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CITY OF DERIDDER
ANNUAL FINANCIAL STATEMENTS
WITH AUDITOR'S REPORT
SEPTEMBER 30, 1999

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

Release Date

APR 05 2000

CITY OF DERIDDER
SEPTEMBER 30, 1999

MAYOR

The Honorable Gerald Johnson

CITY COUNCIL

Mr. Vincent Labue (President)
Mrs. Estella Scott (Vice President)
Mr. Hayward Steele
Mrs. Jonnie Mango
Mr. Kerry Anderson
Mr. Gordon Jenkins
Mr. Collowyn Hodnett

DIRECTOR OF FINANCE

Mr. Wilbert Curtis

PUBLIC WORKS DIRECTOR

Mr. Billy O'Neal

LEGAL COUNSEL

Mr. David R. Lestage – City Attorney

CITY CLERK

Ms. Penny Simmons

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John A. Windham, CPA

INDEPENDENT AUDITOR'S REPORT

The Honorable Gerald Johnson, Mayor
and Members of the City Council
City of DeRidder, Louisiana

I have audited the accompanying general purpose financial statements of the City of DeRidder, Louisiana, as of and for the year ended September 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of DeRidder, Louisiana's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of DeRidder, Louisiana, as of September 30, 1999, and the results of its operations and cash flows of its proprietary fund types for the year ended in conformity with generally accepted accounting principles.

In accordance with GOVERNMENT AUDITING STANDARDS, I have also issued my report dated February 17, 2000 on my consideration of the City of DeRidder, Louisiana's internal control over financial reporting and my test of its compliance with certain provisions of laws, regulations, contracts and grants.

My audit was performed for the purpose of forming an opinion on the general purpose 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 general purpose financial statements of the City of DeRidder, Louisiana.

The Honorable Gerald Johnson, Mayor
and Members of the City Council
City of DeRidder, Louisiana
Page 2

Such Information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented, in all material respects, in relation to the general purpose financial statements taken as a whole.

John A. Windham, CPA
DeRidder, Louisiana
February 17, 2000

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

CITY OF DERIDDER

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
September 30, 1999

<u>ASSETS</u>	<u>GOVERNMENTAL FUND TYPES</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Cash	\$ 559,920	\$ 1,082,221	\$ 611,512	\$ 697,552
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts	98,747	164,668	---	---
Special assessments	---	---	266,377	---
Accrued interest	---	---	22,561	---
Prepaid insurance	\$ 36,088	13,033	---	---
Due from other funds	\$ 8,400	---	27,301	166
Restricted assets:				
Cash	---	---	---	---
Land	---	---	---	---
Buildings and improvements	---	---	---	---
Equipment	---	---	---	---
Utility plant and equipment	---	---	---	---
Accumulated depreciation	---	---	---	---
Amount available in debt service funds	---	---	---	---
Amount to be provided for retirement of general long-term debt	---	---	---	---
Amount to be provided for retirement of compensated absences	---	---	---	---
Total assets	<u>\$ 703,155</u>	<u>\$ 1,259,922</u>	<u>\$ 927,751</u>	<u>\$ 697,718</u>

Statement A

Proprietary Fund Types		Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	General Fixed Assets	General Long-Term Debt	
\$ 496,794	\$ 208,049	\$ ---	\$ ---	\$ 3,656,048
167,601	---	---	---	431,016
---	---	---	---	266,377
609	---	---	---	23,170
26,292	---	---	---	75,413
67,784	---	---	---	103,651
1,556,210	---	---	---	1,556,210
53,921	---	391,985	---	445,906
---	---	2,809,666	---	2,809,666
---	---	1,804,814	---	1,804,814
28,575,963	---	---	---	28,575,963
(9,708,537)	---	---	---	(9,708,537)
---	---	---	900,450	900,450
---	---	---	2,069,550	2,069,550
---	---	---	370,454	370,454
<u>\$ 21,236,637</u>	<u>\$ 208,049</u>	<u>\$ 5,006,465</u>	<u>\$ 3,340,454</u>	<u>\$ 33,380,151</u>

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF DERIDDER

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
September 30, 1999

<u>LIABILITIES</u>	GOVERNMENTAL FUND TYPES			
	General	Special Revenue	Debt Service	Capital Projects
Accounts payable	\$ 33,518	\$ 52,948	\$ ---	\$ ---
Salaries payable	---	---	---	3,000
Employee benefits payable	38,852	16,871	---	---
Payable from restricted assets:				
Customer deposits	---	---	---	---
Contracts payable	---	---	---	107,228
Due to other funds	67,940	1,761	27,301	5,015
Compensated absences payable	---	---	---	---
Revenue bonds payable	---	---	---	---
Certificates of Indebtedness	---	---	---	---
Total liabilities	\$ 140,310	\$ 71,580	\$ 27,301	\$ 115,243

Statement A

PROPRIETARY FUND TYPES		ACCOUNT GROUPS			Totals (Memorandum Only)
Enterprise	Internal Service	General Fixed Assets	General Long-Term Debt		
\$ 35,659	\$ 4,521	\$ ---	\$ ---	\$ 126,646	
---	---	---	---	3,000	
20,297	---	---	---	76,020	
123,859	---	---	---	123,859	
17,300	---	---	---	124,528	
1,634	---	---	---	103,651	
146,297	---	---	370,454	516,751	
---	---	---	1,860,000	1,860,000	
---	---	---	1,110,000	1,110,000	
<u>\$ 345,046</u>	<u>\$ 4,521</u>	<u>\$ ---</u>	<u>\$ 3,340,454</u>	<u>\$ 4,044,455</u>	

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF DERIDDER

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

September 30, 1999

<u>FUND EQUITY</u>	<u>GOVERNMENTAL FUND TYPES</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Contributed capital	\$ ---	\$ ---	\$ ---	\$ ---
Investments in general fixed assets	---	---	---	---
Retained earnings:				
Reserved	---	---	---	---
Unreserved	---	---	---	---
Fund balances:				
Reserved for perpetual care -				
Cemeteries	173,160	---	---	---
Industrial Park	36,516	---	---	---
Mausoleum	12,972	---	---	---
Museum	4,823	---	---	---
Community facilities building	2,310	---	---	---
Police and fire department capital improvements	43,287	---	---	---
Command post	293	---	---	---
Reserved for debt service	---	---	900,450	---
Unreserved -				
Designated for subsequent year's expenditures	---	200,000	---	10,900
Undesignated	289,484	988,342	---	571,575
Total fund equity	<u>\$ 562,845</u>	<u>\$ 1,188,342</u>	<u>\$ 900,450</u>	<u>\$ 582,475</u>
Total liabilities and fund equity	<u>\$ 703,155</u>	<u>\$ 1,259,922</u>	<u>\$ 927,751</u>	<u>\$ 697,718</u>

Statement A

PROPRIETARY FUND TYPES		ACCOUNT GROUPS			Totals (Memorandum Only)
Enterprise	Internal Service	General Fixed Assets	General Long-Term Debt		
\$ 23,117,432	\$ 131,563	\$ ---	\$ ---	\$	23,248,995
---	---	5,006,465	---	---	5,006,465
1,416,649	---	---	---	---	1,416,649
(3,642,490)	71,965	---	---	---	(3,570,525)
---	---	---	---	---	173,160
---	---	---	---	---	36,516
---	---	---	---	---	12,972
---	---	---	---	---	4,823
---	---	---	---	---	2,310
---	---	---	---	---	43,287
---	---	---	---	---	293
---	---	---	---	---	900,450
---	---	---	---	---	210,900
---	---	---	---	---	1,849,401
<u>\$ 20,891,591</u>	<u>\$ 203,528</u>	<u>\$ 5,006,465</u>	<u>\$ ---</u>	<u>\$</u>	<u>29,335,696</u>
<u>\$ 21,236,637</u>	<u>\$ 208,049</u>	<u>\$ 5,006,465</u>	<u>\$ 3,340,454</u>	<u>\$</u>	<u>33,380,151</u>

The accompanying notes are an integral part of this statement.

CITY OF DERIDDER

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES
 For the Fiscal Year Ended September 30, 1999

	GOVERNMENTAL	
	General	Special Revenues
Revenues:		
Taxes	\$ 763,542	3,556,773
Special assessments	---	---
Licenses and permits	396,342	---
Intergovernmental	194,770	142,192
Fees, charges and commissions for services	28,085	---
Use of money and property	55,608	42,256
Miscellaneous	18,284	150
Total revenues	<u>\$ 1,456,631</u>	<u>\$ 3,741,371</u>
Expenditures:		
General government	\$ 421,451	\$ 333,546
Public safety	1,676,621	---
Public works	---	1,212,132
Culture and recreation	178,611	---
Debt service	---	---
Capital outlay	---	---
Total expenditures	<u>\$ 2,276,683</u>	<u>\$ 1,545,678</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (820,052)</u>	<u>\$ 2,195,693</u>
Other financing sources (uses):		
Transfers in	\$ 723,553	\$ 10,000
Transfers out	(10,000)	(2,085,765)
Gain on sale of assets	1,033	---
Total other financing sources (uses)	<u>\$ 714,586</u>	<u>\$ (2,075,765)</u>
Excess (deficiency) of revenues and other sources over expenditures and other sources (uses)	\$ (105,466)	\$ 119,923
Fund balances at beginning of year	668,311	1,068,414
Residual equity transfer	---	---
Fund balances at end of year	<u>\$ 562,845</u>	<u>\$ 1,188,342</u>

Statement B

FUND TYPES		
Debt Service	Capital Projects	Totals (Memorandum Only)
\$ ---	\$ ---	\$ 4,320,315
243,187	13,958	257,145
---	---	396,342
---	11,164	348,126
---	---	28,085
15,268	14,661	127,793
---	---	18,434
<u>258,455</u>	<u>\$ 39,783</u>	<u>\$ 5,496,240</u>
\$ ---	\$ 22,427	\$ 777,424
---	---	1,676,621
---	444,590	1,656,722
---	---	178,611
777,307	---	777,307
---	30,094	30,094
<u>777,307</u>	<u>\$ 497,111</u>	<u>\$ 5,096,779</u>
\$ (518,852)	\$ (457,328)	\$ 399,461
\$ 808,547	\$ 692,601	\$ 2,234,701
(947)	(13,825)	(2,110,537)
---	---	1,033
<u>\$ 807,600</u>	<u>\$ 678,776</u>	<u>\$ 125,197</u>
\$ 288,748	\$ 221,448	\$ 524,658
611,702	398,261	2,746,688
---	(37,234)	(37,234)
<u>\$ 900,450</u>	<u>\$ 582,475</u>	<u>\$ 3,234,112</u>

The accompanying notes are an integral part of this statement.

