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CITY OF ABBEVILLE, LOUISIANA

Financial Report

Year Ended December 31, 1999

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Release Date 08-09-00

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INDEPENDENT AUDITOR'S REPORT

The Honorable R. Brady Broussard, Mayor
And Members of the City Council
City of Abbeville, Louisiana

We have audited the accompanying primary government financial statements of the City of Abbeville, Louisiana, as of and for the year ended December 31, 1999, as listed in the table of contents. These financial statements are the responsibility of the City of Abbeville, Louisiana'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, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget 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 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.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the City of Abbeville, Louisiana, as of December 31, 1999, 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.

However, the primary government financial statements, because they do not include the financial data of component units of the City of Abbeville, Louisiana, do not purport to, and do not, present fairly the financial position of the City of Abbeville, Louisiana, as of December 31, 1999, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated May 15, 2000, on our consideration of the City of Abbeville, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the primary government financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the primary government financial statements of the City of Abbeville, Louisiana. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133. Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the primary government financial statements of the City of Abbeville, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in our opinion, is fairly presented in all material respects in relation to the primary government financial statements taken as a whole, except that:

1. We have not audited the insurance coverage data and we express no opinion on it, and
2. Information as to the number of metered utility customers is based on unaudited data obtained from the City's records, on which we express no opinion.

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 a qualified opinion on the primary government financial statements of the City of Abbeville, Louisiana, for the omission of required disclosures regarding year 2000 remediation efforts.

Dannall, Sikes & Frederick

A Corporation of Certified Public Accountants

Abbeville, Louisiana
May 15, 2000

PRIMARY GOVERNMENT FINANCIAL STATEMENTS

CITY OF ABBEVILLE, LOUISIANA

Combined Balance Sheet – All Fund Types and Account Groups
 December 31, 1999
 (With Comparative Totals for December 31, 1998)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBITS				
Cash	\$ 30,528	\$ -	\$ -	\$ -
Interest-bearing deposits	71,091	472,742	117,609	-
Investments	198,500	970,000	-	-
Receivables:				
Accounts	5,091	-	-	-
Ad valorem taxes	45,942	12,378	-	-
Sales tax	-	159,765	-	-
Other	-	7,575	-	-
Due from other funds	985	1,692	-	13,612
Due from other governmental units	16,025	31,730	-	121,343
Inventories	1,968	-	-	-
Restricted assets:				
Interest-bearing deposits	-	-	-	-
Investments	-	-	-	-
Land	-	-	-	-
Buildings	-	-	-	-
Improvements other than buildings	-	-	-	-
Equipment	-	-	-	-
Utility property, plant and equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-
Total assets and other debits	<u>\$ 370,130</u>	<u>\$ 1,655,882</u>	<u>\$ 117,609</u>	<u>\$ 134,955</u>

The accompanying notes constitute an integral part of this statement.

Proprietary Fund Types		Fiduciary Fund Types Agency	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service		General Fixed Assets	General Long-Term Debt	1999	1998
\$ 26,531	\$ -	\$ -	\$ -	\$ -	\$ 57,059	\$ 56,769
503,811	75,507	57,350	-	-	1,298,110	1,511,010
15,000	250,000	-	-	-	1,433,500	1,062,500
1,261,852	-	-	-	-	1,266,943	1,421,897
-	-	-	-	-	58,320	78,889
-	-	-	-	-	159,765	154,652
2,803	50,014	-	-	-	60,392	10,602
-	-	-	-	-	16,289	271,338
-	-	-	-	-	169,098	132,398
188,825	-	-	-	-	190,793	193,307
64,235	-	-	-	-	64,235	61,254
660,000	-	-	-	-	660,000	665,000
-	-	-	519,601	-	519,601	519,601
-	-	-	2,319,321	-	2,319,321	2,319,321
-	-	-	10,823,989	-	10,823,989	10,722,831
-	-	-	2,677,246	-	2,677,246	2,570,020
27,144,644	-	-	-	-	27,144,644	26,691,461
(16,248,181)	-	-	-	-	(16,248,181)	(15,581,763)
-	-	-	-	117,609	117,609	110,472
-	-	-	-	1,429,388	1,429,388	1,561,915
<u>\$13,619,520</u>	<u>\$375,521</u>	<u>\$ 57,350</u>	<u>\$16,340,157</u>	<u>\$1,546,997</u>	<u>\$34,218,121</u>	<u>\$34,533,474</u> (continued)

CITY OF ABBEVILLE, LOUISIANA

Combined Balance Sheet – All Fund Types and Account Groups – Continued
 December 31, 1999
 (With Comparative Totals for December 31, 1998)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities:				
Accounts payable	\$ 74,075	\$ 34,375	\$ -	\$ 107,759
State sales tax payable	-	-	-	-
Retainage payable	-	-	-	27,196
Accrued salaries payable	36,383	374	-	-
Other accrued liabilities	26,768	64	-	-
Due to other funds	1,692	13,612	-	-
Due to other governmental units	6,814	-	-	-
Capital lease payable	-	-	-	-
Payable from restricted assets:				
Refunding bonds payable - net	-	-	-	-
Accrued interest payable	-	-	-	-
Customers' deposits	-	-	-	-
Compensated absences payable	-	-	-	-
Refunding bonds payable - net	-	-	-	-
Certificates of indebtedness payable	-	-	-	-
Total liabilities	<u>145,732</u>	<u>48,425</u>	<u>-</u>	<u>134,955</u>
Equity and Other Credits:				
Contributed capital	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings (deficit):				
Designated for claims	-	-	-	-
Unreserved	-	-	-	-
Fund balances:				
Reserved for inventory	1,968	-	-	-
Reserved for debt service	-	-	117,609	-
Unreserved -				
Undesignated	<u>222,430</u>	<u>1,607,457</u>	<u>-</u>	<u>-</u>
Total equity and other credits	<u>224,398</u>	<u>1,607,457</u>	<u>117,609</u>	<u>-</u>
Total liabilities, equity and other credits	<u>\$ 370,130</u>	<u>\$ 1,655,882</u>	<u>\$ 117,609</u>	<u>\$ 134,955</u>

The accompanying notes constitute an integral part of this statement.

Proprietary Fund Types		Fiduciary Fund Types Agency	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service		General Fixed Assets	General Long-Term Debt	1999	1998
\$ 427,991	\$ 290,007	\$ -	\$ -	\$ -	\$ 934,207	\$ 1,149,027
16,697	-	-	-	-	16,697	18,288
-	-	-	-	-	27,196	35,076
26,461	1,444	-	-	-	64,662	43,348
7,855	404	56,365	-	-	91,456	82,649
-	-	985	-	-	16,289	271,338
-	-	-	-	-	6,814	6,814
35,075	-	-	-	-	35,075	-
552,186	-	-	-	-	552,186	522,186
9,767	-	-	-	-	9,767	11,634
406,866	-	-	-	-	406,866	412,526
-	-	-	-	96,997	96,997	77,387
1,931,896	-	-	-	-	1,931,896	2,484,082
-	-	-	-	1,450,000	1,450,000	1,595,000
<u>3,414,794</u>	<u>291,855</u>	<u>57,350</u>	-	<u>1,546,997</u>	<u>5,640,108</u>	<u>6,709,355</u>
10,102,463	-	-	-	-	10,102,463	9,653,849
-	-	-	16,340,157	-	16,340,157	16,131,773
-	83,666	-	-	-	83,666	167,807
102,263	-	-	-	-	102,263	376,105
-	-	-	-	-	1,968	2,177
-	-	-	-	-	117,609	110,472
-	-	-	-	-	1,829,887	1,381,936
<u>10,204,726</u>	<u>83,666</u>	<u>-</u>	<u>16,340,157</u>	<u>-</u>	<u>28,578,013</u>	<u>27,824,119</u>
<u>\$13,619,520</u>	<u>\$375,521</u>	<u>\$ 57,350</u>	<u>\$16,340,157</u>	<u>\$1,546,997</u>	<u>\$34,218,121</u>	<u>\$34,533,474</u> (concluded)

CITY OF ABBEVILLE, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances
 All Governmental Fund Types
 Year Ended December 31, 1999
 (With Comparative Totals for the Year Ended December 31, 1998)

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Totals (Memorandum Only)	
					1999	1998
Revenues:						
Taxes	\$ 218,089	\$2,021,855	\$ -	\$ -	\$ 2,239,944	\$ 1,984,369
Licenses and permits	387,094	-	-	-	387,094	389,571
Intergovernmental	289,907	148,655	-	286,159	724,721	1,711,126
Charges for services	37,250	-	-	-	37,250	36,321
Fines	58,601	-	-	-	58,601	64,584
Other revenues	232,414	69,684	2,239	16	304,353	292,608
Total revenues	<u>1,223,355</u>	<u>2,240,194</u>	<u>2,239</u>	<u>286,175</u>	<u>3,751,963</u>	<u>4,478,579</u>
Expenditures:						
Current -						
General government	1,289,046	85,425	-	-	1,374,471	1,216,106
Public safety -						
Police	1,590,146	77,240	-	-	1,667,386	1,507,921
Fire	1,573,404	41,940	-	-	1,615,344	1,482,426
Highways and streets	654,021	246,217	-	-	900,238	1,111,256
Culture and recreation	240,871	168,545	-	-	409,416	303,657
Capital outlay	-	-	-	308,171	308,171	2,608,268
Debt Service -						
Principal retirement	-	-	145,000	-	145,000	135,000
Interest	-	-	77,343	-	77,343	84,455
Paying agent fees	-	-	100	-	100	100
Total expenditures	<u>5,347,488</u>	<u>619,367</u>	<u>222,443</u>	<u>308,171</u>	<u>6,497,469</u>	<u>8,449,189</u>
Excess (deficiency) of revenues over expenditures	(4,124,133)	1,620,827	(220,204)	(21,996)	(2,745,506)	(3,970,610)
Other financing sources (uses):						
Operating transfers in	4,268,040	-	227,341	30,080	4,525,461	3,897,590
Operating transfers out	(489)	(1,048,371)	-	-	(1,048,860)	(1,188,703)
Total other financing sources (uses)	<u>4,267,551</u>	<u>(1,048,371)</u>	<u>227,341</u>	<u>30,080</u>	<u>3,476,601</u>	<u>2,708,887</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	143,418	572,456	7,137	8,084	731,095	(1,261,723)
Fund balances (deficit), beginning	80,980	1,311,217	110,472	(8,084)	1,494,585	2,936,006
Residual equity transfers to Utility System Fund	-	(276,216)	-	-	(276,216)	(179,698)
Fund balances, ending	<u>\$ 224,398</u>	<u>\$1,607,457</u>	<u>\$117,602</u>	<u>\$ -</u>	<u>\$ 1,949,464</u>	<u>\$ 1,494,585</u>

The accompanying notes constitute an integral part of this statement.

CITY OF ABBEVILLE, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual -
All Governmental Fund Types
Year Ended December 31, 1999

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes	\$ 218,000	\$ 218,089	\$ 89
Licenses and permits	384,000	387,094	3,094
Intergovernmental	290,000	289,907	(93)
Charges for services	40,000	37,250	(2,750)
Fines	55,000	58,601	3,601
Other revenues	<u>223,000</u>	<u>232,414</u>	<u>9,414</u>
Total revenues	<u>1,210,000</u>	<u>1,223,355</u>	<u>13,355</u>
Expenditures:			
Current -			
General government	1,294,000	1,289,046	4,954
Public safety -			
Police	1,585,000	1,590,146	(5,146)
Fire	1,570,000	1,573,404	(3,404)
Highways and streets	655,000	654,021	979
Culture and recreation	248,000	240,871	7,129
Debt service -			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Paying agent fees	-	-	-
Total expenditures	<u>5,352,000</u>	<u>5,347,488</u>	<u>4,512</u>
Excess (deficiency) of revenues over expenditures	(4,142,000)	(4,124,133)	17,867
Other financing sources (uses):			
Operating transfers in	4,120,000	4,268,040	148,040
Operating transfers out	<u>-</u>	<u>(489)</u>	<u>(489)</u>
Total other financing sourcing (uses)	<u>4,120,000</u>	<u>4,267,551</u>	<u>147,551</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(22,000)	143,418	165,418
Fund balances, beginning	80,980	80,980	-
Residual equity transfers to Utility System Fund	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ 58,980</u>	<u>\$ 224,398</u>	<u>\$ 165,418</u>

The accompanying notes constitute an integral part of this statement.

Special Revenue			Debt Service Fund		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$2,008,000	\$2,021,855	\$ 13,855	\$ -	\$ -	\$ -
-	-	-	-	-	-
144,000	148,655	4,655	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
59,000	69,684	10,684	2,000	2,239	239
<u>2,211,000</u>	<u>2,240,194</u>	<u>29,194</u>	<u>2,000</u>	<u>2,239</u>	<u>239</u>
86,000	85,425	575	-	-	-
80,000	77,240	2,760	-	-	-
47,000	41,940	5,060	-	-	-
260,000	246,217	13,783	-	-	-
200,000	168,545	31,455	-	-	-
-	-	-	145,000	145,000	-
-	-	-	78,000	77,343	657
-	-	-	-	100	(100)
<u>673,000</u>	<u>619,367</u>	<u>53,633</u>	<u>223,000</u>	<u>222,443</u>	<u>557</u>
1,538,000	1,620,827	82,827	(221,000)	(220,204)	796
-	-	-	227,000	227,341	341
<u>(1,121,084)</u>	<u>(1,048,371)</u>	<u>72,713</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(1,121,084)</u>	<u>(1,048,371)</u>	<u>72,713</u>	<u>227,000</u>	<u>227,341</u>	<u>341</u>
416,916	572,456	155,540	6,000	7,137	1,137
1,311,217	1,311,217	-	110,472	110,472	-
<u>(270,000)</u>	<u>(276,216)</u>	<u>(6,216)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$1,458,133</u>	<u>\$1,607,457</u>	<u>\$ 149,324</u>	<u>\$116,472</u>	<u>\$117,609</u>	<u>\$ 1,137</u>

(continued)

CITY OF ABBEVILLE, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget (GAAP Basis) and Actual – Continued
 All Governmental Fund Types
 Year Ended December 31, 1999

	Capital Projects Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	286,000	286,159	159
Charges for services	-	-	-
Fines	-	-	-
Other revenues	-	16	16
Total revenues	<u>286,000</u>	<u>286,175</u>	<u>175</u>
Expenditures:			
Current -			
General government	-	-	-
Public safety -			
Police	-	-	-
Fire	-	-	-
Highways and streets	-	-	-
Culture and recreation	-	-	-
Capital outlay	342,000	308,171	33,829
Debt service -			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>342,000</u>	<u>308,171</u>	<u>33,829</u>
Excess (deficiency) of revenues over expenditures	(56,000)	(21,996)	34,004
Other financing sources (uses):			
Operating transfers in	64,084	30,080	(34,004)
Operating transfers out	-	-	-
Total other financing sourcing (uses)	<u>64,084</u>	<u>30,080</u>	<u>(34,004)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	8,084	8,084	-
Fund balances (deficit), beginning	(8,084)	(8,084)	-
Residual equity transfers to Utility System Fund	-	-	-
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u> (concluded)

The accompanying notes constitute an integral part of this statement.

