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

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FINANCIAL SECTION

RICHARD C. URBAN
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INDEPENDENT AUDITOR'S REPORT

To the Town Council
Town of Washington, Louisiana

We have audited the accompanying general purpose financial statements and the combining, individual fund and account group financial statements of the Town of Washington, Louisiana as of and for the year ended June 30, 1998, as listed in the table of contents. These financial statements are the responsibility of the Town of Washington's management. Our responsibility is to express an opinion on these financial statements based on our audit.

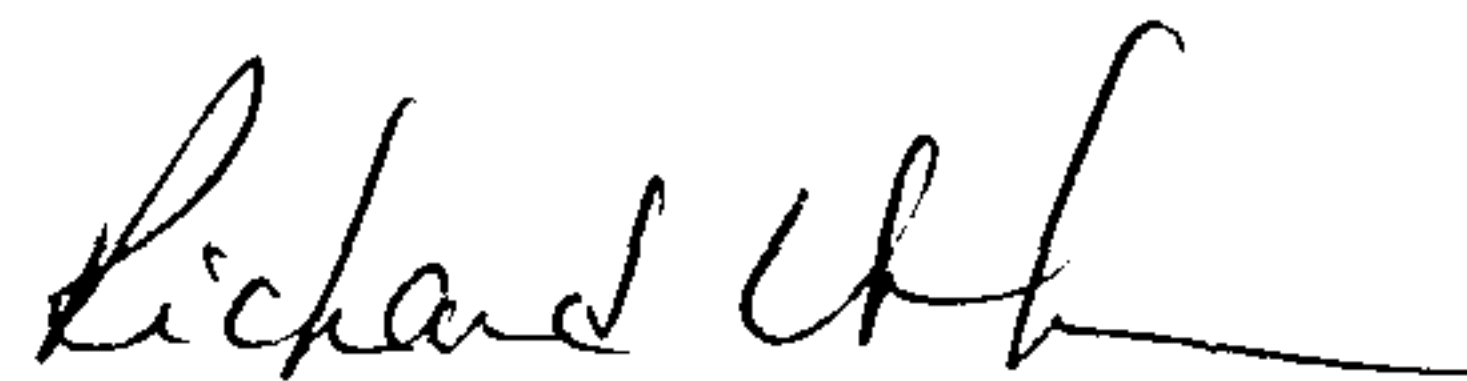
We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable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

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

In accordance with Government Auditing Standards, we have also issued our report dated November 9, 1998, on our consideration of the Town of Washington's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining, individual fund and account group financial statements. The accompanying financial

information listed as supporting schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Town of Washington, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining and individual fund and account group financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds and account group, taken as a whole.



RICHARD C. URBAN, C.P.A.

Opelousas, Louisiana
November 9, 1998

GENERAL PURPOSE
FINANCIAL STATEMENTS

TOWN OF WASHINGTON, LOUISIANA
 COMBINING BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 1998
 With Comparative Totals for June 30, 1997

	Governmental Fund Types		
	General	Special Revenue	Debt Service
ASSETS			
Cash	\$ 9,947	\$ 41,493	\$ ---
Investments, at cost	---	47,001	---
Receivables (net of allow- ance for uncollectables):			
Interest	---	176	---
Taxes	2,764	---	---
Accounts	---	---	---
Special assessments	---	---	9,115
Due from other funds	---	---	---
Unbilled service revenue	---	---	---
Inventory	---	---	---
Prepaid expenses	---	---	---
Restricted assets:			
Cash	---	---	---
Investments, at cost	---	---	---
Fixed assets (net of accumulated depreciation)	---	---	---
 Total Assets	 12,711	 88,670	 9,115
	=====	=====	=====

The accompanying notes are an integral part of this statement.

Proprietary Fund	Account Groups		TOTALS (Memorandum Only)	
	General Fixed Assets	General Long-term Debt	1998	1997
Enterprise				
\$ 66,212	\$ ---	\$ ---	\$ 117,652	\$ 58,502
123,823	---	---	170,824	339,535
619	---	---	795	5,599
---	---	---	2,764	1,873
31,522	---	---	31,522	32,959
---	---	---	9,115	9,115
384	---	---	384	29,051
17,458	---	---	17,458	17,458
5,355	---	---	5,355	5,355
8,800	---	---	8,800	3,479
25,538	---	---	25,538	25,024
41,830	---	---	41,830	302,207
<u>1,988,684</u>	<u>1,578,661</u>	<u>---</u>	<u>3,567,345</u>	<u>3,619,176</u>
<u>2,310,225</u>	<u>1,578,661</u>	<u>---</u>	<u>3,999,382</u>	<u>4,449,323</u>
=====	=====	=====	=====	=====

TOWN OF WASHINGTON, LOUISIANA
 COMBINING BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 1998
 With Comparative Totals for June 30, 1997

	Governmental Fund Types		
	General	Special Revenue	Debt Service
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$ 2,838	\$ ---	\$ ---
Accrued expenses	2,516	111	---
Due to other funds	---	---	384
Current liabilities payable from restricted assets:			
Utility refunding bonds payable	---	---	---
Accrued interest payable	---	---	---
Customers' deposits	---	---	---
Utility refunding bonds payable	---	---	---
Total liabilities	5,354	111	384
Fund equity:			
Investments in general fixed assets	---	---	---
Contributed capital	---	---	---
Retained earnings:			
Reserved	---	---	---
Unreserved	---	---	---
Fund balances:			
Reserved for operation and maintenance	---	153	---
Unreserved-undesignated	7,357	88,406	8,731
Total fund equity	7,357	88,559	8,731
Total liabilities and fund equity	12,711	88,670	9,115
	=====	=====	=====

The accompanying notes are an integral part of this statement.