CITY OF DERIDDER

COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL AND SPECIAL REVENUES - GOVERNMENTAL FUND TYPES
 For the Fiscal Year Ended September 30, 1999

	General Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Taxes	\$ 769,434	\$ 763,542	\$ (5,892)
Licenses and permits	402,000	396,342	(5,658)
Intergovernmental	195,437	194,770	(667)
Fees, charges and commissions for services	30,200	28,085	(2,115)
Use of money and property	58,900	55,608	(3,292)
Miscellaneous	18,284	18,284	---
Total revenues	<u>\$ 1,474,255</u>	<u>\$ 1,456,631</u>	<u>\$ (17,624)</u>
Expenditures:			
General government	\$ 421,762	\$ 421,451	\$ 311
Public safety	1,698,621	1,676,621	22,000
Public works	---	---	---
Culture and recreation	180,309	178,611	1,698
Total expenditures	<u>\$ 2,300,692</u>	<u>\$ 2,276,683</u>	<u>\$ 24,009</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (826,437)</u>	<u>\$ (820,052)</u>	<u>\$ 6,385</u>
Other financing sources (uses):			
Transfers in	\$ 723,600	\$ 723,553	\$ (47)
Transfers out	---	(10,000)	(10,000)
Accrued interest received	1,000	1,033	33
Total other financing sources (uses):	<u>\$ 724,600</u>	<u>\$ 714,586</u>	<u>\$ (10,014)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ (101,837)</u>	<u>\$ (105,466)</u>	<u>\$ (3,629)</u>
Fund balances at beginning of year	<u>668,311</u>	<u>668,311</u>	<u>---</u>
Fund balances at end of year	<u>\$ 566,474</u>	<u>\$ 562,845</u>	<u>\$ (3,629)</u>

Statement C

Special Revenue Funds		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 3,555,628	\$ 3,556,773	\$ 1,145
---	---	---
128,810	142,192	13,382
---	---	---
40,000	42,256	2,256
210	150	(60)
<u>\$ 3,724,648</u>	<u>\$ 3,741,371</u>	<u>\$ 16,723</u>
\$ 327,487	\$ 333,546	\$ (6,059)
---	---	---
1,227,692	1,212,132	15,560
---	---	---
<u>\$ 1,555,179</u>	<u>\$ 1,545,678</u>	<u>\$ 9,501</u>
<u>\$ 2,169,469</u>	<u>\$ 2,195,693</u>	<u>\$ 26,224</u>
\$ 10,000	\$ 10,000	\$ ---
(2,090,433)	(2,085,765)	4,668
---	---	---
<u>\$ (2,080,433)</u>	<u>\$ (2,075,765)</u>	<u>\$ 4,668</u>
\$ 39,036	\$ 119,928	\$ 30,892
1,068,414	1,068,414	---
<u>\$ 1,157,450</u>	<u>\$ 1,188,342</u>	<u>\$ 30,892</u>

The accompanying notes are an integral part of this statement.

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS - ALL PROPRIETARY FUND TYPES
For the Fiscal Year Ended September 30, 1999

	PROPRIETARY FUND TYPES		Totals (Memorandum Only)
	Enterprise	Internal Service	
Operating revenues:			
Charges for services:			
Water sales and service fees	\$ 851,312	\$ ---	\$ 851,312
Sewer service charge	760,897	---	760,897
Delinquent charges	30,726	---	30,726
Self insurance charges	---	12,549	12,549
Sales tax fees	22,869	---	22,869
Total operating revenues	<u>\$ 1,665,804</u>	<u>\$ 12,549</u>	<u>\$ 1,678,353</u>
Operating expenses:			
Claims and cost	\$ ---	\$ 18,364	\$ 18,364
Water department expenses	578,875	---	578,875
Sewer department expenses	673,227	---	673,227
Sewer plant expenses	472,204	---	472,204
General and administrative expenses	264,105	---	264,105
Total operating expenses	<u>\$ 1,988,411</u>	<u>\$ 18,364</u>	<u>\$ 2,006,775</u>
Operating income (loss)	\$ (322,607)	\$ (5,815)	\$ (328,422)
Non-operating revenues (expenses):			
Interest income	\$ 70,835	\$ 19,929	\$ 90,764
Transfers in	137,962	---	137,962
Transfers out	(262,126)	---	(262,126)
Total non-operating revenues (expenses):	<u>\$ (53,329)</u>	<u>\$ 19,929</u>	<u>\$ (33,400)</u>

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF DERIDDER
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
 RETAINED EARNINGS - ALL PROPRIETARY FUND TYPES
 For the Fiscal Year Ended September 30, 1999

Statement D

	PROPRIETARY FUND TYPES		Totals (Memorandum Only)
	Enterprise	Internal Service	
Net income (loss)	\$ (375,936)	\$ 14,114	\$ (361,822)
Retained earnings/fund balance at beginning of year	(1,887,139)	57,851	(1,829,288)
Residual equity transfer	37,234	---	37,234
Retained earnings/fund balance at end of year	\$ (2,225,841)	\$ 71,965	\$ (2,153,876)

(Concluded)

The accompanying notes are an integral part of this statement.

COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
For the Fiscal Year Ended September 30, 1999

	PROPRIETARY FUND TYPES		Totals (Memorandum Only)
	Enterprise	Internal Service	
Cash flows from operating activities:			
Cash received from customers	\$ 1,642,221	\$ 12,549	\$ 1,654,770
Cash payments to suppliers for goods and services	(533,901)	(13,843)	(547,744)
Cash payments for employee services and employee related fringe benefits	(735,250)	---	(735,250)
Net cash provided by operating activities	<u>\$ 373,070</u>	<u>\$ (1,294)</u>	<u>\$ 371,776</u>
Cash flows from noncapital financing activities:			
Transfers from other funds	\$ 175,196	\$ ---	\$ 175,196
Transfers to other funds	(262,126)	---	(262,126)
Net cash provided for noncapital financing activities	<u>\$ (86,930)</u>	<u>\$ ---</u>	<u>\$ (86,930)</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	\$ (267,943)	\$ ---	\$ (267,943)
Retirement of assets	21,417	---	21,417
Net cash used for capital and related financing activities	<u>\$ (246,526)</u>	<u>\$ ---</u>	<u>\$ (246,526)</u>

The accompanying notes are an integral part of this statement.

CITY OF DERIDDER

Statement E

COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
For the Fiscal Year Ended September 30, 1999

	PROPRIETARY FUND TYPES		Totals (Memorandum Only)
	Enterprise	Internal Service	
Cash flows from investing activities:			
Interest on cash management activities:	\$ 70,835	\$ 19,929	\$ 90,764
Net increase in cash and cash equivalents	\$ 110,449	\$ 18,635	\$ 129,084
Cash and cash equivalents, beginning of year	1,942,555	189,414	2,131,969
Cash and cash equivalents, end of year	\$ 2,053,004	\$ 208,049	\$ 2,261,053
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (322,607)	\$ (5,815)	\$ (328,422)
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Depreciation	\$ 731,242	\$ ---	\$ 731,242
Increase in accounts receivable	(21,399)	---	(21,399)
Decrease in accounts payable	(1,017)	4,521	3,504
Increase in employee benefits payable	797	---	797
Increase in contracts payable	1,200	---	1,200
Decrease in customer deposits	(2,184)	---	(2,184)
Decrease in compensated absences	(6,845)	---	(6,845)
Increase in prepaid insurance	(7,992)	---	(7,992)
Decrease in due from other funds	1,875	---	1,875
Total adjustments	\$ 695,677	\$ 4,521	\$ 700,198
Net cash provided by operating activities	\$ 373,070	\$ (1,294)	\$ 371,776

(Concluded)

The accompanying notes are an integral part of this statement.

CITY OF DERIDDER

NOTES TO FINANCIAL STATEMENTS

September 30, 1999

INTRODUCTION

The City of DeRidder was originally incorporated under the provisions of the Lawrason Act. The City operates under a Mayor-Council form of government under a Home Rule Charter. The governing body is comprised of an elected mayor and seven elected council members. The council members are paid \$450.00 each per month for their service.

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

The City is located within Beauregard Parish in the southwestern part of the State of Louisiana and is comprised of approximately 9,700 residents. The City employs approximately 96 people which provide various services to the residents. The City maintains approximately 74 miles of roadways within the city limits.

The City maintains various funds which provide services and benefits to the residents. The general fund provides police and fire protection, and culture and recreational activities. The sales tax fund provides public works of highway and street maintenance and solid waste collection and disposal. The utility fund provides water and sewer services to approximately 4,100 residents. Other funds are established as needed for specific projects undertaken by the City.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the City of DeRidder have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the municipal governing authority, for reporting purposes, the City of DeRidder is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

government City of DeRidder, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the City of DeRidder for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the City to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
2. Organizations for which the City does not appoint a voting majority but are fiscally dependent on the City.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

As required by generally accepted accounting principles, these financial statements present the City of DeRidder and its component units. The component unit included in the accompanying financial statements is blended with the municipality's funds.

Blended Components Units

Component units that are legally separate from the municipality, but are so intertwined with the municipality that they are, in substance, the same as the municipality are blended component units. For a component unit to be blended, the organization's board and the municipality must be substantially the same, or the organization must provide services entirely to the municipality and blended with the appropriate municipality funds:

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Section 8 Existing Housing

Included in the special revenue funds are the financial statements of Section-8 Existing Housing which has a fiscal year ending June 30, 1999. Section-8 Existing Housing is a component unit of the City government, and a separate audit of its operations is performed. Although the City does *provide facilities and some of the financing, no control is exercised over the operations.* In addition to the above organization, the Mayor, with the approval of the council, appoints board members to the DeRidder Housing Authority Board. The financial statements of Section 8 Existing Housing may be obtained from the City of DeRidder, 200 S. Jefferson St., DeRidder, LA. 70634.

Discretely Presented Component Units

Component units that are legally separate from the municipality, but are financially accountable to the municipality, or whose relationship with the municipality are such that exclusion would cause the municipality's financial statements to be misleading or incomplete are discretely presented.

The City of DeRidder had no discretely presented component units as of September 30, 1999.

C. FUND ACCOUNTING

The municipality 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 relating to certain government functions or activities.

