	-	-	93,754	94,320
Receivables (net, where applicable, of allowances for uncollectibles):										
Taxes	25,504	-	-	-	-	-	-	-	25,504	25,245
Accounts	-	-	-	-	56,342	-	-	-	56,342	61,496
Due from other funds	-	27,955	7,261	-	6,533	-	-	-	41,749	50,495
Due from other government agencies	-	-	-	-	267,514	-	-	-	267,514	-
Accrued interest	-	-	-	-	769	-	-	-	769	851
Other	1,671	-	-	-	-	-	-	-	1,671	-
Restricted assets:										
Cash	-	-	-	-	89,408	-	-	-	89,408	70,220
Interest-bearing deposits	-	-	-	-	40,913	-	-	-	40,913	39,377
Land	-	-	-	-	-	-	-	-	83,548	83,548
Buildings	-	-	-	-	-	-	-	-	1,113,608	1,113,608
Improvements other than buildings	-	-	-	-	-	-	-	-	703,593	703,593
Equipment	-	-	-	-	-	-	-	-	195,196	172,318
Utility property, plant and equipment	-	-	-	-	3,288,515	-	-	-	3,288,515	3,283,990
Construction in progress	-	-	-	-	1,769,586	-	-	-	1,769,586	-
Accumulated depreciation	-	-	-	-	(1,557,943)	-	-	-	(1,557,943)	(1,492,332)
Amount available in debt service funds	-	-	-	-	-	-	-	177,037	177,037	174,173
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	-	954,963	954,963	1,058,827
Total assets and other debits	\$36,637	\$160,739	\$221,759	\$ -	\$4,253,377	\$4,371	\$2,095,945	\$1,132,000	\$7,904,828	\$5,719,750

(continued)

TOWN OF PORT BARRE, LOUISIANA  
 Combined Balance Sheet - All Fund Types and Account Groups (Continued)  
 September 30, 1998

	Governmental Fund Types				Proprietary Fund Type			Fiduciary Fund Type			Account Groups		Totals	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Agency	Long-Term Debt	General Fixed Assets	General Long-Term Debt	(Memorandum Only)				
										1998	1997			
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>														
Liabilities:														
Accounts payable	\$ 7,507	\$ 7,554	\$ -	\$ -	\$ 25,586	\$ -	\$ -	\$ -	\$ -	\$ 40,647	\$ 37,122			
Due to other funds	8,282	30,187	-	-	-	3,280	-	-	-	41,749	50,495			
Other liabilities	47	17	-	-	676	1,091	-	-	-	1,831	1,866			
Payable from restricted assets -														
Contracts payable	-	-	-	-	164,921	-	-	-	-	164,921	-			
Retainage payable	-	-	-	-	97,410	-	-	-	-	97,410	-			
Revenue bonds payable	-	-	-	-	10,000	-	-	-	-	10,000	10,000			
Interest payable	-	-	-	-	10,822	-	-	-	-	10,822	3,757			
Customers' deposits	-	-	-	-	42,906	-	-	-	-	42,906	42,510			
Long-term debt -														
General obligation bonds payable	-	-	-	-	-	-	-	92,000	-	92,000	113,000			
Certificates of indebtedness payable	-	-	-	-	-	-	-	185,000	-	185,000	240,000			
Sales tax bonds payable	-	-	-	-	-	-	-	855,000	-	855,000	880,000			
Revenue bonds payable, net of unamortized bond discount	-	-	-	-	738,929	-	-	-	-	738,929	123,426			
Total liabilities	15,836	37,758	-	-	1,091,250	4,371	-	1,132,000	-	2,281,215	1,502,176			
Equity and other credits:														
Contributed capital	-	-	-	-	3,273,250	-	-	-	-	3,273,250	2,148,991			
Investment in general fixed assets	-	-	-	-	-	-	-	-	-	2,095,945	2,073,067			
Retained earnings (deficit) -														
Reserved for revenue bond retirement	-	-	-	-	29,299	-	-	-	-	29,299	17,496			
Unreserved	-	-	-	-	(140,422)	-	-	-	-	(140,422)	(262,224)			
Total retained earnings (deficit)	-	-	-	-	(111,123)	-	-	-	-	(111,123)	(244,728)			
Fund balances -														
Reserved for debt service	-	-	177,037	-	-	-	-	-	-	177,037	174,173			
Unreserved, undesignated	20,801	122,981	44,722	-	-	-	-	-	-	188,504	66,071			
Total fund balances	20,801	122,981	221,759	-	-	-	-	-	-	365,541	240,244			
Total equity and other credits	20,801	122,981	221,759	-	3,162,127	-	-	-	-	5,623,613	4,217,574			
Total liabilities, equity and other credits	\$36,637	\$160,739	\$221,759	\$ -	\$4,253,377	\$4,371	\$1,132,000	\$2,095,945	\$7,904,828	\$5,719,750				

The accompanying notes are an integral part of this statement.



TOWN OF PORT BARRE, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances  
 All Governmental Fund Types  
 Year Ended September 30, 1998

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)	
					1998	1997
<b>Revenues:</b>						
Taxes	\$ 99,766	\$336,340	\$ 61,395	\$ -	\$497,501	\$415,299
Licenses and permits	37,716	-	-	-	37,716	41,995
Intergovernmental	25,087	-	-	-	25,087	24,934
Fines and forfeits	158,006	-	-	-	158,006	75,214
Miscellaneous	22,586	-	43,597	-	66,183	61,652
Total revenues	<u>343,161</u>	<u>336,340</u>	<u>104,992</u>	<u>-</u>	<u>784,493</u>	<u>619,094</u>
<b>Expenditures:</b>						
Current -						
General government	70,242	9,199	1,290	-	80,731	74,177
Public safety - police	262,981	-	-	-	262,981	234,033
Highways and streets	653	119,370	-	-	120,023	109,984
Culture and recreation	1,674	5,232	-	-	6,906	7,105
Debt service -						
Principal retirement	-	-	101,000	-	101,000	88,000
Interest and fiscal charges	-	-	75,805	-	75,805	80,761
Capital outlay	25,000	1,750	-	-	26,750	87,454
Total expenditures	<u>360,550</u>	<u>135,551</u>	<u>178,095</u>	<u>-</u>	<u>674,196</u>	<u>681,514</u>
Excess (deficiency) of revenues over expenditures	<u>(17,389)</u>	<u>200,789</u>	<u>(73,103)</u>	<u>-</u>	<u>110,297</u>	<u>(62,420)</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	15,000	-	112,927	-	127,927	327,446
Operating transfers out	-	(112,927)	-	-	(112,927)	(225,514)
Total other financing sources (uses)	<u>15,000</u>	<u>(112,927)</u>	<u>112,927</u>	<u>-</u>	<u>15,000</u>	<u>101,932</u>
Excess of revenues and other sources over expenditures and other uses	(2,389)	87,862	39,824	-	125,297	39,512
Fund balances, beginning	23,190	35,119	181,169	766	240,244	200,732
Residual equity transfer	-	-	766	(766)	-	-
Fund balances, ending	<u>\$ 20,801</u>	<u>\$122,981</u>	<u>\$221,759</u>	<u>\$ -</u>	<u>\$365,541</u>	<u>\$240,244</u>

The accompanying notes are an integral part of this statement.

TOWN OF PORT BARRE, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual -  
All Governmental Fund Types  
Year Ended September 30, 1998

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
Taxes	\$ 92,319	\$ 99,766	\$ 7,447	\$349,073	\$336,340	\$(12,733)
Licenses and permits	40,346	37,716	(2,630)	-	-	-
Intergovernmental	25,057	25,087	30	-	-	-
Fines and forfeits	156,382	158,006	1,624	-	-	-
Miscellaneous	19,237	22,586	3,349	-	-	-
Total revenues	<u>333,341</u>	<u>343,161</u>	<u>9,820</u>	<u>349,073</u>	<u>336,340</u>	<u>(12,733)</u>
Expenditures:						
Current -						
General government	67,760	70,242	(2,482)	10,101	9,199	902
Public safety - police	262,851	262,981	(130)	-	-	-
Highways and streets	500	653	(153)	119,505	119,370	135
Culture and recreation	2,751	1,674	1,077	6,676	5,232	1,444
Debt service -						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Capital outlay	23,407	25,000	(1,593)	-	1,750	(1,750)
Total expenditures	<u>357,269</u>	<u>360,550</u>	<u>(3,281)</u>	<u>136,282</u>	<u>135,551</u>	<u>731</u>
Excess (deficiency) of revenues over expenditures	<u>(23,928)</u>	<u>(17,389)</u>	<u>6,539</u>	<u>212,791</u>	<u>200,789</u>	<u>(12,002)</u>
Other financing sources (uses):						
Operating transfers in	30,000	15,000	(15,000)	10,000	-	(10,000)
Operating transfers out	-	-	-	(112,062)	(112,927)	(865)
Total other financing sources (uses)	<u>30,000</u>	<u>15,000</u>	<u>(15,000)</u>	<u>(102,062)</u>	<u>(112,927)</u>	<u>(10,865)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	6,072	(2,389)	(8,461)	110,729	87,862	(22,867)
Fund balances, beginning	23,190	23,190	-	35,119	35,119	-
Residual equity transfer	-	-	-	-	-	-
Fund balances, ending	<u>\$ 29,262</u>	<u>\$ 20,801</u>	<u>\$(8,461)</u>	<u>\$145,848</u>	<u>\$122,981</u>	<u>\$(22,867)</u>

The accompanying notes are an integral part of this statement.

Debt Service Funds			Capital Projects Fund		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 59,182	\$ 61,395	\$2,213	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
43,607	43,597	(10)	-	-	-
<u>102,789</u>	<u>104,992</u>	<u>2,203</u>	<u>-</u>	<u>-</u>	<u>-</u>
720	1,290	(570)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
101,000	101,000	-	-	-	-
75,816	75,805	11	-	-	-
-	-	-	-	-	-
<u>177,536</u>	<u>178,095</u>	<u>(559)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(74,747)</u>	<u>(73,103)</u>	<u>1,644</u>	<u>-</u>	<u>-</u>	<u>-</u>
112,062	112,927	865	-	-	-
-	-	-	-	-	-
<u>112,062</u>	<u>112,927</u>	<u>865</u>	<u>-</u>	<u>-</u>	<u>-</u>
37,315	39,824	2,509	-	-	-
181,169	181,169	-	-	766	766
-	766	766	-	(766)	(766)
<u>\$218,484</u>	<u>\$221,759</u>	<u>\$3,275</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF PORT BARRE, LOUISIANA

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings -  
 Proprietary Fund Type  
 Years Ended September 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Operating revenues:		
Charges for services -		
Gas sales	\$ 225,530	\$ 227,581
Water sales	205,980	198,101
Sewerage charges	224,374	144,550
Connection charges	5,700	4,945
Miscellaneous	26,505	19,849
Total operating revenues	<u>688,089</u>	<u>595,026</u>
Operating expenses:		
Gas department	206,844	212,305
Water department	105,403	79,967
Sewerage department	105,957	99,832
General and administrative	59,149	49,430
Depreciation	65,610	65,946
Total operating expenses	<u>542,963</u>	<u>507,480</u>
Operating income	<u>145,126</u>	<u>87,546</u>
Nonoperating revenues (expenses):		
Interest income	1,536	2,060
Interest and fiscal charges	(11,595)	(12,420)
Total nonoperating expenses	<u>(10,059)</u>	<u>(10,360)</u>
Income before operating transfers	135,067	77,186
Operating transfers out	<u>(15,000)</u>	<u>(101,932)</u>
Net income (loss)	120,067	(24,746)
Add: Depreciation of fixed assets acquired by funds externally restricted for capital acquisitions and construction that reduces contributed capital -		
Federal grant revenues	11,418	11,418
State grant revenues	1,970	1,970
Parish grant revenues	150	150
Increase (decrease) in retained earnings	<u>133,605</u>	<u>(11,208)</u>
Retained earnings (deficit), beginning	<u>(244,728)</u>	<u>(233,520)</u>
Retained earnings (deficit), ending	<u><u>\$(111,123)</u></u>	<u><u>\$(244,728)</u></u>

The accompanying notes are an integral part of this statement.