CITY OF ABBEVILLE, LOUISIANA

Combined Statement of Revenues, Expenses and Changes in Retained Earnings
 All Proprietary Fund Types
 Year Ended December 31, 1999
 (With Comparative Totals for the Year Ended December 31, 1998)

	Enterprise Fund	Internal Service Funds	Totals (Memorandum Only)	
			1999	1998
Operating revenues:				
Charges for services -				
Electric sales and related charges	\$ 9,758,391	\$ -	\$ 9,758,391	\$10,324,642
Water sales	1,087,388	-	1,087,388	725,404
Sewer services	676,469	-	676,469	686,039
Premiums	-	1,429,776	1,429,776	1,587,199
Other revenues	209,106	77,442	286,548	332,278
Total operating revenues	<u>11,731,354</u>	<u>1,507,218</u>	<u>13,238,572</u>	<u>13,655,562</u>
Operating expenses:				
Electric power purchased	5,234,006	-	5,234,006	5,511,974
Electric department expenses	701,677	-	701,677	815,434
Water department expenses	750,902	-	750,902	702,733
Sewer department expenses	562,621	-	562,621	584,526
General and administrative expenses	449,622	-	449,622	411,348
Cost of services rendered	-	1,606,519	1,606,519	1,719,319
Depreciation expense	814,632	-	814,632	799,034
Total operating expenses	<u>8,513,460</u>	<u>1,606,519</u>	<u>10,119,979</u>	<u>10,544,368</u>
Operating income	<u>3,217,894</u>	<u>(99,301)</u>	<u>3,118,593</u>	<u>3,111,194</u>
Nonoperating revenues (expenses):				
Interest income	51,217	14,671	65,888	88,350
Interest expense	(175,547)	-	(175,547)	(301,931)
Paying agents' fees	(1,001)	-	(1,001)	(715)
Amortization of bond issuance costs	-	-	-	(10,042)
Loss on disposal of equipment	(8,289)	-	(8,289)	-
Total nonoperating revenues (expenses)	<u>(133,620)</u>	<u>14,671</u>	<u>(118,949)</u>	<u>(224,338)</u>
Income before operating transfers	<u>3,084,274</u>	<u>(84,630)</u>	<u>2,999,644</u>	<u>2,886,856</u>
Operating transfers in (out):				
Operating transfers in	624,370	489	624,859	791,518
Operating transfers out	(4,101,460)	-	(4,101,460)	(3,500,405)
Total operating transfers in (out)	<u>(3,477,090)</u>	<u>489</u>	<u>(3,476,601)</u>	<u>(2,708,887)</u>
Net income (loss)	(392,816)	(84,141)	(476,957)	177,969
Add: Depreciation on assets acquired by capital grants externally restricted for capital acquisitions and construction that reduces contributed capital				
	118,974	-	118,974	118,797
Increase (decrease) in retained earnings	(273,842)	(84,141)	(357,983)	296,766
Retained earnings, beginning	376,105	167,807	543,912	247,146
Retained earnings, ending	<u>\$ 102,263</u>	<u>\$ 83,666</u>	<u>\$ 185,929</u>	<u>\$ 543,912</u>

The accompanying notes constitute an integral part of this statement.

CITY OF ABBEVILLE, LOUISIANA

Combined Statement of Cash Flows –
All Proprietary Fund Types
Year Ended December 31, 1999
(With Comparative Totals for the Year Ended December 31, 1998)

	Enterprise Fund	Internal Service Funds	Totals (Memorandum Only)	
			1999	1998
Cash flows from operating activities:				
Operating income (loss)	\$3,217,894	\$ (99,301)	\$3,118,593	\$3,111,194
Adjustments to reconcile operating income (loss) to net cash provided by operating activities -				
Depreciation	814,632	-	814,632	799,034
Changes in current assets and liabilities:				
(Increase) decrease in accounts receivable	116,097	(45,706)	70,391	(14,588)
(Increase) decrease in due from other funds	-	243,000	243,000	328,000
(Increase) decrease in inventory	2,305	-	2,305	2,338
(Increase) decrease in other receivables	34,456	-	34,456	(28,843)
(Increase) decrease in prepaid insurance	-	-	-	4,310
Increase (decrease) in accounts payable	1,334	(266,620)	(265,286)	130,648
Increase (decrease) in state sales tax payable	(1,591)	-	(1,591)	1,551
Increase (decrease) in accrued salaries payable	6,683	434	7,117	6,256
Increase (decrease) in other accrued liabilities	2,187	4	2,191	(8,508)
Increase (decrease) in due to other funds	(73,000)	(7,252)	(80,252)	(358,130)
Total adjustments	903,103	(76,140)	826,963	862,068
Net cash provided by operating activities	4,120,997	(175,441)	3,945,556	3,973,262
Cash flows from noncapital financing activities:				
Operating transfers in from other funds	624,370	489	624,859	791,518
Operating transfers out to other funds	(4,101,460)	-	(4,101,460)	(3,500,405)
Net cash used by noncapital financing activities	(3,477,090)	489	(3,476,601)	(2,708,887)
Cash flows from capital and related financing activities:				
Acquisition of plant and equipment	(574,611)	-	(574,611)	(201,256)
Principal paid on revenue bond maturities	(560,000)	-	(560,000)	(1,305,000)
Interest paid on revenue bonds	(139,600)	-	(139,600)	(347,943)
Increase (decrease) in customer meter deposits	(5,660)	-	(5,660)	10,698
Capital contributed from municipality and other government entities	567,588	-	567,588	179,558
Paying agents' fees	(1,001)	-	(1,001)	(715)
Net cash used by capital and related financing activities	(713,284)	-	(713,284)	(1,664,658)

(continued)

CITY OF ABBEVILLE, LOUISIANA

Combined Statement of Cash Flows –
All Proprietary Fund Types – Continued
Year Ended December 31, 1999

(With Comparative Totals for the Year Ended December 31, 1998)

	Enterprise Fund	Internal Service Funds	Totals (Memorandum Only)	
			1999	1998
Cash flows from investing activities:				
Redemption (purchase) of investments	\$ (10,000)	\$(100,000)	\$ (110,000)	\$ 808,000
Interest on interest-bearing deposits and investments	<u>51,217</u>	<u>14,671</u>	<u>65,888</u>	<u>88,350</u>
Net cash provided (used) by investment activities	<u>41,217</u>	<u>(85,329)</u>	<u>(44,112)</u>	<u>896,350</u>
Net increase (decrease) in cash and cash equivalents	(28,160)	(260,281)	(288,441)	496,067
Cash and cash equivalents, beginning	<u>622,737</u>	<u>335,788</u>	<u>958,525</u>	<u>462,458</u>
Cash and cash equivalents, ending	<u>\$ 594,577</u>	<u>\$ 75,507</u>	<u>\$ 670,084</u>	<u>\$ 958,525</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:				
Cash and cash equivalents, beginning:				
Cash - Unrestricted	\$ 22,579	\$ -	\$ 22,579	\$ 46,618
Interest-bearing deposits - unrestricted	538,904	335,788	874,692	303,370
Cash - restricted	-	-	-	360
Interest-bearing deposits - restricted	<u>61,254</u>	<u>-</u>	<u>61,254</u>	<u>112,110</u>
Total cash and cash equivalents	<u>\$ 622,737</u>	<u>\$ 335,788</u>	<u>\$ 958,525</u>	<u>\$ 462,458</u>
Cash and cash equivalents, ending:				
Cash - unrestricted	\$ 26,531	\$ -	\$ 26,531	\$ 22,579
Interest-bearing deposits - unrestricted	503,811	75,507	579,318	874,692
Cash - restricted	-	-	-	-
Interest-bearing deposits - restricted	<u>64,235</u>	<u>-</u>	<u>64,235</u>	<u>61,254</u>
Total cash and cash equivalents	<u>\$ 594,577</u>	<u>\$ 75,507</u>	<u>\$ 670,084</u>	<u>\$ 958,525</u> (concluded)

The accompanying notes constitute an integral part of this statement.

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction:

The City of Abbeville was incorporated March 13, 1850, by special charter and operates under Mayor – Council form of Government.

Basis of Presentation –

The accounting and reporting policies of the City of Abbeville have been prepared in conformity with generally accepted accounting principles as applied to governmental units, except for the omission of all component units. Such accounting and reporting procedures also conform to the guides set forth in the industry audit guide, Audits of State and Local Governmental Units, the Louisiana Governmental Audit Guide and the interpretations of the National Council on Governmental Accounting (NCGA). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing accounting and financial reporting principles.

Reporting Entity –

The City of Abbeville, Louisiana is a municipal corporation governed by an elected board. These financial statements present only the financial activity of the City of Abbeville, Louisiana (the primary government). They do not include the data of the component units necessary for reporting in conformity with generally accepted accounting principles.

Fund Accounting –

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

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

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate “fund types.”

Governmental funds are used to account for 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.

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, or on behalf of other funds within the government. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

Basis of Accounting –

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

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g. expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, sales taxes, intergovernmental revenues and charges for services. Fines, permits and licenses are not susceptible to accrual because generally they are not measurable until received in cash.

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. The City uses FASB pronouncements for its proprietary activities.

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The government reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

Budgets –

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, special revenue, debt service, and capital projects funds. All annual appropriations lapse at fiscal year end.

Encumbrance Accounting –

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation is not employed by the City.

Cash and Interest Bearing Deposits –

Cash represents non interest bearing demand deposits.

Interest bearing deposits include interest bearing demand deposits and short-term time deposits. These interest bearing deposits are stated at cost which approximates market.

Under state law, the City of Abbeville may deposit funds with a fiscal 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. Further, the City may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principle offices in Louisiana.

For the purpose of the statement of cash flows, the City considers cash and interest bearing deposits with an initial maturity date of 90 days or less to be cash and cash equivalents.

Short-Term Interfund Receivables/Payables –

Short term interfund loans receivable and payable are classified as “due from other funds” or “due to other funds” on the balance sheet.

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories –

Inventory is valued at cost (weighted-average). The cost is recorded as an expenditure at the time individual inventory items are used. Inventory in the General Fund consists of gas, diesel and oil at the motor pool barn. General Fund inventories are equally offset by a fund balance reserve which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets. Utility System Fund inventory consists primarily of parts and supplies to be used for maintenance of the utility system.

Restricted Assets –

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. The “Refunding Bond Sinking Fund” is used to set aside resources necessary to meet annual debt service requirements. The “Capital Additions and Contingency Fund” reports resources set aside to meet unexpected contingencies or to fund significant asset replacements or repairs. “Customers’ Deposits” represent advance deposits received from utility customers which shall be either refunded upon termination of services or applied toward billings in arrears.

Fixed Assets –

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. Estimated amounts are immaterial in relation to total fixed assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

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

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings, equipment and vehicles in the proprietary fund types is computed using the straight-line method.

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. There was no capitalized interest during 1999.

Compensated Absences -

All employees in the classified service shall receive one day of sick leave for each calendar month of service up to a maximum of 180 days. On December 31 of each year the unused accumulated sick leave earned by an employee shall be carried forward to the succeeding year. All accumulated sick leave shall be forfeited upon termination of employment, except in the case of retirement. Retirees are compensated for any unused sick leave at the hourly rate being earned by the employee at retirement.

For classified employees, up to 1/3 of the earned, but unused, vacation leave shall be credited to the employee's sick leave account. Any remaining vacation leave shall be carried to the following year. Upon termination of employment, for other than disciplinary reasons, the employee shall be paid for unused vacation earned during the prior calendar year. In case of death of the employee, unused vacation shall be paid to the beneficiary of the employee.

Sick leave and other absences of unclassified employees (not covered by the civil service system) are determined on a case-by-case basis at the Mayor's discretion.

The cost of current leave privileges is recognized as a current year expenditure in the individual fund when leave is actually taken. The liability for accumulated sick leave benefits expected to be paid in future years is recorded in the general long-term debt account group.

Long-Term Obligations -

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

Fund Equity -

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

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants, entitlements, or shared revenues received that are restricted for the acquisition or construction of capital assets are recorded as contributed capital in the Enterprise Fund. Contributed capital is amortized based on the depreciation recognized on that portion of the assets acquired from such contributions. This depreciation is closed to the contributed capital account and is reflected as an adjustment to net income.

Deferred Loss on Proprietary Fund Debt Refunding –

In accordance with GASB-23, the difference between the book value of the refunded debt and the amount required to retire the debt is accounted for as a deferral. The deferred amount is reported on the proprietary funds balance sheet as a decrease to the book value of the new debt. The deferral is amortized over the life of the new debt using the straight line method.

Interfund Transactions –

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Bad Debts –

Uncollectable amounts due for ad valorem taxes, sales taxes, and customers' utility receivables are recognized as bad debts by direct write-off at the time information becomes available which would indicate the uncollectability of the particular receivable. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible receivables was made due to immateriality at December 31, 1999.

Capitalization of Interest Expense –

It is the policy of the City of Abbeville to capitalize material amounts of interest resulting from borrowings in the course of the construction of fixed assets. During the year ended December 31, 1999, the City did not capitalize any interest expense.

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Memorandum Only – Total Columns –

Total columns on the 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.

Comparative Date –

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 government’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.

Related Organizations –

The City’s officials are also responsible for appointing the board members of the Abbeville Housing Authority, but the City’s accountability for this organization does not extend beyond making the appointments.

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 City 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.

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

For the year ended December 31, 1999 taxes of 6.72 mills were levied on property with assessed valuation totaling \$36,531,690. A recap of the millage, assessment, taxes levied and collected is as follows:

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 2 AD VALOREM TAXES (CONTINUED)

	Assessed Value	Total Tax (6.72 Mills)	General Alimony (5.38 Mills)	Public Improvement (1.34 Mills)
Taxable Property	\$37,273,350	\$ 250,479	\$ 200,383	\$ 50,096
Less: Adjustments, Cancellations, Etc.	<u>(741,660)</u>	<u>(4,984)</u>	<u>(3,844)</u>	<u>(1,140)</u>
Totals per adjusted roll	<u>\$36,531,690</u>	245,495	196,539	48,956
Less: Tax collected		<u>(187,175)</u>	<u>(150,597)</u>	<u>(36,578)</u>
Tax to be collected		<u>\$ 58,320</u>	<u>\$ 45,942</u>	<u>\$ 12,378</u>

NOTE 3 SALES TAX

Proceeds of a 1 percent sales and use tax levied by the City of Abbeville (1999 collections \$1,579,109) are dedicated to the purposes of opening, constructing, paving, resurfacing and improving streets, alleys, sidewalks, sewers, lighting and power plants; constructing and improving drains, drainage canals and sub-surface drainage; constructing and purchasing fire department stations and equipment; constructing and purchasing police department stations and equipment; constructing and purchasing garbage disposal and health and sanitation equipment and facilities; constructing public buildings; purchasing, constructing and improving public parks and recreational facilities and acquiring the necessary equipment and furnishings therefor; purchasing equipment for civil defense; constructing, acquiring or improving any work of permanent public improvement; and purchasing and acquiring all equipment and furnishing for the public works buildings improvements and facilities in the City of Abbeville.

Proceeds of a .25 percent sales and use tax levied by the City of Abbeville (1999 collection \$393,790) are dedicated to and shall be allocated periodically for the purpose of increasing the salaries for public safety employees of the City of Abbeville.

NOTE 4 BUDGETS AND BUDGETARY ACCOUNTING

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

1. The Mayor prepares a proposed budget and submits it to the City Council 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.

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 4 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

4. After 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 City Council.
6. Budgets for all Governmental Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons are presented in the financial statements of these funds. Budgeted amounts presented are as originally adopted or as amended from time to time by the City Council.

NOTE 5 CASH, INTEREST BEARING DEPOSITS AND INVESTMENTS

The City of Abbeville has cash, interest bearing deposits and investments (book balances totaling \$3,512,904 as follows:

Petty cash and change funds	\$ 1,200
Demand deposits	55,859
Money market accounts (interest bearing)	1,362,345
Investments	<u>2,093,500</u>
	<u>\$3,512,904</u>

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. Deposit balances (bank balances) at December 31, 1999 are secured as follows:

Bank balances	\$3,615,454
Federal deposit insurance	<u>600,000</u>
Balance uninsured	3,015,454
Pledged securities (category 3)	<u>5,174,935</u>
Excess FDIC insurance and pledged securities over cash and investments	<u>\$2,159,481</u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the City's name. Even though the pledged securities are considered uncollateralized (Category 3), state law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand.

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 5 CASH, INTEREST BEARING DEPOSITS AND INVESTMENTS (CONTINUED)

Investments consist of certificates of deposit totaling \$2,093,500 held at various local banks. Maturities range from 60 days to 365 days and interest rates vary from 4.12% to 5.28%. A \$125,000 certificate of deposit is pledged to the Louisiana Department of Labor to guarantee the City's workers compensation program.

At December 31, 1999 the City held \$6,814 in an escrow account in the General Fund which are funds confiscated by the Police Department which have not yet been released by the District Attorney's Office (see Note 11).