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

Funds of the municipality are classified into two categories: governmental and proprietary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

GOVERNMENTAL FUNDS

Governmental funds are used to account for all or most of the municipality's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. General fund – the general operating fund of the municipality, accounts for all financial resources, except those required to be accounted for in other funds.
2. Special revenue funds – accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. In addition, the General Fund of each blended component unit is reported as a special revenue fund.
3. Debt service funds – accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.
4. Capital projects funds – accounts for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other funds.

PROPRIETARY FUNDS

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

1. Enterprise funds – accounts for operations (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.
2. Internal service funds – accounts for the financing of goods or services provided by one department to other departments or governments on a cost-reimbursement basis.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds, expendable trust funds, and agency funds. The

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

governmental funds and expendable trust funds use the following practices in recording revenues and expenditures:

Revenues

Revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of collecting governments and are recognized as revenues at that time. anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is that principal and interest on long-term debt is recognized when due.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses).

All proprietary funds and non-expendable trust funds are accounted for on a flow of resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The proprietary funds and non-expendable trust funds use the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized at the time liabilities are incurred.

E. BUDGETS

The City of DeRidder uses the following budget practices:

1. The Director of Finance submits to the Mayor and City Council a proposed operating budget no later than fifteen days prior to the beginning of each fiscal year. The operating budget includes proposed expenditures and the means of financing them. For the fiscal year beginning October 1, 1998 and ending September 30, 1999 the budget was submitted to the City Council on September 14, 1998 and the public hearing was called for. After the public hearing was held, the budget was adopted by ordinance of the City Council.

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Budgetary appropriations lapse at the end of each fiscal year.
3. Budgets for the general and special revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended by the City Council.
4. Amendments to the budget are approved by the City Council by a formal adoption of an ordinance. The original budget is amended as necessary and all amendments are reflected in the budget comparisons in the financial statements.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through bond indenture provisions.

F. ENCUMBRANCES

The City uses encumbrance accounting primarily as a budgetary control device.

G. CASH AND CASH EQUIVALENTS
AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, money market accounts and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the municipality may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

H. SHORT-TERM INTERFUND
RECEIVABLES/PAYABLES

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

I. PREPAID ITEMS

Prepaid items consist of insurance policy premiums paid in advance.

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. 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.

Under the terms of the water and sewer revenue bond indentures, all income and revenue to be earned from the operation of the said system shall be deposited daily, as the same may be collected in a separate bank account (hereinafter sometimes called the Revenue Fund).

The said fund shall be established, maintained and administered in the following order of priority, and for the following express purposes:

- a. The payment of all reasonable and necessary costs of operations, repairs, maintenance, and insurance of the system shall be as the same becomes due and payable.
- b. The establishment and maintenance of a Sales Tax Sinking Fund sufficient in amount to pay promptly and fully the principal and the interest on the bond herein authorized as they severally become due and payable. By transferring from said Sales Tax Fund and depositing in a sinking fund monthly each year thereafter, a sum equal to 1/6 of the amount of interest falling due on the next succeeding interest payment date and 1/12 of the amount of principal falling due on the next succeeding date on which principal is payable.

K. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized in the general fixed assets account group. Public domain or infrastructures are not capitalized. Interest costs incurred during construction are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

Fixed assets used in the proprietary fund operations are included on the balance sheet of the funds along with accumulated depreciation. Depreciation of all exhaustible fixed assets used by proprietary fund operations is charged as an expense against operations. Depreciation is computed using the straight line method and the following useful lives.

Water utility assets	5-40 years
Sewer utility assets	5-50 years
Administrative assets	5-10 years
Sewer plant	5-40 years

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. COMPENSATED ABSENCES

The City of DeRidder's recognition and measurement criteria for compensated absences follows:

On July 1, 1996, the City enacted new legislation concerning sick leave pay and unpaid vacation. Full time employees earn vacation leave at varying rates depending upon length of service, which also may be accumulated up to a maximum of 160 days. Upon death, retirement or separation of service from the City, an employee may receive their entire accumulated sick leave pay if he chooses to draw it out over regular pay periods. If the employee chooses to receive the pay in a lump-sum he will receive 50% of the accumulated pay. In addition, upon retirement, unused sick leave is used in the retirement benefit computation as earned service.

On March 28, 1994 the old sick leave policy was amended to reflect that each employee of the City would receive 4 hours of sick leave per pay period (13 days per year). As an exception, firemen working 53 hours per week will receive 10 hours of sick leave per month. Upon termination (voluntary or involuntary) an employee will receive full pay for accumulated sick leave not to exceed a 60 day limit (480 hours) with payment made by an installment plan based on the hourly rate at retirement.

No sick leave credit hours accumulated under the old sick leave policy will be lost. Upon retirement or termination, remuneration will be made to those employees who have accrued sick leave under the old policy. This payment will be made in installments and capped at the hourly rate as of December 31, 1993.

M. LONG-TERM OBLIGATIONS

For the primary government, long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. FUND EQUITY

Contributed Capital

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds when such resources are restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources.

Reserves

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

O. 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 of the City of DeRidder are reported as operating transfers.

P. SALES TAX

The 1% sales and use tax is dedicated to constructing, paving, resurfacing and improving streets, sidewalks and bridges; constructing and improving drains and subsurface drainage; and for the purpose of defraying the maintenance expenses thereof; constructing, acquiring and improving public parks and recreational facilities and purchasing and acquiring the

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

necessary land, equipment and furnishing thereof. In addition, it provides funds for the retirement of all public improvement bonds. This tax is for an indefinite period. An additional 1% sales tax, for a five year period, is dedicated and used for the following purposes:

41% for constructing, improving, repairing, operating and maintaining public buildings, public streets and sidewalks; drains and drainage facilities; garbage and solid waste collection and disposal facilities; paying the cost of other public services, including grass cutting; and paying the cost of improving or extending city utilities to encourage and induce the location of or additions to industrial enterprises having economic impact upon the city;

25% to pay the cost of providing public safety and fire and police protection services, including the acquisition of furnishings and equipment thereof;

30% to pay the cost of improving, repairing, operating and maintaining sewers and sewerage collection and disposal works, including the acquisition of equipment thereof;

4% to pay the cost of constructing, improving, repairing, operating and maintaining public parks and recreational facilities and purchasing and acquiring the necessary land, equipment and furnishing thereof. In addition, it provides funds for the retirement of all public improvement bonds. This tax is for an indefinite period.

Q. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined 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 is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

R. BAD DEBTS

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

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

2. FUND DEFICITS

The following individual fund has a deficit in unreserved retained earnings at September 30, 1999:

<u>Fund</u>	<u>Deficit Amount</u>
Enterprise Fund	<u>\$ 3,269,696</u>

Enterprise Fund

The retained deficit of the enterprise fund arises because of the application of generally accepted accounting principles of financial reporting for such funds. Depreciation, a non-cash expense, contributes to the deficit. Even though the retained deficit exists, the enterprise fund had an overall fund equity of \$20,891,591 at September 30, 1999. The City Council will monitor the retained deficit and raise utility fees when necessary.

3. LEVIED TAXES

Taxes are levied on January 1, billed between November 1 and November 15, and payable by December 31. The lien date for unpaid taxes is August 15 of the following year. The tax collector bills and collects the City's property taxes. City property tax revenues are recognized when billed to the extent that they result in current receivables.

The following is a summary of authorized and levied ad valorem taxes for the year:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Citywide taxes:			
General fund	7.15	7.15	---
Police\fire			
capital improvements	2.60	2.60	9-30-2001

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

3. LEVIED TAXES (CONTINUED)

The following are the principal taxpayers for the municipality:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Wal-Mart Stores Inc.	Retail Store	\$ 2,115,530	5.20%
Ampacet Corporation	Manufacturer	1,836,540	4.51%
Westvaco Corporation	Manufacturer	3,130,095	7.69%
First National Bank	Banking	2,483,020	6.10%
Bell South Communications	Communications	905,052	2.22%
Cleco	Utility Co.	<u>1,207,200</u>	<u>2.97%</u>
		<u>\$11,677,437</u>	<u>28.69%</u>

4. CASH AND CASH EQUIVALENTS

The following is a summary of cash and cash equivalents (book balances) at September 30, 1999:

	<u>Primary Government</u>
Demand deposits	\$ 178,424
Interest-bearing demand deposits	2,344,198
Louisiana Asset Management Pool (LAMP)	2,034,386
Time deposits	655,000
Petty cash	<u>250</u>
Total	<u>\$5,212,258</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. 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.

At September 30, 1999, the City of DeRidder has \$3,245,681 in deposits (collected bank balances) and \$2,034,386 invested in the Louisiana Asset Management Pool (LAMP). These

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

4. CASH AND CASH EQUIVALENTS (CONTINUED)

Deposits are secured from risk by \$526,321 of federal deposit insurance, \$2,719,360 of pledged securities held by the custodial bank in the name of the fiscal agent bank and \$2,034,386 invested in government securities in the LAMP program (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

5. RECEIVABLES

The following is a summary of receivables for September 30, 1999:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Proprietary Funds</u>
Taxes:					
Other	\$ 98,747	\$ ---	\$ ---	\$ ---	\$ ---
Intergovernmental -- grants:					
State	---	---	---	---	---
Special assessments:					
Current	---	---	266,377	---	---
Delinquent	---	51,286	---	---	---
Accounts:					
Accounts receivable	---	13,382	---	---	167,601
Accrued interest	---	---	22,561	---	609
Total	<u>\$ 98,747</u>	<u>\$ 64,668</u>	<u>\$288,938</u>	<u>\$ ---</u>	<u>\$168,210</u>

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

6. FIXED ASSETS

The changes in general fixed assets follow:

	Balance September 30, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	Balance September 30, <u>1999</u>
Land	\$ 363,585	\$ 28,400	\$ ---	\$ 391,985
Buildings and improvements	1,563,896	1,245,770	---	2,809,666
Equipment and furniture	<u>1,614,577</u>	<u>212,589</u>	<u>22,352</u>	<u>1,804,814</u>
Total	<u>\$ 3,542,058</u>	<u>\$1,486,759</u>	<u>\$22,352</u>	<u>\$ 5,006,465</u>

A summary of proprietary property, plant, and equipment follows:

	Enterprise <u>Fund</u>
Land	\$ 53,921
Plant and equipment	<u>28,575,963</u>
Subtotal	\$28,629,884
Less accumulated depreciation	<u>9,708,537</u>
Total	<u>\$18,921,347</u>

7. PENSION PLAN

Substantially all employees of the City of DeRidder are members of the following statewide retirement systems: Municipal Police Employees' Retirement System of Louisiana, Municipal Employees' Retirement System of Louisiana, and Firefighters' Retirement System of Louisiana. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

7. PENSION PLAN (CONTINUED)

A. Municipal Employees Retirement System of Louisiana (System)

Plan Description. The System is composed of two distinct plans, Plan A and plan B, with separate assets and benefit provisions. All employees of the municipality are members of Plan B.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 % of their final- average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basis benefit reduced 3% for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100% of final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees' Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225)925-4810.