TOWN OF PORT BARRE, LOUISIANA

Comparative Statement of Cash Flows  
 Proprietary Fund Type  
 Years Ended September 30, 1998 and 1997

	Enterprise	
	<u>1998</u>	<u>1997</u>
Cash flows from operating activities:		
Operating income	\$ 145,126	\$ 87,546
Adjustments to reconcile operating income to net cash provided by operating activities -		
Increases (decrease) in provision for uncollectible accounts	19,014	(208)
Depreciation	65,610	65,946
Amortization of bond issue costs	1,216	468
Changes in current assets and liabilities:		
Increase in accounts receivable	(13,860)	(13,769)
(Increase) decrease in other receivables	(273,953)	128
Increase (decrease) in accounts payable	(87)	1,016
Increase (decrease) in other liabilities	261,714	1,293
Total adjustments	<u>59,654</u>	<u>54,874</u>
Net cash provided by operating activities	<u>204,780</u>	<u>142,420</u>
Cash flows from noncapital financing activities:		
Operating transfers out to other funds	<u>(15,000)</u>	<u>(101,932)</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(1,495,196)	(11,417)
Principal paid on revenue bond maturities	(10,000)	(10,000)
Interest paid on revenue bonds	(15,031)	(12,720)
Bond issue costs paid	(27,713)	-
Proceeds from meter deposits	11,000	11,000
Refund of meter deposits	(10,604)	(7,979)
Proceeds from issuance of revenue bonds	652,000	-
Proceeds from federal grant	870,284	-
Net cash used by capital and related financing activities	<u>(25,260)</u>	<u>(31,116)</u>
Cash flows from investing activities:		
Purchase of investments	(17,839)	(16,927)
Proceeds from maturities of investments	16,027	16,104
Interest received on interest-bearing deposits	1,536	2,209
Net cash provided by investing activities	<u>(276)</u>	<u>1,386</u>

(continued)

TOWN OF PORT BARRE, LOUISIANA

Comparative Statement of Cash Flows  
 Proprietary Fund Type (Continued)  
 Years Ended September 30, 1998 and 1997

	Enterprise	
	1998	1997
Net increase in cash and cash equivalents	\$ 164,244	\$ 10,758
Cash and cash equivalents, beginning of period	239,978	229,220
Cash and cash equivalents, end of period	\$ 404,222	\$239,978
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning of period -		
Cash - unrestricted	\$ 147,308	\$129,187
Cash - restricted	70,220	78,190
Interest-bearing deposits	39,377	37,317
Less: Certificates of deposit with a maturity over three months when purchased	(16,927)	(15,474)
Total cash and cash equivalents	239,978	229,220
Cash and cash equivalents, end of period -		
Cash - unrestricted	291,740	147,308
Cash - restricted	89,408	70,220
Interest-bearing deposits	40,913	39,377
Less: Certificates of deposit with a maturity over three months when purchased	(17,839)	(16,927)
Total cash and cash equivalents	404,222	239,978
Net increase	\$ 164,244	\$ 10,758

The accompanying notes are an integral part of this statement.

TOWN OF PORT BARRE, LOUISIANA

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The Town of Port Barre (Town) was incorporated under the provisions of the Lawrason Act. The Town operates under the Mayor-Board of Aldermen form of government.

The Town complies with Generally Accepted Accounting Principles (GAAP). The Town's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The Proprietary Fund applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

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.

The accompanying financial statements present the Town's primary government financial statements only. There are no component units over which the Town exercises significant influence.

B) Fund Accounting

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which

TOWN OF PORT BARRE, LOUISIANA

Notes to Financial Statements (Continued)

spending activities are controlled. The various funds are grouped, in the financial statements in this report, into six generic fund types and three broad fund categories as follows:

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 major capital projects) that are legally restricted to expenditures for specific purposes.

Debt service funds

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

Capital projects fund

The Capital projects fund is 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).

Proprietary Fund -

Enterprise fund

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

Fiduciary Funds -

Agency funds

Agency funds are used to account for assets held by the Town as an agent for other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.



TOWN OF PORT BARRE, LOUISIANA

Notes to Financial Statements (Continued)

C) Basis of Accounting

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

All governmental and fiduciary funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Gross receipts and sales taxes are considered "measurable" when collected and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain. Ad valorem taxes are recognized as revenue in the year for which budgeted, that is, in the year in which such taxes are billed and collected. Other major revenues that are considered susceptible to accrual include earned grant revenues and other intergovernmental revenues, charges for services and interest on deposits. Licenses and permits, and fines are recognized when received because they are not objectively measurable.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

The proprietary fund is accounted for using the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when incurred. Unbilled utility service receivables, resulting from utility services rendered between the date of meter reading and billing and the end of the month, were estimated and not recorded at year end. In the opinion of the administration, such amounts have no material effect on the fairness of the financial statements.

D) Budgets and Budgetary Accounting

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

1. The Town Clerk prepares a proposed budget and submits it to the Mayor and Board of Aldermen for the fiscal year 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.

TOWN OF PORT BARRE, LOUISIANA

Notes to Financial Statements (Continued)

4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board of Aldermen. Such amendments were not material in relation to the original appropriations.

E) Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

F) Short-Term Interfund Receivable/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

G) Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental funds are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased. The Town has elected not to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated. Estimated amounts are immaterial in relation to total fixed assets.

TOWN OF PORT BARRE, LOUISIANA  
Notes to Financial Statements (Continued)

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets.

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:

Gas system and extensions	10-50 years
Water system and extensions	10-50 years
Sewerage system and extensions	10-50 years
Equipment	4-10 years
Office equipment	10 years

H) Bad Debts

Uncollectible amounts due for ad valorem taxes and customers' utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

I) Vacation and Sick Leave

Vacation and sick leave are recorded as expenditures of the period in which paid. Sick leave is earned at fifteen days per year and does not vest or accumulate. Vacation must be taken in the year accrued and cannot be carried over.

J) Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Town as an extension of formal budgetary integration in the funds.

K) Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

The specific reservation of the fund balance accounts are summarized below.

TOWN OF PORT BARRE, LOUISIANA  
Notes to Financial Statements (Continued)

Reserve for debt service

This reserve was created to segregate a portion of the fund balance account for debt service, including both principal payments and interest payments. The reservation was established to satisfy legal restrictions imposed by various bond agreements.

L) Statement of Cash Flows

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

M) Comparative Data

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

N) Total Columns on Combined Statements - Overview

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

(2) Cash and Interest-Bearing Deposits

Under state law, the Town may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Town may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At September 30, 1998, the Town has cash and interest-bearing deposits (book balances) totaling \$783,176, as follows:

Demand deposits	\$648,509
Money market interest-bearing	116,828
Certificates of deposit	<u>17,839</u>
 Total	 <u><u>\$783,176</u></u>

TOWN OF PORT BARRE, LOUISIANA

Notes to Financial Statements (Continued)

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The bank balances are categorized below to give an indication of the level of risk assumed by the Town at September 30, 1998. Category 1 includes bank balances that are insured or collateralized with securities held by the entity or by its agent in the entity's name. Category 2 includes bank balances that are collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name. Category 3 includes bank balances that are collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name. Deposit balances (bank balances) at September 30, 1998, are as follows:

Bank balances	<u>\$784,808</u>
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At September 30, 1998, the deposits are secured as follows:

Federal deposit insurance	417,839
Pledged securities (Category 3)	<u>309,910</u>

Total	<u>727,749</u>
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Unsecured bank balances	<u>\$ 57,059</u>
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Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Town that the fiscal agent has failed to pay deposited funds upon demand.

(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 in September or October and are actually billed to taxpayers in November or December. Billed taxes become delinquent on January 1 of the following year. The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of St. Landry Parish. Town property tax revenues are budgeted in the year billed.

For the year ended September 30, 1998, taxes of 22.34 mills were levied on property with assessed valuations totaling \$3,962,700 and were dedicated as follows:

General corporate purposes	7.12 mills
Debt service	15.22 mills

TOWN OF PORT BARRE, LOUISIANA  
Notes to Financial Statements (Continued)

Total taxes levied were \$88,528. Taxes receivable (including interest and penalties receivable) at September 30, 1998 consisted of the following:

Total receivable	\$11,965
Allowance for uncollectibles	<u>(11,965)</u>
Net receivable	<u>\$ -</u>

(4) Lease Agreement

During September, 1989, the Town leased a building to Martin Mills, Inc. The lease had a ten year term with the option to lease the property for two additional ten year terms. On February 25, 1998, this lease was cancelled.

(5) Deficits in Individual Fund

The following fund reflects a deficit fund equity at September 30, 1998:

Utility Fund	<u>\$ (111,123)</u>
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It is anticipated that the above deficit is to be funded by excess revenues in subsequent periods.