NOTE 6 DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units consisted of the following at December 31, 1999:

Due from State of Louisiana DOTD for Maintenance Reimbursement	\$ 6,344
Due from Louisiana Commission on Law Enforcement for Street Sales Disruption Grant	5,997
Due from Louisiana Commission on Law Enforcement for Dare Grant	1,869
Due from Louisiana Highway Safety Commission for Safe and Sober Campaign	1,815
Due from Office of Rural Development for Firefighting Equipment Grant	17,570
Due from Office of Rural Development for R/V Park Sewer Project	14,160
Due from Louisiana Office of Community Development 1998 LCDBG Sewer Extension Grant	<u>121,343</u>
	<u>\$ 169,098</u>

NOTE 7 RESTRICTED ASSETS – PROPRIETARY FUND TYPE

Restricted assets were applicable to the following at December 31, 1999:

Refunding bonds sinking fund	\$ 64,235
Refunding bonds capital additions and contingencies fund	250,000
Customers' deposits	<u>410,000</u>
	<u>\$ 724,235</u>

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 8 FIXED ASSETS

A summary of changes in general fixed assets for the year ended December 31, 1999 follows:

	Balance December 31, 1998	Additions	Deletions	Balance December 31, 1999
Land	\$ 519,601	\$ -	\$ -	\$ 519,601
Buildings	2,319,321	-	-	2,319,321
Improvements other than buildings	10,722,831	101,158	-	10,823,989
Equipment	2,570,020	177,834	(70,608)	2,677,246
Total General Fixed Assets	<u>\$ 16,131,773</u>	<u>\$ 278,992</u>	<u>\$ (70,608)</u>	<u>\$ 16,340,157</u>

A summary of changes in proprietary fund type property, plant and equipment for the year ended December 31, 1999 follows:

	Balance December 31, 1998	Additions	Deletions	Balance December 31, 1999
Electric utility:				
Extensions and improvements	\$ 6,000,478	\$ -	\$ -	\$ 6,000,478
Lines and meters	1,903,665	21,691	6,080	1,919,276
Water utility:				
Treatment plant	457,229	1,086	750	457,565
Extensions	3,079,455	-	-	3,079,455
Improvements	2,027,142	-	-	2,027,142
Lines and meters	975,772	23,885	-	999,657
Sewerage utility:				
Treatment plant	4,767,613	-	-	4,767,613
Lift pumps	193,026	127,779	21,653	299,152
Extensions and improvements	6,136,281	316,765	-	6,453,046
Other assets:				
Buildings	120,369	-	4,500	115,869
Automobiles and trucks	587,121	100,760	82,666	605,215
Furniture and fixtures	121,255	26,271	20,110	127,416
Small tools and equipment	141,047	4,562	31,973	113,636
Utility building	102,968	5,227	-	108,195
Real estate	70,929	-	-	70,929
Construction in progress	7,111	-	7,111	-
Total	<u>\$ 26,691,461</u>	<u>\$ 628,026</u>	<u>\$ 174,843</u>	<u>27,144,644</u>
Less: Accumulated depreciation				<u>(16,248,181)</u>
Net property, plant and equipment				<u>\$ 10,896,463</u>

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statement

NOTE 9 LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City of Abbeville for the year ended December 31, 1999:

	<u>Capital Lease Payable</u>	<u>Compensated Absences</u>	<u>Bonds Payable</u>	<u>Total</u>
Long-term debt payable - December 31, 1998	\$ -	\$ 77,387	\$4,825,000	\$4,902,387
Additions	35,075	19,610	-	54,685
Reductions	-	-	(705,000)	(705,000)
Long-term debt payable - December 31, 1999	<u>\$ 35,075</u>	<u>\$ 96,997</u>	<u>\$4,120,000</u>	<u>\$4,252,072</u>

Capital lease payable is comprised of a \$35,075 four year lease of a 1999 Case 580 backhoe dated December 21, 1999 due in annual installments of \$10,122 through December 21, 2003 with interest at 6.0%. The lease contract contains a non-appropriation (fiscal funding) clause which provides that in the event the City Council does not appropriate the funds for the annual lease payment, the lease will terminate. The likelihood of exercising the non-appropriation (fiscal funding) clause to terminate the lease has been assessed as remote, therefore the lease has been capitalized in accordance with FAS-13.

Bonds payable at December 31, 1999 are comprised of the following individual issues:

\$3,230,000 Utility Revenue Refunding Bonds dated 10/01/98; due in annual installments of \$135,000 to \$680,000 through 12/1/04; interest at 4.0 - 4.55 percent.	\$2,670,000
\$1,730,000 certificate of indebtedness dated 5/1/97; due in annual installments of \$135,000 - \$215,000 through 5/1/07; interest at 5.08 percent.	<u>1,450,000</u>
Total Revenue Refunding Bonds and Certificates of Indebtedness Payable	<u>\$4,120,000</u>

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 9 LONG-TERM DEBT (CONTINUED)

In accordance with GASB-23 the utility refunding bonds are reported on the proprietary fund balance sheet net of the related unamortized loss on early retirement of debt as follows:

Revenue Refunding Bonds	\$ 590,000	\$2,080,000	\$2,670,000
Unamortized loss on early retirement of debt	<u>(37,814)</u>	<u>(148,104)</u>	<u>(185,918)</u>
Net revenue refunding bonds	<u>\$ 552,186</u>	<u>\$1,931,896</u>	<u>\$2,484,082</u>

The annual requirements to amortize all such debt outstanding as of December 31, 1999, including interest payments of \$638,038 are as follows:

<u>December 31,</u>	<u>Total</u>
2000	\$ 937,172
2001	939,518
2002	944,511
2003	946,949
2004	362,084
2005	221,289
2006	221,129
2007	<u>220,461</u>
	<u>\$4,793,113</u>

NOTE 10 INTERFUND ASSETS/LIABILITIES

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Payroll Fund	\$ 985
Sales Tax Fund	General Fund	1,692
1998 LCDBG Sewer Extension Fund	Sales Tax Fund	<u>13,612</u>
		<u>\$ 16,289</u>

NOTE 11 DUE TO OTHER GOVERNMENTAL UNITS

Amounts due to other governmental units consisted of the following at December 31, 1999:

15th Judicial District for confiscated funds	<u>\$ 6,814</u>
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CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 12 FLOW OF FUNDS/RESTRICTIONS ON USE – UTILITIES REVENUES

Utility Revenue Refunding Bonds

As shown in Note 9, the City has \$2,670,000 of utility revenue refunding bonds outstanding at December 31, 1999, which are payable from a pledge and dedication of the income and revenues of the combined electric, waterworks, and sewer systems. In order that the principal of and the interest on the bonds will be paid in accordance with their terms and for the other objects and purposes hereinafter provided, the City covenants that all such income and revenues shall be deposited daily as the same may be collected in a separate and special bank account to be known and designated as the "City of Abbeville Utilities System Fund," and said Utilities System Fund shall be maintained and administered in the following order of priority and for the following express purposes:

- A. The payment of all reasonable and necessary costs and expenses of administration, operation and maintenance of the System.
- B. The maintenance of the "City of Abbeville Utilities Revenue Bond Sinking Fund" (the "Sinking Fund") established pursuant to the Prior Bond Resolution, sufficient in amount to pay promptly and fully the principal of and the interest on the Bonds, the Outstanding Parity Bonds, and any Additional Parity Bonds as they severally become due and payable, by transferring from the Revenue Fund to the regularly designated fiscal agent bank of the Issuer, monthly in advance on or before the 20th day of each month, a sum equal to one-sixth (1/6) of the interest falling due on the next interest payment date, and a sum equal to one-twelfth (1/12) of the principal falling due on the next principal payment date, together with such additional proportionate sum as may be required to pay said principal and interest as the same respectively become due. Said fiscal agent bank shall make available from the Sinking Fund to the paying agents for all bonds payable from the Sinking Fund, at least three (3) days in advance of the date on which payment of the principal or interest falls due, funds fully sufficient to pay promptly the principal and/or interest so falling due on such date.
- C. No reserve fund shall be established or maintained for the Bonds herein authorized, however, in the event that Additional Parity Bonds are issued hereafter in the manner provided in this Bond Resolution, there shall be transferred from the proceeds of the Additional Parity Bonds and/or said Revenue Fund into a reserve fund (the "Reserve Fund") to be established by the resolution authorizing the Additional Parity Bonds, monthly or annually, such amounts (as may be designated in the resolution authorizing such bonds) as will establish a Reserve Fund within a period not exceeding five (5) years equal to the Reserve Fund Requirement.
- D. The maintenance of the "City of Abbeville Utilities Revenue Capital Additions and Contingencies Fund" (the "Contingency Fund"), established pursuant to the Prior Bond Resolution, to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the System, by transferring from the Revenue Fund to the regularly designated fiscal agent bank of the Issuer, monthly in advance on or before the 20th day of each month, commencing October, 1999, a sum equal to five percent (5%) of the gross

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 12 FLOW OF FUNDS/RESTRICTIONS ON USE – UTILITIES REVENUES (CONTINUED)

revenues of the System for the preceding month, less the power cost adjustment, until the sum of \$250,000 is on deposit therein, providing that such sum is available after provision is made for the fund is required under paragraph (a), (b), and (c) above. So long as the maximum amount required above is on deposit, monthly payments shall not be required, however, as moneys are expended therefrom for the intended purposes, monthly payments shall resume until the maximum amount required is again on deposit. In addition to caring for extensions, additions, improvements, renewals and replacements necessary to properly operate the System, the money in the Contingency Fund shall be used to pay the principal of and the interest on Bonds, the Outstanding Parity Bonds, and any Additional Parity Bonds issued hereafter in the manner provided by this Bond Resolution, for the payment of which there is not sufficient money in the Sinking Fund or Reserve Fund, provided in paragraphs (b) and (c) above, but the money in the Contingency Fund shall never be used for the purpose of making extensions, additions, improvements, renewals and replacements to the System if such use of said money will leave in the Contingency Fund for the making of emergency repairs or replacements less than the sum of One Hundred Thousand Dollars (\$100,000).

All or any part of the moneys in the Revenue Fund and the Contingency Fund shall, at the written request of the Issuer, be invested in investments permitted by Louisiana law, maturing in five (5) years or less. Such investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied to the purposes for which the respective funds are created. All income or earnings from such investments shall be deposited in the Revenue Fund as income and revenues of the System.

If at any time it shall be necessary to use moneys in the Contingency Fund for the purpose of paying principal of or interest on bonds payable from the aforesaid Sinking Fund as to which there would otherwise be default, then the moneys so used shall be replaced from the revenues first thereafter received, not hereinabove required to be used for administration, operation and maintenance or for current principal and interest requirements.

If at any time there are sufficient moneys on deposit in the Contingency Fund to retire all outstanding bonds payable from the Sinking Fund by exercising the redemption option provided by this Bond Resolution or by purchase on the open market, the Issuer may utilize such funds for such purpose.

Any moneys remaining in the Revenue Fund on the 20th day of each month and after making the required payments into the Sinking Fund, any Reserve Fund hereafter established, and the Contingency Fund for the current month and for prior months during which the required payments may not have been made shall be considered surplus. Such surplus may be used by the Issuer for such other lawful corporate purposes as the Governing Authority may determine whether such purposes are or are not related to the System.

Violation of Revenue Refunding Bonds Restrictions

The City is in compliance with all significant limitations and restrictions set forth upon issuance of the outstanding revenue refunding bonds with the following exception:

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 12 FLOW OF FUNDS/RESTRICTIONS ON USE – UTILITIES REVENUES (CONTINUED)

- A. The City is not operating each individual division of the Utility System profitably which is a violation of Section 8.1 (b) of the 1999 Bond Resolution.
- B. The City is not always adhering to requirements of Section 8.2 paragraph 2 regarding termination of service to customers with delinquent balances.

NOTE 13 RETIREMENT COMMITMENTS

Eligible employees of the City participate in one of the following retirement systems: Municipal Employees' Retirement System of Louisiana, Municipal Police Employees' Retirement System and Firefighters' Retirement System. Each of these retirement systems is controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to each plan follows:

Municipal Employees' Retirement System

Plan members are required to contribute 5.00 percent of their annual covered salary to the system while the City is required to contribute the statutory rate of 4.50 percent of the total annual covered salary. The City's contributions to the system for the years ended December 31, 1999, 1998 and 1997 were \$74,656, \$53,702 and \$45,246, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Employees' Retirement System, 7937 Office Park Blvd., Baton Rouge, Louisiana 70809.

Municipal Police Employees' Retirement System

Plan members are required to contribute 8.0 percent of their annual covered salary to the system while the City is required to contribute the statutory rate of 9.0 percent of the total annual covered salary. The City's contributions to the system for the years ended December 31, 1999, 1998 and 1997 were \$74,204, \$60,429 and \$56,993, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Police Employees' Retirement System, 8401 United Plaza Blvd., Baton Rouge, Louisiana 70809-2250.

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 13 RETIREMENT COMMITMENTS

Firefighters' Retirement System

Plan members are required to contribute 8.0 percent of their annual covered salary to the system while the City is required to contribute the statutory rate of 9.0 percent of the total annual covered salary. The City's contributions to the system for the years ended December 31, 1999, 1998 and 1997 were \$58,481, \$52,524 and \$39,269, respectively, equal to the required contribution for each year.

NOTE 14 OPERATING LEASES

The City has entered into leasing agreements with a local automobile dealership for the lease of two vehicles. These agreements call for monthly payments of \$575, and \$350, respectively, for a period of forty-eight months.

The following is a summary of minimum future rental payments on the City's leases:

<u>Year Ending December 31,</u>	<u>Total</u>
2000	\$ 11,100
2001	11,100
2002	5,425
2003	-
2004	-
	<u>\$ 27,625</u>

NOTE 15 SEGMENT INFORMATION FOR THE ENTERPRISE FUND

The City of Abbeville maintains an Enterprise Fund with departments which provide electric, water and sewerage services. Segment information for the year ended December 31, 1999 is as follows:

	<u>Electric Department</u>	<u>Water Department</u>	<u>Sewerage Department</u>	<u>Total Enterprise Fund</u>
Operating revenues	\$ 9,935,486	\$ 1,107,122	\$ 688,746	\$11,731,354
Operating expenses	<u>6,442,115</u>	<u>1,016,822</u>	<u>1,054,523</u>	<u>8,513,460</u>
Operating Income (Loss)	<u>\$ 3,493,371</u>	<u>\$ 90,300</u>	<u>\$ (365,777)</u>	<u>\$ 3,217,894</u>

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 16 LOUISIANA ENERGY AND POWER AUTHORITY

By referendum on October 22, 1983, the City of Abbeville elected to join the Louisiana Energy and Power Authority (LEPA), and an appointment was made by the City Council to the LEPA board of directors. LEPA, a statewide public power authority which is a political subdivision of the State of Louisiana, was created by an act of the state legislature in April of 1979 for the purpose of helping all of Louisiana's municipal electric systems to work together to provide firm, stable sources of electrical energy to their citizen/users at the lowest cost possible.

On June 28, 1985, the City entered into a power sales contract for electricity with LEPA with service commencing on March 1, 1986. The original agreement was to expire on April 30, 1996, however, on September 1, 1992, the City signed a contract extension which lengthens the original contract until December 31, 2000.

NOTE 17 RISK MANAGEMENT FUND

On December 30, 1986, the City passed a resolution allowing its workmen's compensation, business automobile and general liability insurance policies to expire and established a Risk Management Fund (an internal service fund) for the accumulation of monies and subsequent disbursement of loss claims. Therefore, the City was exposed to material judgment in favor of tort and other claimants together with legal interest thereon. The City has since reacquired business automobile, general liability and property insurance coverage with substantial deductibles. The City is also now fully insured for workmen's compensation although the City is still obligated for a small number of claims incurred during its self-insured period. The Risk Management Fund's retained earnings designated for claims amounted to \$11,297 at December 31, 1999.

NOTE 18 EMPLOYEE HEALTH INSURANCE FUND

On November 30, 1990, the City established a partially self-funded internal service fund to accumulate monies for the payment of health care claims of the City employees and their dependents. An integral part of this self-funded health insurance program is the procurement of both specific and aggregate Stop-Loss insurance. The Employee Health Insurance Fund's retained earnings designated for claims amounted to \$72,369 at December 31, 1999.

NOTE 19 POST EMPLOYMENT BENEFITS

Cobra

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured monthly for the actual month covered. This program is offered for a duration of 18 months after the termination date.

CITY OF ABBEVILLE, LOUISIANA

Notes to Financial Statements

NOTE 19 POST EMPLOYMENT BENEFITS (CONTINUED)

Health Insurance Benefits

Effective July 1, 1998 the City Council approved a motion to allow City employees with 25 years of service and public officials with 12 years of service to continue to receive health insurance coverage through the City's health insurance program after retirement.