Funding Policy. Under Plan B, members are required by state statute to contribute 5.0% of their annual covered salary and the City of DeRidder is required to contribute at an actuarially determined rate. The current rate is 2.75% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirement of plan members and the City of DeRidder are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of DeRidder contributions to the System under Plan B for the years ending September 30, 1999, 1998 and 1997, were \$40,079, \$30,609 and \$29,068, respectively, equal to the required contributions for the year.

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

7. PENSION PLAN (CONTINUED)

B. Municipal Police Employees Retirement System of Louisiana (System)

Plan Description. All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees' Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, LA. 70809-2250, or by calling (225)929-7411.

Funding Policy. Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the City of DeRidder is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the City of DeRidder are established and may be amended by state statute. As provided by Louisiana Revised Statute 11.103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of DeRidder's contributions to the System for the years ending September 30, 1999, 1998, and 1997, were \$56,267, \$52,477, and \$47,477 respectively, equal to the required contributions for each year.

C. Firefighters' Retirement System of Louisiana

Plan Description. Membership in the Louisiana Firefighters' Retirement System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection district that did not enact an ordinance before January 1, 1980, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service, not to exceed 100 percent of their

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

7. PENSION PLAN (CONTINUED)

final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, P. O. Box 94095, Baton Rouge, LA. 70804, or by calling (225)925-4060.

Funding Policy. Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the City of DeRidder is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the City of DeRidder are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of DeRidder's contributions to the System for the years ending September 30, 1999, 1998, and 1997, were \$28,430, \$24,133, and \$23,653 respectively, equal to the required contributions for each year.

8. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The following is a summary of payables at September 30, 1999:

<u>Class of Payable</u>	<u>Primary Government</u>			
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>
Employee benefits Accounts	\$38,852 <u>33,518</u>	\$16,871 <u>52,948</u>	\$ 20,297 <u>35,659</u>	\$ --- <u>4,521</u>
Total	<u>\$72,370</u>	<u>\$69,819</u>	<u>\$ 55,956</u>	<u>\$ 4,521</u>

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

9. COMPENSATED ABSENCES

At September 30, 1999, employees of the primary government have accumulated and vested \$516,751 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$370,454 is recorded within the general long-term obligations account group. The leave liability for employees of the Enterprise Fund, for \$146,297, is accounted for within the fund.

10. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended September 30, 1999:

	<u>Primary Government</u>			
	<u>Bonded Debt</u>	<u>Certificates of Indebtedness</u>	<u>Compensated Absences</u>	<u>Total</u>
Long-term obligations payable at September 30, 1998	\$ 2,365,000	\$ 1,220,000	\$ 326,931	\$3,911,931
Additions	---	---	43,523	43,523
Deductions	<u>(505,000)</u>	<u>(110,000)</u>	<u>---</u>	<u>(615,000)</u>
Long-term obligations payable at September 30, 1999	<u>\$ 1,860,000</u>	<u>\$ 1,110,000</u>	<u>\$ 370,454</u>	<u>\$3,340,454</u>

CITY OF DERIDDER
NOTES TO FINANCIAL STATEMENTS

10. CHANGES IN GENERAL LONG-TERM OBLIGATIONS (CONTINUED)

Revenue bonds, and Certificates of Indebtedness are comprised of the following individual issues at September 30, 1999:

Revenue Bonds – Sales Tax:

\$1,570,000 Series ST-1998 Public Improvement Sales Tax Refunding Bonds due in annual installments of \$155,000 to \$415,000 through May, 2003; interest at the rate of 4.60%	\$ 1,315,000
\$2,020,000 Series 1992 Sales Tax bonds due in annual installments of \$155,000 to \$280,000 through February 1, 2001; interest from 5.60% to 5.85%	\$ 545,000

Certificates of Indebtedness:

\$1,320,000 Series 1997 Certificates of Indebtedness due in annual installments of \$165,000 through August, 2007; interest at the rate of 5.5%	\$ 1,110,000
---	--------------

At September 30, 1999, the City of DeRidder accumulated \$900,450 in the debt service fund for future debt requirements. The annual requirements to amortize all bonds and/or certificates outstanding at September 30, 1999, including interest of \$3,431,942 for the City of DeRidder is as follows:

<u>Fiscal Year</u>	<u>Revenue Bonds</u>	<u>Certificate of Indebtedness</u>	<u>Total</u>
2000	\$ 709,422	\$ 176,050	\$ 885,472
2001	717,120	174,725	891,845
2002	441,220	173,125	614,345
2003	162,130	176,250	338,380
2004	---	173,825	173,825
2005-2007	---	<u>528,075</u>	<u>528,075</u>
Total	<u>\$ 2,029,892</u>	<u>\$ 1,402,050</u>	<u>\$3,431,942</u>

The primary government is legally restricted from incurring long-term bonded debt secured by sales and use taxes in excess of 75 percent of the avails of the tax. The municipality was within this 75 percent limitation when the sales tax bonds were issued.

SUPPLEMENTAL INFORMATION SCHEDULES

GENERAL FUND

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

CITY OF DERIDDER

Schedule 1

GENERAL FUND

BALANCE SHEET
September 30, 1999ASSETS

Cash	\$	559,920
Accounts receivable		98,747
Prepaid insurance		36,088
Due from other funds		8,400
		<hr/>
Total assets	\$	<u>703,155</u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$	33,518
Employee benefits payable		38,852
Due to other funds		67,940
		<hr/>
Total liabilities	\$	<u>140,310</u>

Fund balance:

Reserved for perpetual care -		
Cemetaries	\$	173,160
Industiral park		36,516
Mausoleum		12,972
Museum		4,823
Community facilities building		2,310
Police and fire departments capital improvements		43,287
Command post		293
Unreserved-Undesignated		289,484
		<hr/>
Total fund balance	\$	<u>562,845</u>
		<hr/>
Total liabilities and fund balance	\$	<u>703,155</u>

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 1999

Revenues:		
Taxes	\$	763,542
Licenses and permits		396,342
Intergovernmental		194,770
Fees, charges and commissions for services		28,085
Use of money and property		55,608
Miscellaneous		18,284
Total revenues	\$	<u>1,456,631</u>
Expenditures:		
General government	\$	421,451
Public safety		1,676,621
Culture and recreation		178,611
Total expenditures	\$	<u>2,276,683</u>
Excess (deficiency) of revenues over expenditures	\$	<u>(820,052)</u>
Other financing sources (uses):		
Transfers in	\$	723,553
Transfers out		(10,000)
Gain on sale of assets		1,033
Total other financing sources (uses)	\$	<u>714,586</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$	<u>(105,466)</u>
Fund balances at beginning of year		<u>668,311</u>
Fund balances at end of year	\$	<u>562,845</u>

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP) AND ACTUAL
 For the Fiscal Year Ended September 30, 1999

	Budget	Actual	Variance - Favorable (Unfavorable)
<u>Revenues:</u>			
<u>Taxes:</u>			
Ad valorem	\$ 407,000	\$ 405,396	\$ (1,604)
Franchise taxes	351,434	348,031	(3,403)
Chain store taxes	11,000	10,115	(885)
Total taxes	<u>\$ 769,434</u>	<u>\$ 763,542</u>	<u>\$ (5,892)</u>
<u>Licenses and permits:</u>			
Building permits	\$ 13,000	\$ 10,534	\$ (2,466)
Plumbing permits	5,000	4,834	(166)
Electrical permits	5,000	4,198	(802)
AC/Heat fees	4,000	3,401	(599)
Occupational licenses	375,000	373,375	(1,625)
Total licenses and permits	<u>\$ 402,000</u>	<u>\$ 396,342</u>	<u>\$ (5,658)</u>
<u>Intergovernmental:</u>			
Federal funds	\$ ---	\$ 6,182	\$ 6,182
State funds	78,000	67,000	(11,000)
Local funds	49,000	53,151	4,151
Fire insurance rebate	18,313	18,313	---
Tobacco taxes	50,124	50,124	---
Total intergovernmental	<u>\$ 195,437</u>	<u>\$ 194,770</u>	<u>\$ (667)</u>
<u>Fees, charges and commissions for services:</u>			
Accident report fees	\$ 2,000	\$ 1,874	\$ (126)
Dog pound charges	500	466	(34)
Swimming pool charges	11,000	10,597	(403)
Lot clearing charges	4,000	3,935	(65)
Cemetary and mausoleum charges	8,000	7,620	(380)
Museum revenues	2,700	1,851	(849)
Drug seizures commissions	2,000	1,742	(258)
Total charges for services	<u>\$ 30,200</u>	<u>\$ 28,085</u>	<u>\$ (2,115)</u>

(Continued)

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP) BASIS AND ACTUAL
 For the Fiscal Year Ended September 30, 1999

	Budget	Actual	Variance - Favorable (Unfavorable)
Use of money and property:			
Office rent	\$ 18,000	\$ 18,000	\$ ---
Other rent	17,900	17,880	(20)
Interest income	23,000	19,728	(3,272)
Total use of money and property	<u>\$ 58,900</u>	<u>\$ 55,608</u>	<u>\$ (3,292)</u>
Miscellaneous	<u>\$ 18,284</u>	<u>\$ 18,284</u>	<u>\$ ---</u>
Total revenues	<u>\$ 1,474,255</u>	<u>\$ 1,456,631</u>	<u>\$ (17,624)</u>
<u>Expenditures:</u>			
General government:			
Salaries and related benefits	\$ 210,957	\$ 217,824	\$ (6,867)
Office supplies	1,500	1,837	(337)
Operating supplies	26,000	26,165	(165)
Building maintenance	10,000	8,318	1,682
Equipment maintenance	6,000	6,203	(203)
Veteran contribution	216	432	(216)
Insurance	13,639	13,568	71
Museum purchases	500	414	86
Community facilities			
building maintenance	5,900	9,143	(3,243)
Museum maintenance	5,050	6,328	(1,278)
Cemetary maintenance	11,200	1,160	10,040
Freight and postage	2,300	2,175	125
Legal and professional	12,400	12,400	---
Training	2,000	2,146	(146)