(6) Restricted Assets - Proprietary Fund Type

Restricted assets were applicable to the following at September 30:

	1998	1997
Revenue bond sinking fund	\$ 24,677	\$ 6,518
Revenue bond reserve fund	25,374	24,735
Capital additions and contingencies fund	36,264	35,834
Customers' deposits	<u>44,006</u>	<u>42,510</u>
	<u>\$130,321</u>	<u>\$109,597</u>

TOWN OF PORT BARRE, LOUISIANA  
Notes to Financial Statements (Continued)

(7) Changes in Fixed Assets

A summary of changes in general fixed assets follows:

	Balance 10/01/97	Additions	Deletions	Balance 09/30/98
Land	\$ 83,548	\$ -	\$ -	\$ 83,548
Buildings	1,113,608	-	-	1,113,608
Improvements other than buildings	703,593	-	-	703,593
Equipment	172,318	24,699	1,821	195,196
Total general fixed assets	\$2,073,067	\$ 24,699	\$ 1,821	\$2,095,945

A summary of proprietary fund type property, plant and equipment at September 30, 1998 follows:

Land	\$ 15,292
Gas system and extensions	789,697
Water system and extensions	1,104,071
Sewerage system and extensions	1,306,738
Equipment	46,690
Office equipment	26,027
Total	3,288,515
Less: Accumulated depreciation	(1,557,943)
Net property, plant and equipment	\$ 1,730,572

TOWN OF PORT BARRE, LOUISIANA  
Notes to Financial Statements (Continued)

(8) Changes in Long-Term Debt

The following is a summary of bond and certificate transactions of the Town for the year ended September 30, 1998:

	General Obligation	Revenue	Total
Bonds and certificates payable at September 30, 1997	\$1,233,000	\$140,000	\$1,373,000
Bonds and certificates issued	-	652,000	652,000
Bonds and certificates retired	101,000	10,000	111,000
Bonds and certificates payable at September 30, 1998	\$1,132,000	\$782,000	\$1,914,000

Bonds and certificates payable at September 30, 1998 are comprised of the following individual issues:

General obligation bonds and certificates of indebtedness:

\$60,000 Sewerage System bonds dated 12/1/79; due in annual installments of \$5,000 through June 1, 1999; interest at 7.0 percent; secured by levy and collection of ad valorem taxes	\$ 5,000
\$140,000 Street Improvement bonds dated 12/1/79; due in annual installments of \$12,000 through June 1, 1999; interest at 7.0 percent; secured by levy and collection of ad valorem taxes	12,000
\$125,000 Street Improvement bonds dated 1/1/87; due in annual installments of \$5,000 to \$10,000 through January 1, 2011; interest at 6.9 to 7.4 percent; secured by levy and collection of ad valorem taxes	75,000



TOWN OF PORT BARRE, LOUISIANA  
Notes to Financial Statements (Continued)

<p>\$900,000 Sales Tax Bonds, Series 1996; due in annual installments of \$20,000 to \$75,000 through May 1, 2017; interest at 5.1 to 9.0 percent; secured by a dedicated 1.2% sales tax</p>	855,000
<p>\$200,000 Certificates of Indebtedness, Series 1996, due May 1 and November 1 of each year, beginning November 1, 1997 through May 1, 2006; interest at 5.5 percent; secured by excess annual revenues of the Town</p>	<p style="text-align: right;">185,000</p> <hr style="width: 100%;"/> <p style="text-align: right;"><u>\$1,132,000</u></p>
Revenue bonds:	
<p>\$200,000 Utility bonds dated 12/1/86 due in annual installments of \$10,000 to \$20,000 through December 1, 2006; interest at 8.0 to 9.0 percent</p>	\$ 130,000
<p>Less: Unamortized bond discount</p>	<p style="text-align: right;">3,876</p> <hr style="width: 100%;"/>
<p>Net water revenue bonds payable</p>	<p style="text-align: right;"><u>126,124</u></p>
<p>\$652,000 Sewer revenue bonds dated 07/01/98 due in monthly installments of \$2,960 beginning August 1, 1999 through July 1, 2038; interest rate at 4.5 percent</p>	652,000
<p>Less: Unamortized bond discount</p>	<p style="text-align: right;">29,195</p> <hr style="width: 100%;"/>
<p>Net sewer revenue bonds payable</p>	<p style="text-align: right;"><u>622,805</u></p>
<p>Total net utility revenue bonds payable</p>	<p style="text-align: right;"><u>\$ 748,929</u></p>

TOWN OF PORT BARRE, LOUISIANA

Notes to Financial Statements (Continued)

The annual requirements to amortize all debt outstanding as of September 30, 1998, including interest payments of \$1,486,449, are as follows:

<u>Year Ending September 30,</u>	<u>General Obligation</u>	<u>Revenue</u>	<u>Total</u>
1999	\$ 134,478	\$ 55,315	\$ 189,793
2000	112,580	54,766	167,346
2001	113,870	53,956	167,826
2002	114,710	57,943	172,653
2003	111,443	56,728	168,171
2004-2008	491,626	259,605	751,231
2009-2013	414,875	177,605	592,480
2014-2018	311,270	177,605	488,875
2019-2023	-	177,605	177,605
2024-2028	-	177,605	177,605
2029-2033	-	177,605	177,605
2034-2038	-	169,259	169,259
Totals	<u>\$ 1,804,852</u>	<u>\$1,595,597</u>	<u>\$3,400,449</u>

(9) Dedication and Restriction of Proceeds and Flow of Funds - Sales and Use Taxes

The Town levies two sales taxes as follows:

- A. Proceeds of a 1966 1% sales and use tax levied by the Town of Port Barre (1998 collections \$151,187; 1997 \$119,084) is dedicated for constructing, acquiring, extending, improving and/or maintaining drainage facilities, sewers and sewerage disposal works, streets, sidewalks, waterworks, and garbage collection and disposal facilities of the Town, including the purchase of equipment therefor.

Under the terms of the bond resolution, the proceeds of the special 1% sales and use tax are deposited with the Town's fiscal agent bank in a sales tax fund. After the payment of all reasonable and necessary costs and expenses of collecting the tax, \$1,000 is retained in the sales tax fund for operating expenses.

Any monies remaining in the sales tax fund on the 20th day of each month in excess of the \$1,000 are to be retained for operating capital shall be considered as surplus. Such surplus may be used by the Town for any of the purposes for which the imposition of the tax is authorized.

TOWN OF PORT BARRE, LOUISIANA

Notes to Financial Statements (Continued)

- B. Proceeds of a 1996 1.2% sales and use tax levied by the Town of Port Barre (1998 collections \$185,153; 1997 \$145,548) is dedicated for constructing, maintaining and improving public streets.

Under the terms of the bond resolution, each month, there will be set aside into an account called the "Sales Tax Sinking Fund" an amount constituting 1/12 of the next maturing installment of principal and 1/6 of the next maturing installment of interest on the outstanding bonds. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments. There shall also be set aside into a "Sales Tax Bond Reserve Fund" an initial deposit of \$79,425, thus accumulating in the reserve account an amount equal to the lesser of the highest combined principal and interest requirements in any succeeding fiscal year. Such amounts may be used only for the payment of maturing bonds and interest on the aforesaid bonds for which sufficient funds are not on deposit in the Revenue Bond Sinking Fund and as to which there would otherwise be default.

(10) Flow of Funds: Restrictions on Use - Utilities Revenues

- A. Under the terms of the bond indenture on outstanding Public Utility Bonds dated December 1, 1986, all income and revenues (hereinafter referred to as revenue) of every nature, earned or derived from operation of the Utility System, are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

Each month, there will be set aside into a fund called the "Bond and Interest Sinking Fund" an amount constituting 1/12 of the next maturing installment of principal and 1/6 of the next maturing installment of interest on the outstanding bonds. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments.

There shall also be set aside into a "Bond Reserve Fund" the initial sum of \$20,000, and an additional sum of \$3,970 so that the amount in the Reserve Fund will be a sum equal to the highest combined principal and interest requirements for any succeeding fiscal year on the bonds herein authorized. The money in the Reserve Fund shall be retained solely for the purpose of paying the principal and interest on the bonds payable from the Sinking Fund as to which there would otherwise be default.

Each month, a sum at least equal to 5% of the gross revenues of the Utilities System Fund for the preceding month shall be deposited into a "Capital Additions and Contingency Fund", provided that such sum is available after provision is made for the funds required to pay all reasonable expenses of administration, operation and maintenance of the utility system and the funds required by the Sinking Fund and Reserve Fund. Money in this fund may be used for the making of extraordinary repairs or replacements to the system which are necessary to keep the system in operating condition and for which money is not available as a maintenance and operation expense. Money in this fund may also be used to pay principal or interest on the bonds falling due at any time there is not sufficient money for payment in the other bond funds.

TOWN OF PORT BARRE, LOUISIANA

Notes to Financial Statements (Continued)

All of the revenues received in any fiscal year and not required to be paid in such fiscal year into any of the above noted funds shall be regarded as surplus and may be used for any lawful corporate purpose.

The Town of Port Barre was in compliance with all significant limitations and restrictions in this indenture at September 30, 1998.

- B. Under the terms of the bond indenture on outstanding Public Utility Bonds dated July 1, 1998, all income and revenues (hereinafter referred to as revenue) of every nature, earned or derived from operation of the Utility System, are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

Each month, there will be set aside into a fund called the "Sewer Revenue Bond and Interest Sinking Fund" \$2,445 through June 20, 1999 and \$2,960.08 thereafter in such a manner as to accumulate in such fund the amounts payable on the bonds payable therefrom on any interest payment date. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments.

There shall also be set aside into a "Sewer Revenue Bond Reserve Fund" monthly payments equal to 5% of the principal payments being made into the Sinking Fund until an amount equal to the highest combined principal and interest requirements for any succeeding year on the bonds.

The "Sewer Depreciation and Contingency Fund" is established to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the system, and is to be funded in monthly installments of \$143. Such payments are to continue over the life of the bonds. In addition to caring for extensions, additions, improvements, renewals and replacements necessary to properly operate the system, the funds in this fund may also be used to pay the principal of and the interest on the bonds for the payment of which there is not sufficient money in the Sinking and Reserve Funds. Amounts may be spent without any substantial restriction other than a requirement to replenish the amount used.

All of the revenues received in any fiscal year and not required to be paid in such fiscal year into any of the above noted funds shall be regarded as surplus and may be used for any lawful corporate purpose.

The Town of Port Barre was in compliance with all significant limitations and restrictions in this indenture at September 30, 1998.

(11) Employment Retirement

All employees of the Town of Port Barre belong to the Social Security System. The Town and its employees contribute a percentage of each employee's salary to the System (7.65% contributed by the Town, 7.65% by the employee). The Town's contribution during the year ended September 30, 1998 amounted to \$26,630.

TOWN OF PORT BARRE, LOUISIANA  
Notes to Financial Statements (Continued)

(12) Natural Gas Contract

The Town entered into a gas purchase contract with Cypress Gas Pipeline Company with an initial term of January 1, 1992 to January 1, 1996 with provisions to continue beyond January 1, 1996 on a year to year basis until either party request termination of the contract. The terms of the contract require the Town to purchase all of its natural gas requirements from Cypress Gas Pipeline Company. During the year ended September 30, 1998, the Town purchased natural gas from Cypress Gas Pipeline Company in the amount of \$91,713. At September 30, 1998, the Town owed \$2,170 for natural gas purchases for the month of September, 1998.