Pension Benefits

The City is committed to pensions for four retired police officers or their beneficiaries who retired before the City began participating in the Municipal Police Employees' Retirement System of Louisiana. These pensions are financed out of current general fund operations. The total pension costs for the year ended December 31, 1999 is \$19,112.

NOTE 20 COMMITMENTS AND CONTINGENCIES

Litigation

There are several lawsuits presently pending against the City of Abbeville. Reserves for claims losses are established and recorded as liabilities of the Risk Management Fund when information available indicates that it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. The City's legal counsel and elected officials are of the opinion that any unfavorable outcome in these cases would not materially affect the financial statements. Also, the City may be exposed to losses for which the amounts cannot be determined at this time.

Grant Audits

The City receives federal and state grants for specific purposes that are subject to review and audit by federal and state agencies. Such audits could result in a request for reimbursement by these agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of City management, such disallowances, if any, will not be significant to the City's financial statements.

Utility Relocation Grants

In prior years, the City utilized federal funding under Act 319 to pay its share of the cost to relocate electric, water and sewer facilities to accommodate the expansion of Highway 14. As part of the funding agreement the City is prohibited from locating additional longitudinal facilities within any right-of-way owned by the State of Louisiana until the City reimburses the Department of Transportation the full amount of costs expended on the City's behalf, which amounted to \$631,710.

SCHEDULES OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS

CITY OF ABBEVILLE, LOUISIANA

General Fund

The general fund is the general operating fund of the City. It is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

CITY OF ABBEVILLE, LOUISIANA

General Fund

Comparative Balance Sheet
December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
Cash	\$ 30,528	\$ 34,190
Interest-bearing deposits	71,091	79,896
Investments	198,500	172,500
Receivables:		
Accounts	5,091	6,689
Ad valorem taxes	45,942	63,017
Due from other funds	985	-
Due from other governmental units	16,025	39,298
Inventory	<u>1,968</u>	<u>2,177</u>
Total Assets	<u>\$ 370,130</u>	<u>\$ 397,767</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 74,075	\$ 72,845
Accrued salaries payable	36,383	22,258
Other accrued liabilities	26,768	23,784
Due to other funds	1,692	191,086
Due to other governmental units	6,814	6,814
Total liabilities	<u>145,732</u>	<u>316,787</u>
Fund Balance:		
Reserved for inventory	1,968	2,177
Unreserved - undesignated	<u>222,430</u>	<u>78,803</u>
Total fund balance	<u>224,398</u>	<u>80,980</u>
Total liabilities and fund balance	<u>\$ 370,130</u>	<u>\$ 397,767</u>

CITY OF ABBEVILLE, LOUISIANA

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 1999
 With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Taxes	\$ 218,000	\$ 218,089	\$ 89	\$ 215,641
Licenses and permits	384,000	387,094	3,094	389,571
Intergovernmental	290,000	289,907	(93)	367,200
Charges for services	40,000	37,250	(2,750)	36,321
Fines	55,000	58,601	3,601	64,584
Other revenues	<u>223,000</u>	<u>232,414</u>	<u>9,414</u>	<u>204,188</u>
Total revenues	<u>1,210,000</u>	<u>1,223,355</u>	<u>13,355</u>	<u>1,277,505</u>
Expenditures:				
Current -				
General government	1,294,000	1,289,046	(4,954)	1,129,787
Public safety -				
Police	1,585,000	1,590,146	5,146	1,356,070
Fire	1,570,000	1,573,404	3,404	1,349,626
Highways and street	655,000	654,021	(979)	690,006
Culture and recreation	<u>248,000</u>	<u>240,871</u>	<u>(7,129)</u>	<u>221,095</u>
Total expenditures	<u>5,352,000</u>	<u>5,347,488</u>	<u>(4,512)</u>	<u>4,746,584</u>
Excess (deficiency) of revenues over expenditures	<u>(4,142,000)</u>	<u>(4,124,133)</u>	<u>17,867</u>	<u>(3,469,079)</u>
Other financing sources (uses):				
Operating transfers in	4,120,000	4,268,040	148,040	3,360,099
Operating transfers out	<u>-</u>	<u>(489)</u>	<u>(489)</u>	<u>(150,535)</u>
Total other financing sources (uses)	<u>4,120,000</u>	<u>4,267,551</u>	<u>147,551</u>	<u>3,209,564</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(22,000)</u>	<u>143,418</u>	<u>165,418</u>	<u>(259,515)</u>
Fund balance, beginning	<u>80,980</u>	<u>80,980</u>	<u>-</u>	<u>340,495</u>
Fund balance, ending	<u>\$ 58,980</u>	<u>\$ 224,398</u>	<u>\$ 165,418</u>	<u>\$ 80,980</u>

CITY OF ABBEVILLE, LOUISIANA

General Fund
 Statement of Revenues Compared to Budget (GAAP Basis)
 For the Year Ended December 31, 1999
 With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance	1998
	Budget	Actual	Favorable (Unfavorable)	Actual
Taxes:				
Ad valorem	\$ 196,000	\$ 196,539	\$ 539	\$ 192,991
Housing authority payment in lieu of taxes	15,000	14,675	(325)	15,765
Chain store	7,000	6,875	(125)	6,885
Total taxes	<u>218,000</u>	<u>218,089</u>	<u>89</u>	<u>215,641</u>
Licenses and permits:				
Occupational	360,000	359,892	(108)	363,320
Beer and liquor	20,000	22,178	2,178	19,413
Building	4,000	4,614	614	6,226
Other	-	410	410	612
Total licenses and permits	<u>384,000</u>	<u>387,094</u>	<u>3,094</u>	<u>389,571</u>
Intergovernmental:				
Federal -				
Summer food service program	25,000	24,875	(125)	28,618
Main street	-	-	-	6,362
Street sales disruption	16,000	19,612	3,612	12,919
Cops fast	-	-	-	12,824
Seatbelt/DWI/Block grants	18,000	6,319	(11,681)	6,643
Drug awareness	1,000	3,062	2,062	1,220
Statement of Louisiana -				
Revenue sharing	18,000	18,615	615	22,611
Tobacco taxes	54,000	54,534	534	54,006
Beer taxes	23,000	28,962	5,962	27,533
Video poker	84,000	83,868	(132)	143,242
Grants	19,000	18,171	(829)	21,315
Vermilion Parish Police Jury -				
Fire insurance tax	32,000	31,889	(111)	29,907
Total intergovernmental	<u>290,000</u>	<u>289,907</u>	<u>(93)</u>	<u>367,200</u>
Charges for services:				
Rentals	40,000	37,250	(2,750)	36,321
Fines:				
City court fines	55,000	58,601	3,601	64,584
Other revenues:				
Sale of property	-	-	-	3,000
Franchise fees - Entex	62,500	62,767	267	73,550
Franchise fees - Cable TV	15,500	15,733	233	15,221
Franchise fees - Bell South	66,500	66,604	104	62,388
Interest	10,000	10,692	692	16,993
Witness fees	12,000	13,264	1,264	10,384
Oil and mineral leases	36,000	36,076	76	330
Other sources	20,500	27,278	6,778	22,322
Total other revenues	<u>223,000</u>	<u>232,414</u>	<u>9,414</u>	<u>204,188</u>
Total revenues	<u>\$1,210,000</u>	<u>\$1,223,355</u>	<u>\$ 13,355</u>	<u>\$1,277,505</u>

CITY OF ABBEVILLE, LOUISIANA

General Fund
 Statement of Expenditures Compared to Budget (GAAP Basis)
 For the Year Ended December 31, 1999
 With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance	1998
	Budget	Actual	Favorable (Unfavorable)	Actual
General Government:				
<i>Administrative -</i>				
Salaries	\$ 261,500	\$ 263,537	\$ (2,037)	\$ 217,452
Employees' insurance	70,500	72,527	(2,027)	77,298
Payroll taxes	22,500	22,409	91	20,536
Retirement	10,500	10,934	(434)	7,375
General insurance	16,500	16,373	127	13,474
Equipment operating expense	12,500	7,648	4,852	10,031
Coroner's fees	9,000	9,644	(644)	2,758
Dues and subscriptions	6,500	4,629	1,871	6,727
Janitorial	15,000	14,657	343	14,710
Legal and accounting	104,500	108,211	(3,711)	84,905
Maintenance and repairs	12,500	16,061	(3,561)	15,462
Other professional fees	14,500	16,004	(1,504)	12,561
Travel and convention expenses	5,000	3,452	1,548	8,230
Rental	7,000	6,900	100	5,744
Office supplies	18,000	22,991	(4,991)	18,390
Postage	14,500	15,105	(605)	14,908
Publications	12,000	10,559	1,441	11,716
Tax roll preparation	5,500	5,342	158	5,301
Telephone	25,500	22,026	3,474	26,923
Uniforms	8,500	4,127	4,373	11,543
Utilities	12,000	12,720	(720)	11,399
Electricity for traffic lights	7,500	8,049	(549)	7,731
Grass cutting	6,500	5,291	1,209	12,698
Employee drug testing	1,500	905	595	2,429
Summer food service program	28,000	28,111	(111)	29,720
Main street project	46,500	44,666	1,834	44,496
Miscellaneous	59,000	61,178	(2,178)	57,653
Total administrative	813,000	814,056	(1,056)	752,170
<i>City Court/City Jail -</i>				
Salaries	185,000	186,513	(1,513)	139,973
Employees' insurance	56,000	55,801	199	44,203
Payroll taxes	14,000	14,139	(139)	10,091
Retirement	7,500	8,122	(622)	4,962
General insurance	16,500	16,565	(65)	5,516
Repair and maintenance	13,500	12,723	777	4,198
Rental	600	600	-	4,250
Telephone	500	424	76	361
Utilities	9,000	9,374	(374)	10,035
Witness fees	10,000	8,826	1,174	7,138
Legal	43,000	43,819	(819)	42,394
Prisoner's board	8,400	8,536	(136)	6,994
Janitorial	2,500	2,730	(230)	-
Miscellaneous	3,500	5,265	(1,765)	3,525
Total city court	370,000	373,437	(3,437)	283,640

(continued)

CITY OF ABBEVILLE, LOUISIANA

General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) -- Continued
 For the Year Ended December 31, 1999
 With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Motor Pool -				
Salaries	\$ 22,000	\$ 21,640	\$ 360	\$ 20,416
Employees' insurance	3,000	2,980	20	3,278
Payroll taxes	1,700	1,645	55	1,564
Retirement	1,000	854	146	650
General insurance	6,500	6,319	181	5,516
Equipment operating expense	1,500	1,352	148	1,589
Supplies	1,800	1,227	573	1,497
Utilities	1,800	2,023	(223)	-
Telephone	1,200	852	348	1,343
Miscellaneous	500	196	304	304
Total motor pool	<u>41,000</u>	<u>39,088</u>	<u>1,912</u>	<u>36,157</u>
Civil Service -				
Salaries	23,800	24,110	(310)	20,473
Employees' insurance	3,000	2,980	20	3,091
Payroll taxes	1,500	1,583	(83)	1,417
Retirement	1,000	838	162	603
Supplies and publication	2,000	2,112	(112)	950
Medical services	14,500	10,540	3,960	8,158
Telephone	500	149	351	250
Uniforms	500	526	(26)	460
Legal fees	2,000	917	1,083	2,252
Miscellaneous	1,200	1,363	(163)	-
Total civil service	<u>50,000</u>	<u>45,118</u>	<u>4,882</u>	<u>37,654</u>
Airport expenses -				
Utilities	10,500	8,181	2,319	11,915
Grass cutting	2,000	2,833	(833)	4,794
Equipment operating expense	4,000	3,893	107	621
Supplies	1,500	1,506	(6)	2,406
Professional services	2,000	934	1,066	430
Total airport	<u>20,000</u>	<u>17,347</u>	<u>2,653</u>	<u>20,166</u>
Total general government	<u>1,294,000</u>	<u>1,289,046</u>	<u>4,954</u>	<u>1,129,787</u> (continued)

CITY OF ABBEVILLE, LOUISIANA

General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) - (Continued)
 For the Year Ended December 31, 1999
 With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance	1998
	Budget	Actual	Favorable (Unfavorable)	Actual
Public Safety:				
Police -				
Salaries	\$ 940,500	\$ 950,002	\$ (9,502)	\$ 735,440
Employees' insurance	162,000	161,814	186	151,069
Payroll taxes	12,500	12,745	(245)	10,550
Retirement	77,000	74,482	2,518	58,818
General insurance	143,000	142,840	160	195,678
Equipment operating expense	81,000	84,627	(3,627)	54,599
Uniforms	15,000	16,876	(1,876)	16,165
Supplies	24,000	25,523	(1,523)	23,853
Janitorial	7,000	6,760	240	6,760
Prisoners' board	-	(2,161)	2,161	1,021
Utilities	11,000	10,313	687	11,446
Telephone	9,000	8,590	410	8,616
Dog expenses	2,000	1,409	591	3,526
Dare program	3,000	2,277	723	4,045
Schools and convention	12,000	8,551	3,449	8,163
Police pension	19,000	19,112	(112)	18,768
Legal and professional fees	11,000	14,310	(3,310)	4,014
Election fees	-	-	-	18,511
Special investigation expense	4,500	2,260	2,240	1,555
Miscellaneous	16,500	17,714	(1,214)	17,025
Capital outlay - Equipment	35,000	32,102	2,898	6,448
Total police	<u>1,585,000</u>	<u>1,590,146</u>	<u>(5,146)</u>	<u>1,356,070</u>
Fire -				
Salaries	990,000	1,003,814	(13,814)	824,985
Employees' insurance	168,000	168,841	(841)	167,112
Payroll taxes	83,000	82,860	140	70,577
Retirement	80,000	69,448	10,552	61,467
General insurance	121,000	122,531	(1,531)	106,918
Equipment operating expense	21,500	22,483	(983)	13,927
Uniforms	14,000	12,500	1,500	2,989
Supplies	11,500	11,263	237	15,148
Utilities	20,000	21,173	(1,173)	18,648
Telephone	5,000	3,841	1,159	4,557
Maintenance and repairs	3,000	2,590	410	1,034
Water hydrant rent	28,500	28,200	300	28,200
Rental	5,000	4,675	325	5,100
Schools and conventions	12,000	10,587	1,413	2,464
Election fees	-	-	-	18,511
Miscellaneous	7,500	8,598	(1,098)	7,989
Total fire	<u>1,570,000</u>	<u>1,573,404</u>	<u>(3,404)</u>	<u>1,349,626</u>
Total public safety	<u>3,155,000</u>	<u>3,163,550</u>	<u>(8,550)</u>	<u>2,705,696</u>

(continued)

CITY OF ABBEVILLE, LOUISIANA

General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) - Continued
 For the Year Ended December 31, 1999
 With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance	1998
	Budget	Actual	Favorable (Unfavorable)	Actual
Highways and Streets:				
Salaries	\$ 261,000	\$ 259,565	\$ 1,435	\$ 245,563
Employees' insurance	62,000	62,832	(832)	64,807
Payroll taxes	20,000	23,101	(3,101)	18,314
Retirement	8,000	8,274	(274)	5,837
General insurance	133,000	131,649	1,351	212,425
Equipment operating expense	47,500	48,278	(778)	30,410
Utilities	4,000	3,524	476	6,155
Small tools and supplies	4,500	4,468	32	2,596
Maintenance materials	28,000	26,379	1,621	21,582
Grass cutting	2,000	608	1,392	3,117
Electricity for street lights	80,000	81,439	(1,439)	76,346
Miscellaneous	5,000	3,904	1,096	2,854
Total highways and streets	<u>655,000</u>	<u>654,021</u>	<u>979</u>	<u>690,006</u>
Culture and Recreation:				
Parks -				
Salaries	67,500	66,658	842	62,611
Employees' insurance	15,000	15,050	(50)	13,470
Payroll taxes	5,500	4,973	527	4,626
Retirement	2,500	1,876	624	1,415
General insurance	15,500	15,605	(105)	12,568
Equipment operating expenses	17,000	14,668	2,332	18,324
Supplies	16,000	16,303	(303)	12,491
Repairs and maintenance	15,300	16,868	(1,568)	9,770
Utility and telephone	31,200	30,953	247	33,486
Security and janitorial	36,500	32,278	4,222	26,706
Miscellaneous	3,000	2,832	168	5,687
Total parks	<u>225,000</u>	<u>218,064</u>	<u>6,936</u>	<u>201,154</u>
Tourist Information Center -				
Salaries	12,500	12,459	41	11,725
Employee insurance	3,000	2,854	146	3,186
Payroll taxes	1,000	948	52	890
Retirement	500	473	27	345
Uniforms	500	-	500	461
Telephone	500	554	(54)	306
Utilities	1,200	1,141	59	1,273
Janitorial	2,500	2,730	(230)	-
Miscellaneous	1,300	1,648	(348)	1,755
Total tourist information	<u>23,000</u>	<u>22,807</u>	<u>193</u>	<u>19,941</u>
Total culture and recreation	<u>248,000</u>	<u>240,871</u>	<u>7,129</u>	<u>221,095</u>
Total expenditures	<u>\$5,352,000</u>	<u>\$5,347,488</u>	<u>\$ 4,512</u>	<u>\$ 4,746,584</u>

CITY OF ABBEVILLE, LOUISIANA

Special Revenue Funds

SALES TAX FUND – To account for the receipt and disbursement of proceeds of the City’s sales and use taxes. These taxes are dedicated as described in the Notes to the Financial Statements.