(Continued)

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 1999

	Budget	Actual	Variance - Favorable (Unfavorable)
Auto expense	\$ 1,000	\$ 1,216	\$ (216)
Advertising	10,000	11,260	(1,260)
Uniforms	600	286	314
Telephone	14,000	14,244	(244)
Travel	20,900	20,131	769
Dues and subscriptions	5,000	4,838	162
Collections fees	14,700	14,582	118
Utilities	26,000	26,331	(331)
Miscellaneous	13,000	11,533	1,467
Data processing	4,600	4,683	(83)
Capital outlay	4,300	4,234	66
Total general government	\$ 421,762	\$ 421,451	\$ 311
Public safety:			
Police:			
Salaries and related benefits	\$ 833,267	\$ 824,506	\$ 8,761
Office supplies	1,800	1,651	149
Auto maintenance	30,000	29,654	346
Operating supplies	42,000	43,739	(1,739)
Equipment maintenance	5,000	4,889	111
Custody of prisoners	1,200	850	350
Training	7,200	6,728	472
Travel	3,900	3,760	140
Insurance	28,160	21,543	6,617
Freight and postage	350	296	54
Telephone	4,500	5,093	(593)
Uniforms and accessories	27,000	27,903	(903)
Dues and subscriptions	1,000	2,146	(1,146)
Drug task force	26,000	28,422	(2,422)
Miscellaneous	1,200	---	1,200
Capital outlay	89,000	91,796	(2,796)
Total police	\$ 1,101,577	\$ 1,092,976	\$ 8,601

(Continued)

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Fire:			
Salaries and related benefits	\$ 455,144	\$ 448,090	\$ 7,054
Auto maintenance	17,400	17,835	(435)
Operating supplies	25,000	11,477	13,523
Office supplies	300	320	(20)
Building maintenance	4,500	4,260	240
Equipment maintenance	4,500	4,134	366
Travel	1,000	1,052	(52)
Insurance	12,000	9,417	2,583
Freight and postage	100	114	(14)
Telephone	1,200	1,064	136
Uniforms and accessories	8,500	8,317	183
Utilities	6,200	6,189	11
Volunteer fireman	5,800	5,050	750
Training	5,000	4,817	183
Miscellaneous	400	360	40
Capital outlay	50,000	61,149	(11,149)
	<u>\$ 597,044</u>	<u>\$ 583,645</u>	<u>\$ 13,399</u>
Total fire	<u>\$ 597,044</u>	<u>\$ 583,645</u>	<u>\$ 13,399</u>
Total public safety	<u>\$ 1,698,621</u>	<u>\$ 1,676,621</u>	<u>\$ 22,000</u>

(Continued)

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 1999

	Budget	Actual	Variance - Favorable (Unfavorable)
Culture and recreation:			
Salaries and related benefits	\$ 36,750	\$ 36,170	\$ 580
Operating supplies	25,000	27,314	(2,314)
Equipment maintenance	3,000	---	3,000
Telephone	550	580	(30)
Utilities	9,500	9,437	63
Capital outlay	105,509	105,110	399
Total culture and recreation	\$ 180,309	\$ 178,611	\$ 1,698
Total expenditures	\$ 2,300,692	\$ 2,276,683	\$ 24,009
Excess (deficiency) of revenues over expenditures	\$ (826,437)	\$ (820,052)	\$ 6,385
Other financing sources (uses):			
Transfer in from sales tax fund	\$ 723,000	\$ 722,953	\$ (47)
Transfer in from capital projects	600	600	---
Transfer out to sales tax fund	---	(10,000)	(10,000)
Gain on sale of assets	1,000	1,033	33
Total other financing sources (uses)	\$ 724,600	\$ 714,586	\$ (10,014)
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ (101,337)	\$ (105,466)	\$ (3,629)
Fund balances at beginning of year	668,311	668,311	---
Fund balance at end of year	\$ 566,474	\$ 562,845	\$ (3,629)

(Concluded)

SPECIAL REVENUE FUNDS

Sales Tax Fund -- to account for the collection of the 2% sales and use tax which is to be used for retirement of special bonded debt and for other dedicated purposes.

Economic Development -- to account for the revenues and expenditures of the economic development program as required by federal regulations.

Section 8 Existing Housing -- to account for the revenue and expenditures of the federal Section -- 8 Housing program as required by federal regulations.

CITY OF DERIDDER
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
September 30, 1999

	<u>Sales Tax</u>	<u>Economic Development</u>
<u>ASSETS</u>		
Cash	\$ 1,036,359	\$ ---
Accounts receivable	---	---
Prepaid insurance	13,033	---
Due from economic development project	---	151,286
	<hr/>	<hr/>
Total assets	<u>\$ 1,049,392</u>	<u>\$ 151,286</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 52,948	\$ ---
Employee benefits payable	16,871	---
Due to general fund	---	1,761
	<hr/>	<hr/>
Total liabilities	<u>\$ 69,819</u>	<u>\$ 1,761</u>
Fund balance:		
Unreserved-undesignated	\$ 779,573	\$ 149,525
Designated for subsequent year expenditures	200,000	---
	<hr/>	<hr/>
Total fund balance	<u>\$ 979,573</u>	<u>\$ 149,525</u>
Total liabilities and fund balance	<u>\$ 1,049,392</u>	<u>\$ 151,286</u>

Section - 8 Existing Housing	Totals
\$ 45,862	\$ 1,082,221
13,382	13,382
---	13,033
---	151,286
<u>\$ 59,244</u>	<u>\$ 1,259,922</u>
\$ ---	\$ 52,948
---	16,871
---	1,761
<u>\$ ---</u>	<u>\$ 71,580</u>
\$ 59,244	\$ 988,342
---	200,000
<u>\$ 59,244</u>	<u>\$ 1,188,342</u>
<u>\$ 59,244</u>	<u>\$ 1,259,922</u>

CITY OF DERIDDER

SPECIAL REVENUE FUNDS

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

For the Fiscal Year Ended September 30, 1999

	Sales Tax	Economic Development
Revenues:		
Taxes	\$ 3,556,773	\$ ---
Intergovernmental	12,408	---
Interest	42,256	---
Miscellaneous	150	---
Total revenues	<u>\$ 3,611,587</u>	<u>\$ ---</u>
Expenditures:		
General Government	\$ 210,156	\$ ---
Public Works	1,212,132	---
Total expenditures	<u>\$ 1,422,288</u>	<u>\$ ---</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 2,189,299</u>	<u>\$ ---</u>
Other financing sources (uses):		
Transfers in	\$ 10,000	\$ ---
Transfers out	(2,085,765)	---
Total other financing sources (uses)	<u>\$ (2,075,765)</u>	<u>\$ ---</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ 113,534</u>	<u>\$ ---</u>
Fund balances at beginning of year	<u>866,039</u>	<u>149,525</u>
Fund balances at end of year	<u>\$ 979,573</u>	<u>\$ 149,525</u>

Schedule 5

Section - 8 Existing Housing	Totals
\$ ---	\$ 3,556,773
129,784	142,192
---	42,256
---	150
<u>\$ 129,784</u>	<u>\$ 3,741,371</u>
\$ 123,390	\$ 333,546
---	1,212,132
<u>\$ 123,390</u>	<u>\$ 1,545,678</u>
<u>\$ 6,394</u>	<u>\$ 2,195,693</u>
\$ ---	\$ 10,000
---	(2,085,765)
<u>\$ ---</u>	<u>(2,075,765)</u>
\$ 6,394	\$ 119,928
52,850	1,068,414
<u>\$ 59,244</u>	<u>\$ 1,188,342</u>

CITY OF DERIDDER

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 1999

	Sales Tax		Variance - Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes:			
Current	\$ 3,555,628	\$ 3,556,773	\$ 1,145
Intergovernmental	12,408	12,408	---
Interest	40,000	42,256	2,256
Miscellaneous	210	150	(60)
Total revenues	<u>\$ 3,608,246</u>	<u>\$ 3,611,587</u>	<u>\$ 3,341</u>
Expenditures:			
General government:			
Salaries and related benefits	\$ 114,118	\$ 113,075	\$ 1,043
Supplies	2,600	2,736	(136)
Other services and charges	91,867	92,445	(578)
Capital outlay	2,500	1,900	600
Total general government	<u>\$ 211,085</u>	<u>\$ 210,156</u>	<u>\$ 929</u>
Public works:			
Highways and streets:			
Salaries and related benefits	\$ 442,386	\$ 439,118	\$ 3,268
Supplies	85,100	80,731	4,369
Other services and charges	248,206	240,970	7,236
Capital outlay	96,000	96,170	(170)
Total highways and streets	<u>\$ 871,692</u>	<u>\$ 856,989</u>	<u>\$ 14,703</u>
Sanitation	<u>\$ 356,000</u>	<u>\$ 355,143</u>	<u>\$ 857</u>
Total public works	<u>\$ 1,227,692</u>	<u>\$ 1,212,132</u>	<u>\$ 15,560</u>
Total expenditures	<u>\$ 1,438,777</u>	<u>\$ 1,422,288</u>	<u>\$ 16,489</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 2,169,469</u>	<u>\$ 2,189,299</u>	<u>\$ 19,830</u>

Economic Development		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ ---	\$ ---	\$ ---
---	---	---
---	---	---
---	---	---
\$ ---	\$ ---	\$ ---
\$ ---	\$ ---	\$ ---
---	---	---
---	---	---
\$ ---	\$ ---	\$ ---
\$ ---	\$ ---	\$ ---
---	---	---
---	---	---
\$ ---	\$ ---	\$ ---
\$ ---	\$ ---	\$ ---
\$ ---	\$ ---	\$ ---
\$ ---	\$ ---	\$ ---
\$ ---	\$ ---	\$ ---
\$ ---	\$ ---	\$ ---

(Continued)