Proprietary Fund	Account Groups		TOTALS (Memorandum Only)	
	General Fixed Assets	General Long-term Debt	1998	1997
Enterprise				
\$ 3,642	\$ ---	\$ ---	\$ 6,480	\$ 7,821
2,254	---	---	4,881	4,460
---	---	---	384	29,051
---	---	---	---	24,603
---	---	---	---	9,610
44,711	---	---	44,711	44,072
---	---	---	---	326,701
<u>50,607</u>	<u>---</u>	<u>---</u>	<u>56,456</u>	<u>446,318</u>
---	1,578,661	---	1,578,661	1,504,960
3,245,867	---	---	3,245,867	3,245,867
---	---	---	---	262,066
(986,249)	---	---	(986,249)	(1,250,979)
---	---	---	153	218,345
---	---	---	104,494	22,746
<u>2,259,618</u>	<u>1,578,661</u>	<u>---</u>	<u>3,942,926</u>	<u>4,003,005</u>
2,310,225	1,578,661	---	3,999,382	4,449,323
=====	=====	=====	=====	=====

TOWN OF WASHINGTON, LOUISIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
 Year Ended June 30, 1998
 With Comparative Totals for the Year Ended June 30, 1997

	Governmental Fund Types			TOTALS (Memorandum Only)	
	General	Special Revenue	Debt Service	1998	1997
Revenues:					
Taxes	\$ 22,306	\$ 64,273	\$ ---	\$ 86,579	\$ 81,698
Licenses and permits	32,150	---	---	32,150	29,847
Intergovernmental	34,144	---	---	34,150	9,387
Charges for services	1,463	13,020	---	14,483	15,120
Fines	17,060	---	---	17,060	15,974
Miscellaneous	34,469	---	---	34,469	38,296
Interest	---	11,734	---	11,734	12,002
Total revenues	<u>141,592</u>	<u>89,027</u>	<u>---</u>	<u>230,619</u>	<u>198,636</u>
Expenditures:					
Current:					
General government	128,536	18,279	---	146,815	166,207
Public safety - police	117,087	---	---	117,087	111,978
Street department	116,568	---	---	116,568	91,765
Total expenditures	<u>362,191</u>	<u>18,279</u>	<u>---</u>	<u>380,470</u>	<u>369,950</u>
Excess (deficiency) of revenues over (under) expenditures	(220,599)	<u>70,748</u>	<u>---</u>	(149,851)	(167,626)
Other financing sources (uses):					
Operating transfers in	215,430	10,000	---	225,430	241,798
Operating transfers out	---	(212,024)	---	(212,024)	(67,425)
Total other financing sources (uses)	<u>215,430</u>	<u>(202,024)</u>	<u>---</u>	<u>13,406</u>	<u>174,373</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(5,169)	(131,276)	---	(136,445)	6,747
Fund balance, beginning	<u>12,526</u>	<u>219,835</u>	<u>8,731</u>	<u>241,092</u>	<u>234,345</u>
Fund balance, ending	<u>7,357</u>	<u>88,559</u>	<u>8,731</u>	<u>104,647</u>	<u>241,092</u>
	=====	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - GENERAL,
 SPECIAL REVENUE, AND DEBT SERVICE FUNDS
 For the Year Ended June 30, 1998

	General Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Taxes	\$ 21,700	\$ 22,306	\$ 606
Licenses and permits	24,800	32,150	7,350
Intergovernmental	35,200	34,144	(1,056)
Charges for services	2,600	1,463	(1,137)
Fines	16,500	17,060	560
Miscellaneous	37,900	34,469	(3,431)
Interest	---	---	---
Total revenues	<u>138,700</u>	<u>141,592</u>	<u>2,892</u>
Expenditures:			
General government	131,612	128,536	3,076
Public safety	117,920	117,087	833
Street department	113,620	116,568	(2,948)
Capital Outlay	---	---	---
Total expenditures	<u>363,152</u>	<u>362,191</u>	<u>961</u>
Excess (deficiency) of revenues over (under) expenditures	(<u>224,452</u>)	(<u>220,599</u>)	<u>3,853</u>
Other financing sources (uses):			
Operating transfers in	222,000	215,430	(6,570)
Operating transfers out	---	---	---
Total other financing sources (uses)	<u>222,000</u>	<u>215,430</u>	<u>(6,570)</u>
Excess (deficiency) of revenues and other sources over expen- ditures and other uses	(2,452)	(5,169)	(2,717)
Fund balance, beginning	---	<u>12,526</u>	<u>12,526</u>
Fund balance, ending	(<u>2,452</u>) =====	7,357 =====	9,809 =====

The accompanying notes are an integral part of this statement.

Special Revenue Fund			Debt Service Fund		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 57,000	\$ 64,273	\$ 7,273	\$ ---	\$ ---	\$ ---
---	---	---	---	---	---
---	---	---	---	---	---
9,100	13,020	3,920	---	---	---
---	---	---	---	---	---
---	---	---	---	---	---
10,400	11,734	1,334	---	---	---
<u>76,500</u>	<u>89,027</u>	<u>12,527</u>	<u>---</u>	<u>---</u>	<u>---</u>
19,710	18,279	1,431	---	---	---
---	---	---	---	---	---
---	---	---	---	---	---
---	---	---	---	---	---
<u>19,710</u>	<u>18,279</u>	<u>1,431</u>	<u>---</u>	<u>---</u>	<u>---</u>
56,790	70,748	13,958	---	---	---
10,000	10,000	---	---	---	---
(231,301)	(212,024)	19,277	---	---	---
<u>(221,301)</u>	<u>(202,024)</u>	<u>19,277</u>	<u>---</u>	<u>---</u>	<u>---</u>
(164,511)	(131,276)	33,235	---	---	---
---	219,835	219,835	---	8,731	8,731
<u>(164,511)</u>	<u>88,559</u>	<u>253,070</u>	<u>---</u>	<u>8,731</u>	<u>8,731</u>
=====	=====	=====	=====	=====	=====

