

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



Prepared by the Department of Finance

## City of Slidell

Salvatore A. Caruso, Mayor  
For Fiscal Year Ended  
June 30  
1997

**CITY OF SLIDELL, LOUISIANA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FISCAL YEAR ENDED JUNE 30, 1997**

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# *The City of Slidell*

2055 Second Street • P.O. Box 828 • Slidell, Louisiana 70459  
Telephone: (504) 646-4333

**SALVATORE A. "SAM" CARUSO, MSW**  
Mayor

OFFICE OF THE MAYOR

TO: THE MEMBERS OF THE CITY COUNCIL  
CITY OF SLIDELL, LOUISIANA

DATE: October 14, 1997

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Slidell, Louisiana for the fiscal year ended June 30, 1997.

The CAFR has been prepared in conformance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB). The City's basis of accounting in its various funds is explained in the notes to the accompanying general purpose financial statements.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds and account groups; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included.

The accompanying financial statements have been audited by the City's certified public accountants and their opinion resulting from their audit is included in the Comprehensive Annual Financial Report.

Our Comprehensive Annual Financial Report is divided into four sections:

*The Introductory Section* includes this letter of transmittal, an organizational chart, a list of principal elected officials and a reproduction of the prior year's Certificate of Achievement for Excellence in Financial Reporting.

**The Financial Section** includes the General Purpose Financial Statements presenting the combined statements as an overview of the City's entire financial operations with accompanying notes. Next, within this section, combined and individual fund financial statements present each of the supporting separate funds and individual account groups of the City. Schedules provide certain other information and details of data summarized in the financial statements. The statements and schedules included in this section pertain to those operations which, when taken together, make up the reporting entity of the City.

**The Statistical Section** includes tables and schedules containing historical financial data, debt statistics, and miscellaneous economic data of the City that are of interest to potential investors in our bonds and to other readers.

**The Single Audit Section** contains the auditors' reports in conformity with the provisions of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996 and U.S. Office of Management & Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" regarding federal and state grants along with related schedules of assistance and notes.

## **REPORTING ENTITY**

Slidell, the largest municipality in St. Tammany Parish, was founded in 1888. The City's system of government is established by its Home Rule Charter which was adopted in 1978. The Louisiana Constitution prohibits the state legislature from enacting any law affecting the structure, organization, or distribution of the power and functions of any local subdivision which operates under a Home Rule Charter. The City has a Mayor-Council form of government.

The general purpose financial statements of the City include all government activities, organizations and functions. These services include police protection; sanitation services; the construction and maintenance of highways, streets, airport facilities and infrastructure; recreational activities and cultural events. The criteria considered in determining governmental activities to be reported within the City's general purpose financial statements include the degree of financial interdependency, scope of public service and the existence of special financing relationships which may exist between the City and a given government activity. No component units are included in the reporting entity. A more detailed discussion of reporting entity is included in Note 2 to the general purpose financial statements.

## **ECONOMIC CONDITION AND OUTLOOK**

Slidell and the surrounding area is quite heavily dependent upon employment by several of the U.S. Government Contractors and oil companies in East Mississippi and New Orleans. The Slidell area has long been referred to as a "bedroom" community which serves these areas. As a result, the economy can fluctuate widely due to changes in these industries. There is now a major parish-wide movement underway to identify and attract various industries to the surrounding area in an effort to diversify and stabilize the basis of the local economy.

In 1997 the City experienced a 5% decline in sales tax revenue from the previous fiscal year. The decline is primarily attributed to a decrease in car sales and to increased competition from new businesses opening outside the City limits. A secondary factor is the impact of the May 1995 flood in which spending on home and building repairs inflated sales tax revenues in fiscal year 1996.

The City's management team took extremely strong managerial action in response to the slump by freezing all non essential spending and impounding the surplus from 1996. The City adopted a zero growth budget for sales tax revenue in 1998 and has posted monthly revenue increases in the early months of the new fiscal year.

Due to a growing trend for New Orleanians to move north of Lake Pontchartrain, the Parish experienced a 2.7% growth in population during the 1997 year. Since 1990 the Parish has experienced a 21 percent growth rate.

During 1997, four new subdivisions were completed and added to Slidell. Approximately 1,000 new homes are planned or underway. The influx of residents will present significant challenges for the local government as well as the local school systems. Most of the major commercial developments which serve the Slidell area, as well as the two major hospitals in the eastern part of St. Tammany Parish, are within the corporate limits of Slidell. In addition, three major retailers announced plans to open new stores with a combined square footage of 440,000 to 500,000 square feet in the Fall of 1998. Slidell should continue to see growth in commercial developments keep pace with residential growth demands.

## **MAJOR INITIATIVES**

### ***During the Year***

Began the implementation of all phases of the Capital Investment Program approved by voters in the autumn of 1995. The program includes \$11 million in drainage improvements providing benefits to all areas of the City, \$14 million for the repair and replacement of concrete and asphalt streets and \$6.9 million in extensive upgrades and repairs to our sewer and water systems.

Formed a partnership with the Disaster Medical Assistance Corporation to provide emergency medical assistance to citizens in the event of a disaster.

Supervised the completion of the Superfund site cleaning at the old creosote plant and moved the Public Utilities Divisions into the buildings donated to the City by the EPA.

Completed \$1.53 million in repairs of storm water culvert cave-ins across the City.

### ***For the Future***

Design and construction work will continue in fiscal year 1998 on the Capital Improvement Program.

### ***Department Focus***

#### ***Airport:***

Constructed new vehicle parking at the Airport which will hold 75 vehicles at a cost of \$236,715. The parking area was funded 100% by the LA Department of Transportation.

#### ***Finance:***

Implemented a new automated property tax receivable system which allows Finance personnel to process property tax receipts faster than previous methods, increases accuracy, provides tighter cash controls and a better audit trail.

#### ***Parks and Recreation:***

Completed renovations at both John Slidell Park and Fritchie Park including new ball fields, paved parking and a jogging/exercise trail.



**Permits:**

A total of 3,843 permits were issued. The value of new construction, additions and renovations approved by the Department was \$30,638,029.

**Planning:**

Reviewed 168 new and expanded commercial developments including the reconstruction of Midtown Square and four new residential developments which will provide approximately 1,000 new home sites.

Provided support and information to the Board of Zoning Adjustment, and Planning and Zoning Commissions. Approximately 23 annexations representing 222 acres of property were annexed in 1997.

**Public Utilities:**

Implemented a new water meter reading system for City utilities which will save the City over 24 work days annually and reduce billing errors.

## **FINANCIAL INFORMATION**

### ***Accounting System and Budgetary Control***

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### ***Budgetary Procedures***

The City maintains budgetary control at the departmental level by cost classification and allocates appropriations on a monthly basis. These cost classifications are categorized in several groups: salaries and benefits of officials and employees; contractual services; supplies; equipment; debt requirements; capital outlay and others (e.g., community service, claims and legal fees, etc.).

Encumbrances are recorded by the Purchasing Department as requisitions are received from various departments. If sufficient funds are not available to cover the purchase, the requisition is returned to the originating department for appropriation allotment changes, transfer of funds or cancellation. Appropriations are allowed to be amended through councilmanic action during the year, and all unencumbered appropriations lapse at year end. The City's Charter, as well as state law, does not allow deficit spending.

The City monitors revenues and expenditures closely during the year in order to adhere to the annual operating budget approved by the City Council. Per Charter requirements, the Mayor may, if he decides it necessary, open the adopted budget for amendments by councilmanic action during the fiscal year. The Mayor retains the right to approve line-item budgetary adjustments of unencumbered funds within an operating department, office or agency during the course of the fiscal year. Unencumbered balances in the

General Fund and Sales Tax Fund on hand at the close of the fiscal year are usually appropriated, in whole or in part, as capital outlay for projects in the succeeding year or designated for general contingencies.

The Mayor recommends to the City Council a capital improvement program for the next five years and a capital budget by project for the first year of the program. The City Council is obligated to approve a capital budget program and adopts the capital budget concurrently with the annual operating budget. The amounts budgeted constitute appropriations from the funds indicated when they become available. Unexpended capital appropriations carry over for a total of three years or until re-appropriated.

**General Governmental Functions**

The City provides a wide range of general services including public safety, highways and streets, recreational activities, animal control, planning and zoning and general administrative services which are accounted for in the General, Special Revenue and Debt Service Funds.

**Revenues**

Revenues to support the general government functions of the City are reflected in the General, Special Revenue and Debt Service Funds. General revenues from these funds approximated \$19,128,000 (see Table 2) for the 1997 fiscal year; a decrease of approximately \$39,000 from 1996. This decrease is primarily due to a decrease in sales tax revenues, partially offset by an increase in property tax, interest and intergovernmental revenues.

The following table illustrates the revenues by source for 1997 and the increase (decrease) over prior year by general functions:

**General and Special Revenue Funds (budgetary basis)  
and Debt Service Fund**

|                                  | Amount<br><u>1997</u> | % of<br>Total | Increase<br>(Decrease)<br>From 1996 | Percent of<br>Increase<br>(Decrease) |
|----------------------------------|-----------------------|---------------|-------------------------------------|--------------------------------------|
| <i>(In thousands of dollars)</i> |                       |               |                                     |                                      |
| Sales Tax                        | \$10,970              | 57%           | \$ (598)                            | (5) %                                |
| Property Tax                     | 3,066                 | 16%           | 148                                 | 5 %                                  |
| Licenses/Permit                  | 1,336                 | 7%            | 9                                   | 1 %                                  |
| Franchise Tax                    | 1,038                 | 6%            | 63                                  | 6 %                                  |
| Intergovernmental                | 1,306                 | 7%            | 190                                 | 17 %                                 |
| Interest/Other                   | 795                   | 4%            | 135                                 | 20 %                                 |
| Payment in Lieu of Tax           | 417                   | 2%            | 0                                   | 0 %                                  |
| Fines/Forfeitures                | 200                   | 1%            | 18                                  | 10 %                                 |
| Special Assessments              | <u>0</u>              | <u>0%</u>     | <u>(4)</u>                          | (100) %                              |
|                                  | \$19,128              | 100%          | \$ (39)                             |                                      |

**Expenditures by Function**

General Government related expenditures were approximately \$19,442,000 (see Table 1) in 1997 compared to \$17,400,000 in fiscal 1996. The following table presents the various general City expenditures grouped according to function.