(13) Segment Information for the Enterprise Fund

The Town of Port Barre maintains one enterprise fund with three departments which provide gas, water and sewerage services. Segment information for the year ended September 30, 1998 was as follows:

	<u>Gas Department</u>	<u>Water Department</u>	<u>Sewerage Department</u>	<u>Enterprise Fund</u>
Operating revenues	\$ 243,564	\$ 213,296	\$ 231,229	\$688,089
Operating expenses	<u>247,779</u>	<u>144,017</u>	<u>151,167</u>	<u>542,963</u>
Operating income (loss)	<u>\$ (4,215)</u>	<u>\$ 69,279</u>	<u>\$ 80,062</u>	<u>\$145,126</u>

(14) Contributed Capital

Amounts contributed to the Utility Fund for acquisition or construction of fixed assets are recognized as contributed capital. Contributed capital generated through grants externally restricted for capital acquisitions is amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such grants. This depreciation is closed to contributed capital account and is reflected as an adjustment to net income on the Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings.

TOWN OF PORT BARRE, LOUISIANA

Notes to Financial Statements (Continued)

The sources of contributed capital used to acquire and construct facilities of the enterprise fund are as follows:

	<u>Federal Grants</u>	<u>State Grants</u>	<u>Parish Grants</u>	<u>Municipality</u>	<u>Total</u>
Total contributed capital	\$2,436,422	\$350,223	\$7,500	\$585,795	\$3,379,940
Less: Accumulated amortization	<u>(79,929)</u>	<u>(24,811)</u>	<u>(1,950)</u>	<u>-</u>	<u>(106,690)</u>
Net contributed capital	<u>\$2,356,493</u>	<u>\$325,412</u>	<u>\$5,550</u>	<u>\$585,795</u>	<u>\$3,273,250</u>

(15) Excess of Expenditures over Appropriations

The following individual funds had total actual expenditures over total appropriations for the year ended September 30, 1998 as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$357,269	\$360,550	\$(3,281)
Debt Service Funds -			
City Wide Public Improvement Bonds 06/01/72 & 12/01/79	19,034	19,386	(352)
Street Improvement Bond 01/01/87	11,888	12,102	(214)

TOWN OF PORT BARRE, LOUISIANA  
Notes to Financial Statements (Continued)

(16) Compensation of Town Officials

A detail of compensation paid to the Mayor and Board of Aldermen for the year ended September 30, 1998 follows:

John Fontenot, Mayor	\$10,200
Aldermen:	
John P. Ardoin	2,700
Ricky Bell	2,700
Keith Lejeune	2,700
Kenneth Marks	2,700
Gil Savoy, Jr.	<u>2,700</u>
	<u>\$23,700</u>

(17) Pending Litigation

There are no lawsuits presently pending against the Town of Port Barre involving possible monetary liability.

(18) Year 2000 Issue (Unaudited)

The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. Any of the Town's computer programs that have time sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in system failure or miscalculations causing disruptions of operations, including, among other things, a temporary inability to process transactions, or engage in similar normal business activities.

At this time, the Town is utilizing an external computer consultant to identify and test the systems for year 2000 compliance. To date, a preliminary assessment of the impact of this issue has not been completed. Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter.

**SUPPLEMENTARY INFORMATION**



**SCHEDULES OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS**

## **GENERAL FUND**

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

TOWN OF PORT BARRE, LOUISIANA  
GENERAL FUND

Comparative Balance Sheet  
September 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<b>ASSETS</b>		
Cash	\$ 9,462	\$ 7,794
Receivables net of allowance for uncollectibles:		
Taxes -		
Beer	-	1,640
Tobacco	2,788	-
Franchise	22,716	23,605
Other	<u>1,671</u>	<u>-</u>
Total assets	<u><u>\$36,637</u></u>	<u><u>\$33,039</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$ 7,507	\$ 6,991
Due to other funds	8,282	2,766
Other liabilities	<u>47</u>	<u>92</u>
Total liabilities	15,836	9,849
Fund balance:		
Unreserved, undesignated	<u>20,801</u>	<u>23,190</u>
Total liabilities and fund balance	<u><u>\$36,637</u></u>	<u><u>\$33,039</u></u>

TOWN OF PORT BARRE, LOUISIANA  
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual  
Year Ended September 30, 1998  
With Comparative Actual Amounts for Year Ended September 30, 1997

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
<b>Revenues:</b>				
Taxes	\$ 92,319	\$ 99,766	\$ 7,447	\$ 93,475
Licenses and permits	40,346	37,716	(2,630)	41,995
Intergovernmental	25,057	25,087	30	24,934
Fines and forfeits	156,382	158,006	1,624	75,214
Miscellaneous	19,237	22,586	3,349	18,470
Total revenues	<u>333,341</u>	<u>343,161</u>	<u>9,820</u>	<u>254,088</u>
<b>Expenditures:</b>				
Current -				
General government	67,760	70,242	(2,482)	62,354
Public safety - police	262,851	262,981	(130)	234,033
Highways and streets	500	653	(153)	509
Culture and recreation	2,751	1,674	1,077	3,587
Capital outlay	23,407	25,000	(1,593)	17,827
Total expenditures	<u>357,269</u>	<u>360,550</u>	<u>(3,281)</u>	<u>318,310</u>
Deficiency of revenues over expenditures	(23,928)	(17,389)	6,539	(64,222)
<b>Other financing sources:</b>				
Operating transfers in	<u>30,000</u>	<u>15,000</u>	<u>(15,000)</u>	<u>81,821</u>
Excess (deficiency) of revenues and other sources over expenditures	6,072	(2,389)	(8,461)	17,599
Fund balances, beginning	<u>23,190</u>	<u>23,190</u>	-	<u>5,591</u>
Fund balances, ending	<u>\$ 29,262</u>	<u>\$ 20,801</u>	<u>\$(8,461)</u>	<u>\$ 23,190</u>

TOWN OF PORT BARRE, LOUISIANA  
General Fund

Statement of Revenues Compared to Budget (GAAP Basis)  
Year Ended September 30, 1998  
With Comparative Actual Amounts for Year Ended September 30, 1997

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
<b>Taxes:</b>				
Ad valorem	\$ 28,200	\$ 27,990	\$ (210)	\$ 25,761
Interest and penalties on taxes	841	719	(122)	636
Franchise -				
Electric and cable TV	63,278	71,057	7,779	67,078
Total taxes	<u>92,319</u>	<u>99,766</u>	<u>7,447</u>	<u>93,475</u>
<b>Licenses and permits:</b>				
Occupational licenses -				
Insurance	29,636	28,636	(1,000)	31,515
Other	5,210	5,010	(200)	4,945
Liquor licenses	5,465	4,035	(1,430)	5,535
Building permits	35	35	-	-
Total licenses and permits	<u>40,346</u>	<u>37,716</u>	<u>(2,630)</u>	<u>41,995</u>
<b>Intergovernmental:</b>				
State of Louisiana -				
Beer taxes	5,982	6,032	50	5,601
Tobacco taxes	11,154	11,154	-	11,154
Video poker	6,521	6,639	118	6,870
St. Landry Parish Housing Authority	1,400	1,262	(138)	1,309
Total intergovernmental	<u>25,057</u>	<u>25,087</u>	<u>30</u>	<u>24,934</u>
Fines and forfeits	<u>156,382</u>	<u>158,006</u>	<u>1,624</u>	<u>75,214</u>
<b>Miscellaneous:</b>				
Rent	10,545	11,870	1,325	9,920
Parks and recreation	3,409	4,033	624	3,595
Sale of equipment	816	816	-	-
Other	4,467	5,867	1,400	4,955
Total miscellaneous	<u>19,237</u>	<u>22,586</u>	<u>3,349</u>	<u>18,470</u>
Total revenues	<u>\$333,341</u>	<u>\$343,161</u>	<u>\$9,820</u>	<u>\$254,088</u>

TOWN OF PORT BARRE, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis)  
Year Ended September 30, 1998  
With Comparative Actual Amounts for Year Ended September 30, 1997

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
<b>Current:</b>				
General government -				
Advertising	\$ 2,292	\$ 2,052	\$ 240	\$ 2,400
Bad debts	1,000	606	394	1,466
Dues and subscriptions	2,006	2,542	(536)	2,413
Insurance	1,500	1,900	(400)	1,491
Legal fees	1,300	1,988	(688)	1,175
Mayor's allowance	6,000	6,000	-	6,000
Medical and drug testing	1,200	1,480	(280)	66
Miscellaneous	972	1,022	(50)	1,559
Office supplies	893	793	100	767
Payroll taxes	1,811	1,811	-	1,505
Professional fees	11,930	11,710	220	12,208
Salaries	28,722	29,039	(317)	22,629
Telephone	1,068	222	846	203
Travel and meetings	5,263	6,669	(1,406)	5,388
Preparation of tax roll	1,003	1,201	(198)	1,181
Repairs and maintenance	-	-	-	1,903
Electricity	800	1,207	(407)	-
Total general government	<u>67,760</u>	<u>70,242</u>	<u>(2,482)</u>	<u>62,354</u>
Public safety - police -				
Feeding prisoners	255	55	200	229
Insurance	2,640	3,385	(745)	2,530
Insurance deductible	1,500	1,433	67	3,567
Group insurance	23,075	22,146	929	26,345
Miscellaneous	1,345	1,022	323	1,070
Police car expense	26,631	28,268	(1,637)	22,769
Salaries	173,218	172,941	277	147,013
Payroll taxes	15,793	15,721	72	13,519
Supplies	4,500	5,152	(652)	3,820
Repairs and maintenance	1,354	975	379	1,415
Uniforms	2,745	2,236	509	3,104
Training academy	700	650	50	-
Travel	150	143	7	-
Telephone	5,692	6,340	(648)	5,093
Electricity	2,518	2,159	359	2,457
Medical and drug testing	735	355	380	1,102
Total public safety	<u>262,851</u>	<u>262,981</u>	<u>(130)</u>	<u>234,033</u>

(continued)

TOWN OF PORT BARRE, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)  
Year Ended September 30, 1998  
With Comparative Actual Amounts for Year Ended September 30, 1997

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Highways and streets -				
Insurance	\$ 500	\$ 653	\$ (153)	\$ 497
Street materials	-	-	-	12
Total highways and streets	<u>500</u>	<u>653</u>	<u>(153)</u>	<u>509</u>
Culture and recreation -				
Park expenses	1,359	409	950	2,363
Electricity for parks	<u>1,392</u>	<u>1,265</u>	<u>127</u>	<u>1,224</u>
Total culture and recreation	<u>2,751</u>	<u>1,674</u>	<u>1,077</u>	<u>3,587</u>
Capital outlay:				
General government -				
Improvements	-	-	-	9,240
Equipment	577	577	-	1,145
Public safety -				
Automobiles	6,490	7,162	(672)	5,170
Equipment	8,300	9,221	(921)	2,272
Highways and streets -				
Culture and recreation	<u>8,040</u>	<u>8,040</u>	<u>-</u>	<u>-</u>
Total capital outlay	<u>23,407</u>	<u>25,000</u>	<u>(1,593)</u>	<u>17,827</u>
Total expenditures	<u>\$357,269</u>	<u>\$360,550</u>	<u>\$(3,281)</u>	<u>\$318,310</u>

## **SPECIAL REVENUE FUNDS**

### **1966 Sales Tax Fund**

To account for the receipt and use of proceeds of the Town's 1% sales and use tax. These taxes are dedicated to the construction, acquisition, extension, improvement and/or maintenance of drainage facilities, sewers and sewerage disposal works, streets, sidewalks, waterworks, and garbage collection and disposal facilities of the Town of Port Barre, including the purchase of equipment therefore.