TOWN OF WASHINGTON, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN RETAINED EARNINGS - PROPRIETARY FUND TYPE
 Years Ended June 30, 1998 and 1997

	Enterprise	
	1998	1997
Operating revenues:		
Charges for services:		
Gas sales	\$ 376,607.13	\$ 335,952.40
Water sales	88,134.66	83,316.73
Sewer charges	38,843.65	37,707.90
Connection charges	1,135.00	1,740.00
Tapping charges	1,684.65	4,031.22
Miscellaneous revenues	7,254.68	2,734.75
Total operating revenue	513,659.77	465,483.00
Operating expenses:		
Gas department	271,259.35	293,052.49
Water department	82,168.19	73,949.26
Sewer department	117,624.79	119,701.98
Total operating expenses	471,052.33	486,703.73
Operating income (loss)	42,607.44	(21,220.73)
Non-operating revenues (expenses):		
Loss on sale of equipment	---	(1,458.26)
Interest income	11,069.47	14,836.14
Interest expense	(37,607.94)	(40,427.66)
Total non-operating revenues (expenses)	(26,538.47)	(27,049.78)
Income (loss) before operating transfers	16,068.97	(48,270.51)
Transfers to General Fund	182,570.00	175,173.00
Transfers to Cemetery Fund	10,000.00	5,800.00
Transfers from Sales Tax Fund	(179,163.93)	(6,600.00)
Net operating transfers	13,406.07	174,373.00
Net income (loss)	2,662.90	(222,643.51)
Retained earnings (deficit), beginning	(988,912.36)	(766,268.85)
Retained earnings (deficit), ending	(986,249.46)	(988,912.36)
	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
 COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
 Year Ended June 30, 1998

CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ 2,662.90
Adjustments to reconcile net loss to net cash provided by operations:	
Depreciation	145,416.57
Decrease (increase) in:	
Accounts receivable	1,427.20
Unbilled service revenue	---
Accrued interest receivable	720.34
Inventory	---
Due from other funds	28,667.47
Prepaid expenses	(5,321.18)
Increase (decrease) in:	
Accounts payable	---
Accrued expenses	82.08
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>173,655.38</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Increase in investments, at cost	(18,497.53)
Purchases of plant and equipment	(19,884.00)
Decrease in restricted assets	259,862.86
Decrease in current liabilities payable from restricted assets	(33,574.30)
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>187,907.03</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Contributed capital	---
Principal reduction of long-term liabilities	(326,701.00)
NET CASH (USED BY) FINANCING ACTIVITIES	<u>(326,701.00)</u>
NET INCREASE IN CASH	34,861.41
CASH AT BEGINNING OF YEAR	<u>31,350.29</u>
CASH AT END OF YEAR	66,211.70 =====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON
NOTES TO FINANCIAL STATEMENTS
June 30, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Washington, Louisiana was incorporated under the provisions of the Lawrason Act. The Town operates under a Mayor-Board of Aldermen form of government.

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

The following is a summary of certain significant accounting policies.

Reporting Entity

This report includes all funds and the general long-term debt account group which are controlled by or dependent on 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.

Fund Accounting

The accounts of the Town of Washington 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 comprises 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 spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two categories: governmental and proprietary. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to outside parties (enterprise funds).

NOTES TO FINANCIAL STATEMENTS (continued)

Basis of Accounting

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

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of collecting governments and are recognized as revenue at that time. Fines and permits are not susceptible to accrual because generally they are not measurable until received. Therefore, they are not recognized as revenue until received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principle and interest on general long-term debt which is recognized when due.

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Budgets and Budgetary Accounting

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

1. The Mayor prepares a proposed budget and submits same to the Board of Aldermen no later than thirty 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.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Any budgetary amendments require the approval of the Mayor and Board of Aldermen.
6. Any budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the General, Special Revenue and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

NOTES TO FINANCIAL STATEMENTS (continued)

Investments

Investments consist of certificates of deposit and are stated at cost.

Short-term Interfund Receivables/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.

Prepaid Items

Payments made to insurance companies for coverage that will benefit the period beyond June 30, 1998, are recorded as prepaid insurance.

Bad Debts

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

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 fund type operations 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 to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

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 non-current) associated with their activity are included on their balance sheets.

Depreciation of all exhaustible fixed assets used by the proprietary fund 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:

Utility systems	50 years
Machinery and equipment	5 - 10 years

NOTES TO FINANCIAL STATEMENTS (continued)

All fixed assets are stated at historical cost.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. No interest costs have been capitalized for the fiscal year ended June 30, 1998.

Compensated Absences

The Town has adopted a policy of ten days vacation per year, which may not carry over or accumulate to future years. At June 30, 1998, the liability for accumulated unpaid vacation was minimal for both the general and proprietary funds, and no liability has been recorded.

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 data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

Memorandum Only - Total Columns

Total columns on the general purpose financial statements 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 are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - AD VALOREM TAXES

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

For the year ended June 30, 1998, the Town levied a general tax of 7.08 mills on property with an assessment valuation totaling \$3,150,620.