**General and Special Revenue Funds (budgetary basis)  
and Debt Service Fund**

|                                  | Amount<br><u>1997</u> | % of<br><u>Total</u> | Increase<br>(Decrease)<br><u>From 1996</u> | Percent of<br>Increase<br><u>(Decrease)</u> |
|----------------------------------|-----------------------|----------------------|--|---|
| <i>(In thousands of dollars)</i> |                       |                      |  |   |
| Public Safety                    | \$ 4,008              | 21%                  | \$ 286                                     | 8 %   |
| Public Works                     | 4,378                 | 22%                  | 461  | 12 %  |
| General Government               | 3,501                 | 18%                  | 71   | 2 %   |
| Debt Service                     | 4,336                 | 22%                  | 1,399                                      | 48 %  |
| Capital Outlay                   | 2,101                 | 11%                  | (223)                                      | (10) %                                      |
| Parks and Recreation             | 904                   | 5%                   | 40   | 5 %   |
| Judicial System                  | <u>214</u>            | <u>1%</u>            | <u>8</u>                                   | 4 %   |
|                                  | \$19,442              | 100%                 | \$2,042                                    |   |

The increase in expenditures is primarily related to increases in expenditures for debt service, public works and improvements.

***Expenditures Comparison by Activity***

The following data represent a comparison of fiscal 1996 and 1997 expenditures by activity:

|                                    | Amount<br><u>1997</u> | % of<br><u>Total</u> | Increase<br>(Decrease)<br><u>From 1996</u> | Percent of<br>Increase<br><u>(Decrease)</u> |
|------------------------------------|-----------------------|----------------------|--|---|
| <i>(In thousands of dollars)</i>   |                       |                      |  |   |
| Salaries and Benefits              | \$ 8,960              | 46%                  | \$ 140                                     | 2 %   |
| Debt Service                       | 4,336                 | 22%                  | 1,399                                      | 48 %  |
| Capital Outlay<br>and Improvements | 3,294                 | 17%                  | 324  | 11 %  |
| Supplies & Materials               | 1,031                 | 6%                   | 6  | 1 %   |
| Contractual Services               | 1,369                 | 7%                   | 68   | 5 %   |
| Claims/Disasters                   | 261                   | 1%                   | 115  | 79 %  |
| 9-1-1 Service                      | 97                    | 1%                   | 5  | 5 %   |
| Community Services                 | 43                    | 0%                   | 0  | 0 %   |
| Equipment                          | <u>51</u>             | <u>0%</u>            | <u>(15)</u>                                | (23) %                                      |
|                                    | \$19,442              | 100%                 | \$2,042                                    |   |

***Fund Balances***

Unreserved, undesignated fund balance reported in the General Fund and Sales Tax Fund as of June 30, 1997 is \$615,000 and \$514,000, respectively, for a combined total of \$1,129,000. This is the eleventh consecutive year in which positive undesignated fund balances are recorded in these governmental funds.

***Debt Administration***

The ratio of general bonded debt to assessed value of taxable property and the amount of general bonded debt per capita are useful indicators of the City's debt position to municipal management, citizens and investors.

This data for the City at the end of the 1997 fiscal year was as follows: (See Table 6)

### *General Bonded Debt Ratio*

| Net<br>General Bonded Debt<br><small>(in thousands of dollars)</small> | Ratio of Net Bonded<br>Debt to Assessed<br>Value of Taxable<br>Property | Bonded<br>Debt<br>Per<br>Capita |
|--|---|---------------------------------|
| \$13,741   | 12.37%  | \$520                           |

Additional data regarding the debt position of the City are presented in the statistical section of this report. Total debt service and sales tax funds available for retirement of general obligation and sales tax debt are \$999,000 and \$2,948,000, respectively.

#### *Capital Projects*

The proceeds of general obligation bond issues, sales tax bond issues and certificates of indebtedness are accounted for in the Capital Projects Funds until improvement projects are completed. Completed projects are transferred to the General Fixed Assets Account Group or the Enterprise Funds, as applicable.

Capital expenditures of \$7,948,000 were made on water system improvements and infrastructure (general fixed assets) during the 1997 fiscal year.

Interest of \$839,000 was earned during the year on investments in the Capital Projects Funds.

#### *Proprietary Fund Operations*

The City accounts for the operation of its water and sewer system, as well as solid waste disposal in the Utility Fund. The City Airport is also included as a proprietary fund. The Airport received state assistance totaling \$205,000 in 1997.

Segment information as of and for the years ended June 30, 1997 and 1996, respectively, is presented below:

|   | 1997           |                |              | 1996           |                |              |
|---|----------------|----------------|--------------|----------------|----------------|--------------|
|   | <i>Utility</i> | <i>Airport</i> | <i>Total</i> | <i>Utility</i> | <i>Airport</i> | <i>Total</i> |
| Operating Revenues                      | \$5,779,839    | \$ 33,008      | \$ 5,812,847 | \$ 5,614,803   | \$ 27,609      | \$ 5,642,412 |
| Depreciation Expense                    | 1,175,291      | 238,956        | 1,414,247    | 1,141,321      | 216,119        | 1,357,440    |
| Operating Loss                          | (102,177)      | (303,455)      | (405,632)    | (250,484)      | (274,919)      | (525,403)    |
| Net Loss                                | (77,635)       | (205,940)      | (283,575)    | (219,722)      | (204,299)      | (424,021)    |
| Current Capital Contributions           | 200,410        | 205,009        | 405,419      | 405,049        | 1,033,347      | 1,438,396    |
| Property, Plant and Equipment Additions | 1,532,241      | 220,750        | 1,752,991    | 1,207,686      | 1,036,813      | 2,244,499    |
| Net Working Capital                     | 1,755,592      | 31,548         | 1,787,140    | 1,400,068      | 125,025        | 1,525,093    |
| Total Assets                            | 35,929,474     | 2,182,504      | 38,111,978   | 35,576,374     | 2,225,388      | 37,801,762   |
| Bonds payable from Operating Revenues   | 2,552,910      | -0-            | 2,552,910    | 2,500,000      | -0-            | 2,500,000    |
| Total Equity                            | \$32,432,894   | \$2,013,556    | \$34,446,450 | \$32,310,119   | \$2,041,669    | \$34,351,788 |

### **Cash Management**

The Finance Department strives to keep abreast of current trends and procedures for cash management and forecasting so as to ensure the most efficient and profitable use of the City's cash resources. While efforts are made to maximize the return on the City's investment dollar, our primary goal is to ensure the return of principal.

Cash temporarily idle during the year was invested in demand deposits, time deposits and U.S. government or government agency securities. Interest earned on cash designated for specific purposes is allocated directly to that purpose. Interest income earned on investments by the City for all funds during fiscal year 1997 totaled \$1,559,000 compared to \$813,000 earned during the previous year. The increase in investment income is related to larger investment balances.

### **Risk Management**

The City is currently enrolled in partial self-insurance programs for liability, dental and workers' compensation claims. Third party coverage is maintained on all insurances which becomes effective after specific and/or aggregate retentions are met. Resources are being accumulated in the General Fund to meet potential losses.

In fiscal year 1997, funds reserved for insurance totaled \$275,000. This relates directly to investments required by Louisiana Statutes for entities with self-funded workers' compensation plans. Liabilities of approximately \$1,135,000 are recorded for claims against all insurances.

## **OTHER INFORMATION**

### **Independent Audit**

The City Charter requires the Council to provide for an annual independent audit of the accounting and financial transactions of the City. The Council designated the firm of Deloitte & Touche LLP as the independent auditors, and their report is included in this Comprehensive Annual Financial Report. For 1997, the City again used the single audit approach, and the CAFR complies with the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996. For purposes of federal financial assistance programs, the City's cognizant audit agency is the Department of Health and Human Services.

### **Awards**

The Government Finance Officers Association awarded a Certificate of Achievement, for Excellence in Financial Reporting to the City of Slidell for its comprehensive annual financial report for the fiscal year ending June 30, 1996. This is the eleventh consecutive year the City has received this prestigious award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

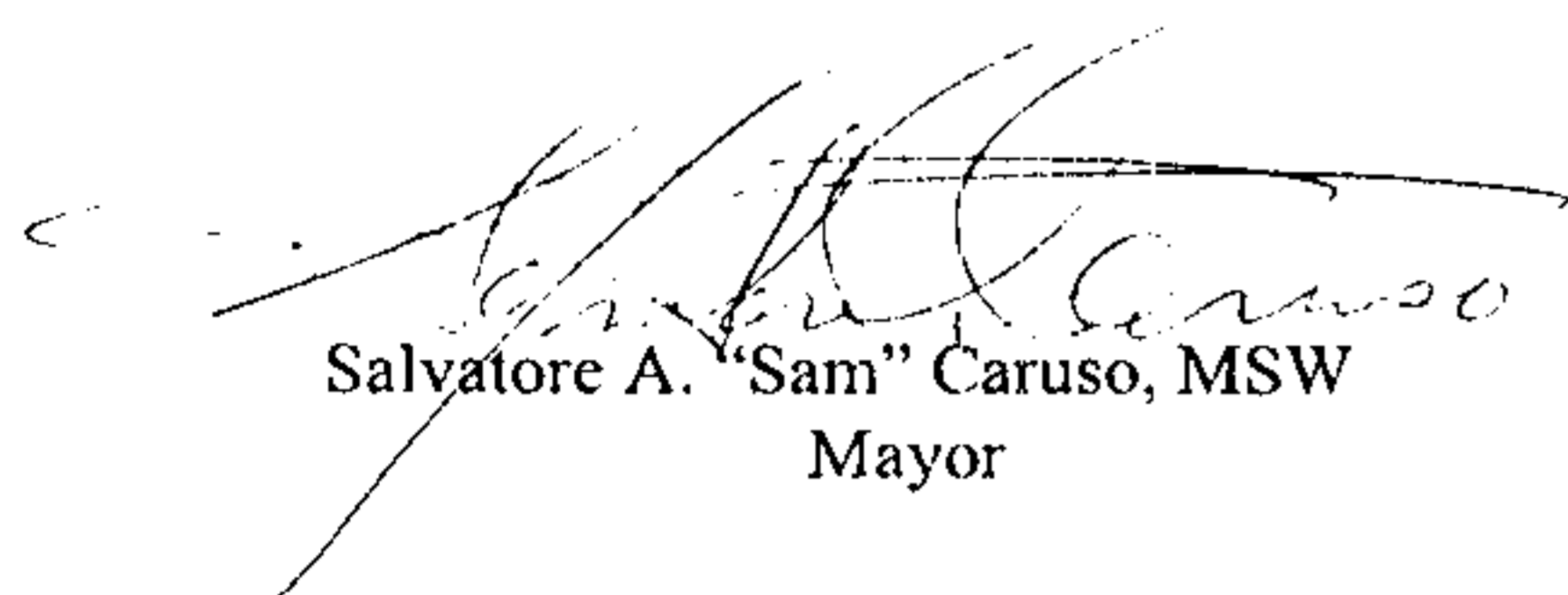
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement program requirements.