PUBLIC IMPROVEMENT (SEWER FUND) – To account for the receipt and disposition of ad valorem taxes dedicated to public improvement of sewer facilities.

MAINTENANCE AND OPERATION – FIRE DEPARTMENT FUND – To account for the receipt and disbursement of proceeds from the Vermilion Parish Police Jury to be used for the purpose of construction, acquiring, improving and/or maintaining fire department facilities and equipment.

CITY OF ABBEVILLE, LOUISIANA

Special Revenue Funds

Combining Balance Sheet

December 31, 1999

With Comparative Totals for December 31, 1998

	Sales Tax Fund	Public Improvement Sewer Fund	Maintenance and Operation - Fire Department Fund	Totals	
				1999	1998
ASSETS					
Interest-bearing deposits	\$ 384,622	\$ 58,732	\$ 29,388	\$ 472,742	\$ 398,972
Investments	625,000	200,000	145,000	970,000	740,000
Receivables:					
Ad valorem taxes	-	12,378	-	12,378	15,872
Sales tax	159,765	-	-	159,765	154,652
Other	6,252	690	633	7,575	6,294
Due from other funds	1,692	-	-	1,692	-
Due from other governments	<u>31,730</u>	<u>-</u>	<u>-</u>	<u>31,730</u>	<u>40,000</u>
Total assets	<u>\$1,209,061</u>	<u>\$ 271,800</u>	<u>\$ 175,021</u>	<u>\$1,655,882</u>	<u>\$1,355,790</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 34,375	\$ -	\$ -	\$ 34,375	\$ 41,163
Retainages payable	-	-	-	-	2,995
Accrued salaries payable	374	-	-	374	302
Other accrued liabilities	64	-	-	64	113
Due to other funds	<u>13,612</u>	<u>-</u>	<u>-</u>	<u>13,612</u>	<u>-</u>
Total liabilities	<u>48,425</u>	<u>-</u>	<u>-</u>	<u>48,425</u>	<u>44,573</u>
Fund balances:					
Unreserved -					
Undesignated	<u>1,160,636</u>	<u>271,800</u>	<u>175,021</u>	<u>1,607,457</u>	<u>1,311,217</u>
Total fund balances	<u>1,160,636</u>	<u>271,800</u>	<u>175,021</u>	<u>1,607,457</u>	<u>1,311,217</u>
Total liabilities and fund balance	<u>\$1,209,061</u>	<u>\$ 271,800</u>	<u>\$ 175,021</u>	<u>\$1,655,882</u>	<u>\$1,355,790</u>

CITY OF ABBEVILLE, LOUISIANA

Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended December 31, 1999
 With Comparative Totals for the Year Ended December 31, 1998

	Sales Tax Fund	Public Improvement Sewer Fund	Maintenance and Operation - Fire Department Fund	Totals	
				1999	1998
Revenues:					
Taxes	\$1,972,899	\$ 48,956	\$ -	\$2,021,855	\$1,768,728
Intergovernmental	79,019	-	69,636	148,655	235,636
Other revenues	52,640	11,122	5,922	69,684	62,855
Total revenues	<u>2,104,558</u>	<u>60,078</u>	<u>75,558</u>	<u>2,240,194</u>	<u>2,067,219</u>
Expenditures:					
Current -					
General government	85,355	70	-	85,425	86,319
Public safety -					
Police	77,240	-	-	77,240	151,851
Fire	24,283	-	17,657	41,940	132,800
Highways and streets	246,217	-	-	246,217	421,250
Culture and recreation	168,545	-	-	168,545	82,562
Total expenditures	<u>601,640</u>	<u>70</u>	<u>17,657</u>	<u>619,367</u>	<u>874,782</u>
Excess of revenues over expenditures	<u>1,502,918</u>	<u>60,008</u>	<u>57,901</u>	<u>1,620,827</u>	<u>1,192,437</u>
Other financing sources (uses):					
Operating transfers in	-	-	-	-	150,535
Operating transfers out	(1,048,371)	-	-	(1,048,371)	(1,032,499)
Total other financing sources (uses)	<u>(1,048,371)</u>	<u>-</u>	<u>-</u>	<u>(1,048,371)</u>	<u>(881,964)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	454,547	60,008	57,901	572,456	310,473
Fund balances, beginning	861,637	332,460	117,120	1,311,217	1,180,442
Residual equity transfers to Utility System Fund	(155,548)	(120,668)	-	(276,216)	(179,698)
Fund balances, ending	<u>\$1,160,636</u>	<u>\$271,800</u>	<u>\$ 175,021</u>	<u>\$1,607,457</u>	<u>\$1,311,217</u>

CITY OF ABBEVILLE, LOUISIANA

Special Revenue Funds
Sales Tax Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 1999
With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenue:				
Sales taxes -				
One cent sales tax	\$1,570,000	\$1,579,109	\$ 9,109	\$ 1,564,995
Quarter cent sales tax	390,000	393,790	3,790	155,684
Intergovernmental -				
Federal Grant -				
Recreational Trail	19,000	19,289	289	-
State Grant -				
Rural development	47,000	51,730	4,730	40,000
Façade	8,000	8,000	-	8,000
Vermilion Parish Police Jury	-	-	-	118,000
Other revenues -				
Interest on investments	28,500	37,037	8,537	30,793
Other sources	14,500	15,603	1,103	16,476
Total revenues	<u>2,077,000</u>	<u>2,104,558</u>	<u>27,558</u>	<u>1,933,948</u>
Expenditures:				
Current -				
General government	86,000	85,355	645	86,319
Public safety -				
Police	80,000	77,240	2,760	151,851
Fire	22,000	24,283	(2,283)	131,204
Highways and streets	260,000	246,217	13,783	421,250
Culture and recreation	200,000	168,545	31,455	82,562
Total expenditures	<u>648,000</u>	<u>601,640</u>	<u>46,360</u>	<u>873,186</u>
Excess of revenues over expenditures	1,429,000	1,502,918	73,918	1,060,762
Other financing uses:				
Operating transfers in	-	-	-	150,535
Operating transfers out	(1,121,084)	(1,048,371)	72,713	(1,032,499)
Total other financing sources (uses)	<u>(1,121,084)</u>	<u>(1,048,371)</u>	<u>72,713</u>	<u>(881,964)</u>
Excess of revenues over expenditures and other financing uses	307,916	454,547	146,631	178,798
Fund balance, beginning	861,637	861,637	-	855,285
Residual equity transfers to utility system fund	(140,000)	(155,548)	(15,548)	(172,446)
Fund balance, ending	<u>\$1,029,553</u>	<u>\$1,160,636</u>	<u>\$ 131,083</u>	<u>\$ 861,637</u> (continued)

CITY OF ABBEVILLE, LOUISIANA

Special Revenue Funds
Sales Tax Fund

Statement of Expenditures Compared to Budget (GAAP Basis) – Continued
For the Year Ended December 31, 1999
With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
General Government:				
Administrative -				
Salaries	\$ 5,000	\$ 5,681	\$ (681)	\$ 13,728
Employee's insurance	3,000	2,854	146	2,944
Payroll taxes	500	413	87	1,052
Retirement	500	221	279	423
General insurance	6,000	6,319	(319)	5,516
Postage and printing	-	-	-	1,567
Professional services	12,000	12,000	-	13,719
Repairs and maintenance	2,000	659	1,341	4,929
Capital outlay -				
Equipment	<u>41,000</u>	<u>43,608</u>	<u>(2,608)</u>	<u>25,926</u>
Total administrative	<u>70,000</u>	<u>71,755</u>	<u>(1,755)</u>	<u>69,804</u>
City Court/City Jail -				
Capital outlay -				
Equipment	<u>6,000</u>	<u>4,768</u>	<u>1,232</u>	<u>8,515</u>
Total city court	<u>6,000</u>	<u>4,768</u>	<u>1,232</u>	<u>8,515</u>
Airport -				
Capital outlay -				
Improvements	<u>2,000</u>	<u>832</u>	<u>1,168</u>	<u>-</u>
Total airport	<u>2,000</u>	<u>832</u>	<u>1,168</u>	<u>-</u>
Façade Project -				
Expenditures	<u>8,000</u>	<u>8,000</u>	<u>-</u>	<u>8,000</u>
Total facade project	<u>8,000</u>	<u>8,000</u>	<u>-</u>	<u>8,000</u>
Total general government	<u>86,000</u>	<u>85,355</u>	<u>645</u>	<u>86,319</u>

(continued)

CITY OF ABBEVILLE, LOUISIANA

Special Revenue Funds
Sales Tax Fund

Statement of Expenditures Compared to Budget (GAAP Basis) – Continued
For the Year Ended December 31, 1999
With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Public Safety:				
Police -				
Computer services	\$ -	\$ -	\$ -	\$ 35,334
Repairs and maintenance	5,000	4,410	590	26,362
Capital outlay -				
Equipment	<u>75,000</u>	<u>72,830</u>	<u>2,170</u>	<u>90,155</u>
Total police	<u>80,000</u>	<u>77,240</u>	<u>2,760</u>	<u>151,851</u>
Fire -				
Repairs and maintenance	2,000	500	1,500	7,009
Small tools and equipment	5,000	5,068	(68)	4,055
Capital outlay -				
Equipment	<u>15,000</u>	<u>18,715</u>	<u>(3,715)</u>	<u>120,140</u>
Total fire	<u>22,000</u>	<u>24,283</u>	<u>(2,283)</u>	<u>131,204</u>
Total public safety	<u>102,000</u>	<u>101,523</u>	<u>477</u>	<u>283,055</u>
Highways and Streets:				
Street department -				
Repairs and maintenance	47,500	43,624	3,876	52,806
Street and drainage				
improvements	199,500	186,117	13,383	183,474
Street signs	4,000	8,950	(4,950)	4,359
Small tools and equipment	4,000	3,250	750	5,041
Capital outlay -				
Equipment	<u>5,000</u>	<u>4,276</u>	<u>724</u>	<u>175,570</u>
Total highway and streets	<u>260,000</u>	<u>246,217</u>	<u>13,783</u>	<u>421,250</u>
Culture and Recreation:				
Parks -				
Tourist Center improvements	1,000	895	105	760
Repairs and maintenance	3,000	2,365	635	9,878
Capital outlay -				
Equipment	9,000	9,170	(170)	15,571
Improvements other than				
buildings	<u>187,000</u>	<u>156,115</u>	<u>30,885</u>	<u>56,353</u>
Total culture and recreation	<u>200,000</u>	<u>168,545</u>	<u>31,455</u>	<u>82,562</u>
Total expenditures	<u>\$ 648,000</u>	<u>\$ 601,640</u>	<u>\$ 46,360</u>	<u>\$ 873,186</u> (concluded)

CITY OF ABBEVILLE, LOUISIANA

Special Revenue Funds
Public Improvement (Sewer) Fund

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 1999
With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Taxes -				
Ad valorem taxes	\$ 48,000	\$ 48,956	\$ 956	\$ 48,049
Other revenues -				
Interest on investments	<u>10,000</u>	<u>11,122</u>	<u>1,122</u>	<u>12,333</u>
Total revenues	<u>58,000</u>	<u>60,078</u>	<u>2,078</u>	<u>60,382</u>
Expenditures:				
Current -				
General Government -				
Miscellaneous	<u>-</u>	<u>70</u>	<u>(70)</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>70</u>	<u>(70)</u>	<u>-</u>
Excess of revenues over expenditures	58,000	60,008	2,008	60,382
Fund balance, beginning	332,460	332,460	-	279,330
Residual equity transfers to Utility System Fund	<u>(130,000)</u>	<u>(120,668)</u>	<u>9,332</u>	<u>(7,252)</u>
Fund balance, ending	<u>\$ 260,460</u>	<u>\$ 271,800</u>	<u>\$ 11,340</u>	<u>\$ 332,460</u>

CITY OF ABBEVILLE, LOUISIANA

Special Revenue Funds
Maintenance and Operation - Fire Department Fund

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 1999
With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Intergovernmental -				
Vermilion Parish Police Jury fire protection	\$ 70,000	\$ 69,636	\$ (364)	\$ 69,636
Other revenues -				
Interest on investments	6,000	5,922	(78)	3,253
Total revenues	<u>76,000</u>	<u>75,558</u>	<u>(442)</u>	<u>72,889</u>
Expenditures:				
Current -				
Public Safety - Fire -				
Professional services	-	248	(248)	-
Repairs and maintenance	12,000	10,026	1,974	1,596
Capital outlay - equipment	13,000	7,383	5,617	-
Total expenditures	<u>25,000</u>	<u>17,657</u>	<u>7,343</u>	<u>1,596</u>
Excess of revenues over expenditures	51,000	57,901	6,901	71,293
Fund balance, beginning	<u>117,120</u>	<u>117,120</u>	-	<u>45,827</u>
Fund balance, ending	<u>\$ 168,120</u>	<u>\$ 175,021</u>	<u>\$ 6,901</u>	<u>\$ 117,120</u>

CITY OF ABBEVILLE, LOUISIANA

Debt Service Fund

1997 CERTIFICATES OF INDEBTEDNESS – To accumulate funds for payment of the principal and interest on the \$1,730,000 1997 Certificates of Indebtedness.

CITY OF ABBEVILLE, LOUISIANA

Debt Service Fund
1997 Certificates of Indebtedness Debt Service Fund

Comparative Balance Sheet
December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
Interest bearing deposits	<u>\$ 117,609</u>	<u>\$ 110,472</u>
Total assets	<u>\$ 117,609</u>	<u>\$ 110,472</u>
FUND BALANCES		
Fund balances		
Reserved for debt service	<u>\$ 117,609</u>	<u>\$ 110,472</u>

CITY OF ABBEVILLE, LOUISIANA

Debt Service Fund
1997 Certificates of Indebtedness Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 1999
With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Other revenues -				
Interest on investments	\$ 2,000	\$ 2,239	\$ 239	\$ 2,427
Total revenues	<u>2,000</u>	<u>2,239</u>	<u>239</u>	<u>2,427</u>
Expenditures:				
Debt principal	145,000	145,000	-	135,000
Interest	78,000	77,343	657	84,455
Paying agent fees	-	100	(100)	100
Total expenditures	<u>223,000</u>	<u>222,443</u>	<u>557</u>	<u>219,555</u>
Excess (deficiency) of revenues over expenditures	(221,000)	(220,204)	796	(217,128)
Other financing sources:				
Operating transfer in	<u>227,000</u>	<u>227,341</u>	<u>341</u>	<u>219,936</u>
Excess (deficiency) of revenues and other financing sources over expenditures	6,000	7,137	1,137	2,808
Fund balance, beginning	<u>110,472</u>	<u>110,472</u>	-	<u>107,664</u>
Fund balance, ending	<u>\$ 116,472</u>	<u>\$ 117,609</u>	<u>\$ 1,137</u>	<u>\$ 110,472</u>

CITY OF ABBEVILLE, LOUISIANA

Capital Projects Funds

1998 LCDBG SEWER SYSTEM EXTENSION FUND – To account for the construction of Sewer System Extensions to the George Faulk Subdivision and along the Old Erath Highway. This project is primarily funded by 1998 Louisiana Community Development Block Grant Funds.