### **1996 Sales Tax Fund**

To account for the receipt and use of proceeds of the Town's 1.2% sales and use tax. These taxes are dedicated to the construction, maintenance and improvement of public streets of the Town of Port Barre.



TOWN OF PORT BARRE, LOUISIANA  
Special Revenue Funds

Combining Balance Sheet  
September 30, 1998  
With Comparative Totals for September 30, 1997

	1966	1996	1998	
	Sales	Sales	1998	1997
	Tax	Tax		
<b>ASSETS</b>				
Cash	\$60,482	\$ 72,302	\$132,784	\$39,086
Due from other funds	29	27,926	27,955	46,898
Total assets	\$60,511	\$100,228	\$160,739	\$85,984
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$ 7,554	\$ -	\$ 7,554	\$ 4,458
Due to other funds	27,187	3,000	30,187	46,377
Other liabilities	17	-	17	30
Total liabilities	34,758	3,000	37,758	50,865
Fund balance:				
Unreserved, undesignated	25,753	97,228	122,981	35,119
Total liabilities and fund balance	\$60,511	\$100,228	\$160,739	\$85,984

TOWN OF PORTE BARRE, LOUISIANA  
Special Revenue Funds

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Year Ended September 30, 1998  
With Comparative Totals for Year Ended September 30, 1997

	1966 Sales Tax	1996 Sales Tax	Totals	
			1998	1997
Revenues:				
Taxes	<u>\$151,187</u>	<u>\$185,153</u>	<u>\$336,340</u>	<u>\$264,632</u>
Expenditures:				
Current -				
General government:				
Professionals fees	3,255	2,575	5,830	6,115
Miscellaneous	<u>1,516</u>	<u>1,853</u>	<u>3,369</u>	<u>2,592</u>
Total general government	<u>4,771</u>	<u>4,428</u>	<u>9,199</u>	<u>8,707</u>
Highways and streets:				
Salaries	61,618	-	61,618	49,487
Payroll taxes	4,783	-	4,783	3,851
Group insurance	9,957	-	9,957	8,920
Electricity for lights	23,988	-	23,988	24,561
Maintenance and materials	8,672	-	8,672	7,316
Street materials and supplies	6,521	-	6,521	11,665
Miscellaneous	<u>3,831</u>	-	<u>3,831</u>	<u>3,675</u>
Total highways and streets	<u>119,370</u>	<u>-</u>	<u>119,370</u>	<u>109,475</u>
Culture and recreation	<u>5,232</u>	<u>-</u>	<u>5,232</u>	<u>3,518</u>
Capital outlay	<u>1,750</u>	<u>-</u>	<u>1,750</u>	<u>9,620</u>
Total expenditures	<u>131,123</u>	<u>4,428</u>	<u>135,551</u>	<u>131,320</u>
Excess of revenues over expenditures	<u>20,064</u>	<u>180,725</u>	<u>200,789</u>	<u>133,312</u>
Other financing sources (uses):				
Operating transfers in	-	-	-	30,110
Operating transfers out	<u>-</u>	<u>(112,927)</u>	<u>(112,927)</u>	<u>(161,806)</u>
Total other financing sources (uses)	<u>-</u>	<u>(112,927)</u>	<u>(112,927)</u>	<u>(131,696)</u>
Excess of revenues and other sources over expenditures and other uses	20,064	67,798	87,862	1,616
Fund balances, beginning	<u>5,689</u>	<u>29,430</u>	<u>35,119</u>	<u>33,503</u>
Fund balances, ending	<u>\$ 25,753</u>	<u>\$ 97,228</u>	<u>\$122,981</u>	<u>\$ 35,119</u>

TOWN OF PORT BARRE, LOUISIANA  
Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual  
Year Ended September 30, 1998

	1996 Sales Tax			1996 Sales Tax			Totals		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:									
Taxes	\$157,083	\$151,187	\$ (5,896)	\$191,990	\$185,153	\$ (6,837)	\$349,073	\$336,340	\$ (12,733)
Expenditures:									
Current -									
General government:									
Professional fees	3,045	3,255	(210)	3,065	2,575	490	6,110	5,830	280
Miscellaneous	2,071	1,516	555	1,920	1,853	67	3,991	3,369	622
Total general government	5,116	4,771	345	4,985	4,428	557	10,101	9,199	902
Highways and streets:									
Salaries	62,519	61,618	901	-	-	-	62,519	61,618	901
Electricity for street lights	25,039	23,988	1,051	-	-	-	25,039	23,988	1,051
Maintenance and materials	8,691	8,672	19	-	-	-	8,691	8,672	19
Street materials and supplies	6,285	6,521	(236)	-	-	-	6,285	6,521	(236)
Group insurance	9,957	9,957	-	-	-	-	9,957	9,957	-
Payroll taxes	4,692	4,783	(91)	-	-	-	4,692	4,783	(91)
Miscellaneous	2,322	3,831	(1,509)	-	-	-	2,322	3,831	(1,509)
Total highways and streets	119,505	119,370	135	-	-	-	119,505	119,370	135
Culture and recreation	6,676	5,232	1,444	-	-	-	6,676	5,232	1,444
Capital outlay	-	1,750	(1,750)	-	-	-	-	1,750	(1,750)
Total expenditures	131,297	131,123	174	4,985	4,428	557	136,282	135,551	731
Excess of revenues over expenditures	25,786	20,064	(5,722)	187,005	180,725	(6,280)	212,791	200,789	(12,002)
Other financing sources (uses):									
Operating transfers in	10,000	-	(10,000)	-	-	-	10,000	-	(10,000)
Operating transfers out	-	-	-	(112,062)	(112,927)	(865)	(112,062)	(112,927)	(865)
Total other financing sources (uses)	10,000	-	(10,000)	(112,062)	(112,927)	(865)	(102,062)	(112,927)	(10,865)
Excess of revenues and other sources over expenditures and other uses	35,786	20,064	(15,722)	74,943	67,798	(7,145)	110,729	87,862	(22,867)
Fund balances, beginning	5,689	5,689	-	29,430	29,430	-	35,119	35,119	-
Fund balances, ending	\$ 41,475	\$ 25,753	\$ (15,722)	\$104,373	\$ 97,228	\$ (7,145)	\$145,848	\$122,981	\$ (22,867)

## DEBT SERVICE FUNDS

### **City Wide Public Improvement Bonds dated 6/1/72, 12/1/79**

To accumulate monies for payment of the \$100,000, \$60,000 and \$140,000 issues of Public Improvement serial bonds. Debt service is financed by a specific ad valorem tax.

### **Street Improvement Bonds dated 1/1/87**

To accumulate monies for payment of the \$125,000 Public Improvement serial bonds. Debt service is financed by specific ad valorem tax.

### **1987 Certificates of Indebtedness dated 2/11/88**

To accumulate monies for payment of the \$300,000 Certificates of Indebtedness, which are due in annual installments, plus interest, through maturity in 1998. Debt service was financed from annual rental payments collected from Martin Mills, Inc. and was fully paid as of September 30, 1998.

### **1996 Sales Tax Bonds and Certificates of Indebtedness dated 5/01/96**

To accumulate monies for payment of \$200,000 Certificates of Indebtedness and \$900,000 Sales Tax Bonds. Debt service is financed from a 1.2% sales and use tax.

TOWN OF PORT BARRE, LOUISIANA  
Debt Service Funds

Combining Balance Sheet  
September 30, 1998

With Comparative Totals for September 30, 1997

	City Wide Public Improvement Bonds 06/01/72 and 12/01/79	Street Improvement Bonds 1/1/87	1987 Certificates of Indebtedness 2/11/88	1996 Sales Tax Bonds and Certificates of Indebtedness 5/1/96	Totals 1998	Totals 1997
<b>ASSETS</b>						
Cash	\$46,310	\$35,133	\$ -	\$ 39,301	\$120,744	\$ 84,553
Interest-bearing deposits	12,592	1,737	-	79,425	93,754	93,554
Receivables (net, where applicable, of allowance for uncollectibles):						
Taxes	-	-	-	-	-	-
Due from other funds	2,820	1,441	-	3,000	7,261	3,062
Total assets	<u>\$61,722</u>	<u>\$38,311</u>	<u>\$ -</u>	<u>\$121,726</u>	<u>\$221,759</u>	<u>\$181,169</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Fund balances:						
Reserved for debt service	\$17,000	\$38,311	\$ -	\$121,726	\$177,037	\$174,173
Unreserved, undesignated	44,722	-	-	-	44,722	6,996
Total fund balances	<u>61,722</u>	<u>38,311</u>	<u>-</u>	<u>121,726</u>	<u>221,759</u>	<u>181,169</u>
Total liabilities and fund balances	<u>\$61,722</u>	<u>\$38,311</u>	<u>\$ -</u>	<u>\$121,726</u>	<u>\$221,759</u>	<u>\$181,169</u>

TOWN OF PORT BARRE, LOUISIANA  
Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended September 30, 1998  
With Comparative Totals for Year Ended September 30, 1997

	City Wide Public Improvement Bonds 06/01/72 and 12/01/79	Street Improvement Bonds 1/1/87	1987 Certificates of Indebtedness 2/11/88	1996 Sales Tax Bonds and Certificates of Indebtedness 5/1/96	Totals	
					1998	1997
<b>Revenues:</b>						
<b>Taxes:</b>						
Ad valorem	\$39,761	\$20,106	\$ -	\$ -	\$ 59,867	\$ 55,840
Interest and penalties on taxes	1,011	517	-	-	1,528	1,352
<b>Miscellaneous -</b>						
Lease rentals	-	-	41,400	-	41,400	41,095
Interest on deposits	340	47	-	1,810	2,197	1,067
<b>Total revenues</b>	<u>41,112</u>	<u>20,670</u>	<u>41,400</u>	<u>1,810</u>	<u>104,992</u>	<u>99,354</u>
<b>Expenditures:</b>						
<b>Current -</b>						
<b>General government:</b>						
Office expense	-	-	-	3	3	-
Uncollectible taxes	852	435	-	-	1,287	3,116
<b>Total general government</b>	<u>852</u>	<u>435</u>	<u>-</u>	<u>3</u>	<u>1,290</u>	<u>3,116</u>
<b>Debt service -</b>						
Principal retirement	16,000	5,000	40,000	40,000	101,000	88,000
Interest	2,310	5,667	1,400	64,050	73,427	77,414
Paying agents' fees	224	1,000	-	1,154	2,378	3,347
<b>Total debt service</b>	<u>18,534</u>	<u>11,667</u>	<u>41,400</u>	<u>105,204</u>	<u>176,805</u>	<u>168,761</u>
<b>Total expenditures</b>	<u>19,386</u>	<u>12,102</u>	<u>41,400</u>	<u>105,207</u>	<u>178,095</u>	<u>171,877</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>21,726</u>	<u>8,568</u>	<u>-</u>	<u>(103,397)</u>	<u>(73,103)</u>	<u>(72,523)</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	-	-	-	112,927	112,927	151,807
Operating transfers out	-	-	-	-	-	(63,708)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,927</u>	<u>112,927</u>	<u>88,099</u>
<b>Excess of revenues and other sources over expenditures and other uses</b>	<u>21,726</u>	<u>8,568</u>	<u>-</u>	<u>9,530</u>	<u>39,824</u>	<u>15,576</u>
<b>Fund balances, beginning</b>	39,996	29,743	-	111,430	181,169	165,593
<b>Residual equity transfer</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>766</u>	<u>766</u>	<u>-</u>
<b>Fund balances, ending</b>	<u>\$61,722</u>	<u>\$38,311</u>	<u>\$ -</u>	<u>\$121,726</u>	<u>\$221,759</u>	<u>\$181,169</u>