### **Acknowledgments**

The preparation of this report could not have been accomplished without the patience and dedication of the entire staff of the Finance Department and the staffs of the other departments, boards and agencies of the City.

We would like to express our appreciation to all members of these departments, boards and agencies who assisted and contributed to its preparation. We would also like to thank the members of the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Salvatore A. "Sam" Caruso, MSW  
Mayor



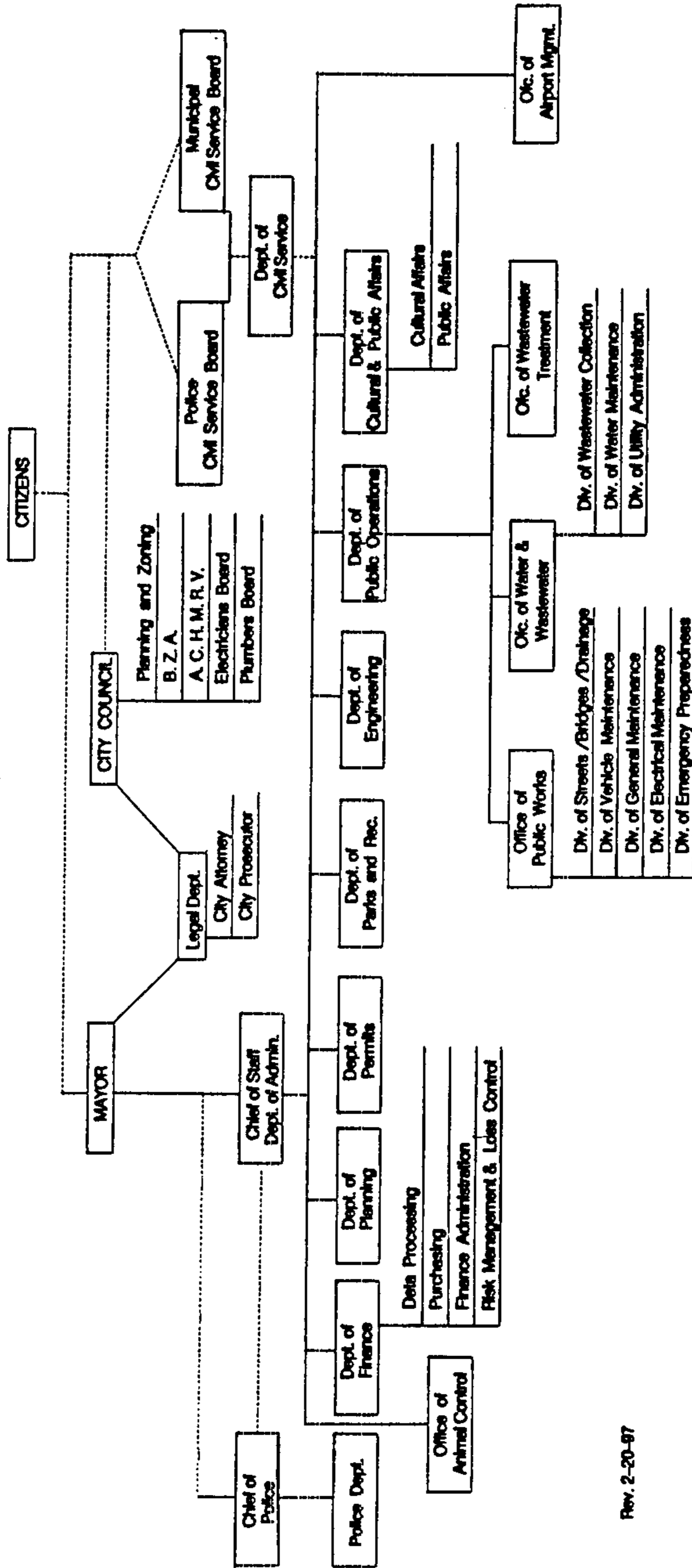
Sharon Howes, CPA  
Director of Finance

SAC/SH/fm

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# ORGANIZATIONAL PLAN for the GOVERNMENT of the CITY of SLIDELL

1997





# **CITY OF SLIDELL, LOUISIANA**

## **PRINCIPAL ELECTED OFFICIALS JUNE 30, 1997**

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### **CITY ADMINISTRATION**

Salvatore A. "Sam" Caruso - Mayor

Ben O. Morris - Chief of Police

### **COUNCIL MEMBERS**

Dudley Smith - Councilman-at-Large

Alvin D. Singletary - Councilman-at-Large

Lionel J. Washington - District A

Bob Callahan - District B, President

Richard B. Van Sandt - District C,

Behnda Levy - District D

Marti Livaudais - District E

Michael J. Molbert - District F

Pearl Williams - District G, Vice-President

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Slidell,  
Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1996

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Arthur R. Lynch*  
President

*Jeffrey L. Esser*  
Executive Director



## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members  
of the City Council of the  
City of Slidell, Louisiana

We have audited the accompanying general purpose financial statements of the City of Slidell, Louisiana, as of June 30, 1997, and for the year then ended, listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the management of the City of Slidell, Louisiana. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, such general purpose financial statements present fairly, in all material respects, the financial position of the City of Slidell, Louisiana, as of June 30, 1997, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

Our 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 foregoing 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 Slidell, Louisiana. The accompanying schedule of expenditures of federal awards on page 94 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the general purpose financial statements. These financial statements and schedules are also the responsibility of the management of the City of Slidell, Louisiana. Such additional information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects when considered in relation to the general purpose financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 1997 on our consideration of the City of Slidell's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

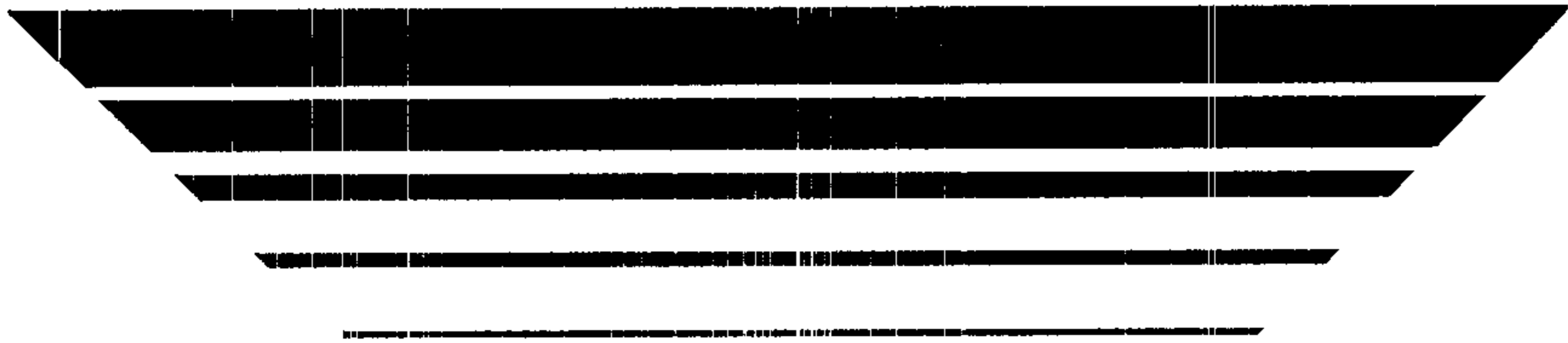
The statistical data on pages 69-88 are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Slidell, Louisiana. Such additional information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, accordingly, we express no opinion on it.

*Deloitte & Touche LLP*

September 17, 1997

Deloitte Touche  
Tohmatsu  
International

# General Purpose Financial Statements



# CITY OF SLIDELL, LOUISIANA

## COMBINED BALANCE SHEET ALL FUND TYPES AND ACCOUNT GROUPS JUNE 30, 1997

| ASSETS   | Governmental Fund Types |                     |                     |                      |
|--|-------------------------|---------------------|---------------------|----------------------|
|  | General                 | Special Revenue     | Debt Service        | Capital Projects     |
| Cash and investments (Note 3):   |                         |                     |                     |                      |
| Cash   | \$ 4,264,168            | \$ 69,954           | \$ -                | \$ 879,000           |
| Investments  | 2,285,543               | 829,164             | 767,374             | 14,445,463           |
| Receivables (Note 10):   |                         |                     |                     |                      |
| Taxes  | 229,327                 | 1,017,327           |                     |                      |
| Water, sewerage and garbage  |                         |                     |                     |                      |
| Unbilled receivable  |                         |                     |                     |                      |
| Accrued interest   | 25,572                  |                     | 4,796               | 16,615               |
| Other  | 34,290                  | 2,126               |                     |                      |
| Due from other governmental entities:                                  |                         |                     |                     |                      |
| U. S. Government   | 8,377                   | 104,369             |                     |                      |
| State of Louisiana   | 125,360                 | 24,442              |                     | 814,827              |
| Local entities   | 52,056                  |                     |                     |                      |
| Due from other funds (Note 9)  | 731,061                 | 2,369,100           | 228,128             | 620,117              |
| Inventory  | 71,910                  | 30,995              |                     |                      |
| Prepaid items  | 328,050                 |                     |                     |                      |
| Restricted assets:   |                         |                     |                     |                      |
| Cash and cash equivalents  | 27,176                  | 695,630             |                     |                      |
| Investments  | 275,000                 | 2,510,330           |                     |                      |
| Fixed assets (Note 11)   |                         |                     |                     |                      |
| Other assets   |                         |                     |                     |                      |
| Amount available in debt service<br>and special revenue funds (Note 8) |                         |                     |                     |                      |
| Amount to be provided for<br>retirement of general<br>long term debt   |                         |                     |                     |                      |
| <b>TOTAL ASSETS</b>  | <b>\$ 8,457,890</b>     | <b>\$ 7,653,437</b> | <b>\$ 1,000,298</b> | <b>\$ 16,776,022</b> |