1997 LCDBG STREET IMPROVEMENT FUND -- To account for the costs of resurfacing approximately 48 streets in qualifying minority and low-income areas of the City. This project was primarily funded by federal funds.

1997 CERTIFICATE/CONSTRUCTION FUND – To account for the cost of resurfacing and improving public streets throughout the City. Net proceeds of \$1,330,000 from the issuance of Certificates of Indebtedness provides the funding for this capital project.

AIRPORT IMPROVEMENT PROGRAM – To account for the costs of improvements to the Chris Crusta Memorial Airport. This project consists of a base project plus three distinct additional construction proposals. Costs of the base proposal and an additional proposal were shared by federal and state funds in the ratio of 90% to 10%. Another proposal was shared in the ratio of 90% state funds to 10% City funds, and the final proposal was entirely funded by the City.

CITY OF ABBEVILLE, LOUISIANA

Capital Projects Fund

Combining Balance Sheet

December 31, 1999

With Comparative Totals for December 31, 1998

	1998 LCDBG Sewer Extension Fund	1997 LCDBG Street Improvement Fund
	<u> </u>	<u> </u>
ASSETS		
Interest - bearing deposits	\$ -	\$ -
Due from other funds	13,612	-
Due from other governments	<u>121,343</u>	<u>-</u>
Total assets	<u>\$ 134,955</u>	<u>\$ -</u>
Liabilities:		
Accounts payable	\$ 107,759	\$ -
Retainage payable	<u>27,196</u>	<u>-</u>
Total liabilities	134,955	-
Fund Balance (Deficit):		
Reserved for capital outlay	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 134,955</u>	<u>\$ -</u>

1997 Certificate/ Construction Fund	Airport Improvement Program	Totals	
		1999	1998
\$ -	\$ -	\$ -	\$ 1,546
-	-	13,612	21,086
-	-	<u>121,343</u>	<u>53,100</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,955</u>	<u>\$ 75,732</u>
\$ -	\$ -	\$ 107,759	\$ 51,735
-	-	27,196	32,081
-	-	<u>134,955</u>	<u>83,816</u>
-	-	-	<u>(8,084)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,955</u>	<u>\$ 75,732</u>

CITY OF ABBEVILLE

Capital Projects Fund

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
 For the Year Ended December 31, 1999
 With Comparative Totals for the Year Ended December 31, 1998

	1998 LCDBG Sewer Extension Fund	1997 LCDBG Street Improvement Fund
	<u> </u>	<u> </u>
Revenues:		
Intergovernmental -		
Federal grant	\$ 286,159	\$ -
State grant	-	-
Other revenues -		
Interest on investments	-	-
Total revenues	<u>286,159</u>	<u>-</u>
Expenditures:		
Administration	16,800	-
Capital outlay	<u>291,371</u>	<u>-</u>
	<u>308,171</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(22,012)	-
Other financing sources (uses):		
Operating transfer in	22,012	-
Operating transfer out	<u>-</u>	<u>-</u>
Total financing sources (uses)	22,012	-
Excess (deficiency) of revenues and other financing sources over expenditures	-	-
Fund balance (deficit), beginning	<u>-</u>	<u>-</u>
Fund balance (deficit), ending	<u>\$ -</u>	<u>\$ -</u>

1997 Certificate/ Construction Fund	Airport Improvement Program	Totals	
		1999	1998
\$ -	\$ -	\$ 286,159	\$ 992,245
-	-	-	116,045
<u>16</u>	<u>-</u>	<u>16</u>	<u>23,138</u>
<u>16</u>	<u>-</u>	<u>286,175</u>	<u>1,131,428</u>
-	-	16,800	-
-	-	<u>291,371</u>	<u>2,608,268</u>
-	-	<u>308,171</u>	<u>2,608,268</u>
16	-	(21,996)	(1,476,840)
8,068	-	30,080	167,020
<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,669)</u>
<u>8,068</u>	<u>-</u>	<u>30,080</u>	<u>161,351</u>
8,084	-	8,084	(1,315,489)
<u>(8,084)</u>	<u>-</u>	<u>(8,084)</u>	<u>1,307,405</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,084)</u>

CITY OF ABBEVILLE, LOUISIANA

Capital Projects Fund
1998 LCDBG Sewer Extension Fund

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 1999
With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Intergovernmental -				
Federal grant	\$ 286,000	\$ 286,159	\$ 159	\$ -
Expenditures:				
Capital outlay	<u>342,000</u>	<u>308,171</u>	<u>33,829</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(56,000)	(22,012)	33,988	-
Other financing sources (uses):				
Operating transfer in	<u>56,000</u>	<u>22,012</u>	<u>(33,988)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures	-	-	-	-
Fund balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF ABBEVILLE, LOUISIANA

Capital Projects Fund
1997 LCDBG Street Improvement Fund

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 1999
With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Intergovernmental - Federal grant	\$ -	\$ -	\$ -	\$ 500,000
Expenditures:				
Capital outlay	-	-	-	529,054
Excess (deficiency) of revenues over expenditures	-	-	-	(29,054)
Other financing sources (uses):				
Operating transfer in	-	-	-	29,054
Excess (deficiency) of revenues and other financing sources over expenditures	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

CITY OF ABBEVILLE, LOUISIANA

Capital Projects Fund
1997 Certificate/Construction Fund

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 1999
With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Other revenues -				
Interest on investments	\$ -	\$ 16	\$ 16	\$ 23,138
Expenditures:				
Capital outlay	-	-	-	1,452,143
Excess (deficiency) of revenues over expenditures	-	16	16	(1,429,005)
Other financing sources (uses):				
Operating transfer in	8,084	8,068	(16)	115,301
Operating transfer out	-	-	-	-
	8,084	8,068	(16)	115,301
Excess (deficiency) of revenues and other financing sources other expenditures	8,084	8,084	-	(1,313,704)
Fund balance, beginning	(8,084)	(8,084)	-	1,305,620
Fund balance (deficit), ending	\$ -	\$ -	\$ -	\$ (8,084)

CITY OF ABBEVILLE, LOUISIANA

Capital Projects Funds

Airport Improvement Program
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget (GAAP Basis) and Actual
 For the Year Ended December 31, 1999
 With Comparative Totals for the Year Ended December 31, 1998

	1999		Variance Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Intergovernmental -				
Federal grant	\$ -	\$ -	\$ -	\$ 492,245
State grant	-	-	-	116,045
Total revenues	-	-	-	608,290
Expenditures:				
Capital outlay	-	-	-	627,071
Excess (deficiency) of revenues over expenditures	-	-	-	(18,781)
Other financing sources (uses):				
Operating transfer in	-	-	-	22,665
Operating transfer out	-	-	-	(5,669)
Total financing sources (uses)	-	-	-	16,996
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-	(1,785)
Fund balance, beginning	-	-	-	1,785
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

CITY OF ABBEVILLE, LOUISIANA

Enterprise Fund

UTILITY SYSTEM FUND – To account for the provisions of electric, water and sewerage services to the residents of the City. 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.

CITY OF ABBEVILLE, LOUISIANA

Enterprise Fund
Utility System Fund

Comparative Balance Sheet
December 31, 1999 and 1998

ASSETS	<u>1999</u>	<u>1998</u>
Current assets:		
Cash	\$ 26,531	\$ 22,579
Interest-bearing deposits	503,811	538,904
Investment	15,000	-
Accounts receivable -		
Customers' utility	1,261,852	1,377,949
Other	2,803	37,259
Inventory	<u>188,825</u>	<u>191,130</u>
Total current assets	<u>1,998,822</u>	<u>2,167,821</u>
Restricted assets:		
Refunding bonds sinking fund -		
Interest-bearing deposits	64,235	61,254
Refunding bonds capital additions and contingencies fund -		
Investment	250,000	250,000
Customers' deposits -		
Investment	<u>410,000</u>	<u>415,000</u>
Total restricted assets	<u>724,235</u>	<u>726,254</u>
Property, plant and equipment:		
Property, plant and equipment at cost, net of accumulated depreciation (1999 - \$16,248,181 , 1998 - \$15,581,763)	<u>10,896,463</u>	<u>11,109,698</u>
Total property, plant and equipment	<u>10,896,463</u>	<u>11,109,698</u>
Total assets	<u>\$ 13,619,520</u>	<u>\$ 14,003,773</u>

LIABILITIES AND FUND EQUITY	1999	1998
Liabilities:		
Current Liabilities (payable from current assets)		
Accounts payable	\$ 427,991	\$ 426,657
State sales tax payable	16,697	18,288
Accrued salaries payable	26,461	19,778
Other accrued liabilities	7,855	5,668
Due to other funds	-	73,000
Capital lease payable	7,957	-
Total current liabilities (payable from current assets)	486,961	543,391
Current Liabilities (payable from restricted assets) -		
Refunding bonds payable, net of unamortized loss on early retirement 1999 - \$37,814 1998 - \$37,814	552,186	522,186
Accrued interest payable	9,767	11,634
Customers' deposits	406,866	412,526
Total current liabilities (payable from restricted assets)	968,819	946,346
Long-term liabilities:		
Refunding bonds payable, net of unamortized loss on early retirement 1999 - \$148,104, 1998 - \$185,918	1,931,896	2,484,082
Capital lease payable	27,118	-
Total long-term liabilities	1,959,014	2,484,082
Total liabilities	3,414,794	3,973,819
Fund equity:		
Contributed capital -		
Municipality	5,564,438	5,297,169
Federal grants	4,521,505	4,354,143
State grants and donations	16,520	2,537
Retained earnings -		
Unreserved	102,263	376,105
Total fund equity	10,204,726	10,029,954
Total liabilities and fund equity	\$13,619,520	\$14,003,773

CITY OF ABBEVILLE, LOUISIANA

Enterprise Fund
Utility Fund

Comparative Statement of Revenues, Expenses and Changes in Retained Earnings
For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Operating revenues:		
Charges for services -		
Electric sales and related charges	\$ 9,758,391	\$ 10,324,642
Water sales	1,087,388	725,404
Sewer services	676,469	686,039
Other revenues	209,106	179,089
Total operating revenues	<u>11,731,354</u>	<u>11,915,174</u>
Operating expenses:		
Electric power purchased	5,234,006	5,511,974
Electric department expenses	701,677	815,434
Water department expenses	750,902	702,733
Sewer department expenses	562,621	584,526
General and administrative expenses	449,622	411,348
Depreciation expense	814,632	799,034
Total operating expenses	<u>8,513,460</u>	<u>8,825,049</u>
Operating income	<u>3,217,894</u>	<u>3,090,125</u>
Nonoperating revenues (expenses):		
Interest income	51,217	77,433
Interest expense	(175,547)	(301,931)
Paying agents fees	(1,001)	(715)
Amortization of bond issuance cost	-	(10,042)
Loss on disposal of equipment	(8,289)	-
Total nonoperating revenues (expenses)	<u>(133,620)</u>	<u>(235,255)</u>
Income before operating transfers	<u>3,084,274</u>	<u>2,854,870</u>
Operating transfers in (out):		
Operating transfers in	624,370	791,518
Operating transfers out	(4,101,460)	(3,500,405)
Total operating transfers in (out)	<u>(3,477,090)</u>	<u>(2,708,887)</u>
Net income (loss)	(392,816)	145,983
Add: Depreciation on fixed assets acquired by capital grants externally restricted for capital acquisitions and construction that reduces contributed capital	<u>118,974</u>	<u>118,797</u>
Increase (decrease) in retained earnings	(273,842)	264,780
Retained earnings, beginning	<u>376,105</u>	<u>111,325</u>
Retained earnings, ending	<u>\$ 102,263</u>	<u>\$ 376,105</u>

CITY OF ABBEVILLE, LOUISIANA

Enterprise Fund
Utility Fund

Comparative Statement of Cash Flows
For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Cash flows from operating activities:		
Operating income	\$3,217,894	\$3,090,125
Adjustments to reconcile operating income to net cash provided by operating activities -		
Depreciation	814,632	799,034
Changes in current assets and liabilities:		
(Increase) decrease in accounts receivable	116,097	(109,895)
(Increase) decrease in other receivables	34,456	(28,843)
(Increase) decrease in due from other funds	-	280,000
(Increase) decrease in inventory	2,305	2,338
(Increase) decrease in prepaid insurance	-	4,310
Increase (decrease) in accounts payable	1,334	(49,261)
Increase (decrease) in state sales tax payable	(1,591)	1,551
Increase (decrease) in accrued salaries payable	6,683	5,911
Increase (decrease) in other accrued liabilities	2,187	(8,653)
Increase (decrease) in due to other funds	(73,000)	(207,000)
Total adjustments	<u>903,103</u>	<u>689,492</u>
Net cash provided by operating activities	<u>4,120,997</u>	<u>3,779,617</u>
Cash flows from noncapital financing activities:		
Operating transfers in from other funds	624,370	791,518
Operating transfers out to other funds	<u>(4,101,460)</u>	<u>(3,500,405)</u>
Net cash (used) by noncapital financing activities	<u>(3,477,090)</u>	<u>(2,708,887)</u>
Cash flows from capital and related financing activities:		
Acquisition of plant and equipment	(574,611)	(201,256)
Principal paid on revenue bond maturities	(560,000)	(1,305,000)
Interest paid on revenue bonds	(139,600)	(347,943)
Increase (decrease) in customer meter deposits	(5,660)	10,698
Capital contributed from municipality and other government entities	567,588	179,558
Paying agents' fees	<u>(1,001)</u>	<u>(715)</u>
Net cash (used) by capital and related financing activities	<u>(713,284)</u>	<u>(1,664,658)</u>

CITY OF ABBEVILLE, LOUISIANA

Enterprise Fund
Utility Fund

Comparative Statement of Cash Flows – Continued
For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Cash flows from investing activities:		
Redemption (purchase) of investments	\$ (10,000)	\$ 808,000
Interest on interest-bearing deposits and investments	<u>51,217</u>	<u>77,433</u>
Net cash provided by investing activities	<u>41,217</u>	<u>885,433</u>
Net increase (decrease) in cash and cash equivalents	(28,160)	291,505
Cash and cash equivalents, beginning	<u>622,737</u>	<u>331,232</u>
Cash and cash equivalents, ending	<u>\$ 594,577</u>	<u>\$ 622,737</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning:		
Cash - unrestricted	\$ 22,579	\$ 46,618
Interest-bearing deposits - unrestricted	538,904	172,144
Cash - restricted	-	360
Interest-bearing deposits - unrestricted	<u>61,254</u>	<u>112,110</u>
Total cash and cash equivalents	<u>\$ 622,737</u>	<u>\$ 331,232</u>
Cash and cash equivalents, ending:		
Cash - unrestricted	\$ 26,531	\$ 22,579
Interest-bearing deposits - unrestricted	503,811	538,904
Cash - restricted	-	-
Interest-bearing deposits - restricted	<u>64,235</u>	<u>61,254</u>
Total cash and cash equivalents	<u>\$ 594,577</u>	<u>\$ 622,737</u> (concluded)

CITY OF ABBEVILLE, LOUISIANA

Enterprise Fund
Utility Fund

Comparative Statement of Miscellaneous Revenues
For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Other revenues:		
Penalties	\$ 140,990	\$ 137,465
Reconnection fees	39,680	16,352
Electric permits	2,850	3,465
Water and sewerage permits	9,805	6,469
Other sources	<u>15,781</u>	<u>15,338</u>
Total other revenues	<u>\$ 209,106</u>	<u>\$ 179,089</u>