Total tax levied was \$22,306.39 with \$1,224 and \$1,540 being receivable from current roll and prior years, respectively.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Debt Service Funds	\$ ---	\$ 384
Enterprise Fund - Utility Fund	384	---

NOTE 4 - RESTRICTED ASSETS - PROPRIETARY FUND TYPE

Restricted assets were applicable to the following at June 30:

	<u>1998</u>	<u>1997</u>
Bond reserve account	\$ ---	\$ 218,094
Bond contingency account	---	43,972
Customers' deposits	<u>67,368</u>	<u>65,165</u>
	67,368	327,231
	=====	=====

NOTE 5 - DEFICITS IN INDIVIDUAL FUNDS

The following funds reflected deficits in their retained earnings/fund balances at June 30, 1998:

Enterprise Fund - Utility Fund	\$ (986,249)
--------------------------------	--------------

The enterprise fund deficit is due to depreciation expense on contributed assets, and not from normal operations.

The Town Council plans to eliminate the deficit in retained earnings of the Utility Fund by increasing the charges for services for utilities and by increasing operating transfers in from the sales tax fund.

It is estimated that the accumulated deficit should be eliminated within the next seven fiscal years.

NOTE 6 - DEPOSITS AND INVESTMENTS

At June 30, 1998, the carrying amount of the Town's deposits was \$ 25,538 and the bank balances were \$117,652. The Town's deposits and bank balances were covered by federal depository insurance up to \$ 100,000. The remaining balance was covered by collateral held in the pledging financial institutions' trust department in the Town's name.

NOTES TO FINANCIAL STATEMENTS (continued)

The Town's investments consist of certificates of deposit and are secured by the same collateral discussed above. The total collateral pledged amounted to \$ 301,143 (market value) at June 30, 1998, and averaged \$ 550,000 to \$ 650,000 for the entire year. Total investments of \$ 212,654, deposits of \$ 25,538 and bank balances of \$117,652 were adequately secured as of and for the year ended June 30, 1998.

NOTE 7 - FIXED ASSETS

The following is a summary of proprietary fund-type fixed assets at June 30, 1998:

	<u>Enterprise Fund - Utility Fund</u>
Land	\$ 113,559
Buildings	39,995
Furniture and fixtures	15,533
Transportation equipment	45,418
Machinery and equipment	82,370
Gas system and extensions	331,042
Water system and extensions	1,504,461
Sewer system and extensions	<u>1,859,139</u>
	3,991,517
Less accumulated depreciation	<u>2,002,833</u>
Net fixed assets	1,988,684 =====

NOTE 8 - CONTINGENT LIABILITIES

The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Town's attorney the resolution of these matters will not have a materially adverse effect on the financial condition of the Town.

NOTE 9 - DEDICATION OF PROCEEDS AND FLOW OF FUNDS

1.2% Sales and Use Tax

The Town of Washington has dedicated the proceeds of its 1% sales and use tax to the purpose of maintenance and operation of its utility system. For the year ended June 30, 1998, \$57,520 had been collected and used for these purposes.

The Town has dedicated the proceeds of its .2% sales and use tax to the purpose of street and sidewalk improvements. For the year ended June 30, 1998, \$ 6,753 had been collected and used for these purposes.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 10 - RETIREMENT COMMITMENTS

The Town of Washington is a member of the Municipal Police Employees Retirement System of Louisiana, which covers the eligible employees of the police department. Other Town Employees are not covered by a plan. No employees were eligible to participate during the fiscal year ended June 30, 1998. The Town makes contributions for the covered employees based on fourteen percent (14%) of compensation, of which seven percent (7%) is the employees' share. No contributions were made during the fiscal year ended June 30, 1998.

GENERAL FUND

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

TOWN OF WASHINGTON, LOUISIANA
GENERAL FUND
COMPARATIVE BALANCE SHEET
June 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
ASSETS		
Cash	\$ 9,946.52	\$ 16,983.32
Ad valorem taxes receivable	<u>2,764.35</u>	<u>1,873.06</u>
Total assets	<u>12,710.87</u> =====	<u>18,856.38</u> =====
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	2,838.34	4,178.51
Payroll taxes payable	<u>2,515.79</u>	<u>2,152.06</u>
Total liabilities	<u>5,354.13</u>	<u>6,330.57</u>
Fund balance - Unreserved-undesignated	<u>7,356.74</u>	<u>12,525.81</u>
Total fund balance (deficit)	<u>7,356.74</u>	<u>12,525.81</u>
Total liabilities and fund balance	<u>12,710.87</u> =====	<u>18,856.38</u> =====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1998
With Comparative Actual Amounts for Year Ended June 30, 1997

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Ad valorem taxes	\$ 21,700.00	\$ 22,306.39	\$ 606.39	\$ 22,585.34
Licenses and permits	24,800.00	32,149.45	7,349.45	29,847.02
Intergovernmental	35,200.00	34,143.89	(1,056.11)	9,387.24
Charges for services	2,600.00	1,462.92	(1,137.08)	2,700.30
Fines and forfeits	16,500.00	17,060.00	560.00	15,973.50
Miscellaneous revenues	37,900.00	34,469.22	(3,431.78)	38,295.64
Total revenues	<u>138,700.00</u>	<u>141,591.87</u>	<u>2,891.87</u>	<u>118,789.04</u>
Expenditures:				
General government	131,612.00	128,536.18	3,075.82	147,722.34
Public safety - police	117,920.00	117,087.15	832.85	111,978.41
Street department	113,620.00	116,567.61	(2,947.61)	91,764.44
Total expenditures	<u>363,152.00</u>	<u>362,190.94</u>	<u>961.06</u>	<u>351,465.19</u>
Excess (deficiency) of revenues over expenditures	(224,452.00)	(220,599.07)	3,852.93	(232,676.15)
Other financing sources:				
Operating transfer from:				
Utility fund	184,000.00	182,570.00	(1,430.00)	175,173.00
Sales tax fund	38,000.00	32,860.00	(5,140.00)	60,825.00
Total other sources	<u>222,000.00</u>	<u>215,430.00</u>	<u>(6,570.00)</u>	<u>235,998.00</u>
Excess (deficiency) of revenues & other sources over expenditures & other uses	(2,452.00)	(5,169.07)	(2,717.07)	3,321.85
Fund balance, beginning	---	12,525.81	12,525.81	9,203.96
Fund balance, ending	(2,452.00)	7,356.74	9,808.74	12,525.81
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP) BASIS
Year Ended June 30, 1998
With Comparative Actual Amounts for Year Ended June 30, 1997