EXHIBIT A-1  
Page 1 of 2

| <u>Proprietary<br/>Fund Type</u> | <u>Fiduciary<br/>Fund Type</u> | <u>Account Groups</u>           |                                       | <u>Totals</u>            |                      |
|----------------------------------|--------------------------------|---------------------------------|---------------------------------------|--------------------------|----------------------|
|                                  |                                | <u>General<br/>Fixed Assets</u> | <u>General<br/>Long-Term<br/>Debt</u> | <u>(Memorandum Only)</u> |                      |
| Enterprise                       | Expendable<br>Trust            |                                 |                                       | 1997                     | 1996                 |
| \$ 13,712                        | \$ 1,781                       | \$ -                            | \$ -                                  | \$ 5,228,615             | \$ 5,008,083         |
|                                  |                                |                                 |                                       | 18,327,544               | 14,613,708           |
|                                  |                                |                                 |                                       | 1,246,654                | 1,102,002            |
| 408,781                          |                                |                                 |                                       | 408,781                  | 481,437              |
| 183,194                          |                                |                                 |                                       | 183,194                  | 162,675              |
|                                  |                                |                                 |                                       | 46,983                   | 66,587               |
| 8,557                            |                                |                                 |                                       | 44,973                   | 145,094              |
|                                  |                                |                                 |                                       | 126,857                  | 109,489              |
| 14,111                           |                                |                                 |                                       | 1,149,994                | 417,185              |
| 185,365                          |                                |                                 |                                       | 52,056                   | 87,314               |
| 1,937,453                        | 31,266                         |                                 |                                       | 5,917,125                | 4,504,410            |
|                                  |                                |                                 |                                       | 336,490                  | 345,276              |
| 233,585                          |                                |                                 |                                       | 328,050                  | 295,146              |
|                                  |                                |                                 |                                       | 864,354                  | 848,053              |
| 136,338                          | 5,210                          |                                 |                                       | 4,884,582                | 4,393,178            |
| 2,099,252                        |                                |                                 |                                       |                          |                      |
| 32,764,070                       |                                | 54,124,877                      |                                       | 86,888,947               | 76,623,325           |
|                                  |                                |                                 |                                       | 127,560                  | 115,754              |
| 127,560                          |                                |                                 |                                       |                          |                      |
|                                  |                                |                                 | 3,946,312                             | 3,946,312                | 2,900,942            |
|                                  |                                |                                 | 36,591,095                            | 36,591,095               | 30,200,462           |
| <u>\$38,111,978</u>              | <u>\$ 38,257</u>               | <u>\$54,124,877</u>             | <u>\$40,537,407</u>                   | <u>\$166,700,166</u>     | <u>\$142,420,120</u> |

(Continued)

# CITY OF SLIDELL, LOUISIANA

## COMBINED BALANCE SHEET ALL FUND TYPES AND ACCOUNT GROUPS JUNE 30, 1997

| LIABILITIES, EQUITY<br>AND OTHER CREDITS             | Governmental Fund Types |                    |                     |                      |
|--|-------------------------|--------------------|---------------------|----------------------|
|  | General                 | Special<br>Revenue | Debt<br>Service     | Capital<br>Projects  |
| <b>LIABILITIES:</b>                                  |                         |                    |                     |                      |
| Accounts payable and accrued expenditures            | \$ 764,030              | \$ 781,038         | \$ 1,543            | \$ 2,020,144         |
| Revenue bonds payable, current                       |                         |                    |                     |                      |
| Due to other funds (Note 9)                          | 5,186,064               | 166,816            |                     | 519,897              |
| Payable from restricted assets:<br>Customer deposits |                         |                    |                     |                      |
| Bonds and other long term debt payable (Note 8)      |                         |                    |                     |                      |
| DEQ revolving loan (Note 8)                          |                         |                    |                     |                      |
| Claims and judgments (Notes 8 and 14)                | 942,652                 |                    |                     |                      |
| Long term accrued compensatory absences (Note 8)     |                         |                    |                     |                      |
| <b>Total liabilities</b>                             | <u>6,892,746</u>        | <u>947,854</u>     | <u>1,543</u>        | <u>2,540,041</u>     |
| <b>EQUITY AND OTHER CREDITS:</b>                     |                         |                    |                     |                      |
| Contributed capital (Note 11)                        |                         |                    |                     |                      |
| Investment in general fixed assets                   |                         |                    |                     |                      |
| Retained deficit:                                    |                         |                    |                     |                      |
| Unreserved   |                         |                    |                     |                      |
| Fund balances:                                       |                         |                    |                     |                      |
| Reserved for prepaid items                           | 328,050                 |                    |                     |                      |
| Reserved for inventory                               | 71,910                  | 30,995             |                     |                      |
| Reserved for insurance (Note 1)                      | 275,000                 |                    |                     |                      |
| Reserved for capital outlay                          |                         | 31,657             |                     |                      |
| Reserved for spay neuter                             |                         |                    |                     |                      |
| Reserved for debt service (Note 8)                   |                         |                    | 998,755             |                      |
| Reserved for bond reserve fund (Note 8)              |                         | 2,251,928          |                     |                      |
| Reserved for bond sinking fund (Note 8)              |                         | 695,629            |                     |                      |
| Reserved for trust purposes                          |                         |                    |                     |                      |
| Unreserved:  |                         |                    |                     |                      |
| Designated for capital outlay                        |                         | 2,261,032          |                     | 14,235,981           |
| Designated for contingencies                         | 275,000                 | 890,872            |                     |                      |
| Designated for training academy                      |                         | 29,797             |                     |                      |
| Unreserved, undesignated                             | 615,184                 | 513,673            |                     |                      |
| <b>Total equity and other credits</b>                | <u>1,565,144</u>        | <u>6,705,583</u>   | <u>998,755</u>      | <u>14,235,981</u>    |
| <b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>   | <u>\$8,457,890</u>      | <u>\$7,653,437</u> | <u>\$ 1,000,298</u> | <u>\$ 16,776,022</u> |

The notes to financial statements are an integral part of this statement.

| <u>Proprietary<br/>Fund Type</u> | <u>Fiduciary<br/>Fund Type</u> | <u>Account Groups</u>           |                                       | <u>Totals<br/>(Memorandum Only)</u> |                      |
|----------------------------------|--------------------------------|---------------------------------|---------------------------------------|-------------------------------------|----------------------|
|                                  |                                | <u>General<br/>Fixed Assets</u> | <u>General<br/>Long Term<br/>Debt</u> | <u>1997</u>                         | <u>1996</u>          |
| Enterprise                       | Expendable<br>Trust            |                                 |                                       |                                     |                      |
| \$ 780,245                       | \$ 2,992                       | \$ -                            | \$ -                                  | \$ 4,349,992                        | \$ 2,941,698         |
| 85,000                           |                                |                                 |                                       | 85,000                              | -                    |
| 44,348                           |                                |                                 |                                       | 5,917,125                           | 4,504,410            |
| 288,025                          |                                |                                 |                                       | 288,025                             | 279,143              |
| 2,415,000                        |                                |                                 | 40,035,333                            | 42,450,333                          | 35,250,375           |
| 52,910                           |                                |                                 |                                       | 52,910                              | -                    |
|                                  |                                |                                 | 193,000                               | 1,135,652                           | 805,015              |
|                                  |                                |                                 | 309,074                               | 309,074                             | 309,074              |
| <u>3,665,528</u>                 | <u>2,992</u>                   |                                 | <u>40,537,407</u>                     | <u>54,588,111</u>                   | <u>44,089,715</u>    |
| 34,897,223                       |                                |                                 |                                       | 34,897,223                          | 35,059,756           |
|                                  |                                | 54,124,877                      |                                       | 54,124,877                          | 44,168,018           |
| (450,773)                        |                                |                                 |                                       | (450,773)                           | (707,968)            |
|                                  |                                |                                 |                                       | 328,050                             | 281,279              |
|                                  |                                |                                 |                                       | 102,905                             | 106,659              |
|                                  |                                |                                 |                                       | 275,000                             | 275,000              |
|                                  |                                |                                 |                                       | 31,657                              | 346,955              |
|                                  | 3,466                          |                                 |                                       | 3,466                               | 3,466                |
|                                  |                                |                                 |                                       | 998,755                             | 967,404              |
|                                  |                                |                                 |                                       | 2,251,928                           | 1,438,859            |
|                                  |                                |                                 |                                       | 695,629                             | 494,679              |
|                                  | 31,799                         |                                 |                                       | 31,799                              | 31,206               |
|                                  |                                |                                 |                                       | 16,497,013                          | 13,482,163           |
|                                  |                                |                                 |                                       | 1,165,872                           | 1,055,872            |
|                                  |                                |                                 |                                       | 29,797                              | -                    |
|                                  |                                |                                 |                                       | <u>1,128,857</u>                    | <u>1,327,057</u>     |
| <u>34,446,450</u>                | <u>35,265</u>                  | <u>54,124,877</u>               |                                       | <u>112,112,055</u>                  | <u>98,330,405</u>    |
| <u>\$ 38,111,978</u>             | <u>\$ 38,257</u>               | <u>\$54,124,877</u>             | <u>\$ 40,537,407</u>                  | <u>\$166,700,166</u>                | <u>\$142,420,120</u> |

(Concluded)



# CITY OF SLIDELL, LOUISIANA

## COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS YEAR ENDED JUNE 30, 1997

|  | Governmental Fund Types |                   |                  |                  |
|--|-------------------------|-------------------|------------------|------------------|
|  | General                 | Special Revenue   | Debt Service     | Capital Projects |
| <b>REVENUES:</b>                               |                         |                   |                  |                  |
| Taxes and assessments:                         |                         |                   |                  |                  |
| Sales and use taxes (Note 7)                   | \$ -                    | \$10,970,123      | \$ -             | \$ -             |
| Ad valorem taxes                               | 1,308,205               | 280,966           | 1,476,945        |                  |
| Franchise taxes                                | 1,038,178               |                   |                  |                  |
| Assessment revenue                             |                         |                   |                  |                  |
| Revenues from other governments<br>(Note 6):   |                         |                   |                  |                  |
| State shared revenues                          | 652,016                 |                   |                  |                  |
| Other Federal/State grants                     | 88,332                  | 188,328           |                  | 1,874,640        |
| HUD grant                                      |                         | 280,422           |                  |                  |
| Other state and local governmental<br>revenues | 286,392                 |                   |                  | 160,000          |
| Licenses and permits                           | 1,336,212               |                   |                  |                  |
| Fines and forfeitures                          | 200,315                 |                   |                  |                  |
| Payment in lieu of taxes                       | 417,442                 |                   |                  |                  |
| Contributions                                  |                         |                   |                  |                  |
| Other, primarily interest and tuition          | 412,919                 | 341,054           | 39,719           | 838,729          |
| <b>Total revenues</b>                          | <u>5,740,011</u>        | <u>12,060,893</u> | <u>1,516,664</u> | <u>2,873,369</u> |