TOWN OF PORT BARRE, LOUISIANA  
Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (GAAP Basis) and Actual  
Year Ended September 30, 1998

	City Wide Public Improvement Bonds 06/01/72			Street Improvement Bond 01/01/87		
	Budget	Actual	Variance- Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
Taxes:						
Ad valorem	\$38,838	\$39,761	\$ 923	\$19,344	\$20,106	\$ 762
Interest and penalties on taxes	500	1,011	511	500	517	17
Miscellaneous -						
Lease rentals	-	-	-	-	-	-
Interest on deposits	340	340	-	47	47	-
Total revenues	<u>39,678</u>	<u>41,112</u>	<u>1,434</u>	<u>19,891</u>	<u>20,670</u>	<u>779</u>
Expenditures:						
Current -						
General government:						
Office expense	-	-	-	-	-	-
Uncollectible taxes	500	852	(352)	220	435	(215)
Total general government	<u>500</u>	<u>852</u>	<u>(352)</u>	<u>220</u>	<u>435</u>	<u>(215)</u>
Debt service -						
Principal retirement	16,000	16,000	-	5,000	5,000	-
Interest	2,310	2,310	-	5,668	5,667	1
Paying agents' fees	224	224	-	1,000	1,000	-
Total debt service	<u>18,534</u>	<u>18,534</u>	<u>-</u>	<u>11,668</u>	<u>11,667</u>	<u>1</u>
Total expenditures	<u>19,034</u>	<u>19,386</u>	<u>(352)</u>	<u>11,888</u>	<u>12,102</u>	<u>(214)</u>
Excess (deficiency) of revenues over expenditures	<u>20,644</u>	<u>21,726</u>	<u>1,082</u>	<u>8,003</u>	<u>8,568</u>	<u>565</u>
Other financing sources (uses):						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses	20,644	21,726	1,082	8,003	8,568	565
Fund balances, beginning	39,996	39,996	-	29,743	29,743	-
Residual equity transfer	-	-	-	-	-	-
Fund balances, ending	<u>\$60,640</u>	<u>\$61,722</u>	<u>\$1,082</u>	<u>\$37,746</u>	<u>\$38,311</u>	<u>\$ 565</u>

1987 Certificate of Indebtedness 02/11/88			1996 Sales Tax Bonds and Certificates of Indebtedness 05/01/96			Totals		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,182	\$ 59,867	\$ 1,685
-	-	-	-	-	-	1,000	1,528	528
41,400	41,400	-	-	-	-	41,400	41,400	-
-	-	-	1,820	1,810	(10)	2,207	2,197	(10)
<u>41,400</u>	<u>41,400</u>	<u>-</u>	<u>1,820</u>	<u>1,810</u>	<u>(10)</u>	<u>102,789</u>	<u>104,992</u>	<u>2,203</u>
-	-	-	-	3	(3)	-	3	(3)
-	-	-	-	-	-	720	1,287	(567)
-	-	-	-	3	(3)	720	1,290	(570)
40,000	40,000	-	40,000	40,000	-	101,000	101,000	-
1,400	1,400	-	64,050	64,050	-	73,428	73,427	1
-	-	-	1,164	1,154	10	2,388	2,378	10
<u>41,400</u>	<u>41,400</u>	<u>-</u>	<u>105,214</u>	<u>105,204</u>	<u>10</u>	<u>176,816</u>	<u>176,805</u>	<u>11</u>
<u>41,400</u>	<u>41,400</u>	<u>-</u>	<u>105,214</u>	<u>105,207</u>	<u>7</u>	<u>177,536</u>	<u>178,095</u>	<u>(559)</u>
-	-	-	(103,394)	(103,397)	(3)	(74,747)	(73,103)	1,644
-	-	-	112,062	112,927	865	112,062	112,927	865
-	-	-	-	-	-	-	-	-
-	-	-	<u>112,062</u>	<u>112,927</u>	<u>865</u>	<u>112,062</u>	<u>112,927</u>	<u>865</u>
-	-	-	8,668	9,530	862	37,315	39,824	2,509
-	-	-	111,430	111,430	-	181,169	181,169	-
-	-	-	-	766	766	-	766	766
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$120,098</u>	<u>\$121,726</u>	<u>\$ 1,628</u>	<u>\$218,484</u>	<u>\$221,759</u>	<u>\$ 3,275</u>



## **CAPITAL PROJECTS FUND**

### **Street Improvement Fund**

To account for the financing and construction of various street improvements within the Town. The proceeds from the issuance of 1996 Sales Tax Bonds and Certificates of Indebtedness are used to finance the street improvements.

TOWN OF PORT BARRE, LOUISIANA  
 Capital Projects Fund  
 Street Improvement Fund

Comparative Balance Sheet  
 September 30, 1998 and 1997

	1998	1997
<b>ASSETS</b>		
Cash	<u>\$ -</u>	<u>\$ 766</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Due to other funds	\$ -	\$ -
Contracts payable	-	-
Retainage payable	-	-
Total liabilities	-	-
Fund balance:		
Unreserved, undesignated	-	766
Total liabilities and fund balance	\$ -	\$ 766

TOWN OF PORT BARRE, LOUISIANA  
 Capital Projects Fund  
 Street Improvement Fund

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Year Ended September 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Miscellaneous - interest	\$ -	\$ 1,020
Expenditures:		
Debt service - Cost of issuance	-	-
Capital outlay - Street overlay	-	60,007
Total expenditures	<u>-</u>	<u>60,007</u>
Deficiency of revenues over expenditures	<u>-</u>	<u>(58,987)</u>
Other financing sources (uses):		
Operating transfers in	<u>-</u>	<u>63,708</u>
Excess of revenues and other sources over expenditures and other uses	-	4,721
Fund balances (deficit), beginning	766	(3,955)
Residual equity transfer	<u>(766)</u>	<u>-</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ 766</u></u>

## **ENTERPRISE FUND**

### **Utility Fund**

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

TOWN OF PORT BARRE, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Balance Sheet

September 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash	\$ 291,740	\$ 147,308
Receivables -		
Accounts, net of allowance for uncollectible accounts (1998 \$33,593; 1997 \$14,579)	56,342	61,496
Accrued interest	769	851
Due from other funds	6,533	12
Due from other government agencies	267,514	-
Total current assets	<u>622,898</u>	<u>209,667</u>
<b>Restricted assets:</b>		
Revenue bond sinking fund -		
Cash	24,525	6,370
Interest-bearing deposits	152	148
Revenue bond reserve fund -		
Cash	15,413	15,044
Interest-bearing deposits	9,961	9,691
Capital additions and contingencies fund -		
Cash	36,264	35,834
Customers' deposits -		
Cash	13,206	12,972
Interest-bearing deposits	30,800	29,538
Total restricted assets	<u>130,321</u>	<u>109,597</u>
Property, plant and equipment, at cost, net of accumulated depreciation (1998 \$1,557,943; 1997 \$1,492,332)	1,730,572	1,791,658
Construction in progress	<u>1,769,586</u>	<u>-</u>
Net property, plant and equipment	<u>3,500,158</u>	<u>1,791,658</u>
Total assets	<u>\$4,253,377</u>	<u>\$2,110,922</u>

	<u>1998</u>	<u>1997</u>
<b>LIABILITIES AND FUND EQUITY</b>		
Liabilities:		
Current liabilities (payable from current assets) -		
Accounts payable	\$ 25,586	\$ 25,673
Due to other funds	-	523
Other liabilities	676	770
Total current liabilities (payable from current assets)	<u>26,262</u>	<u>26,966</u>
Current liabilities (payable from restricted assets) -		
Contacts payable	164,921	-
Retainage payable	97,410	-
Revenue bonds payable	10,000	10,000
Interest payable	10,822	3,757
Customers' deposits	42,906	42,510
Total current liabilities (payable from restricted assets)	<u>326,059</u>	<u>56,267</u>
Long-term liabilities:		
Revenue bonds payable, net of unamortized bond discount (1998 \$33,071; 1997 \$6,574)	<u>738,929</u>	<u>123,426</u>
Total liabilities	<u>1,091,250</u>	<u>206,659</u>
Fund equity:		
Contributed capital -		
Federal government, net of accumulated amortization (1998 \$79,929; 1997 \$68,510)	2,356,493	1,230,114
State government, net of accumulated amortization (1998 \$22,841; 1997 \$20,871)	325,412	327,382
Parish government, net of accumulated amortization (1998 \$1,950; 1997 \$1,800)	5,550	5,700
Municipality	585,795	585,795
Total contributed capital	<u>3,273,250</u>	<u>2,148,991</u>
Retained earnings (deficit) -		
Reserved for revenue bond retirement	29,299	17,496
Unreserved	(140,422)	(262,224)
Total retained earnings (deficit)	<u>(111,123)</u>	<u>(244,728)</u>
Total fund equity	<u>3,162,127</u>	<u>1,904,263</u>
Total liabilities and fund equity	<u>\$4,253,377</u>	<u>\$2,110,922</u>

TOWN OF PORT BARRE, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
Years Ended September 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Operating revenues:		
Charges for services -		
Gas sales	\$ 225,530	\$ 227,581
Water sales	205,980	198,101
Sewerage charges	224,374	144,550
Connection charges	5,700	4,945
Miscellaneous	<u>26,505</u>	<u>19,849</u>
Total operating revenues	<u>688,089</u>	<u>595,026</u>
 Operating expenses:		
Gas department	225,302	230,989
Water department	125,681	100,221
Sewerage department	132,831	126,840
General and administrative	59,149	49,430
Total operating expenses	<u>542,963</u>	<u>507,480</u>
 Operating income	<u>145,126</u>	<u>87,546</u>
 Nonoperating revenues (expenses):		
Interest income	1,536	2,060
Interest and fiscal charges	<u>(11,595)</u>	<u>(12,420)</u>
Total nonoperating expenses	<u>(10,059)</u>	<u>(10,360)</u>
 Income before operating transfers	135,067	77,186
 Operating transfers out	<u>(15,000)</u>	<u>(101,932)</u>
 Net income (loss)	120,067	(24,746)
 Add: Depreciation of fixed assets acquired by funds externally restricted for capital acquisitions and construction that reduces contributed capital -		
Federal grant revenues	11,418	11,418
State grant revenues	1,970	1,970
Parish grant revenues	<u>150</u>	<u>150</u>
 Increase (decrease) in retained earnings	133,605	(11,208)
 Retained earnings (deficit), beginning	<u>(244,728)</u>	<u>(233,520)</u>
 Retained earnings (deficit), ending	<u><u>\$(111,123)</u></u>	<u><u>\$(244,728)</u></u>