CITY OF DERIDDER

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 1999

Section 8 Existing Housing

	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Taxes:			
Current	\$ ---	\$ ---	\$ ---
Intergovernmental	116,402	129,784	13,382
Interest	---	---	---
Miscellaneous	---	---	---
Total revenues	\$ 116,402	\$ 129,784	\$ 13,382
Expenditures:			
General government:			
Salaries and related benefits	\$ 4,400	\$ 4,400	\$ ---
Supplies	---	---	---
Other services and charges	112,002	118,990	(6,988)
Capital outlay	---	---	---
Total general government	\$ 116,402	\$ 123,390	\$ (6,988)
Public works:			
Highways and streets:			
Salaries and related benefits	\$ ---	\$ ---	\$ ---
Supplies	---	---	---
Other services and charges	---	---	---
Capital outlay	---	---	---
Total highway and streets	\$ ---	\$ ---	\$ ---
Sanitation	\$ ---	\$ ---	\$ ---
Total public works	\$ ---	\$ ---	\$ ---
Total expenditures	\$ 116,402	\$ 123,390	\$ (6,988)
Excess (deficiency) of revenues over expenditures	\$ ---	\$ 6,394	\$ 6,394

Totals		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 3,555,628	\$ 3,556,773	\$ 1,145
128,810	142,192	13,382
40,000	42,256	2,256
210	150	(60)
<u>\$ 3,724,648</u>	<u>\$ 3,741,371</u>	<u>\$ 16,723</u>
\$ 118,518	\$ 117,475	\$ 1,043
2,600	2,736	(136)
203,869	211,435	(7,566)
2,500	1,900	600
<u>\$ 327,487</u>	<u>\$ 333,546</u>	<u>\$ (6,059)</u>
\$ 442,386	\$ 439,118	\$ 3,268
85,100	80,731	4,369
248,206	240,970	7,236
96,000	96,170	(170)
<u>\$ 371,692</u>	<u>\$ 356,989</u>	<u>\$ 14,703</u>
<u>\$ 356,000</u>	<u>\$ 355,143</u>	<u>\$ 857</u>
<u>\$ 1,227,692</u>	<u>\$ 1,212,132</u>	<u>\$ 15,560</u>
<u>\$ 1,555,179</u>	<u>\$ 1,545,678</u>	<u>\$ 9,501</u>
<u>\$ 2,169,469</u>	<u>\$ 2,195,693</u>	<u>\$ 26,224</u>

(Continued)

CITY OF DERIDDER

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 1999

	Sales Tax		Variance - Favorable (Unfavorable)
	Budget	Actual	
Other financing sources (uses):			
Transfers in			
General fund	\$ 10,000	\$ 10,000	\$ ---
Transfers out			
Debt service fund	(807,000)	(807,600)	(600)
General fund	(730,973)	(722,953)	8,020
Capital projects funds	(417,250)	(417,250)	---
Utility fund	(135,210)	(137,962)	(2,752)
Total other financing sources (uses)	<u>\$ (2,080,433)</u>	<u>\$ (2,075,765)</u>	<u>\$ 4,668</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ 89,036	\$ 113,534	\$ 24,498
Fund balance at beginning of year	<u>866,039</u>	<u>866,039</u>	<u>---</u>
Fund balance at end of year	<u>\$ 955,075</u>	<u>\$ 979,573</u>	<u>\$ 24,498</u>

Economic Development		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ ---	\$ ---	\$ ---
---	---	---
---	---	---
---	---	---
---	---	---
\$ ---	\$ ---	\$ ---
---	---	---
\$ ---	\$ ---	\$ ---
149,525	149,525	---
\$ 149,525	\$ 149,525	\$ ---

(Continued)

CITY OF DERIDDER

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 1999

	Section-8 Existing Housing		
	Budget	Actual	Variance - Favorable (Unfavorable)
Other financing sources (uses):			
Transfers in	\$ ---	\$ ---	\$ ---
General fund			
Transfers out			
Debt service fund	---	---	---
General fund	---	---	---
Capital projects funds	---	---	---
Utility fund	---	---	---
Total other financing sources (uses)	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ ---	\$ 6,394	\$ 6,394
Fund balance at beginning of year	<u>52,850</u>	<u>52,850</u>	<u>---</u>
Fund balance at end of year	<u>\$ 52,850</u>	<u>\$ 59,244</u>	<u>\$ 6,394</u>

Totals			
Budget	Actual	Variance - Favorable (Unfavorable)	
\$ 10,000	\$ 10,000	\$ ---	
(807,000)	(807,600)	(600)	
(730,973)	(722,953)	8,020	
(417,250)	(417,250)	---	
(135,210)	(137,962)	(2,752)	
<u>\$ (2,080,433)</u>	<u>\$ (2,075,765)</u>	<u>\$ 4,668</u>	
\$ 89,036	\$ 119,928	\$ 30,892	
<u>918,889</u>	<u>918,889</u>	<u>---</u>	
<u>\$ 1,007,925</u>	<u>\$ 1,038,817</u>	<u>\$ 30,892</u>	

(Concluded)

DEBT SERVICE FUNDS

1973 Sewer Improvement Bonds – to accumulate monies for payment of the 1973 \$1,400,000, utility revenue bonds at interest rates ranging from 5.25% to 6%.

Public Improvement Bonds (Consolidated Sinking Fund; Certificates of Indebtedness Series 1991 and 1992) – to accumulate monies for payment of the various series of sales tax bond issues for street and sewer improvements. The interest rates vary by year and issue.

Rainbow Forest Sewer Extension – to account for the cost associated with sewer extensions in the Rainbow Forest Subdivision.

Street Improvement Assessment Funds (Phase 5 Street Improvements; Phase 6 & 7 Street Improvements; Contingency Fund for Street Improvements) – to account for the costs of paving street in certain areas (districts) within the City.

Certificates of Indebtedness, Series 1996 – to accumulate monies for payment of the 1996 \$720,000 certificates of indebtedness at an interest rate of 8.50%.

Certificates of Indebtedness, Series 1997 – to accumulate monies for payment of the 1997 \$1,320,000 certificates of indebtedness at an interest rate of 5.50%.

Public Improvement Refunding Bonds, Series ST-1998 – to accumulate monies for the payment of principal and interest falling due on the ST 1998 \$1,570,000 bond issue with interest cost of 4.60%.

CITY OF DERIDDER

DEBT SERVICE FUNDS

COMBINING BALANCE SHEET

September 30, 1999

<u>ASSETS</u>	<u>Phase 5 Street Improvement</u>	<u>Phase 6 & 7 Street Improvement</u>	<u>Contingency Fund</u>
Cash	\$ 2,546	\$ 2,349	\$ 203
Special assessment receivable -			
Current	---	---	---
Delinquent	14,122	9,068	---
Accrued interest	11,177	11,384	---
Due from other funds	---	---	27,301
 Total assets	 <u>\$ 27,845</u>	 <u>\$ 22,801</u>	 <u>\$ 27,504</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Due to other funds	<u>\$ 5,438</u>	<u>\$ 21,863</u>	<u>\$ ---</u>
Fund balances:			
Reserved for debt service	<u>\$ 22,407</u>	<u>\$ 938</u>	<u>\$ 27,504</u>
 Total liabilities and fund balances	 <u>\$ 27,845</u>	 <u>\$ 22,801</u>	 <u>\$ 27,504</u>

Certificate of Indebtedness Series 1992	Consolidated Sinking Fund	Sewer Improvement Bonds District #1 1973	Rainbow Forest Sewer Extension
\$ 417,756	\$ 140,614	\$ 13,713	\$ ---
---	---	---	243,187
---	---	---	---
---	---	---	---
<u>\$ 417,756</u>	<u>\$ 140,614</u>	<u>\$ 13,713</u>	<u>\$ 243,187</u>
<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>
<u>\$ 417,756</u>	<u>\$ 140,614</u>	<u>\$ 13,713</u>	<u>\$ 243,187</u>
<u>\$ 417,756</u>	<u>\$ 140,614</u>	<u>\$ 13,713</u>	<u>\$ 243,187</u>

(Continued)

DEBT SERVICE FUNDS

COMBINING BALANCE SHEET

September 30, 1999

<u>ASSETS</u>	Certificates of Indebtedness Series 1996	Certificates of Indebtedness Series 1997	Totals
Cash	\$ ---	\$ 34,331	\$ 611,512
Special assessment receivable -			
Current	---	---	243,187
Delinquent	---	---	23,190
Accrued interest	---	---	22,561
Due from other funds	---	---	27,301
 Total assets	 \$ ---	 \$ 34,331	 \$ 927,751
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Due to other funds	\$ ---	\$ ---	\$ 27,301
Fund balances:			
Reserved for debt service	\$ ---	\$ 34,331	\$ 900,450
 Total liabilities and fund balances	 \$ ---	 \$ 34,331	 \$ 927,751

(Concluded)

CITY OF DERIDDER

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 1999

	Phase 5 Street Improvement	Phase 6 & 7 Street Improvement	Contingency Fund
Revenues:			
Special assessments	\$ ---	\$ ---	\$ ---
Interest	73	49	7
Total revenues	<u>\$ 73</u>	<u>\$ 49</u>	<u>\$ 7</u>
Expenditures:			
Principal retirement	\$ ---	\$ ---	\$ ---
Interest and fiscal charges	---	---	---
Miscellaneous	---	---	---
Total expenditures	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 73</u>	<u>\$ 49</u>	<u>\$ 7</u>
Other financing sources (uses):			
Transfers in	\$ ---	\$ ---	\$ ---
Transfers out	---	---	---
Total other financing sources (uses)	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>
Excess (deficiency) of revenues and other sources over expenditures and other (uses)	<u>\$ 73</u>	<u>\$ 49</u>	<u>\$ 7</u>
Fund balances at beginning of year	<u>22,334</u>	<u>889</u>	<u>27,497</u>
Fund balances at end of year	<u>\$ 22,407</u>	<u>\$ 938</u>	<u>\$ 27,504</u>

Certificate of Indebtedness Series 1992	Consolidated Sinking Fund	Sewer Improvement Bonds District #1 1973	Rainbow Forest Sewer Extension
\$ ---	\$ ---	\$ ---	\$ 243,187
9,431	3,721	---	---
<u>\$ 9,431</u>	<u>\$ 3,721</u>	<u>\$ ---</u>	<u>\$ 243,187</u>
\$ 250,000	\$ 255,000	\$ ---	\$ ---
39,235	55,105	---	---
867	---	---	---
<u>\$ 290,102</u>	<u>\$ 310,105</u>	<u>\$ ---</u>	<u>\$ ---</u>
<u>\$ (280,671)</u>	<u>\$ (306,384)</u>	<u>\$ ---</u>	<u>\$ 243,187</u>
\$ 288,000	342,000	\$ ---	\$ ---
---	---	---	---
<u>\$ 288,000</u>	<u>\$ 342,000</u>	<u>\$ ---</u>	<u>\$ ---</u>
\$ 7,329	\$ 35,616	\$ ---	\$ 243,187
410,427	104,998	13,713	---
<u>\$ 417,756</u>	<u>\$ 140,614</u>	<u>\$ 13,713</u>	<u>\$ 243,187</u>