EXHIBIT A-2  
Page 1 of 2

| Fiduciary<br>Fund Type<br>Expendable<br>Trust | Totals<br>(Memorandum Only) |                   |
|---|-----------------------------|-------------------|
|   | Reporting Entity            |                   |
|   | 1997                        | 1996              |
| \$ -  | \$10,970,123                | \$ 11,568,348     |
|   | 3,066,116                   | 2,918,512         |
|   | 1,038,178                   | 975,419           |
|   | -                           | 3,692             |
|   | 652,016                     | 557,967           |
|   | 2,151,300                   | 343,198           |
|   | 280,422                     | 179,962           |
|   | 446,392                     | 467,452           |
|   | 1,336,212                   | 1,327,046         |
|   | 200,315                     | 181,977           |
|   | 417,442                     | 417,274           |
| 72,565  | 72,565                      | 70,536            |
|   | <u>1,632,421</u>            | <u>1,131,415</u>  |
| <u>72,565</u>                                 | <u>22,263,502</u>           | <u>20,142,798</u> |

(Continued)

# CITY OF SLIDELL, LOUISIANA

## COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS YEAR ENDED JUNE 30, 1997

|  | Governmental Fund Types |                     |                    |                      |
|--|-------------------------|---------------------|--------------------|----------------------|
|  | General                 | Special Revenue     | Debt Service       | Capital Projects     |
| <b>EXPENDITURES:</b>   |                         |                     |                    |                      |
| Current:   |                         |                     |                    |                      |
| General government   | \$ 2,151,195            | \$ 1,349,979        | \$ -               | \$ -                 |
| Public works   | 724,582                 | 3,653,695           |                    |                      |
| Public safety  | 4,197,450               |                     |                    |                      |
| Parks and recreation   |                         | 904,230             |                    |                      |
| Judicial system  | 213,849                 |                     |                    |                      |
| Capital outlay   |                         | 2,100,591           |                    | 7,947,662            |
| Debt service:  |                         |                     |                    |                      |
| Principal retirement   |                         |                     | 2,015,042          |                      |
| Interest and paying agents' fee  |                         |                     | 2,321,337          |                      |
| Certificates of indebtedness and bond issuance costs   |                         |                     |                    | 74,346               |
| Total expenditures   | <u>7,287,076</u>        | <u>8,008,495</u>    | <u>4,336,379</u>   | <u>8,022,008</u>     |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>   | <u>(1,547,065)</u>      | <u>4,052,398</u>    | <u>(2,819,715)</u> | <u>(5,148,639)</u>   |
| <b>OTHER FINANCING SOURCES (USES):</b>   |                         |                     |                    |                      |
| Operating transfers in (Note 9)  | 1,728,079               | 958,427             | 2,851,066          |                      |
| Operating transfers out (Note 9)   | (25,525)                | (4,791,392)         |                    | (828,098)            |
| Proceeds from issuance of debt (Note 8)  |                         |                     |                    | 9,300,000            |
| Total other financing sources (uses)   | <u>1,702,554</u>        | <u>(3,832,965)</u>  | <u>2,851,066</u>   | <u>8,471,902</u>     |
| <b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b> | 155,489                 | 219,433             | 31,351             | 3,323,263            |
| <b>FUND BALANCES, BEGINNING OF YEAR</b>  | <u>1,409,655</u>        | <u>6,486,150</u>    | <u>967,404</u>     | <u>10,912,718</u>    |
| <b>FUND BALANCES, END OF YEAR</b>  | <u>\$ 1,565,144</u>     | <u>\$ 6,705,583</u> | <u>\$ 998,755</u>  | <u>\$ 14,235,981</u> |

The notes to financial statements are an integral part of this statement.

EXHIBIT A-2  
Page 2 of 2

| Fiduciary<br>Fund Type<br>Expendable<br>Trust | Totals<br>(Memorandum Only) |                      |
|---|-----------------------------|----------------------|
|   | Reporting Entity            |                      |
|   | 1997                        | 1996                 |
| \$ -  | \$ 3,501,174                | \$ 3,438,731         |
| 71,972  | 4,450,249                   | 3,996,415            |
|   | 4,197,450                   | 3,887,597            |
|   | 904,230                     | 864,143              |
|   | 213,849                     | 206,011              |
|   | 10,048,253                  | 7,624,638            |
|   | 2,015,042                   | 1,614,800            |
|   | 2,321,337                   | 1,322,030            |
|   | 74,346                      | 62,954               |
| <u>71,972</u>                                 | <u>27,725,930</u>           | <u>23,017,319</u>    |
| <u>593</u>                                    | <u>(5,462,428)</u>          | <u>(2,874,521)</u>   |
|   | 5,537,572                   | 4,363,011            |
|   | (5,645,015)                 | (4,440,012)          |
|   | 9,300,000                   | 10,575,000           |
|   | 9,192,557                   | 10,497,999           |
| 593   | 3,730,129                   | 7,623,478            |
| <u>34,672</u>                                 | <u>19,810,599</u>           | <u>12,187,121</u>    |
| <u>\$ 35,265</u>                              | <u>\$ 23,540,728</u>        | <u>\$ 19,810,599</u> |

(Concluded)

# CITY OF SLIDELL, LOUISIANA

## COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES ACTUAL (Adjusted to Budgetary Basis) AND BUDGET GENERAL AND SPECIAL REVENUE FUND TYPES YEAR ENDED JUNE 30, 1997

|   | General Fund                                  |                  |  |
|---|---|------------------|--|
|   | Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget           | Variance<br>Favorable<br>(Unfavorable) |
| REVENUES:                                   |   |                  |  |
| Taxes:                                      |   |                  |  |
| Sales and use                               | \$ -  | \$ -             | \$ -                                   |
| Ad valorem                                  | 1,308,205                                     | 1,211,679        | 96,526                                 |
| Franchise                                   | 1,038,178                                     | 956,000          | 82,178                                 |
| Revenues from other governments:            |   |                  |  |
| State shared revenues                       | 652,016                                       | 390,000          | 262,016                                |
| Other Federal/State grants                  | 88,332  | 89,234           | (902)                                  |
| HUD grants                                  |   |                  |  |
| Other state and local governmental revenues | 96,556  | 93,398           | 3,158                                  |
| Licenses and permits                        | 1,336,212                                     | 1,275,000        | 61,212                                 |
| Fines and forfeitures                       | 200,315                                       | 185,000          | 15,315                                 |
| Payment in lieu of taxes                    | 417,442                                       | 417,442          |  |
| Other, primarily interest and tuition       | 412,919                                       | 285,000          | 127,919                                |
|   | <u>5,550,175</u>                              | <u>4,902,753</u> | <u>647,422</u>                         |
| Total revenues                              |   |                  |  |

| Special Revenue Funds                         |                   |  | Totals (Memorandum Only)                      |                   |  |
|---|-------------------|--|---|-------------------|--|
| Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget            | Variance<br>Favorable<br>(Unfavorable) | Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget            | Actual<br>Variance<br>Favorable<br>(Unfavorable) |
| \$10,970,123                                  | \$10,507,643      | \$ 462,480                             | \$10,970,123                                  | \$10,507,643      | \$ 462,480                                       |
| 280,966                                       | 260,910           | 20,056                                 | 1,589,171                                     | 1,472,589         | 116,582  |
|   |                   |  | 1,038,178                                     | 956,000           | 82,178   |
|   |                   |  | 652,016                                       | 390,000           | 262,016  |
| 188,328                                       | 196,827           | (8,499)                                | 276,660                                       | 286,061           | (9,401)  |
| 280,422                                       | 691,255           | (410,833)                              | 280,422                                       | 691,255           | (410,833)  |
|   | 6,400             | (6,400)                                | 96,556  | 99,798            | (3,242)  |
|   |                   |  | 1,336,212                                     | 1,275,000         | 61,212   |
|   |                   |  | 200,315                                       | 185,000           | 15,315   |
|   |                   |  | 417,442                                       | 417,442           | -  |
| 341,054                                       | 254,550           | 86,504                                 | 753,973                                       | 539,550           | 214,423  |
| <u>12,060,893</u>                             | <u>11,917,585</u> | <u>143,308</u>                         | <u>17,611,068</u>                             | <u>16,820,338</u> | <u>790,730</u>                                   |

(Continued)

# CITY OF SLIDELL, LOUISIANA

## COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES ACTUAL (Adjusted to Budgetary Basis) AND BUDGET GENERAL AND SPECIAL REVENUE FUND TYPES YEAR ENDED JUNE 30, 1997

|   | General Fund                                  |                   |  |
|---|---|-------------------|--|
|   | Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget            | Variance<br>Favorable<br>(Unfavorable) |
| <b>EXPENDITURES:</b>  |   |                   |  |
| Current:  |   |                   |  |
| General government  | \$2,151,195                                   | \$2,173,021       | \$ 21,826                              |
| Public works  | 724,582                                       | 738,023           | 13,441                                 |
| Public safety   | 4,007,614                                     | 4,015,066         | 7,452                                  |
| Parks and recreation  |   |                   |  |
| Judicial system   | 213,849                                       | 214,409           | 560                                    |
| Capital outlay  |   |                   |  |
| Total expenditures  | <u>7,097,240</u>                              | <u>7,140,519</u>  | <u>43,279</u>                          |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENDITURES</b>  | (1,547,065)                                   | (2,237,766)       | 690,701                                |
| <b>OTHER FINANCING SOURCES (USES):</b>  |   |                   |  |
| Operating transfers in  | 1,728,079                                     | 1,728,079         |  |
| Operating transfers out   | <u>(25,525)</u>                               | <u>(25,525)</u>   |  |
| Total other financing sources (uses)  | <u>1,702,554</u>                              | <u>1,702,554</u>  |  |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>AND OTHER FINANCING SOURCES<br/>OVER EXPENDITURES AND OTHER<br/>FINANCING USES</b> | 155,489                                       | (535,212)         | 690,701                                |
| <b>FUND BALANCES, BEGINNING OF YEAR</b>   | <u>1,409,655</u>                              | <u>1,409,655</u>  |  |
| <b>FUND BALANCES, END OF YEAR</b>   | <u>\$1,565,144</u>                            | <u>\$ 874,443</u> | <u>\$ 690,701</u>                      |