TOWN OF PORT BARRE, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Operating Expenses by Department  
Years Ended September 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Gas department:		
Engineering fees	\$ 1,200	\$ 3,070
Depreciation	18,458	18,684
Natural gas purchased	91,713	109,704
Insurance	16,811	14,122
Group insurance	4,979	4,759
Operative maintenance and supplies	23,819	33,832
Payroll taxes	3,471	2,739
Salaries	42,509	35,435
Telephone	2,641	2,325
Bad debts	9,556	4,260
Miscellaneous	10,145	2,059
Total gas department	<u>225,302</u>	<u>230,989</u>
Water department:		
Depreciation	20,278	20,254
Electricity	17,291	14,058
Insurance	15,610	13,113
Group insurance	3,734	3,719
Operative maintenance and supplies	26,597	16,429
Payroll taxes	1,746	1,408
Salaries	21,255	17,718
Chemicals	8,641	8,300
Telephone	2,065	1,818
Bad debts	8,464	3,404
Total water department	<u>125,681</u>	<u>100,221</u>

(continued)



TOWN OF PORT BARRE, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Operating Expenses by Department (Continued)  
Years Ended September 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Sewerage department:		
Depreciation	\$ 26,874	\$ 27,008
Electricity	30,808	33,722
Insurance	15,610	14,122
Group insurance	3,734	3,719
Operative maintenance and supplies	13,888	14,387
Payroll taxes	1,746	1,408
Salaries	21,255	17,718
Chemicals	6,289	6,088
Telephone	2,065	1,818
Bad debts	9,283	1,389
Engineering	200	4,425
Miscellaneous	1,079	1,036
Total sewerage department	<u>132,831</u>	<u>126,840</u>
General and administrative:		
Professional fees	8,735	9,120
Electricity	5,983	6,562
Office supplies and expense	10,812	8,015
Operative maintenance and supplies	9,315	7,611
Truck expense	6,344	5,810
Travel and meetings	372	301
Uniforms	2,572	-
Insurance	12,008	9,078
Miscellaneous	3,008	2,933
Total general and administrative	<u>59,149</u>	<u>49,430</u>
Total operating expenses	<u>\$542,963</u>	<u>\$507,480</u>

TOWN OF PORT BARRE, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Cash Flows  
Years Ended September 30, 1998 and 1997

	Enterprise	
	1998	1997
Cash flows from operating activities:		
Operating income	\$ 145,126	\$ 87,546
Adjustments to reconcile operating income to net cash provided by operating activities -		
Increases (decrease) in provision for uncollectible accounts	19,014	(208)
Depreciation	65,610	65,946
Amortization of bond issue costs	1,216	468
Changes in current assets and liabilities:		
Increase in accounts receivable	(13,860)	(13,769)
(Increase) decrease in other receivables	(273,953)	128
Increase (decrease) in accounts payable	(87)	1,016
Increase (decrease) in other liabilities	261,714	1,293
Total adjustments	59,654	54,874
Net cash provided by operating activities	204,780	142,420
Cash flows from noncapital financing activities:		
Operating transfers out to other funds	(15,000)	(101,932)
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(1,495,196)	(11,417)
Principal paid on revenue bond maturities	(10,000)	(10,000)
Interest paid on revenue bonds	(15,031)	(12,720)
Bond issue costs paid	(27,713)	-
Proceeds from meter deposits	11,000	11,000
Refund of meter deposits	(10,604)	(7,979)
Proceeds from issuance of revenue bonds	652,000	-
Proceeds from federal grant	870,284	-
Net cash used by capital and related financing activities	(25,260)	(31,116)
Cash flows from investing activities:		
Purchase of investments	(17,839)	(16,927)
Proceeds from maturities of investments	16,027	16,104
Interest received on interest-bearing deposits	1,536	2,209
Net cash provided by investing activities	(76)	1,386

(continued)

TOWN OF PORT BARRE, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Cash Flows (Continued)  
Years Ended September 30, 1998 and 1997

	Enterprise	
	1998	1997
Net increase in cash and cash equivalents	\$ 164,244	\$ 10,758
Cash and cash equivalents, beginning of period	239,978	229,220
Cash and cash equivalents, end of period	\$ 404,222	\$239,978
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning of period -		
Cash - unrestricted	\$ 147,308	\$129,187
Cash - restricted	70,220	78,190
Interest-bearing deposits	39,377	37,317
Less: Certificates of deposit with a maturity over three months when purchased	(16,927)	(15,474)
Total cash and cash equivalents	239,978	229,220
Cash and cash equivalents, end of period -		
Cash - unrestricted	291,740	147,308
Cash - restricted	89,408	70,220
Interest-bearing deposits	40,913	39,377
Less: Certificates of deposit with a maturity over three months when purchased	(17,839)	(16,927)
Total cash and cash equivalents	404,222	239,978
Net increase	\$ 164,244	\$ 10,758

TOWN OF PORT BARRE, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Changes in Assets Restricted for Revenue Bond Debt Service  
Year Ended September 30, 1998

	<u>Bond and Interest Sinking</u>	<u>Bond Reserve</u>	<u>Capital Additions and Contingencies</u>	<u>Total</u>
Cash and interest-bearing deposits, October 1, 1997	\$ 6,518	\$24,735	\$35,834	\$67,087
Cash receipts:				
Transfers from operating cash	40,020	369	430	40,819
Interest on deposits	<u>4</u>	<u>270</u>	<u>-</u>	<u>274</u>
Total cash receipts	<u>40,024</u>	<u>639</u>	<u>430</u>	<u>41,093</u>
Total cash and interest- bearing deposits	<u>46,542</u>	<u>25,374</u>	<u>36,264</u>	<u>108,180</u>
Cash disbursements:				
Principal payment	10,000	-	-	10,000
Interest payments	10,865	-	-	10,865
Paying agents' fees	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
Total cash disbursements	<u>21,865</u>	<u>-</u>	<u>-</u>	<u>21,865</u>
Cash and interest-bearing deposits, September 30, 1998	<u>\$24,677</u>	<u>\$25,374</u>	<u>\$36,264</u>	<u>\$86,315</u>

## AGENCY FUNDS

### **Payroll and Disbursement Funds**

To account for the centralization of the clearing accounts which are used for the disbursements of all Town funds, including those for purchases, payroll and payroll-related costs.

TOWN OF PORT BARRE, LOUISIANA  
Agency Funds

Combining Balance Sheet  
September 30, 1998

	<u>Payroll Fund</u>	<u>Disbursement Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash	<u>\$1,134</u>	<u>\$3,237</u>	<u>\$4,371</u>
<b>LIABILITIES</b>			
Payroll liabilities	1,091	-	1,091
Due to other funds	<u>43</u>	<u>3,237</u>	<u>3,280</u>
 Total liabilities	 <u>\$1,134</u>	 <u>\$3,237</u>	 <u>\$4,371</u>

TOWN OF PORT BARRE, LOUISIANA  
Agency Funds

Combining Statement of Changes in Assets and Liabilities - All Agency Funds  
Year Ended September 30, 1998

	<u>Balances</u> <u>10/01/97</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances</u> <u>09/30/98</u>
<u>PAYROLL FUND</u>				
ASSETS				
Cash	\$ <u>1,037</u>	\$ <u>376,652</u>	\$ <u>376,555</u>	\$ <u>1,134</u>
LIABILITIES				
Payroll liabilities	\$ 974	\$ 117	\$ -	\$ 1,091
Due to other funds	<u>63</u>	<u>376,652</u>	<u>376,672</u>	<u>43</u>
TOTAL LIABILITIES	<u>\$ 1,037</u>	<u>\$ 376,769</u>	<u>\$ 376,672</u>	<u>\$ 1,134</u>
 <u>DISBURSEMENTS FUNDS</u>				
ASSETS				
Cash	\$ 243	\$ 555,359	\$ 552,365	\$ 3,237
Due from other funds	<u>523</u>	<u>-</u>	<u>523</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 766</u>	<u>\$ 555,359</u>	<u>\$ 552,888</u>	<u>\$ 3,237</u>
LIABILITIES				
Due to other funds	<u>\$ 766</u>	<u>\$ 556,755</u>	<u>\$ 554,284</u>	<u>\$ 3,237</u>
TOTAL LIABILITIES	<u>\$ 766</u>	<u>\$ 556,755</u>	<u>\$ 554,284</u>	<u>\$ 3,237</u>
 <u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash	\$ 1,280	\$ 932,111	\$ 928,920	\$ 4,371
Due from other funds	<u>523</u>	<u>-</u>	<u>523</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 1,803</u>	<u>\$ 932,111</u>	<u>\$ 929,443</u>	<u>\$ 4,371</u>
LIABILITIES				
Payroll liabilities	\$ 974	\$ 117	\$ -	\$ 1,091
Due to other funds	<u>829</u>	<u>933,047</u>	<u>930,956</u>	<u>3,280</u>
TOTAL LIABILITIES	<u>\$ 1,803</u>	<u>\$ 933,164</u>	<u>\$ 930,956</u>	<u>\$ 4,371</u>

## **GENERAL FIXED ASSETS ACCOUNT GROUP**

To account for fixed assets not used in proprietary fund operations.



TOWN OF PORT BARRE, LOUISIANA

Comparative Statement of General Fixed Assets  
September 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
General fixed assets, at cost:		
Land	\$ 83,548	\$ 83,548
Buildings	1,113,608	1,113,608
Improvements other than buildings	703,593	703,593
Equipment	<u>195,196</u>	<u>172,318</u>
Total general fixed assets	<u>\$2,095,945</u>	<u>\$2,073,067</u>
Investment in general fixed assets:		
Property acquired from -		
General Fund revenues	\$ 422,546	\$ 399,668
Federal revenue sharing funds	42,454	42,454
Sales tax revenue	22,340	22,340
General obligation bonds	389,026	389,026
Assessment certificates	101,700	101,700
Federal grants	1,067,879	1,067,879
State grants	<u>50,000</u>	<u>50,000</u>
Total investment in general fixed assets	<u>\$2,095,945</u>	<u>\$2,073,067</u>

TOWN OF PORT BARRE, LOUISIANA

Statement of Changes in General Fixed Assets  
Year Ended September 30, 1998

	<u>Land</u>	<u>Buildings</u>	<u>Other Than Buildings</u>	<u>Equipment</u>	<u>Total</u>
General fixed assets, beginning of year	\$83,548	\$1,113,608	\$703,593	\$172,318	\$2,073,067
Additions:					
General Fund revenues	-	-	-	24,699	24,699
Deletions:					
General Fund revenues	-	-	-	1,821	1,821
General fixed assets, end of year	<u>\$83,548</u>	<u>\$1,113,608</u>	<u>\$703,593</u>	<u>\$195,196</u>	<u>\$2,095,945</u>

## **GENERAL LONG-TERM DEBT ACCOUNT GROUP**

To account for unmatured principal on general long-term debt expected to be financed from governmental type funds. Payment of maturing obligations, including interest, are accounted for in the debt service funds.