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
General government:				
Auto expense	\$ 1,000.00	\$ 1,300.97	\$(300.97)	\$ 836.84
Audit fees	2,800.00	2,600.00	200.00	2,300.00
Salaries	15,600.00	15,064.90	535.10	16,206.58
Attorney fees	1,800.00	1,200.00	600.00	1,900.00
Accounting fees	2,350.00	2,300.00	50.00	1,930.00
Advertising	1,000.00	1,030.89	(30.89)	725.50
Group insurance	13,000.00	10,189.85	2,810.15	11,911.54
Utilities	12,800.00	15,439.88	(2,639.88)	13,794.08
Office supplies	3,200.00	3,279.61	(79.61)	2,378.94
Payroll taxes	13,800.00	13,807.07	(7.07)	11,663.54
Miscellaneous	5,200.00	4,782.94	417.06	5,325.05
Dues and subscriptions	1,320.00	1,335.30	(15.30)	1,161.30
Insurance	38,400.00	38,774.65	(374.65)	43,318.48
Preparation of tax roll	620.00	724.40	(104.40)	610.00
Repairs and maintenance	1,500.00	1,289.25	210.75	1,015.06
Court clerk	300.00	300.00	---	275.00
Mayor's auto allowance	2,472.00	2,472.00	---	2,400.00
Washington museum	3,600.00	2,496.75	1,103.25	4,500.00
Telephone	1,400.00	1,488.70	(88.70)	1,273.20
Meetings and conventions	1,500.00	1,434.09	65.91	1,860.40
Pest control	650.00	572.99	77.01	532.99
Supplies - general	1,100.00	957.88	142.12	2,237.03
Janitorial supplies	1,200.00	1,124.06	75.94	1,756.81
Capital outlay	5,000.00	4,570.00	430.00	17,810.00
Total general government	<u>131,612.00</u>	<u>128,536.18</u>	<u>3,075.82</u>	<u>147,722.34</u>
Public safety - police:				
Salaries	89,000.00	88,590.72	409.28	88,465.41
Auto expense	9,200.00	9,268.20	(268.20)	9,037.97
Film and developing	200.00	225.67	(25.67)	242.31
Coroner's fees	2,100.00	2,070.00	30.00	---
Equipment repairs	1,500.00	1,340.75	159.25	739.22
Supplies	1,100.00	1,014.98	85.02	1,670.36
Telephone	4,600.00	4,635.39	(35.39)	4,796.07
Miscellaneous	2,800.00	2,778.49	21.51	4,467.50
Office supplies	400.00	392.59	7.41	1,320.55
Feeding prisoners	220.00	202.62	17.38	369.59

The accompanying notes are an integral part of this statement.

	1998			1997 Actual
	Budget	Actual	Variance - Favorable (Unfavorable)	
Public safety - police (continued):				
Uniforms	800.00	700.54	99.46	869.43
Capital outlay	<u>6,000.00</u>	<u>5,867.20</u>	<u>132.80</u>	<u>---</u>
Total expenditures	<u>117,920.00</u>	<u>117,087.15</u>	<u>832.85</u>	<u>111,978.41</u>
Street department:				
Salaries	30,000.00	29,327.66	672.34	24,789.79
Truck expense	6,800.00	6,850.35	(50.35)	5,023.90
Repairs and maintenance	7,000.00	6,930.37	69.63	4,922.92
Concrete, gravel, etc.	1,200.00	1,053.00	147.00	2,232.22
Miscellaneous	420.00	734.18	(314.18)	500.80
Small tools and supplies	8,200.00	8,407.80	(207.80)	7,146.30
Capital outlay	<u>60,000.00</u>	<u>63,264.25</u>	<u>(3,264.25)</u>	<u>46,908.06</u>
Total street department	<u>113,620.00</u>	<u>116,567.61</u>	<u>(2,947.61)</u>	<u>91,764.44</u>
Total expenditures	<u>363,152.00</u>	<u>362,190.94</u>	<u>961.06</u>	<u>351,465.19</u>
	=====	=====	=====	=====

SPECIAL REVENUE FUNDS

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 capital expenditures for sewer and sewage disposal department operations and maintenance.

A portion of accumulated sales tax revenues has been dedicated to be used for street improvements.

CEMETERY FUND

To account for the receipts and subsequent expenditure of funds received for the sale of cemetery plots and the maintenance and upkeep of the Town-owned cemetery.