The notes to financial statements are an integral part of this statement.

| Special Revenue Funds                         |                     |  | Totals (Memorandum Only)                      |                     |  |
|---|---------------------|--|---|---------------------|--|
| Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget              | Variance<br>Favorable<br>(Unfavorable) | Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget              | Actual<br>Variance<br>Favorable<br>(Unfavorable) |
| \$ 1,349,979                                  | \$ 1,369,933        | \$ 19,954                              | \$ 3,501,174                                  | \$ 3,542,954        | \$ 41,780  |
| 3,653,695                                     | 3,684,945           | 31,250                                 | 4,378,277                                     | 4,422,968           | 44,691   |
| 904,230                                       | 908,779             | 4,549                                  | 4,007,614                                     | 4,015,066           | 7,452  |
| 2,100,591                                     | 4,812,300           | 2,711,709                              | 904,230                                       | 908,779             | 4,549  |
|   |                     |  | 213,849                                       | 214,409             | 560  |
|   |                     |  | 2,100,591                                     | 4,812,300           | 2,711,709  |
| <u>8,008,495</u>                              | <u>10,775,957</u>   | <u>2,767,462</u>                       | <u>15,105,735</u>                             | <u>17,916,476</u>   | <u>2,810,741</u>                                 |
| 4,052,398                                     | 1,141,628           | 2,910,770                              | 2,505,333                                     | (1,096,138)         | 3,601,471  |
| 958,427                                       | 992,220             | (33,793)                               | 2,686,506                                     | 2,720,299           | (33,793)   |
| (4,791,392)                                   | (4,927,207)         | 135,815                                | (4,816,917)                                   | (4,952,732)         | 135,815  |
| <u>(3,832,965)</u>                            | <u>(3,934,987)</u>  | <u>102,022</u>                         | <u>(2,130,411)</u>                            | <u>(2,232,433)</u>  | <u>102,022</u>                                   |
| 219,433                                       | (2,793,359)         | 3,012,792                              | 374,922                                       | (3,328,571)         | 3,703,493  |
| <u>6,486,150</u>                              | <u>6,486,150</u>    |  | <u>7,895,805</u>                              | <u>7,895,805</u>    | <u>-</u>   |
| <u>\$ 6,705,583</u>                           | <u>\$ 3,692,791</u> | <u>\$3,012,792</u>                     | <u>\$ 8,270,727</u>                           | <u>\$ 4,567,234</u> | <u>\$3,703,493</u>                               |

(Concluded)



**COMBINED STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED DEFICIT  
ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 1997 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1996)**

|   | 1997                | 1996                |
|---|---------------------|---------------------|
| <b>OPERATING REVENUES:</b>  |                     |                     |
| Water revenues  | \$ 1,816,781        | \$ 1,803,375        |
| Sewerage revenues   | 1,860,917           | 1,861,013           |
| Solid waste disposal revenues   | 776,082             | 773,194             |
| Ad valorem taxes assessed for sewerage maintenance  | 555,261             | 510,789             |
| Ad valorem taxes assessed for garbage service   | 555,261             | 510,789             |
| Connection charges  | 130,916             | 70,579              |
| Tie down and rental revenues  | 33,008              | 27,609              |
| Penalties   | 84,621              | 85,064              |
|   | <u>5,812,847</u>    | <u>5,642,412</u>    |
| <b>OPERATING EXPENSES (EXCLUDING DEPRECIATION):</b>   |                     |                     |
| Salaries, wages and related benefits  | 1,732,098           | 1,910,335           |
| Solid waste disposal  | 1,429,356           | 1,374,012           |
| Repairs and maintenance   | 174,129             | 161,274             |
| Materials and supplies  | 488,539             | 418,069             |
| Utilities   | 365,583             | 343,552             |
| Gas and oil   | 36,314              | 31,182              |
| Insurance   | 31,538              | 30,500              |
| Office expense  | 29,962              | 27,380              |
| Certification and training  | 12,276              | 10,920              |
| Other   | 60,366              | 41,880              |
| Payment in lieu of taxes  | 417,442             | 417,274             |
| Bad debt expense  | 26,629              | 43,997              |
|   | <u>4,804,232</u>    | <u>4,810,375</u>    |
| <b>OPERATING INCOME BEFORE DEPRECIATION</b>   | 1,008,615           | 832,037             |
| <b>DEPRECIATION</b>   | <u>1,414,247</u>    | <u>1,357,440</u>    |
| <b>OPERATING LOSS</b>   | <u>(405,632)</u>    | <u>(525,403)</u>    |
| <b>NON-OPERATING REVENUES (EXPENSES):</b>   |                     |                     |
| Other income, primarily interest  | 126,359             | 53,403              |
| Grant revenue   | 17,243              | -                   |
| Interest and fiscal charges   | <u>(128,988)</u>    | <u>(29,022)</u>     |
|   | <u>14,614</u>       | <u>24,381</u>       |
| <b>NET LOSS BEFORE OPERATING TRANSFERS</b>  | (391,018)           | (501,022)           |
| <b>OPERATING TRANSFERS IN</b>   | <u>107,443</u>      | <u>77,001</u>       |
| <b>NET LOSS</b>   | (283,575)           | (424,021)           |
| <b>DEPRECIATION ON ASSETS ACQUIRED WITH EXTERNALLY<br/>RESTRICTED CAPITAL CONTRIBUTIONS WHICH REDUCES<br/>CONTRIBUTED CAPITAL</b> | 540,770             | 476,080             |
| <b>RETAINED DEFICIT, BEGINNING OF YEAR</b>  | <u>(707,968)</u>    | <u>(760,027)</u>    |
| <b>RETAINED DEFICIT, END OF YEAR</b>  | <u>\$ (450,773)</u> | <u>\$ (707,968)</u> |

The notes to financial statements are an integral part of this statement.

**COMBINED STATEMENT OF CASH FLOWS  
ENTERPRISE FUNDS**

**YEAR ENDED JUNE 30, 1997 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1996)**

|   | 1997                     | 1996                     |
|---|--------------------------|--------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>  |                          |                          |
| Receipts from operations  | \$ 3,924,158             | \$ 4,507,635             |
| Payments for goods and services   | (2,062,213)              | (1,860,024)              |
| Payments for employee services  | (1,732,098)              | (1,910,335)              |
| Payments in lieu of taxes   | (417,442)                | (417,274)                |
| Payments for direct and indirect costs  | (469,763)                | (415,985)                |
| Other operating income  | <u>1,110,522</u>         | <u>1,021,578</u>         |
| Net cash provided by operating activities   | <u>353,164</u>           | <u>925,595</u>           |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>                               |                          |                          |
| Operating transfers in  | 107,443                  | 77,001                   |
| Proceeds from federal grant   | <u>17,243</u>            | <u>-</u>                 |
| Net cash provided by noncapital financing activities                                  | <u>124,686</u>           | <u>77,001</u>            |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>                      |                          |                          |
| Capital contributed by others   | 377,711                  | 1,344,938                |
| Interest paid on debt   | (123,200)                | (29,022)                 |
| Acquisition and construction of capital assets  | (1,660,303)              | (2,171,591)              |
| Proceeds from issuance of debt  | 52,910                   | 2,500,000                |
| Issuance cost paid  | <u>(17,594)</u>          | <u>(115,754)</u>         |
| Net cash provided by (used in) capital and related financing activities               | <u>(1,370,476)</u>       | <u>1,528,571</u>         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>  |                          |                          |
| Purchases of investments  | (7,893,373)              | (2,958,498)              |
| Proceeds from maturities and sale of investments                                      | 8,754,000                | 300,000                  |
| Proceeds from interest income   | <u>124,803</u>           | <u>53,403</u>            |
| Net cash (used in) provided by investing activities                                   | <u>985,430</u>           | <u>(2,605,095)</u>       |
| <b>NET (DECREASE) INCREASE IN CASH</b>  | <b>92,804</b>            | <b>(73,928)</b>          |
| <b>CASH, BEGINNING OF YEAR</b>  | <u><b>57,246</b></u>     | <u><b>131,174</b></u>    |
| <b>CASH, END OF YEAR</b>  | <u><b>\$ 150,050</b></u> | <u><b>\$ 57,246</b></u>  |
| <b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b> |                          |                          |
| Operating loss  | \$ (405,632)             | \$ (525,403)             |
| Adjustments to reconcile operating loss to net cash provided by operating activities: |                          |                          |
| Depreciation  | 1,414,247                | 1,357,440                |
| Bad debt expense  | 26,629                   | 43,997                   |
| Change in asset and liabilities:  |                          |                          |
| Increase in accounts receivable   | (787,049)                | (112,910)                |
| (Increase) decrease in inventory  | 5,032                    | (16,653)                 |
| Increase in accounts payable  | <u>99,937</u>            | <u>179,124</u>           |
| Net cash provided by operating activities   | <u><b>\$ 353,164</b></u> | <u><b>\$ 925,595</b></u> |

Depreciation on the sewer system and airport which were acquired by grants externally restricted for the acquisition and construction of the sewer system and airport was used to reduce the contributed capital and thereby increase retained earnings. The effect on retained earnings for the year ended June 30, 1997 was an increase of \$540,770 with a corresponding decrease in contributed capital.

The notes to financial statements are an integral part of this statement.

# CITY OF SLIDELL, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 1997

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Description of Funds and Account Groups* - The City of Slidell, Louisiana (the City) uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

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

Funds are classified into three categories: governmental, fiduciary and proprietary. Each category, in turn, is divided into separate "fund types." The funds, listed by type, and account groups established by the City are described below.

*General Fund* - The General Fund is a governmental fund used to account for resources traditionally associated with government which are not required legally, or by sound financial management, to be accounted for in another fund. The General Fund accounts for the normal recurring activities of the City (i.e., public safety, sanitation, general government, etc.).