CITY OF ABBEVILLE, LOUISIANA

Enterprise Fund
Utility Fund

Comparative Statement of Operating Expenses
For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Electric department (excluding electric power purchased):		
Salaries	\$ 260,213	\$ 284,562
Employees' insurance	35,095	40,738
Payroll taxes	19,688	21,528
Retirement	7,217	5,592
General insurance	54,868	131,407
Equipment operating expense	56,805	54,735
Maintenance and repairs - system	178,137	197,085
Materials and supplies	68,663	68,620
Small tools and supplies	14,744	5,543
Miscellaneous	6,247	5,624
Depreciation	<u>301,015</u>	<u>304,440</u>
Total electric department	<u>\$ 1,002,692</u>	<u>\$ 1,119,874</u>
Water department:		
Salaries	\$ 299,732	\$ 242,671
Employees' insurance	42,185	36,533
Payroll taxes	22,803	17,997
Retirement	8,435	5,321
General insurance	60,914	65,438
Equipment operating expense	19,778	22,535
Maintenance and repairs - system	93,621	100,068
Electricity for pumps	34,731	39,029
Utilities	72,745	70,579
Telephone	4,801	4,492
Materials and supplies	76,240	87,946
School and conventions	1,767	737
Miscellaneous	13,150	9,387
Depreciation	<u>111,857</u>	<u>111,758</u>
Total water department	<u>\$ 862,759</u>	<u>\$ 814,491</u>
Sewerage department:		
Salaries	\$ 173,960	\$ 166,298
Employee's insurance	37,131	37,288
Payroll taxes	14,295	12,382
Retirement	5,703	4,064
General insurance	45,142	35,186
Equipment operating expense	16,586	23,646
Maintenance and repairs - system	94,173	128,382
Electricity for pumps	47,432	53,983
Utilities	83,948	86,486
Telephone	1,361	1,061
Materials and supplies	37,825	32,948
Schools and conventions	625	292
Miscellaneous	4,440	2,510
Depreciation	<u>337,839</u>	<u>331,757</u>
Total sewerage department	<u>\$ 900,460</u>	<u>\$ 916,283</u>

(continued)

CITY OF ABBEVILLE, LOUISIANA

Enterprise Fund
Utility Fund

Comparative Statement of Operating Expenses – Continued
For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
General and administrative:		
Salaries	\$ 219,856	\$ 204,615
Employees' insurance	44,611	45,047
Payroll taxes	16,565	15,312
Retirement	8,214	6,322
General insurance	9,499	9,495
Equipment operating expense	7,305	8,080
Accounting services	14,630	15,630
Office expense	24,670	17,081
Postage	16,225	10,500
Utilities	4,469	4,699
Professional services	9,603	2,895
Collection fees	4,758	3,397
Bad debts	54,877	53,865
Telephone	5,066	3,930
Donated services	581	851
Janitorial	4,290	4,290
Miscellaneous	4,403	5,339
Depreciation	<u>63,921</u>	<u>51,079</u>
Total general and administrative	<u>\$ 513,543</u>	<u>\$ 462,427</u> (concluded)

CITY OF ABBEVILLE, LOUISIANA

Enterprise Fund
Utility Fund

Schedule of Changes in Assets Restricted for Revenue Bond Debt Service
For the Year Ended December 31, 1999

	Capital Additions And Contingencies Fund	1998 Refunding Bonds Sinking Fund	Cash With Paying Agents	Total
CASH AND INVESTMENTS, DECEMBER 31, 1998	\$ 250,000	\$ 61,254	\$ -	\$ 311,254
Cash receipts:				
Transfer from operating account	-	685,558	-	685,558
Transfer from sinking fund	-	-	699,600	699,600
Other escrow refunds	-	7,036	-	7,036
Interest on investments	11,399	9,987	-	21,386
Total cash receipts	11,399	702,581	699,600	1,413,580
TOTAL CASH AND INVESTMENTS AVAILABLE	261,399	763,835	699,600	1,724,834
Cash disbursements:				
Principal payments	-	-	560,000	560,000
Interest payments	-	-	139,600	139,600
Transfers to paying agents	-	699,600	-	699,600
Transfer to operating account	11,399	-	-	11,399
Total cash disbursements	11,399	699,600	699,600	1,410,599
CASH AND INVESTMENTS, DECEMBER 31, 1999	\$ 250,000	\$ 64,235	\$ -	\$ 314,235

CITY OF ABBEVILLE, LOUISIANA

Internal Service Funds

RISK MANAGEMENT FUND – To account for the accumulation of funds designated for the adjudication and satisfaction of claims made against the City.

EMPLOYEE HEALTH INSURANCE FUND -- To account for the accumulation of funds from self-insurance sources and from employees dedicated to the satisfaction of health care claims made by employees and their dependents.

CITY OF ABBEVILLE, LOUISIANA

Internal Service Funds

Combining Balance Sheet

December 31, 1999

With Comparative Totals for December 31, 1998

ASSETS	Risk Management Fund	Employee Health Insurance Fund	Totals	
			1999	1998
Current assets:				
Interest-bearing deposits	\$ 15,027	\$ 60,480	\$ 75,507	\$ 335,788
Investments	150,000	100,000	250,000	150,000
Receivables:				
Other	49,577	437	50,014	4,308
Due from other funds	-	-	-	243,000
Total assets	<u>\$ 214,604</u>	<u>\$ 160,917</u>	<u>\$ 375,521</u>	<u>\$ 733,096</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Current liabilities:				
Accounts payable	\$ 201,459	\$ 88,548	\$ 290,007	\$ 556,627
Accrued salaries payable	1,444	-	1,444	1,010
Other accrued liabilities	404	-	404	400
Due to other funds	-	-	-	7,252
Total liabilities	<u>203,307</u>	<u>88,548</u>	<u>291,855</u>	<u>565,289</u>
Fund equity:				
Retained earnings - designated for claims	<u>11,297</u>	<u>72,369</u>	<u>83,666</u>	<u>167,807</u>
Total liabilities and fund equity	<u>\$ 214,604</u>	<u>\$ 160,917</u>	<u>\$ 375,521</u>	<u>\$ 733,096</u>

CITY OF ABBEVILLE, LOUISIANA

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Retained Earnings
For the Year Ended December 31, 1999
With Comparative Totals for the Year Ended December 31, 1998

	Risk Management Fund	Employee Health Insurance Fund	Totals	
			1999	1998
Operating revenues:				
Charges for services -				
Premiums	\$ 628,624	\$ 801,152	\$1,429,776	\$ 1,587,199
Other revenues -				
Subrogation recoveries	56,787	20,655	77,442	153,189
Total operating revenues	<u>685,411</u>	<u>821,807</u>	<u>1,507,218</u>	<u>1,740,388</u>
Cost of services rendered:				
Claims	106,514	636,571	743,085	933,546
Administrative costs:				
Plan administration/legal fees	106,252	-	106,252	102,501
Salaries	46,845	-	46,845	49,016
Employee insurance	5,278	-	5,278	5,888
Payroll taxes	3,519	-	3,519	3,675
Retirement	1,808	-	1,808	1,467
Other insurance	446,409	242,290	688,699	612,286
Schools and conventions	806	-	806	3,915
Office supplies	1,148	-	1,148	1,831
Telephone	724	-	724	696
Uniforms	629	-	629	586
Miscellaneous	7,691	35	7,726	3,912
Total cost of services rendered	<u>727,623</u>	<u>878,896</u>	<u>1,606,519</u>	<u>1,719,319</u>
Operating income (loss)	(42,212)	(57,089)	(99,301)	21,069
Nonoperating revenues:				
Interest income	<u>7,453</u>	<u>7,218</u>	<u>14,671</u>	<u>10,917</u>
Income (loss) before operating transfers	(34,759)	(49,871)	(84,630)	31,986
Operating transfers in	<u>489</u>	<u>-</u>	<u>489</u>	<u>-</u>
Net income (loss)	(34,270)	(49,871)	(84,141)	31,986
Retained earnings, beginning	<u>45,567</u>	<u>122,240</u>	<u>167,807</u>	<u>135,821</u>
Retained earnings, ending	<u>\$ 11,297</u>	<u>\$ 72,369</u>	<u>\$ 83,666</u>	<u>\$ 167,807</u>

CITY OF ABBEVILLE, LOUISIANA

Internal Service Funds

Combining Statement of Cash Flows
For the Year Ended December 31, 1999
With Comparative Totals for the Year Ended December 31, 1998

	Risk Management Fund	Employee Health Insurance Fund	Totals	
			1999	1998
Cash flows from operating activities:				
Operating income (loss)	\$ (42,212)	\$ (57,089)	\$ (99,301)	\$ 21,069
Adjustments to reconcile operating income (loss) to net cash provided by operating activities -				
Changes in current assets and liabilities:				
(Increase) decrease in accounts receivable	(45,269)	(437)	(45,706)	95,307
(Increase) decrease in due from other funds	243,000	-	243,000	48,000
Increase (decrease) in accounts payable	(247,985)	(18,635)	(266,620)	179,909
Increase (decrease) in accrued salaries payable	434	-	434	345
Increase (decrease) in other accrued liabilities	4	-	4	145
Increase (decrease) in due to other funds	-	(7,252)	(7,252)	(151,130)
Total adjustments	(49,816)	(26,324)	(76,140)	172,576
Net cash provided (used) by operating activities	(92,028)	(83,413)	(175,441)	193,645
Cash flows from noncapital financing activities:				
Operating transfers in from other funds	489	-	489	489
Cash flows from investing activities:				
Interest collected on interest- bearing deposits	7,453	7,218	14,671	10,917
Purchase of investment	-	(100,000)	(100,000)	-
Net cash provided (used) by investing activities	7,453	(92,782)	(85,329)	10,917
Net increase (decrease) in cash and cash equivalents	(84,086)	(176,195)	(260,281)	204,562
Cash and cash equivalents, beginning	99,113	236,675	335,788	131,226
Cash and cash equivalents, ending	\$ 15,027	\$ 60,480	\$ 75,507	\$ 335,788

CITY OF ABBEVILLE, LOUISIANA

Agency Fund

**PAYROLL FUND – To account for the payment of the City payroll and disbursement of all withholdings.
Monies are provided by the various funds which incurred the salaries expense.**

CITY OF ABBEVILLE, LOUISIANA

Agency Fund
Payroll Fund

Comparative Balance Sheet
December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
Cash	\$ -	\$ -
Interest-bearing deposits	57,350	45,432
Due from other funds	<u>-</u>	<u>7,252</u>
Total assets	<u>\$ 57,350</u>	<u>\$ 52,684</u>
LIABILITIES		
Accrued liabilities	\$ 56,365	\$ 52,684
Due to other funds	<u>985</u>	<u>-</u>
Total liabilities	<u>\$ 57,350</u>	<u>\$ 52,684</u>

CITY OF ABBEVILLE, LOUISIANA

Agency Fund
Payroll Fund

Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 1999

	Balance December 31, 1998	Additions	Deductions	Balance December 31, 1999
ASSETS				
Cash	\$ -	\$4,066,765	\$4,066,765	\$ -
Interest-bearing deposits	45,432	1,323,333	1,311,415	57,350
Due from other funds	<u>7,252</u>	<u>-</u>	<u>7,252</u>	<u>-</u>
Total assets	<u>\$ 52,684</u>	<u>\$5,390,098</u>	<u>\$5,385,432</u>	<u>\$ 57,350</u>
LIABILITIES				
Accrued liabilities	\$ 52,684	\$2,772,674	\$2,768,993	\$ 56,365
Due to other funds	<u>-</u>	<u>4,075,804</u>	<u>4,074,819</u>	<u>985</u>
Total liabilities	<u>\$ 52,684</u>	<u>\$6,848,478</u>	<u>\$6,843,812</u>	<u>\$ 57,350</u>

CITY OF ABBEVILLE, LOUISIANA

General Fixed Assets Account Group

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

CITY OF ABBEVILLE, LOUISIANA

Comparative Statement of General Fixed Assets
December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
General fixed assets, at cost:		
Land	\$ 519,601	\$ 519,601
Buildings	2,319,321	2,319,321
Improvements other than buildings	10,823,989	10,722,831
Equipment	<u>2,677,246</u>	<u>2,570,020</u>
Total general fixed assets	<u>\$16,340,157</u>	<u>\$16,131,773</u>
Investment in general fixed assets:		
Property acquired prior to 1/1/75 *	\$ 4,857,659	\$ 4,885,286
Property acquired after 1/1/75* from -		
General fund revenues	468,066	478,966
Sales tax revenues	5,032,500	4,891,738
Ad valorem tax revenues	262,850	262,850
Revenue sharing funds	775,547	775,547
Capital projects fund revenues and transfers	763,157	763,157
Vermilion Parish Police Jury fire protection revenue	697,155	697,155
State grants	508,761	471,192
Federal grants	2,919,462	2,869,382
Donations	<u>55,000</u>	<u>36,500</u>
Total investment in general fixed assets	<u>\$16,340,157</u>	<u>\$16,131,773</u>

* Records reflecting source from which assets were acquired were not maintained prior to 1/1/75.

CITY OF ABBEVILLE, LOUISIANA

Statement of Changes in General Fixed Assets
For the Year Ended December 31, 1999

	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Equipment</u>	<u>Total</u>
General fixed assets - December 31, 1998	<u>\$ 519,601</u>	<u>\$ 2,319,321</u>	<u>\$ 10,722,831</u>	<u>\$2,570,020</u>	<u>\$16,131,773</u>
Additions:					
Sales tax revenue	-	-	43,369	129,474	172,843
Federal grants	-	-	19,289	30,791	50,080
State grants	-	-	20,000	17,569	37,569
Donations	-	-	18,500	-	18,500
Total additions	<u>-</u>	<u>-</u>	<u>101,158</u>	<u>177,834</u>	<u>278,992</u>
Total balances and additions	<u>519,601</u>	<u>2,319,321</u>	<u>10,823,989</u>	<u>2,747,854</u>	<u>16,410,765</u>
Deductions:					
Assets disposed of	<u>-</u>	<u>-</u>	<u>-</u>	<u>(70,608)</u>	<u>(70,608)</u>
General fixed assets - December 31, 1999	<u>\$ 519,601</u>	<u>\$ 2,319,321</u>	<u>\$ 10,823,989</u>	<u>\$2,677,246</u>	<u>\$16,340,157</u>

CITY OF ABBEVILLE, LOUISIANA
General Long-Term Debt Account Group

To account for unmatured principal amounts 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.

CITY OF ABBEVILLE, LOUISIANA

Comparative Statement of General Long-term Debt
December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Amount Available and to Be Provided for the Retirement of General Long Term Debt		
Amount available in debt service fund for debt retirement	\$ 117,609	\$ 110,472
Amount to be provided for general long-term debt	<u>1,429,388</u>	<u>1,561,915</u>
Total Available and To Be Provided	<u>\$1,546,997</u>	<u>\$1,672,387</u>
General Long-term Debt Payable		
Compensated absences payable	\$ 96,997	\$ 77,387
Certificates of indebtedness payable	<u>1,450,000</u>	<u>1,595,000</u>
	<u>\$1,546,997</u>	<u>\$1,672,387</u>

INTERNAL CONTROL, COMPLIANCE AND OTHER GRANT INFORMATION

Independent Auditor's Report on Compliance and
On Internal Control over Financial
Reporting Based on an Audit of
Financial Statements Performed in
Accordance with Government Auditing Standards

The Honorable R. Brady Broussard, Mayor
And Members of the City Council
City of Abbeville, Louisiana

We have audited the primary government financial statements of the City of Abbeville, Louisiana, as of and for the year ended December 31, 1999, and have issued our report thereon dated May 15, 1999. We have conducted our audit 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 Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

Compliance

As part of obtaining reasonable assurance about whether the City of Abbeville, Louisiana's primary government financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of primary government 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 an instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs as item 1999-2.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Abbeville, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the primary government financial statements and not to provide assurance on the internal control over financial reporting. However, we noted 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 judgement, could adversely affect the City of Abbeville, Louisiana's ability to record, process, summarize and report financial data consistent with the assertions of management in the primary government financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 1999-1.

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 primary government 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 structure over financial reporting would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness.

This report is intended solely for the information and use of management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Dannall, Sikes & Frederick

A Corporation of Certified Public Accountants

Abbeville, Louisiana
May 15, 2000

Independent Auditor's Report on Compliance With
Requirements Applicable to Each Major Program and
Internal Control Over Compliance in
Accordance with OMB Circular A-133

The Honorable R. Brady Broussard, Mayor
and Members of the City Council
City of Abbeville, Louisiana

Compliance

We have audited the compliance of the City of Abbeville, 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 each of its major federal programs for the year ended December 31, 1999. The City of Abbeville, Louisiana's major federal programs are 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 each of its major federal programs is the responsibility of the City of Abbeville, Louisiana's management. Our responsibility is to express an opinion on the City of Abbeville, Louisiana'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 City of Abbeville, Louisiana'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 City of Abbeville's compliance with those requirements.

In our opinion, the City of Abbeville, Louisiana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1999.

Internal Control Over Compliance

The management of the City of Abbeville, Louisiana 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 City of Abbeville, Louisiana'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.