TOWN OF WASHINGTON, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 1998
With Comparative Totals for June 30, 1997

	<u>Cemetery</u>	<u>Sales Tax</u>	<u>Totals</u>	
			<u>1998</u>	<u>1997</u>
ASSETS				
Cash	\$6,341.14	\$ 35,151.50	\$ 41,492.64	\$ 10,169.35
Investments, at cost	---	47,001.17	47,001.17	234,210.20
Accrued interest receivable	---	175.78	175.78	4,258.55
	<u>6,341.14</u>	<u>82,328.45</u>	<u>88,669.59</u>	<u>248,638.10</u>
	=====	=====	=====	=====
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Payroll taxes payable	\$ 110.54	---	110.54	135.75
Due to Utility Fund	---	---	---	28,667.47
	<u>110.54</u>	<u>---</u>	<u>110.54</u>	<u>28,803.22</u>
 Fund Balances:				
Reserved for operations and maintenance	---	152.72	152.72	218,345.40
Unreserved-Undesignated	6,230.60	82,175.73	88,406.33	1,489.48
	<u>6,230.60</u>	<u>82,328.45</u>	<u>88,559.05</u>	<u>219,834.88</u>
	<u>6,341.14</u>	<u>82,328.45</u>	<u>88,669.59</u>	<u>248,638.10</u>
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
SPECIAL REVENUE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Year Ended June 30, 1998
With Comparative Totals for Year Ended June 30, 1997

	<u>Cemetery</u>	<u>Sales Tax</u>	<u>Totals</u>	
			<u>1998</u>	<u>1997</u>
Revenue:				
Taxes	\$ ---	\$ 64,273.38	\$ 64,273.38	\$ 59,113.22
Charges for services	13,020.00	---	13,020.00	12,420.00
Miscellaneous	---	11,733.60	11,733.60	12,001.76
Total revenues	<u>13,020.00</u>	<u>76,006.98</u>	<u>89,026.98</u>	<u>83,534.98</u>
Expenditures:				
General government	<u>18,278.88</u>	---	<u>18,278.88</u>	<u>18,485.11</u>
Total expenditures	<u>18,278.88</u>	---	<u>18,278.88</u>	<u>18,485.11</u>
Excess (deficiency) of revenues over expenditures	(5,258.88)	76,006.98	70,748.10	65,049.87
Other financing sources (uses):				
Operating transfers in	10,000.00	---	10,000.00	5,800.00
Operating transfers out	---	(212,023.93)	(212,023.93)	(67,425.00)
Total other financing sources (uses)	<u>10,000.00</u>	<u>(212,023.93)</u>	<u>(202,023.93)</u>	<u>(61,625.00)</u>
Excess (deficiency) of revenues and other sources over expend- itures and other uses	4,741.12	(136,016.95)	(131,275.83)	3,424.87
Fund balances, beginning	<u>1,489.48</u>	<u>218,345.40</u>	<u>219,834.88</u>	<u>216,410.01</u>
Fund balances, ending	<u>6,230.60</u>	<u>82,328.45</u>	<u>88,559.05</u>	<u>219,834.88</u>
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
SPECIAL REVENUE FUNDS
CEMETERY FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1998
With Comparative Actual Amounts for Year Ended June 30, 1997

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Charges for services:				
Sale of plots	\$ 6,800.00	\$ 10,025.00	\$ 3,225.00	\$ 8,825.00
Interment fees	300.00	975.00	675.00	1,075.00
Maintenance & upkeep	2,000.00	2,020.00	20.00	2,520.00
Total revenues	<u>9,100.00</u>	<u>13,020.00</u>	<u>3,920.00</u>	<u>12,420.00</u>
Expenditures:				
General government:				
Miscellaneous	3,400.00	2,822.94	577.06	3,311.24
Interment fees	250.00	315.00	(65.00)	315.00
Gas, oil & repairs	3,400.00	3,370.50	29.50	642.09
Supplies	300.00	296.76	3.24	359.37
Capital outlay	----	----	----	1,098.00
Salaries	11,500.00	10,646.10	853.90	11,865.88
Payroll taxes	860.00	827.58	32.42	893.53
Total expenditures	<u>19,710.00</u>	<u>18,278.88</u>	<u>1,431.12</u>	<u>18,485.11</u>
Excess (deficiency) of revenues over expenditures	(10,610.00)	(5,258.88)	5,351.12	(6,065.11)
Other financing sources:				
Operating transfer from				
Utility Fund	10,000.00	10,000.00	---	5,800.00
Total other sources	<u>10,000.00</u>	<u>10,000.00</u>	---	<u>5,800.00</u>
Excess (deficiency) of revenues over expenditures	(610.00)	4,741.12	5,351.12	(265.11)
Fund balance, beginning	---	1,489.48	1,489.48	1,754.59
Fund balance, ending	(610.00)	6,230.60	6,840.60	1,489.48
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
SPECIAL REVENUE FUNDS
SALES TAX FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1998
With Comparative Actual Amounts for Year Ended June 30, 1997

	1998		Variance - Favorable (Unfavorable)	1997 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Sales Taxes	\$ 57,000.00	\$ 64,273.38	\$ 7,273.38	\$ 59,113.22
Miscellaneous revenues:				
Interest on investments	10,400.00	11,733.60	1,333.60	12,001.76
Total revenues	<u>67,400.00</u>	<u>76,006.98</u>	<u>8,606.98</u>	<u>71,114.98</u>
Expenditures:				
General government	---	---	---	---
Total expenditures	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Excess of revenues over expenditures	67,400.00	76,006.98	8,606.98	71,114.98
Other financing uses:				
Operating transfer to:				
General Fund	38,000.00	32,860.00	5,140.00	60,825.00
Utility Fund	193,301.00	179,163.93	14,137.07	6,600.00
Total other uses	<u>231,301.00</u>	<u>212,023.93</u>	<u>19,277.07</u>	<u>67,425.00</u>
Excess (deficiency) of revenues over expenditures & other uses	(163,901.00)	(136,016.95)	27,884.05	3,689.98
Fund balance, beginning	---	<u>218,345.40</u>	<u>218,345.40</u>	<u>214,655.42</u>
Fund balance, ending	(163,901.00)	<u>82,328.45</u>	<u>246,229.45</u>	<u>218,345.40</u>
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

DEBT SERVICE FUND

To account for the funds generated by assessing individual property owners for a share of the cost of paving several streets within the Town.