*Special Revenue Funds* - These governmental funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes (other than special assessments, expendable trusts, major capital projects, water and sewerage user fees and airport user fees). The Sales Tax Fund accounts for the bond proceeds and subsequent debt service; revenues funded by the City's two percent sales and use tax, which are primarily dedicated for public improvements (see Note 7); and certain grants. The Community Development Block Grant Fund accounts for the proceeds of entitlement grants received from the Department of Housing and Urban Development. The Regional Training Facility Fund accounts for fifty percent of the normal recurring activities of the police/fire training facility. The other fifty percent is accounted for under contractual arrangement by the St. Tammany Fire Protection District No. 1.

*Debt Service Fund* - This governmental fund is used to accumulate monies for the payment of bond and certificate of indebtedness issues. There is no reserve or sinking fund established to cover defaults by property owners.

*Capital Projects Funds* - These governmental funds account for the purchase, construction and renovation of the City's major capital facilities. Their resources are derived principally from proceeds of general obligation or sales tax bonds, certificates of indebtedness and U.S. Government and other agencies grants. The Sewerage Improvements Fund was established to account for capital improvements to the sanitary sewer collection system and treatment facility. The Water Improvements Fund was established to account for renovation of the City's water system. The City Capital Construction Fund was established to account for monies received from an outside agency and is designated for future capital investments. The Public Works Improvement Fund was established to account for renovations and replacement of City

streets and drainage. The Drainage Improvements Fund was established to account for proceeds of the General Obligation Bonds, Series 1996. The Street Improvements Fund was established to account for proceeds of the Public Improvement Sales Tax Bonds, Series 1966.

***Enterprise Funds*** - These proprietary funds are used to account for operations of the water and sewerage systems and the solid waste disposal system of the City as well as the airport, which are financed and operated in a manner similar to private business enterprises. These funds are designed to be self-supporting in that the cost of providing services to the general public on a continuing basis is to be financed or recovered primarily through user charges.

***Expendable Trust Funds*** - Assets held by the City in a fiduciary capacity for individuals, organizations and others are accounted for in these fiduciary funds, which are primarily financed by private contributions. The 1997 balances include the Animal Assistance League of Slidell Fund for the care and protection of stray animals, the Christmas Under the Stars Fund to promote Christmas programs, the Green Fund for the Slidell Heritage Green and Beautiful Committee, and the Old Towne Development Fund to promote the revitalization of the downtown area of Slidell.

***General Fixed Assets Account Group*** - The General Fixed Assets Account Group is used to account for the general fixed assets of the City, other than assets of the Enterprise Funds. Capital expenditures in funds other than the Enterprise Funds are recorded as expenditures of those funds at the time of purchase and are subsequently recorded, at cost, for control purposes in the General Fixed Assets Account Group unless the assets are contributed to the Enterprise Funds. Depreciation is not recorded on general fixed assets.

***General Long-Term Debt Account Group*** - The General Long-Term Debt Account Group represents a summary of the general obligation, sales tax and certificates of indebtedness as well as certain other long-term liabilities of the City.

***Fund Equity*** - Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The proprietary fund's contributed capital represents equity acquired through capital grants and capital contributions from developers, customers or other funds.

***Basis of Accounting*** - The financial statements and accounting policies of the City conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

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 generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

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

Under the provisions of GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," the City has elected not to follow Financial Accounting Standards Board guidance issued subsequent to November 30, 1989.

***Accrual Basis of Accounting*** - The accrual basis of accounting is utilized by Proprietary Fund Types (the City's Enterprise Funds) whereby revenues are recorded as earned and expenses are recorded when incurred. Monthly billings for services are made based on metered or fixed monthly rates, as applicable. Substantially all accounts of the City are metered. The remaining customers are charged a fixed rate, based on estimated usage and approved by the City Council. Unbilled water and sewer utility service and solid waste disposal service receivables are recorded by the City.

***Modified Accrual Basis of Accounting*** - All Governmental Fund Types and Expendable Trust Funds are accounted for under the modified accrual basis of accounting utilizing the following practices:

Revenues are accrued when the amounts to be received are both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Grants from the U. S. Government and the State are accrued when the City has a right to reimbursement under the related grant, generally corresponding to the incurrence of grant related costs by the City. Ad valorem taxes are recorded in the year the taxes are levied to the extent that they are determined to be currently collectible. The year-end accrual of sales and use tax revenue is based upon sales and use taxes collected during July of the following year. Interest income on investments held at year-end is accrued.

Expenditures, except as indicated otherwise, are recorded at the time the related fund liabilities are incurred. Interest payments on general long-term debt are not accrued but are recorded when paid. Amounts payable under construction contracts, including the applicable retainage, are recorded in the period during which the related work is performed by the contractor. Also, capital outlays are recorded as expenditures at the time of acquisition.

***Budget Policies*** - The Mayor and City Council approve, prior to the beginning of each year, an annual operating budget prepared on the modified accrual basis for general governmental activities except that encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase and State supplemental pay (\$189,836 in 1997) to police officers are not treated as budgeted revenues and expenditures of the General Fund. At the end of the fiscal year, unexpended and unencumbered appropriations of these funds automatically lapse with the exception of capital outlay appropriations which lapse after three fiscal years.

Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds, the only fund types having legally adopted annual budgets. Expenditures are budgeted at the departmental level, which is the level at which expenditures may not legally exceed appropriations. For all other funds effective budgetary control is alternatively achieved through bond indenture provisions, certificate of indebtedness provisions, and trust agreements. Certain revenues, capital outlay, and claims, judgments and disasters expenditures arise from special grants, contracts, and specific events which specify the use of the funds and, accordingly, no budgetary control is required.

During the year, the Mayor may authorize transfers between line items within a department or project without Council approval. Upon request by the Mayor, the Council may amend departmental or fund level appropriations during the year. The budget data reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Actual (Adjusted to Budgetary Basis) and Budget (Exhibit A-3) includes the effect of such appropriation amendments approved by the City Council during the current year. These amendments may reappropriate undesignated and/or reserved funds rolling forward from the previous year for various capital projects as well as amend the distributions of operating funds already appropriated.

*Encumbrances* - Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General and Special Revenue Funds. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities and because the commitments will be honored during the subsequent year. There were no encumbrances outstanding at June 30, 1997.

*Transfers* - Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases in which repayment is expected, the advances are accounted for through the various due to and due from accounts.

*Payment in Lieu of Taxes* - Costs associated with general governmental operations of the City are initially recorded in the General Fund. A portion of these costs is applicable to the administration and operation of the Special Revenue and Enterprise Funds.

For the Special Revenue Funds, in lieu of an administrative cost allocation, the City budgets an operating transfer of a portion of the sales tax revenues to the General Fund.

For the Enterprise Funds, the payment in lieu of taxes is made to the General Fund based on rates the General Fund would have charged a third party for the services provided. The rates are determined based on the current franchise and property millage tax rates.

*Inventories* - Inventories are valued at cost using the first in, first out (FIFO) method. Inventories in the General and Special Revenue Funds consist of materials and supplies held for consumption and are accounted for using the consumption method whereby individual items are recorded as expenditures when they are consumed. Inventories in the General and Special Revenue Funds are equally offset by a reservation of fund balance, which indicates that although inventories are a component of net current assets, they do not constitute "available spendable resources." Inventories in the Enterprise Funds consist of chemicals, repair materials, and spare parts. These inventories are also accounted for using the consumption method.

*Restricted Assets* - Restricted assets on the balance sheet of the Special Revenue Funds represent amounts which are required to be maintained pursuant to the ordinances relating to the Recreational Bonds of 1980, the Series 1987, 1988 and 1996 Public Improvement Bonds, and the 1993A and 1993B Refunding Bonds (bond sinking fund and reserve fund, see Note 8). A corresponding amount of fund balance is reserved as these monies are legally segregated for a specific future use.

Restricted investments on the balance sheet of the General Fund represent a certificate of deposit of \$275,000 required to be maintained and held by the Workers Compensation Fund (a State of Louisiana agency) as collateral against the City's self-insured portion of workers' compensation claims. A corresponding amount of fund balance is reserved as these monies are legally segregated for a specific future use.

Restricted assets on the balance sheet of the Enterprise Funds represent funds held for customer deposits and amounts which are required to be maintained pursuant to ordinances relating to the Series 1996 Utilities Revenue Bonds.

**Fixed Assets and Depreciation** - All fixed assets of the City not utilized by the Enterprise Funds are capitalized in the General Fixed Assets Account Group. Assets are recorded at cost or estimated historical cost, if purchased, and at fair market value at date of gift, if donated. In addition to land, buildings, and equipment, the City capitalizes as general fixed assets certain other public domain (infrastructure) improvements including streets, bridges and drainage systems. The City does not depreciate general fixed assets or capitalize interest on construction-in-progress.

Fixed assets in the City's Enterprise Funds are recorded at cost, if purchased, and at fair market value at date of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or extend the life of the respective assets are charged to expense. Contributions received in aid of construction are credited to the contribution account and do not reduce the cost of the assets acquired with such contributions.

Depreciation on fixed assets acquired by grants externally restricted for capital acquisition and construction reduces the appropriate contributed capital account and is recorded as a retirement of contributed capital, thereby increasing retained earnings.

Depreciation is provided on the straight-line method for fixed assets of the Enterprise Funds. The following useful lives are used for depreciation purposes:

| <b>Asset Description</b> | <b>Asset Life</b> |
|--------------------------|-------------------|
| <u>Water System</u>      |                   |
| Wells                    | 20 years          |
| Storage tanks            | 20 years          |
| Lines                    | 50 years          |
| <u>Sewerage System</u>   |                   |
| Disposal plant           | 50 years          |
| Pump stations and lines  | 50 years          |
| <u>General</u>           |                   |
| Trucks                   | 4 years           |
| Equipment                | 10 years          |
| <u>Airport Facility</u>  |                   |
| Machinery and equipment  | 10 years          |
| Parking facilities       | 7 years           |
| Building                 | 20 years          |

**Compensated Absences** - Vacation and sick leave benefits are based on the number of years of service and may be carried forward to subsequent years. However, upon retirement or termination, only 45 days earned vacation will be paid to policemen, and 15 days earned vacation will be paid to all other City employees. In addition, 45 days earned sick leave will be paid to policemen, and 15 days earned sick leave will be paid to all other City employees only upon retirement. Compensatory absences earned but not paid are fully accrued in the Enterprise Funds. In the governmental funds, only that portion which will be liquidated within one year with expendable available financial resources is accrued at year-end.