(Continued)

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 1999

	Certificate of Indebtedness <u>Series 1996</u>	Certificate of Indebtedness <u>Series 1997</u>	<u>Totals</u>
Revenues:			
Special assessments	\$ ---	\$ ---	\$ 243,187
Interest	---	1,987	15,268
Total revenues	<u>\$ ---</u>	<u>\$ 1,987</u>	<u>\$ 258,455</u>
Expenditures:			
Principal retirement	\$ ---	110,000	615,000
Interest and fiscal charges	---	67,100	161,440
Miscellaneous	---	---	867
Total expenditures	<u>\$ ---</u>	<u>\$ 177,100</u>	<u>\$ 777,307</u>
Excess (deficiency) of revenues over expenditures	<u>\$ ---</u>	<u>\$ (175,113)</u>	<u>\$ (518,852)</u>
Other financing sources (uses):			
Transfers in	\$ ---	\$ 178,547	\$ 808,547
Transfers out	(947)	---	(947)
Total other financing sources (uses)	<u>\$ (947)</u>	<u>\$ 178,547</u>	<u>\$ 807,600</u>
Excess (deficiency) of revenues and other sources over expenditures and other (uses)	<u>\$ (947)</u>	<u>\$ 3,434</u>	<u>\$ 288,748</u>
Fund balances at beginning of year	<u>947</u>	<u>30,897</u>	<u>611,702</u>
Fund balances at end of year	<u>\$ ---</u>	<u>\$ 34,331</u>	<u>\$ 900,450</u>

(Concluded)

CAPITAL PROJECTS FUNDS

Sludge Management Project – to account for the construction and the further expansions and improvements of water and wastewater systems.

Street Construction – to account for the construction and further improvements of certain streets within the City limits for general purpose use.

Historical Enhancement Fund – to account for funds used in the development and maintenance of the historic district in downtown DeRidder.

LCDBG Street Project – to account for Louisiana Community Development Block Grant funds used for the City's 1999 street overlay project.

Main Street Program -- to account for the repair, restoration, and renovation of historic buildings in the downtown DeRidder area.

LCDBG Sewer Project -- to account for Louisiana Community Development Block Grant funds used for extension and improvement to existing sewer lines.

City Hall Building Fund -- to account for funds used in the expansion and renovations to the City Hall Building.

Rainbow Forest Sewer Project -- to account for the construction and extension of the City's sewer system into the Rainbow Forest Subdivision.

CITY OF DERIDDER

CAPITAL PROJECTS FUND

COMBINING BALANCE SHEET

September 30, 1999

	Sludge Management Project	Street Construction	Historical Enhancement Fund
<u>ASSETS</u>			
Cash	\$ ---	\$ 511,525	\$ 10,900
Due from other funds	---	5	---
Total assets	<u>\$ ---</u>	<u>\$ 511,530</u>	<u>\$ 10,900</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Salaries payable	\$ ---	\$ ---	\$ ---
Contracts payable	---	---	---
Due to other funds	---	---	---
Total liabilities	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>
Fund balances:			
Unreserved/undesignated	\$ ---	\$ ---	\$ 10,900
Designated for subsequent years expenditures	---	---	---
Total fund balance	<u>\$ ---</u>	<u>\$ 511,530</u>	<u>\$ 10,900</u>
Total liabilities and fund balances	<u>\$ ---</u>	<u>\$ 511,530</u>	<u>\$ 10,900</u>

FY99 LCDBG Street Project	Main Street Program	FY96 LCDBG Sewer Project	City Hall Building Fund	Rainbow Forest Sewer Project	Totals
\$ 5	\$ 7,307	\$ ---	\$ 84,918	\$ 82,897	\$ 697,552
---	161	---	---	---	166
<u>\$ 5</u>	<u>\$ 7,468</u>	<u>\$ ---</u>	<u>\$ 84,918</u>	<u>\$ 82,897</u>	<u>\$ 697,718</u>
\$ ---	\$ 3,000	\$ ---	\$ ---	\$ ---	\$ 3,000
---	---	---	---	107,228	107,228
5	5,005	---	---	5	5,015
<u>\$ 5</u>	<u>\$ 8,005</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 107,233</u>	<u>\$ 115,243</u>
\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 10,900
---	(537)	---	84,918	(24,336)	571,575
<u>\$ ---</u>	<u>\$ (537)</u>	<u>\$ ---</u>	<u>\$ 84,918</u>	<u>\$ (24,336)</u>	<u>\$ 582,475</u>
<u>\$ 5</u>	<u>\$ 7,468</u>	<u>\$ ---</u>	<u>\$ 84,918</u>	<u>\$ 82,897</u>	<u>\$ 697,718</u>

CITY OF DERIDDER

CAPITAL PROJECTS FUNDS

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

For the Fiscal Year Ended September 30, 1999

	Sludge Management Project	Street Construction	Historical Enhancement Fund
Revenues:			
Intergovernmental	\$ ---	\$ ---	\$ ---
Assessments	---	---	---
Interest	357	10,885	---
Total revenues	<u>\$ 357</u>	<u>\$ 10,885</u>	<u>\$ ---</u>
Expenditures:			
Salaries	\$ ---	\$ ---	\$ ---
Supplies	---	---	---
Other costs and charges	5	---	---
Travel and conferences	---	---	---
Engineering and other costs	---	13	3,000
Construction contracts	---	20,391	---
Capital outlay	---	---	---
Total expenditures	<u>\$ 5</u>	<u>\$ 20,404</u>	<u>\$ 3,000</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 352</u>	<u>\$ (9,519)</u>	<u>\$ (3,000)</u>
Other financing sources (uses):			
Transfers in	\$ ---	\$ 400,000	\$ ---
Transfer out	---	(13,225)	---
Total other financing sources (uses)	<u>\$ ---</u>	<u>\$ 386,775</u>	<u>\$ ---</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ 352	\$ 377,256	\$ (3,000)
Fund balances at beginning of year	\$ 36,882	\$ 134,274	\$ 13,900
Residual equity transfer	<u>\$ (37,234)</u>	<u>\$ ---</u>	<u>\$ ---</u>
Fund balances at end of year	<u>\$ ---</u>	<u>\$ 511,530</u>	<u>\$ 10,900</u>

FY99 LCDBG Street Project	Main Street Program	FY96 LCDBG Sewer Project	City Hall Building Fund	Rainbow Forest Sewer Project	Totals
\$ ---	\$ 11,164	\$ ---	\$ ---	\$ ---	\$ 11,164
---	---	---	---	13,958	13,958
---	---	---	3,419	---	14,661
<u>\$ ---</u>	<u>\$ 11,164</u>	<u>\$ ---</u>	<u>\$ 3,419</u>	<u>\$ 13,958</u>	<u>\$ 39,783</u>
\$ ---	\$ 17,400	\$ ---	\$ ---	\$ ---	\$ 17,400
---	2,375	---	---	---	2,375
---	891	---	---	---	896
---	1,756	---	---	---	1,756
13,225	---	4,674	29,164	71,192	121,268
---	8,000	99,207	81,922	113,802	323,322
---	---	---	26,794	3,300	30,094
<u>\$ 13,225</u>	<u>\$ 30,422</u>	<u>\$ 103,881</u>	<u>\$ 137,880</u>	<u>\$ 188,294</u>	<u>\$ 497,111</u>
<u>\$ (13,225)</u>	<u>\$ (19,258)</u>	<u>\$ (103,881)</u>	<u>\$ (134,461)</u>	<u>\$ (174,336)</u>	<u>\$ (457,328)</u>
\$ 13,225	\$ 17,250	\$ 112,126	\$ ---	\$ 150,000	\$ 692,601
---	(600)	---	---	---	(13,825)
<u>\$ 13,225</u>	<u>\$ 16,650</u>	<u>\$ 112,126</u>	<u>\$ ---</u>	<u>\$ 150,000</u>	<u>\$ 678,776</u>
\$ ---	\$ (2,608)	\$ 8,245	\$ (134,461)	\$ (24,336)	\$ 221,448
\$ ---	\$ 2,071	\$ (8,245)	\$ 219,379	\$ ---	\$ 398,261
<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (37,234)</u>
<u>\$ ---</u>	<u>\$ (537)</u>	<u>\$ ---</u>	<u>\$ 84,918</u>	<u>\$ (24,336)</u>	<u>\$ 582,475</u>

PROPRIETARY FUNDS

ENTERPRISE FUND

Water and Sewer Fund -- to account for the provisions of water and sewer 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, operation, maintenance, financing and related debt service, and billing and collection.

INTERNAL SERVICE FUND

Self Insurance Fund -- to account for money charged to and collected from other funds for the cost of insurance premiums, deductibles and claims not covered by the City's insurance carrier.

CITY OF DERIDDER

WATER AND SEWER ENTERPRISE FUND

BALANCE SHEET
September 30, 1999ASSETS

Current assets:

Cash	\$	496,794
Accounts receivable, net of allowance for uncollectible accounts (\$2,304)		167,601
Accrued interest receivable		609
Prepaid insurance		26,292
Due from general fund		67,779
Due from capital projects funds		5
Total current assets	\$	<u>759,080</u>

Restricted assets, cash:

Customer deposits	\$	137,297
Capital additions and contingency account		308,999
Depreciation and contingency account		734,768
State reimbursement contract		19,856
Sewer contingency account		355,290
Total restricted assets	\$	<u>1,556,210</u>

Property, plant and equipment

Land	\$	53,921
Plant and equipment, at cost, net of accumulated depreciation (\$9,708,537)		18,867,426
Total property, plant and equipment	\$	<u>18,921,347</u>

Total assets

\$ 21,236,637

LIABILITIES AND FUND EQUITY.