This report is intended solely for the information and use of management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Dannall Sikes & Frederick

A Corporation of Certified Public Accountants

Abbeville, Louisiana
May 15, 2000

CITY OF ABBEVILLE, LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 1999

<u>Federal Grantor/Pass Through Grantor/ Program Name</u>	<u>CFDA #</u>	<u>Identifying Number</u>	<u>Expenditures</u>
United States Department of Agriculture Food and Nutrition Service Passed through Louisiana Department of Education Summer Food Service Program For Children	10.559	FY1999	\$ 24,875
United States Department of Housing and Urban Development Passed through Louisiana Office of Community Development Community Development Block Grants/ State's Program	14.228	107-900414	286,159
United States Department of the Interior National Park Service Passed through Governor's Office of Rural Development Outdoor Recreation - Acquisition Development and Planning	15.916	98LRT-VRM-0101	19,289
United States Department of Justice Office of Justice Programs Passed through Louisiana Commission on Law Enforcement Byrne Formula Grant Program Drug Abuse Resistance Education Program Street Sales Disruption	16.579 16.579	E00-4-006 98-B4-B.07-0064	3,062 19,612
United States Department of Transportation National Highway Traffic Safety Administration Passed through Louisiana Highway Safety Commission State and Community Highway Safety Grant Safe and Sober Campaign Buckle Up Louisiana Campaign 1999 Holiday Enforcement	20.600 20.600 20.600	0091-24 9991-01 9934-115	1,815 1,452 <u>1,752</u>
Total			<u>\$ 358,016</u> (continued)

CITY OF ABBEVILLE, LOUISIANA

Schedule of Expenditures of Federal Awards – (Continued)
For the Year Ended December 31, 1999

NOTE 1 BASIS OF PRESENTATION

The above schedule of expenditures of federal awards includes the federal grant activity of the City of Abbeville, Louisiana and is presented on the same basis of accounting as described in Note 1 to the financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

CITY OF ABBEVILLE, LOUISIANA
Schedule of Findings and Questioned Costs
Year Ended December 31, 1999

PART 1 SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Auditor's Report

An unqualified opinion has been issued on the City of Abbeville, Louisiana's financial statements as of and for the year ended December 31, 1999.

Reportable Conditions – Financial Reporting

A reportable condition in internal control over financial reporting was disclosed during the audit of the financial statements and is shown as item 1999-1 in Part 2.

Material Noncompliance – Financial Reporting

An instance of noncompliance material to the financial statements was disclosed during the audit of the financial statements and is shown as item 1999-2 in Part 2.

FEDERAL AWARDS

Major Program Identification

The City of Abbeville, Louisiana at December 31, 1999 had one federal program which was audited as a major program: Community Development Block Grant/State's Program which received funds from the United States Department of Housing and Urban Development Passed Through the Louisiana Office of Community Development.

Low-Risk Auditee

The City of Abbeville, Louisiana is not considered a low-risk auditee for the year ended December 31, 1999.

Major Program-Threshold

The dollar threshold to distinguish Type A and Type B programs is \$300,000 for the year ended December 31, 1999.

CITY OF ABBEVILLE, LOUISIANA

Schedule of Findings and Questioned Costs
Year Ended December 31, 1999

Auditor's Report – Major Programs

An unqualified opinion has been issued on the City of Abbeville, Louisiana's compliance for its major program as and for the year ended December 31, 1999.

Reportable Conditions – Major Programs

There were no reportable conditions noted during the audit of the major federal programs.

Compliance Findings Related to Major Programs

The audit did not disclose any material non-compliance or questioned costs relative to the major programs.

Part 2 FINDINGS RELATING TO AN AUDIT IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

1999-1 Utility Accounts Receivable and Customers' Deposits

Finding: A review of Utility System internal controls revealed that utility subsidiary listings of customer deposits and accounts receivable were not being reconciled to general ledger totals on a monthly basis. This procedure could represent a breakdown in control procedures and could lead to lost revenues for the City.

1999-2 Violations of Revenue Refunding Bond Restrictions

Finding:

- (1) The City is not operating each individual division of the Utility System profitably which is a violation of Section 8.1(b) of the 1999 Bond Resolution.
- (2) The City is not always adhering to requirements of Section 8.2 Paragraph 2 regarding termination of service to customers with delinquent balances.

PART 3 FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL PROGRAMS

There are no findings and questioned costs related to federal programs.

CITY OF ABBEVILLE, LOUISIANA

Schedule of Prior Year Findings
For the Year Ended December 31, 1999

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

1998-1 Finding: Related Employees in Positions of Trust

The City Accountant and the Secretary/Treasurer were direct relatives.

Status: Resolved.

1998-2 Finding: Utility Accounts Receivable and Customers' Deposits

The City should implement procedures to reconcile subsidiary listings to general ledger totals on a monthly basis.

Status: This finding is unresolved. See current year finding 1999-1.

1998-3 Finding: Violations of Revenue Refunding Bond Restrictions

A. The City is not operating each division of its Utility System profitably.

B. The City is not always terminating services to delinquent customers.

Status: These findings are unresolved. See current year finding 1999-2.

1998-4 Finding: Violation of Budget Law

Highways and streets department expenditures exceeded budgeted appropriations by an amount in excess of five percent.

Status: Resolved.

SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

No findings.

SECTION III MANAGEMENT LETTER

No management letter was issued.

CITY OF ABBEVILLE, LOUISIANA

Corrective Action Plan
For the Year Ended December 31, 1999

Response to findings:

1999-1 Utility Accounts Receivable and Customers' Deposits

The City will assign its new Secretary/Treasurer the responsibility of establishing and coordinating monthly reconciliation procedures.

1999-2 Violations of Revenue Refunding Bond Restrictions

- (1) The City's utility system is operating on an overall profitable basis. As a result of a water rate increase implemented in September 1998 the City's water system is now in compliance with profitability requirements. Because of the recent water rate increase and because the City currently has sufficient profits to meet its debt service requirements, it is not appropriate to adjust sewer rates at this time.
- (2) The City does have a policy of terminating services for delinquent customers, however, there are certain instances where compassion and good sense allows departures from this policy.

OTHER SUPPLEMENTARY INFORMATION

CITY OF ABBEVILLE, LOUISIANA

Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers
(Unaudited)
December 31, 1999

Records maintained by the City indicated the following number of customers were being served during the month of December, 1999:

Department

Electric (metered)	5,076
Water (metered)	4,863
Sewerage	5,253

CITY OF ABBEVILLE, LOUISIANA

Enterprise Fund
Utility System Fund

Comparative Departmental Analysis of Revenues and Expenses
For the Years Ended December 31, 1999 and 1998

	Electric		Water	
	1999	1998	1999	1998
Operating revenues:				
Charges for services	\$ 9,758,391	\$ 10,324,642	\$ 1,087,388	\$ 725,404
Other revenues	177,095	157,551	19,734	11,069
Total operating revenues	<u>9,935,486</u>	<u>10,482,193</u>	<u>1,107,122</u>	<u>736,473</u>
Operating expenses:				
Salaries	260,213	284,562	299,732	242,671
Employees' insurance	35,095	40,738	42,185	36,533
Payroll taxes	19,688	21,528	22,803	17,997
Retirement	7,217	5,592	8,435	5,321
General insurance	54,868	131,407	60,914	65,438
Equipment operating expense	56,805	54,735	19,778	22,535
Maintenance and repairs - Systems	178,137	197,085	93,621	100,068
Electricity for pumps	-	-	34,731	39,029
Utilities	-	-	72,745	70,579
Materials, tools and supplies	83,407	74,163	76,240	87,946
Electric power purchased	5,234,006	5,511,974	-	-
Professional services	-	-	-	-
Office expense, postage and computer processing	-	-	-	-
Bad debts and collection fees	-	-	-	-
Donated services	-	-	-	-
Miscellaneous	6,247	5,624	19,718	14,616
Depreciation	301,015	304,440	111,857	111,758
Allocation of general and administrative expenses	205,417	184,971	154,063	138,728
Total operating expenses	<u>6,442,115</u>	<u>6,816,819</u>	<u>1,016,822</u>	<u>953,219</u>
Operating income (loss)	<u>\$ 3,493,371</u>	<u>\$ 3,665,374</u>	<u>\$ 90,300</u>	<u>\$ (216,746)</u>

Sewerage		General and Administrative		Totals	
1999	1998	1999	1998	1999	1998
\$ 676,469	\$ 686,039	\$ -	\$ -	\$ 11,522,248	\$11,736,085
<u>12,277</u>	<u>10,469</u>	-	-	<u>209,106</u>	<u>179,089</u>
<u>688,746</u>	<u>696,508</u>	-	-	<u>11,731,354</u>	<u>11,915,174</u>
173,960	166,298	219,856	204,615	953,761	898,146
37,131	37,288	44,611	45,047	159,022	159,606
14,295	12,382	16,565	15,312	73,351	67,219
5,703	4,064	8,214	6,322	29,569	21,299
45,142	35,186	9,499	9,495	170,423	241,526
16,586	23,646	7,305	8,080	100,474	108,996
94,173	128,382	-	-	365,931	425,535
47,432	53,983	-	-	82,163	93,012
83,948	86,486	9,535	8,629	166,228	165,694
37,825	32,948	-	-	197,472	195,057
-	-	-	-	5,234,006	5,511,974
-	-	14,630	15,630	14,630	15,630
-	-	50,498	30,476	50,498	30,476
-	-	59,635	57,262	59,635	57,262
-	-	581	851	581	851
6,426	3,863	8,693	9,629	41,084	33,732
337,839	331,757	63,921	51,079	814,632	799,034
<u>154,063</u>	<u>138,728</u>	<u>(513,543)</u>	<u>(462,427)</u>	<u>-</u>	<u>-</u>
<u>1,054,523</u>	<u>1,055,011</u>	<u>-</u>	<u>-</u>	<u>8,513,460</u>	<u>8,825,049</u>
<u><u>\$(365,777)</u></u>	<u><u>\$(358,503)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,217,894</u></u>	<u><u>\$ 3,090,125</u></u>

(continued)

CITY OF ABBEVILLE, LOUISIANA

Enterprise Fund
Utility System Fund

Comparative Departmental Analysis of Revenues and Expenses – Continued
For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Nonoperating revenues (expenses):		
Interest income	\$ 51,217	\$ 77,433
Interest expense and paying agents' fees	(176,548)	(302,646)
Amortization of bond issuance costs	-	(10,042)
Loss on disposal of equipment	(8,289)	-
Total nonoperating revenues (expenses)	<u>(133,620)</u>	<u>(235,255)</u>
Income before operating transfers	<u>3,084,274</u>	<u>2,854,870</u>
Other financing sources (uses):		
Operating transfers in	624,370	791,518
Operating transfers out	(4,101,460)	(3,500,405)
Total other financing sources (uses)	<u>(3,477,090)</u>	<u>(2,708,887)</u>
Net income (loss)	(392,816)	145,983
Add: Depreciation on fixed assets acquired by capital grants externally restricted for capital acquisitions and construction that reduces contributed capital	<u>118,974</u>	<u>118,797</u>
Increase (decrease) in retained earnings	(273,842)	264,780
Retained earnings, beginning	<u>376,105</u>	<u>111,325</u>
Retained earnings, ending	<u>\$ 102,263</u>	<u>\$ 376,105</u> (concluded)

CITY OF ABBEVILLE, LOUISIANA

All Funds

Combined Schedule of Interest Bearing Deposits
December 31, 1999

	<u>Amount</u>
General Fund:	
Airport Surface Lease Fund	\$ 3,936
Police Bond Fee Account	19,421
Main Street Special Account	2,216
Airway Park Account	1,600
Video Poker Fund	24,737
Police Task Force Account	3,139
Special Court Collections Account	3,698
Police Escrow Account	7,155
Police Telecom Account	<u>5,189</u>
Total General Fund	<u>71,091</u>
Special Revenue Funds:	
1% Sales Tax Fund	362,748
.25% Sales Tax Fund	21,874
Public Improvement Sewer Fund	58,732
Maintenance & Operation - Fire Department Fund	<u>29,388</u>
Total Special Revenue Funds	<u>472,742</u>
Debt Service Fund:	
1997 Certificates of Indebtedness Sinking Fund	<u>117,609</u>
Total Debt Service Fund	<u>117,609</u>
Enterprise Fund:	
Utility Operating Account	486,710
1998 Refunding Bonds Sinking Fund	64,235
Capital Additions and Contingency Fund	3,751
Restricted Utility Customers Deposit Account	<u>13,350</u>
Total Enterprise Fund	<u>568,046</u>
Internal Service Funds:	
Risk Management Fund	15,027
Employee Health Insurance Fund	<u>60,480</u>
Total Internal Service Funds	<u>75,507</u>
Agency Fund:	
Payroll Fund	<u>57,350</u>
Total Agency Fund	<u>57,350</u>
Total interest bearing deposits - all funds	<u>\$1,362,345</u>

* Interest at 2.53% APY

CITY OF ABBEVILLE, LOUISIANA

All Funds

Combined Schedule of Investments
December 31, 1999

<u>Institution</u>	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
Bank of Abbeville	60 Days	01/28/2000	4.83%	\$ 479,750
Hibernia National Bank	60 Days	01/28/2000	4.83%	265,125
Gulf Coast Bank	60 Days	01/28/2000	4.83%	265,125
Bank of Abbeville	90 Days	02/21/2000	4.82%	166,250
Hibernia National Bank	90 Days	02/21/2000	4.82%	91,875
Gulf Coast Bank	90 Days	02/21/2000	4.82%	91,875
Bank of Abbeville	91 Days	03/27/2000	5.03%	258,874
Hibernia National Bank	91 Days	03/27/2000	5.03%	143,063
Gulf Coast Bank	91 Days	03/27/2000	5.03%	143,063
Bank of Abbeville	365 Days	04/09/2000	4.12%	30,162
Hibernia National Bank	365 Days	04/09/2000	4.12%	16,669
Gulf Coast Bank	365 Days	04/09/2000	4.12%	16,669
Bank of Abbeville	182 Days	04/27/2000	5.28%	<u>125,000</u>
				<u>\$2,093,500</u>

CITY OF ABBEVILLE, LOUISIANA

Schedule of Insurance in Force
(Unaudited)
December 31, 1999

<u>Coverage</u>	<u>Coverage Amounts</u>	<u>Insurer</u>	<u>Expiration Date</u>
Casualty insurance:			
General liability	(1) 1,000,000	Coregis Ins. Co.	01/01/2000
Law Enforcement Officers Professional liability	(1) 1,000,000	Coregis Ins. Co.	01/01/2000
Auto liability	(1) 1,000,000	Coregis Ins. Co.	01/01/2000
Crime insurance:			
Money & securities (inside premises)	(1) 25,000	Coregis Ins. Co.	01/01/2000
Money & securities (outside premises)	(1) 25,000	Coregis Ins. Co.	01/01/2000
Commercial Blanket Bond	(1) 100,000	Coregis Ins. Co.	01/01/2000
Depositors forgery	(1) 50,000	Coregis Ins. Co.	01/01/2000
Money orders & counterfeit paper	(1) 50,000	Coregis Ins. Co.	01/01/2000
Property insurance:			
Primary Property Coverage	(1) 1,000,000	Coregis Ins. Co.	01/01/2000
Excess Property Coverage	(1) 13,585,000	Chubb	01/01/2000
Public officials:			
Public officials & employee liability	(2) 1,000,000	Coregis Ins. Co.	01/01/2000
Boiler and Machinery:			
Boiler and machinery	(3) 50,000,000	Travelers	01/01/2002
Time element insurance:			
Extra expense	(1) 100,000	Coregis Ins. Co.	01/01/2000
Other insurance:			
Employee benefit liability	(1) 1,000,000	Coregis Ins. Co.	01/01/2000
(1) \$25,000 self-insured retention for each occurrence; \$85,000 annual aggregate sub-limit.			
(2) \$25,000 Retention			
(3) \$1,000 Deductible			

CITY OF ABBEVILLE, LOUISIANA

Schedule of Compensation Paid to Members of Governing Board
For the Year Ended December 31, 1999

<u>Name and Office Held</u>	<u>Compensation</u>
R. Brady Broussard, Mayor	\$ 45,297
Norman Broussard, Councilman	11,228
Carlton Campbell, Councilman	9,980
Carbett Duhon, Councilman	9,980
Harold J. Lemaire, Councilman	9,980
Mark Piazza, Councilman	<u>9,980</u>
Total	<u>\$ 96,445</u>