TOWN OF WASHINGTON, LOUISIANA
DEBT SERVICE FUND
BALANCE SHEET
June 30, 1998
With Comparative Totals for June 30, 1997

	Street Paving Project Fund	
	1998	1997
ASSETS		
Assessments receivable	\$ <u>9,115.05</u>	\$ <u>9,115.05</u>
Total assets	<u>9,115.05</u> =====	<u>9,115.05</u> =====
LIABILITIES AND FUND BALANCES		
Liabilities:		
Due to utility fund	<u>383.90</u>	<u>383.90</u>
Total liabilities	<u>383.90</u>	<u>383.90</u>
Fund balances:		
Reserved for debt service	---	---
Unreserved-undesignated	<u>8,731.15</u>	<u>8,731.15</u>
Total fund balances	<u>8,731.15</u>	<u>8,731.15</u>
Total liabilities and fund balances	<u>9,115.05</u> =====	<u>9,115.05</u> =====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
June 30, 1998

With Comparative Totals for Year Ended June 30, 1997

	Street Paving Project Fund	
	1998	1997
Revenues:		
Miscellaneous -		
Interest Income	\$ ---	\$ ---
Total revenue	-----	-----
Expenditures:		
Principle retirement	-----	-----
Interest	-----	-----
Total expenditures	-----	-----
Excess (deficiency) of revenues over expenditures	-----	-----
Other financing sources (uses):		
Operating transfer from (to)		
Sales tax fund	-----	-----
Utility fund	-----	-----
Total other sources (uses)	-----	-----
Excess (deficiency) of revenues and other sources over expenditures and other uses	-----	-----
Fund balance, beginning	8,731.15	8,731.15
Fund balance, ending	8,731.15	8,731.15

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP) BASIS AND ACTUAL
Year Ended June 30, 1998

	<u>Street Paving Project Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>(Unfavorable)</u>
Revenues:			
Miscellaneous -			
Interest Income	\$ ---	\$ ---	\$ ---
Total revenue	<u> ---</u>	<u> ---</u>	<u> ---</u>
Expenditures:	<u> ---</u>	<u> ---</u>	<u> ---</u>
Excess revenues over expenditures	---	---	---
Other financing uses:			
Operating transfer from (to):			
General fund	---	---	---
Utility fund	<u> ---</u>	<u> ---</u>	<u> ---</u>
Total other uses	<u> ---</u>	<u> ---</u>	<u> ---</u>
Excess (deficiency) of revenues over expenditures and other uses	---	---	---
Fund balance, beginning	<u> ---</u>	<u>8,731.15</u>	<u>8,731.15</u>
Fund balance, ending	---	8,731.15	8,731.15
	=====	=====	=====

The accompanying notes are an integral part of this statement.

ENTERPRISE FUND

Utility Fund - To account for the provision of gas, water and sewer services to resident 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 WASHINGTON, LOUISIANA
UTILITY FUND
COMPARATIVE BALANCE SHEET
June 30, 1998 and 1997

	1998	1997
ASSETS		
Current assets:		
Cash	\$ 66,211.70	\$ 31,350.29
Investments, at cost	123,822.84	105,325.31
Accounts receivable, net of allowance for uncollectable accounts (\$671.25)	31,521.63	32,948.83
Unbilled service revenue	17,457.63	17,457.63
Accrued interest receivable	619.50	1,339.84
Due from debt service fund	383.90	383.90
Due from sales tax fund	---	28,667.47
Inventory	5,355.17	5,355.17
Prepaid expenses	8,799.82	3,478.64
	<u>254,172.19</u>	<u>226,307.08</u>
Restricted assets:		
Bond reserve account:		
Investments, at cost	---	218,094.28
Bond contingency account:		
Investments, at cost	---	43,971.96
Customers deposits:		
Cash	25,538.21	25,024.21
Investments, at cost	41,830.15	40,140.77
	<u>67,368.36</u>	<u>327,231.22</u>
Plant and equipment, at cost, net of accumulated depreciation (1998 - \$2,002,833.30; 1997 - \$1,857,416.73)		
	<u>1,988,683.66</u>	<u>2,114,216.23</u>
Total assets	<u>2,310,224.21</u>	<u>2,667,754.53</u>

The accompanying notes are an integral part of this statement.

	<u>1998</u>	<u>1997</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Current liabilities		
(payable from current assets):		
Accounts payable	3,642.29	3,642.29
Accrued expenses	<u>2,254.04</u>	<u>2,171.96</u>
Total current liabilities		
(payable from current assets)	<u>5,896.33</u>	<u>5,814.25</u>
Current liabilities		
(payable from restricted assets):		
Utility refunding bonds payable	---	24,603.00
Accrued interest payable	---	9,609.52
Customers' deposits	<u>44,710.45</u>	<u>44,072.23</u>
Total current liabilities		
(payable from restricted assets)	<u>44,710.45</u>	<u>78,284.75</u>
Long-term liabilities:		
Utility refunding bonds payable	---	326,701.00
Total long-term liabilities	<u>---</u>	<u>326,701.00</u>
Total liabilities	<u>50,606.78</u>	<u>410,800.00</u>
Fund equity:		
Contributed capital:		
State grants	236,146.36	236,146.36
Federal grants	2,366,219.00	2,366,219.00
Intergovernmental	<u>643,501.53</u>	<u>643,501.53</u>
Total contributed capital	<u>3,245,866.89</u>	<u>3,245,866.89</u>
Retained earnings:		
Reserved for bond retirement	---	262,066.24
Unreserved	<u>(986,249.46)</u>	<u>(1,250,978.60)</u>
Total retained earnings (deficit)	<u>(986,249.46)</u>	<u>(988,912.36)</u>
Total fund equity	<u>2,259,617.43</u>	<u>2,256,954.53</u>
Total liabilities and fund equity	<u>2,310,224.21</u>	<u>2,667,754.53</u>
	=====	=====