TOWN OF PORT BARRE, LOUISIANA

Statement of General Long-Term Debt  
September 30, 1998  
With Comparative Totals for September 30, 1997

	City Wide Public Improvement Bonds 06/01/72 12/01/79	Street Improvement Bonds 01/01/87	1996 Sales Tax Bonds and Certificates of Indebtedness 05/01/96	Totals
				1998      1997

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

Amount available in debt service funds for retirement	\$ 121,726	\$ 177,037	\$ 174,173
Amount to be provided from -			
Ad valorem taxes	-	36,689	50,257
Sales taxes	918,274	918,274	968,570
Lease rental payments	-	-	40,000
Total available and to be provided	<u>\$1,040,000</u>	<u>\$1,132,000</u>	<u>\$1,233,000</u>

GENERAL LONG-TERM DEBT PAYABLE

General obligation bonds payable	\$ -	\$ 92,000	\$ 113,000
Certificates of indebtedness payable	185,000	185,000	240,000
Sales tax bonds payable	<u>855,000</u>	<u>855,000</u>	<u>880,000</u>
Total general long-term debt payable	<u>\$1,040,000</u>	<u>\$1,132,000</u>	<u>\$1,233,000</u>

**INTERNAL CONTROL  
AND  
COMPLIANCE REPORTS**

# KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

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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

The Honorable John B. Fontenot  
and Members of the Board of Alderman  
Town of Port Barre, Louisiana

We have audited the general purpose financial statements of the the Town of Port Barre, Louisiana, as of and for the year ended September 30, 1998, and have issued our report thereon dated February 5, 1999, which was qualified because insufficient audit evidence exists to support the the Town of Port Barre'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 the Town of Port Barre, 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 one instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs in Part II, Section A.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Port Barre Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. 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 Port Barre's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition noted is described in the accompanying schedule of findings and questioned costs in Part II, Section B.

A material weaknesses weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the

internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition referred to in the schedule of findings and questioned costs, Item, 98-2, to be a material weakness.

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

***Kolder, Champagne, Slaven & Rainey, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
February 5, 1999

# KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable John B. Fontenot, Mayor  
and Members of the Board of Aldermen  
Town of Port Barre, Louisiana

### Compliance

We have audited the compliance of the Town of Port Barre, Louisiana, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended September 30, 1998. The Town of Port Barre's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Town of Port Barre's elected officials. Our responsibility is to express an opinion on the Town of Port Barre's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Port Barre's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Town of Port Barre's compliance with those requirements.

In our opinion, the Town of Port Barre complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended September 30, 1998.

### Internal Control Over Compliance

The management of the Town of Port Barre is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Town of Port Barre's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

We have audited the general purpose financial statements of the Town of Port Barre as of and for the year ended September 30, 1998, and have issued our report thereon dated February 5, 1999. Our audit was performed for the purpose of forming an opinion on the general purpose financial statement taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements of the Town of Port Barre. 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 stated, in all material respects, in relation to the general purpose financial statements taken as whole.

This report is intended for the information of management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Rainey, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
February 5, 1999

TOWN OF PORT BARRE, LOUISIANA

Schedule of Expenditures of Federal Awards  
Year Ended September 30, 1998

<u>Federal Grantor/Pass-Through Grantor/Program Name</u>	<u>CFDA Number</u>	<u>Expenditures</u>
United States Department of Agriculture: Rural Economic and Community Development		
Water and Waste Loan Grant Program*	10.760	<u>\$870,284</u>

\*Indicates major federal financial assistance program.

TOWN OF PORT BARRE, LOUISIANA

Notes to Schedule of Expenditures of Federal Awards  
Year Ended September 30, 1998

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Town of Port Barre (the Town). The Town's reporting entity is defined in Note 1 to the general-purpose financial statements for the year ended September 30, 1998. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through the other government agencies.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 of the Town's general purpose financial statements for the year ended September 30, 1998.

(3) Relationship to Federal Financial Reports

Amounts reported in the Schedule of Expenditures of Federal Awards agree with the amounts reported in the related federal financial reports.

TOWN OF PORT BARRE

Schedule of Findings and Questioned Costs  
Year Ended September 30, 1998

Part I. Summary of Auditor's Results:

1. A qualified opinion was issued on the financial statements.
2. A reportable condition in internal control was disclosed by the audit of the financial statements.
3. An instance of noncompliance was disclosed by the audit of the financial statements.
4. No reportable conditions in internal control over the major program was disclosed by the audit of the financial statements.
5. An unqualified opinion was issued on compliance for the major program.
6. The audit disclosed no audit findings required to be reported under Section 510(a) of Circular A-133.
7. The major program was:  
United States Department Agriculture: Water and Waste Loan and Grant Program.
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$300,000.
9. The auditee did not qualify as a low-risk auditee under Section 530 of Circular A-133.

Part II. Findings Which are Required to be Reported in Accordance With Generally Accepted Governmental Auditing Standards:

A. Compliance Finding -

98-1 Deposits Not Adequately Secured

Condition: Reconciliations comparing bank balances to FDIC insurance and securities pledged are not being performed.

Criteria: Internal controls should be in place that provide reasonable assurance that bank balances are adequately secured.

Effect: Deposits in one financial institution was not adequately secured on September 30, 1998 in the amount of \$57,059.

TOWN OF PORT BARRE

Schedule of Findings and Questioned Costs (Continued)  
Year Ended September 30, 1998

Recommendation: We recommend that controls should be established to monitor that bank balances are properly secured by financial institutions.

Response: We concur with the recommendation. The financial institution has been informed of the inadequate securities pledged and the Town's Clerk is in the process of implementing procedures to ensure that deposits are fully secured at all times.

B. Internal Control Finding -

98-2 Inadequate Segregation of Duties

Condition: Due to the small number of employees, the Town did not have adequate segregation of functions within the accounting system.

Recommendation: Based upon the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Response: No response is considered necessary.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

There were no findings to report under this section.

TOWN OF PORT BARRE  
Corrective Action Plan  
Year Ended September 30, 1998

<u>Reference Number</u>	<u>Recommendation</u>	<u>Actions Taken</u>
<u>Depoits not adequately secured</u>		
98-1	We recommend that controls should be established to monitor that the bank balances are properly secured by financial institutions.	The financial institution has been informed of the inadequate securities pledged and the Town's Clerk is in the process of implementing procedures to ensure that deposits are fully secured at all times.
<u>Inadequate Segregation of Duties</u>		
98-2	Based upon the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	No action required.

TOWN OF PORT BARRE

Schedule of Prior Year Findings

September 30, 1998

There were no findings and/or management comments mentioned in the September 1997 audit that required follow-up procedures.

**OTHER SUPPLEMENTARY INFORMATION**



TOWN OF PORT BARRE, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Number of Utility Customers  
(Unaudited)  
September 30, 1998

Records maintained by the Town indicated the following number of customers were being served during the month of September, 1998 and 1997:

<u>Department</u>	<u>1998</u>	<u>1997</u>
Gas (metered)	711	723
Water (metered)	1,131	1,112
Sewerage	748	781

Water		Sewerage		General and Administrative	
1998	1997	1998	1997	1998	1997
\$ 205,980	\$ 198,101	\$ 224,374	\$ 144,550	\$ -	\$ -
-	-	-	-	-	-
7,316	8,535	6,855	-	-	-
<u>213,296</u>	<u>206,636</u>	<u>231,229</u>	<u>144,550</u>	-	-
-	-	-	-	8,735	9,120
-	-	200	4,425	-	-
20,278	20,254	26,874	27,008	-	-
17,291	14,058	30,808	33,722	5,983	6,562
-	-	-	-	-	-
15,610	13,113	15,610	14,122	12,008	9,078
3,734	3,719	3,734	3,719	-	-
-	-	-	-	10,812	8,015
26,597	16,429	13,888	14,387	9,315	7,611
1,746	1,408	1,746	1,408	-	-
21,255	17,718	21,255	17,718	-	-
-	-	-	-	6,344	5,810
8,641	8,300	6,289	6,088	-	-
-	-	-	-	372	301
2,065	1,818	2,065	1,818	-	-
8,464	3,404	9,283	1,389	-	-
-	-	-	-	2,572	-
-	-	1,079	1,036	3,008	2,933
18,336	15,323	18,336	15,323	(59,149)	(49,430)
<u>144,017</u>	<u>115,544</u>	<u>151,167</u>	<u>142,163</u>	-	-
<u>\$ 69,279</u>	<u>\$ 91,092</u>	<u>\$ 80,062</u>	<u>\$ 2,387</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF PORT BARRE, LOUISIANA

Combined Schedule of Interest-Bearing Deposits - All Funds  
September 30, 1998

	<u>Financial Institution</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
Debt Service Funds:				
City Wide Public Improvements Bonds	(A)	N/A	Variable	\$ 12,592
Street Improvement Bonds	(A)	N/A	Variable	1,737
1998 Bond Reserve Fund	(A)	N/A	Variable	<u>79,425</u>
Total debt service funds				<u>93,754</u>
Utility Fund:				
Restricted assets -				
Certificate of deposit	(S)	1/16/99	5.25%	17,839
Savings account	(A)	N/A	Variable	<u>23,074</u>
Total utility fund				<u>40,913</u>
Total - all funds				<u><u>\$134,667</u></u>

Investments with:

- (A) American Bank and Trust, Opelousas, Louisiana
- (S) St. Landry Homestead, Opelousas, Louisiana

TOWN OF PORT BARRE, LOUISIANA

Schedule of Insurance in Force  
(Unaudited)  
September 30, 1998

<u>Description of Coverage</u>	<u>Coverage Amounts</u>
Workmen's Compensation - Employer's liability	\$ 100,000
Surety Bonds -	
Town clerk	25,000
Assistant town clerk	1,000
Town Treasurer	5,000
Blanket bond	5,000
General liability	
Each occurrence	500,000
Aggregate	2,000,000
Property coverage -	
Fire and light, extended coverage, vandalism and malicious mischief	415,700
Public official errors and omissions	
Each wrongful act	500,000
Aggregate	1,000,000
Police professional liability	2,000,000
Automobile liability coverage	500,000