Liabilities:

Current liabilities (payable from
current assets):

Accounts payable	\$	35,659
Employees benefits payable		20,297
Due to general fund		1,634
Total current liabilities (payable from current assets)	\$	<u>57,590</u>

Current liabilities (payable from
restricted assets):

Customer deposits	\$	123,859
Contracts payable		17,300
Total current liabilities (payable from restricted assets)	\$	<u>141,159</u>

Long-term liabilities:

Compensated absences payable	\$	146,297
------------------------------	----	---------

Total liabilities

\$	<u>345,046</u>
----	----------------

Fund equity:

Contributed capital	\$	23,117,432
---------------------	----	------------

Retained earnings:

Reserved	\$	1,416,649
Unreserved		(3,642,490)
Total retained earnings	\$	<u>(2,225,841)</u>

Total fund equity

\$	<u>20,891,591</u>
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Total liabilities and fund equity

\$	<u><u>21,236,637</u></u>
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WATER AND SEWER ENTERPRISE FUND

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
RETAINED EARNINGS

For the Fiscal Year September 30, 1999

Operating revenues:		
Charges for services:		
Water sales and service fees	\$	851,312
Sewer service charges		760,897
Delinquent charges		30,726
Sales tax fees		22,869
Total operating revenues	\$	<u>1,665,804</u>
Operating expenses:		
Water department expenses	\$	578,875
Sewer department expenses		673,227
Sewer plant expenses		472,204
General and administrative expenses		264,105
Total operating expenses	\$	<u>1,988,411</u>
Operating income (loss)	\$	<u>(322,607)</u>
Non-operating revenues (expenses):		
Interest income	\$	70,835
Transfers from sales tax fund		137,962
Transfers to capital projects funds		(262,126)
Total non-operating revenues (expenses)	\$	<u>(53,329)</u>
Net income (loss)	\$	<u>(375,936)</u>
Retained earnings at beginning of year	\$	(1,887,139)
Residual equity transfer		<u>37,234</u>
Retained earnings at end of year	\$	<u>(2,225,841)</u>

WATER AND SEWER ENTERPRISE FUND

STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE

For the Fiscal Year Ended September 30, 1999

	<u>Enterprise</u>
Cash flows from operating activities:	
Cash received from customers	\$ 1,642,221
Cash payments to suppliers for goods and services	(533,901)
Cash payments for employee services and employee related fringe benefits	(735,250)
Net cash provided by operating activities	<u>\$ 373,070</u>
Cash flows from noncapital financing activities:	
Transfers from other funds	\$ 175,196
Transfers to other funds	(262,126)
Net cash provided from noncapital financing activities	<u>\$ (86,930)</u>
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	\$ (267,943)
Retirement of assets	21,417
Net increase in cash and cash equivalents	<u>\$ (246,526)</u>
Cash flows from investing activities:	
Interest on cash management activities	\$ 70,835
Net increase in cash and cash equivalents	<u>\$ 110,449</u>
Cash and cash equivalents, beginning of year	<u>\$ 1,942,555</u>
Cash and cash equivalents, end of year	<u>\$ 2,053,004</u>

(Continued)

WATER AND SEWER ENTERPRISE FUND

STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE

For the Fiscal Year Ended September 30, 1999

RECONCILIATION OF OPERATING
LOSS TO NET CASH PROVIDED BY
OPERATING ACTIVITIES

	<u>Enterprise</u>
Operating loss	<u>\$ (322,607)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	\$ 731,242
Increase in accounts receivable	(21,399)
Decrease in accounts payable	(1,017)
Increase in employee benefits payable	797
Increase in contracts payable	1,200
Decrease in customer deposits	(2,184)
Decrease in compensated absences	(6,845)
Increase in prepaid insurance	(7,992)
Decrease in due from other funds	1,875
Total adjustments	<u>\$ 695,677</u>
Net cash provided by operating activities	<u>\$ 373,070</u>

(Concluded)

WATER AND SEWER ENTERPRISE FUND

STATEMENT OF OPERATING EXPENSES BY DEPARTMENT
For the Fiscal Year Ended September 30, 1999

Water:		
Salaries and related benefits	\$	264,700
Auto and truck maintenance		12,566
Operating supplies		53,823
Equipment maintenance		15,794
Dues		150
Insurance		15,802
Water treatment		35,034
Utilities		43,565
Telephone		236
Depreciation		130,142
Training		1,135
Travel		830
Uniforms		3,911
Safety wear		1,152
Miscellaneous		35
	\$	<u>578,875</u>
Sewer Maintenance:		
Salaries and related benefits	\$	156,277
Auto and truck maintenance		7,294
Operating supplies		37,815
Equipment maintenance		4,786
Testing fees		3,031
Insurance		9,417
Utilities		42,403
Uniforms		921
Safety wear		698
Depreciation		406,435
Training		730
Travel		170
Equipment rental		3,250
	\$	<u>673,227</u>

(Continued)

WATER AND SEWER ENTERPRISE FUND

STATEMENT OF OPERATING EXPENSES BY DEPARTMENT
For the Fiscal Year Ended September 30, 1999

Sewer Plant:		
Salaries and related benefits	\$	124,045
Auto and truck maintenance		3,525
Operating supplies		27,876
Equipment maintenance		28,561
Testing fees		13,324
Insurance		10,794
Dues		4,350
Utilities		56,297
Telephone		1,733
Uniforms		2,594
Fees/Permits		1,790
Safety wear		446
Lab expense		4,513
Depreciation		192,039
Travel		238
Training		40
Miscellaneous		39
	\$	<u>472,204</u>
General and Administrative:		
Salaries and related benefits	\$	184,180
Office supplies		232
Operating supplies		6,558
Telephone		151
Computer service		6,154
Insurance		5,953
Legal and professional		10,000
Postage		11,559
Office rent		12,000
Depreciation		2,626
State sales tax		22,912
State reimbursement contract		1,200
Training		580
	\$	<u>264,105</u>
Total operating expenses	\$	<u>1,988,411</u>

(Concluded)

INTERNAL SERVICE FUND - SELF INSURANCE FUND

BALANCE SHEET
September 30, 1999

	<u>Self Insurance Fund</u>
<u>ASSETS</u>	
Cash	<u>\$ 208,049</u>
<u>LIABILITIES AND FUND EQUITY</u>	
Liabilities:	
Accounts payable	<u>\$ 4,521</u>
Fund Equity:	
Contributed capital	\$ 131,563
Unreserved retained earnings	<u>71,965</u>
Total fund equity	<u>\$ 203,528</u>
Total liabilities and fund equity	<u>\$ 208,049</u>

INTERNAL SERVICE FUND - SELF INSURANCE FUND

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended September 30, 1999

	<u>Self Insurance Fund</u>
Operating revenues	<u>\$ 12,549</u>
Operating expenses:	
Claims and cost	<u>\$ 18,364</u>
Operating income (loss)	<u>\$ (5,815)</u>
Non-operating revenues (expenses):	
Interest income	<u>\$ 19,929</u>
Net income (loss)	<u>\$ 14,114</u>
Retained earnings at beginning of year	<u>\$ 57,851</u>
Retained earnings at end of year	<u>\$ 71,965</u>

INTERNAL SERVICE FUND

STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE
For the Fiscal Year Ended September 30, 1999

	<u>Self Insurance Fund</u>
Cash flows from operating activities:	
Charges for services	\$ 12,549
Claims and cost	<u>(13,843)</u>
Net cash provided by operating activities:	<u>\$ (1,294)</u>
Cash flows from investing activities:	
Interest income	<u>\$ 19,929</u>
Net increase in cash & cash equivalents	\$ 18,635
Cash and cash equivalents, beginning of year	<u>\$ 189,414</u>
Cash and cash equivalents, end of year	<u>\$ 208,049</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	<u>\$ (5,815)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Increase in accounts payable	<u>\$ 4,521</u>
Net cash provided by operating activities	<u>\$ (1,294)</u>

CITY OF DERIDDER

WATER AND SEWER ENTERPRISE FUND

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS-RESTRICTED ACCOUNTS
 REQUIRED BY REVENUE BOND ORDINANCE
 For the Fiscal Year Ended September 30, 1999

	\$635,000 Waterworks Utility Revenue Bond Construction Contingency	Reimbursement Contract	Sewer Contingency Fund
Cash and investments at beginning of year	\$ 241,542	\$ 18,377	\$ 379,334
Cash receipts:			
Transfers in	\$ 99,996	\$ 1,200	\$ 177,030
Interest received	6,817	279	12,860
State grant received	---	---	---
Deposits collected	---	---	---
Total cash receipts	\$ 106,813	\$ 1,479	\$ 189,890
Total cash and investments available	\$ 348,355	\$ 19,856	\$ 569,224
Cash disbursements:			
Supplies	\$ ---	\$ ---	\$ ---
Repairs	13,182	---	72,508
Capital expenditures	26,174	---	29,300
Interest/paying agent fees	---	---	---
Principal payments	---	---	---
Deposits refunded	---	---	---
Transfers out	---	---	112,126
Total cash disbursements	\$ 39,356	\$ ---	\$ 213,934
Cash and investments at end of year	\$ 308,999	\$ 19,856	\$ 355,290

<u>\$1,400,000 Utility Revenue Bonds Depreciation and Contingency</u>	<u>Customer Deposits</u>	<u>Total</u>
\$ 752,606	\$ 131,244	\$ 1,523,103
\$ 106,795	\$ ---	\$ 385,021
32,172	4,167	56,295
---	---	---
---	31,805	31,805
<u>\$ 138,967</u>	<u>\$ 35,972</u>	<u>\$ 473,121</u>
\$ 891,573	\$ 167,216	\$ 1,996,224
\$ ---	\$ 24	\$ 24
---	---	85,690
6,800	---	62,274
---	---	---
---	---	---
---	29,895	29,895
150,005	---	262,131
<u>\$ 156,805</u>	<u>\$ 29,919</u>	<u>\$ 440,014</u>
\$ 734,768	\$ 137,297	\$ 1,556,210

Schedule of Compensation of Board Members
For the Fiscal Year Ended September 30, 1999

Vincent Labue (President)	\$ 5,400
Estella Scott (Vice President)	5,400
Hayward Steele	5,400
Johnnie Mango	5,400
Kerry Anderson	5,400
Wayne Thomas	4,050
Frances Pugh	1,350
Gordon Jenkins	5,400
	<hr/>
	\$ 37,800

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John A. Windham, CPA

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 Gerald Johnson, Mayor
And the Members of the City Council
City of DeRidder, Louisiana

I have audited the general purpose financial statements of the City of DeRidder, Louisiana, as of and for the year ended September 30, 1999, and have issued my report thereon dated February 17, 2000. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in GOVERNMENT AUDITING STANDARDS, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of DeRidder, Louisiana's general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under GOVERNMENT AUDITING STANDARDS.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the City of DeRidder, Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting

The Honorable Gerald Johnson, Mayor
and the Members of The City Council
City of DeRidder, Louisiana
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that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of management, others within the organization, City Council and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

John A. Windham, CPA
DeRidder, Louisiana
February 17, 2000