TOWN OF WASHINGTON, LOUISIANA
 ENTERPRISE FUND
 UTILITY FUND
 SCHEDULE OF OPERATING EXPENSES
 Years Ended June 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Gas department:		
Audit fees	\$ 2,400.00	\$ 2,700.00
Accounting fees	760.00	1,461.60
Depreciation	10,564.68	12,015.19
Gas purchases	151,497.82	155,231.04
Insurance and bond expenses	25,330.48	27,504.59
Miscellaneous	3,772.06	7,092.85
Office supplies	1,479.33	795.46
Payroll taxes	3,458.35	3,924.61
Postage	3,226.07	3,227.95
Repairs - meters	1,530.90	4,228.60
Repairs - other	1,747.14	2,150.00
Salaries	45,119.23	44,923.35
Supplies - other	6,617.22	14,729.28
Telephone	4,072.10	3,597.26
Truck expenses	3,039.40	2,615.68
Uniforms	1,002.30	998.56
Utilities	<u>5,642.27</u>	<u>5,856.47</u>
Total gas department	<u>271,259.35</u>	<u>293,052.49</u>
Water department:		
Accounting fees	480.00	480.00
Depreciation	59,385.75	59,385.75
Insurance	1,617.00	2,510.00
Miscellaneous	3,797.03	1,612.75
Outside services	135.28	295.00
Repairs	4,088.43	847.34
Supplies - other	12,301.70	8,422.42
Telephone	<u>363.00</u>	<u>396.00</u>
Total water department	<u>82,168.19</u>	<u>73,949.26</u>

The accompanying notes are an integral part of this statement.

	<u>1998</u>	<u>1997</u>
Sewer department:		
Accounting fees	480.00	480.00
Insurance	3,435.00	5,229.98
Depreciation	75,466.14	75,466.14
Miscellaneous	2,490.00	2,667.50
Supplies - other	4,937.77	5,665.36
Payroll taxes	1,430.52	1,599.10
Repairs	8,323.11	8,193.90
Salaries	20,400.00	20,400.00
Truck expenses	662.25	---
	<u>117,624.79</u>	<u>119,701.98</u>
Total sewer department		
	471,052.33	486,703.73
Total operating expenses	<u>471,052.33</u>	<u>486,703.73</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account group accounts for fixed assets not used in proprietary find operations.

TOWN OF WASHINGTON, LOUISIANA
 COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
 June 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
General Fixed Assets		
Land	\$ 60,980	\$ 60,980
Buildings	394,834	384,397
Improvements other than buildings	802,756	739,492
Equipment	246,070	246,070
Other structures and improvements	<u>74,021</u>	<u>74,021</u>
Total general fixed assets	1,578,661 =====	1,504,960 =====
Investment in General Fixed Assets From:		
General Fund revenues	361,387	345,546
Federal Revenue Sharing Fund revenues	71,788	71,788
Special Revenue Fund revenues	419,720	386,860
Federal grants	325,000	325,000
Contributions by property owners	121,273	121,273
Utility Fund revenues	47,675	47,675
State Revenue Sharing Funds	19,675	19,675
Department of Transportation	201,000	176,000
State Mineral Trust Fund	<u>11,143</u>	<u>11,143</u>
Total investment in general fixed assets	1,578,661 =====	1,504,960 =====

The accompanying notes are an integral part of this statement.

TOWN OF WASHINGTON, LOUISIANA
STATEMENT OF CHANGES IN GENERAL FIXED ASSETS
Year Ended June 30, 1998

	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
General fixed assets, beginning of year	\$ 60,980	\$ 384,397	\$ 739,492
Additions:			
General fund revenues	---	10,437	5,404
Dept. of Transportation	---	---	25,000
Special fund revenues	---	---	32,860
Total additons	---	10,437	63,264
General fixed assets, end of year	60,980	394,834	802,756
	=====	=====	=====

The accompanying notes are an integral part of this statement.

<u>Equipment</u>	<u>Other Structures & Improvements</u>	<u>Total</u>
\$ 246,070	\$ 74,021	\$ 1,504,960
---	---	15,841
---	---	25,000
---	---	32,860
---	---	73,701
246,070	74,021	1,578,661
=====	=====	=====

GENERAL INFORMATION

TOWN OF WASHINGTON, LOUISIANA
SCHEDULE OF GENERAL INFORMATION AND STATISTICAL DATA
June 30, 1998

Governing Body

The Town of Washington, Louisiana operates under the "Mayor and Board of Aldermen" form of government. The governing body and their income for the year ended June 30, 1998 is as follows:

Honorable John K. Soileau, Mayor	\$8,034
Honorable T. J. Smith, Alderman	1,361
Honorable Gary Wilson, Alderman	1,361
Honorable John L. Matt, Alderman	1,386
Honorable Wilbert Ledet, Alderman	1,336
Honorable Dorothy Mayer, Alderwoman	1,386

RICHARD C. URBAN

CERTIFIED PUBLIC ACCOUNTANT

MEMBER:
AMERICAN INSTITUTE OF
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SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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OPELOUSAS, LOUISIANA 70570
PHONE (318) 942-2154

To the Mayor and Board of Aldermen
Town of Washington, Louisiana

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

We have audited the general purpose financial statements of the Town of Washington, Louisiana, as of and for the year ended June 30, 1998, and have issued our report thereon dated November 9, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Town of Washington, Louisiana financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Washington, Louisiana 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting 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 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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



RICHARD C. URBAN, C.P.A.

Opelousas, Louisiana
November 9, 1998