The term "expendable available financial resources" as used in this context means unreserved, undesignated fund balance.

*Ad Valorem Taxes* - Ad valorem taxes are levied based on a calendar year. The property tax assessment for fiscal 1997 was formally levied on December 8, 1996, based on the millage rates determined by the City Council. Property tax bills are mailed out once a year in early December and become an enforceable lien when due. Although the bill states the property taxes are due on December 31, penalties are assessed for any payment not received by February 1. Property tax revenues are recognized when levied to the extent that they are determined to be currently collectible. Any unpaid taxes are collected in connection with a tax sale held in June.

*Cash and Cash Equivalents* - For purposes of the statement of cash flows, the Enterprise Funds consider all highly liquid investments (including certificates of deposit) with a maturity of three months or less when purchased to be cash equivalents.

## 2. THE FINANCIAL REPORTING ENTITY

The City is a municipal corporation governed by an elected nine-member Council. As required by generally accepted accounting principles, these financial statements present the City as the primary government. The City has no component units; therefore, the City also represents the reporting entity.

## 3. CASH AND INVESTMENTS

As reflected in the Combined Balance Sheet, the City had the following cash and investments as of June 30, 1997:

|                             | Total               |
|-----------------------------|---------------------|
| <b>Cash and Investments</b> |                     |
| Unrestricted                | \$23,556,159        |
| Restricted                  | <u>5,748,936</u>    |
|                             | <u>\$29,305,095</u> |

*Deposits* - Under State law the City may deposit funds with a fiscal agent bank located within the municipality and organized under the laws of the State of Louisiana, any other state in the union, or under the laws of the United States. Further, the City may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100% of the uninsured amount on deposit with the bank.

At June 30, 1997, the carrying amount of the City's cash and certificates of deposit was \$6,392,969 of which \$300,000 is classified as investments at June 30, 1997, and the bank balance was \$6,919,661. The difference is primarily due to outstanding checks. The entire bank balance was either covered by federal depository insurance or by collateral held by the City's third-party agent in the City's name (Category 1).



**Investments** - In addition to the bank certificates of deposit described above, under State law the City may also invest in obligations of the U.S. Treasury or any other federally insured investment. Investments are stated at cost or amortized cost, and interest income is recorded when earned. The City's investments are categorized below to give an indication of the level of risk assumed by the City at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the financial institution, or by its trust department or agent, but not in the City's name. Balances at June 30, 1997 were as follows:

|                                   | Category             |             |             | Carrying Value      | Market Value         |
|-----------------------------------|----------------------|-------------|-------------|---------------------|----------------------|
|                                   | <u>1</u>             | <u>2</u>    | <u>3</u>    |                     |                      |
| U.S. Government Securities        | \$ 17,890,009        | \$ -        | \$ -        | 17,890,009          | \$ 17,861,443        |
| U.S. Government Agency Securities | <u>5,022,117</u>     | _____       | _____       | <u>5,022,117</u>    | <u>4,999,821</u>     |
| Total                             | <u>\$ 22,912,126</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$22,912,126</u> | <u>\$ 22,861,264</u> |

#### 4. OVERVIEW TOTAL COLUMNS

Overview total columns are included on the combined statements and are captioned "Memorandum Only" to indicate they are presented for overview information purposes only. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Such data are not comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

#### 5. RETIREMENT PLANS

The City provides pension benefits for all of its full-time employees through two separate cost-sharing, multiple-employer public employee retirement systems. All full-time City employees, except police, are members in the Municipal Employees' Retirement System of the State of Louisiana (the Municipal System). All full-time police are members of the Municipal and State Police Retirement System of Louisiana (the Police System).

The City's total payroll cost, excluding benefits, was approximately \$7,914,170 for fiscal 1997. Contributions to these retirement systems were based on participating full-time employee earnings which were approximately as follows for fiscal 1997:

|                  |                    |
|------------------|--------------------|
| Municipal System | \$5,074,000        |
| Police System    | <u>1,946,157</u>   |
| Total            | <u>\$7,020,157</u> |

Municipal employees participating in the Municipal System are entitled to a retirement benefit at or after age 60 with 10 years of creditable service, age 55 with 25 years of creditable service or at any age with 30 years of creditable service. The retirement benefit is generally three percent of the member's final compensation multiplied by his years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. The system also provides death and disability benefits as well as a deferred retirement option. Benefits are established by state legislation. The Municipal System issues a publicly available financial report that includes the financial statements and required supplementary information for the Municipal System. That report may be obtained by writing to the Municipal Employees' Retirement System, 7937 Office Park Blvd., Baton Rouge, Louisiana, 70809.

Police participating in the Police System for at least one year are eligible for normal retirement at or after age 50 with 20 years of creditable service or age 55 with 12 years creditable service. The retirement benefit is generally three and one-third percent of the members average final compensation multiplied by his years of creditable service (not to exceed 100% of average final compensation). The system also provides death and disability benefits as well as a deferred retirement option. Benefits are established by State legislation. The Police System issues a publicly available financial report that includes the financial statements and required supplementary information for the Police System. That report may be obtained by writing to the Municipal and State Police Retirement System of Louisiana, 8401 United Plaza Building, Room 235, Baton Rouge, Louisiana, 70809.

State legislation has established the obligations of the City and its employees for contributions at 6.25% and 9.25% of employee earnings, respectively, for the Municipal System, as well as 9.0% and 7.5% of employee earnings, respectively, for the Police System. The contributions made by the City are greater than its obligations established by the State legislature in order to reduce employee contributions accordingly. The City contributed 15.5% of participating employee earnings to the Municipal System for 1997. The City's contributions to the Police System were 16.5% of the participating policemen's wages for 1997. The City's contributions to the Municipal System for the years ending June 30, 1997, 1996 and 1995 were approximately \$775,000, \$770,000 and \$681,000, respectively, equal to the required contribution for each year. The City's contributions to the Police System for the years ending June 30, 1997, 1996 and 1995 were approximately \$321,000, \$288,000 and \$299,700, respectively, equal to the required contribution for each year.

## **6. GRANTS FROM OTHER GOVERNMENTAL ENTITIES**

Federal and state governmental entities represent an important source of supplementary funding used to finance the City's construction programs and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in the General, Special Revenue and Capital Projects Funds. As discussed in Note 1, a grant receivable is recorded when the City has a right to reimbursement under the related grant.

The grants received by the City specify the purpose for which the grant monies are to be used, and such grants are subject to audit by the granting agency or its representative.

The following revenues under various grants and entitlements are recorded in the accompanying financial statements:

|                        |                    |
|------------------------|--------------------|
| General Fund           | \$ 88,332          |
| Special Revenue Funds  | 468,750            |
| Capital Projects Funds | <u>1,874,640</u>   |
|                        | <u>\$2,431,722</u> |

The City also received \$205,009 during fiscal 1997 as the result of a state grant which was externally restricted for improvements to the airport. These funds were recorded as contributed capital in the Enterprise Funds.

## 7. DEDICATED REVENUES

The City collects a two percent sales and use tax pursuant to two separate one percent tax propositions approved by the voters in November 1962 (fiscal 1963) and September 1986 (fiscal 1987). These revenues are dedicated for specific purposes and are accounted for in a separate Special Revenue Fund.

An inter-governmental agreement (known as the Sales Tax Enhancement Plan) was executed between the City and Sales Tax District #3 of St. Tammany Parish. The agreement targets all undeveloped commercial properties (within St. Tammany Parish) annexed into the City after November 4, 1986 and stipulates that the two percent sales and use tax derived from the subsequent development of such properties be split equally (after the City recovered approximately \$1,356,000 of costs relating to the extension of services to two retail developments) between the City and Sales Tax District #3 of St. Tammany Parish. This agreement has a twenty year life, expiring December 1, 2006, after which the City will be entitled to the entire two percent tax.

Dedication of the 1963 tax, as amended, requires one half of all proceeds of the tax to be used first for debt service requirements and the costs for bonds issued for the purpose of constructing, acquiring, or improving lands, buildings or other works of public improvement for the City, including equipment and furnishings thereof, title to which shall be in the public. The remaining dedicated revenue is to be used for constructing, acquiring or improving the aforementioned capital improvements. The proposition also provides for one half of the 1963 sales and use tax revenues to be undedicated. These undedicated revenues are available for general operations.

All of the proceeds of the 1987 tax, after paying the reasonable and necessary expenses of collecting and administering the tax, are dedicated to be used for purchasing, constructing, acquiring, extending, improving, maintaining, and/or operating public facilities, public works or capital improvements and paying the capital costs of police protection and public safety for the City or any sites, equipment and furnishings thereof. According to the voter approved proposition, the City is further authorized to fund the proceeds of the tax into bonds for the above stated capital purposes.

Proceeds of both the 1963 and 1987 sales and use taxes serve as security for outstanding sales tax revenue bonds (see Note 8).

## 8. LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended June 30, 1997:

|                                    | Balance<br>June 30, 1996    | Issues or<br>Additions | Payments or<br>Expenditures | Balance<br>June 30, 1997 |
|------------------------------------|-----------------------------|------------------------|-----------------------------|--------------------------|
| <b>Governmental Fund Types</b>     |                             |                        |                             |                          |
| General Obligation Bonds           | \$ 15,395,000               | \$ -                   | \$ (655,000)                | \$ 14,740,000            |
| Sales Tax Revenue Bonds            | 12,860,375                  | 9,300,000              | (816,000)                   | 21,344,375               |
| Certificates of Indebtedness       | 4,495,000                   |                        | (544,042)                   | 3,950,958                |
| Compensated Absences<br>(Note 1)   | 309,074                     |                        |                             | 309,074                  |
| Claims and Judgements<br>(Note 14) | <u>41,955</u>               | <u>151,045</u>         | <u>                    </u> | <u>193,000</u>           |
| Total Governmental Fund<br>Types   | <u>33,101,404</u>           | <u>9,451,045</u>       | <u>(2,015,042)</u>          | <u>40,537,407</u>        |
| <b>Proprietary Fund Types</b>      |                             |                        |                             |                          |
| Utility Revenue Bonds              | 2,500,000                   |                        |                             | 2,500,000                |
| DEQ Revolving Loan                 | <u>                    </u> | <u>52,910</u>          | <u>                    </u> | <u>52,910</u>            |
| Total Proprietary Fund<br>Types    | <u>2,500,000</u>            | <u>52,910</u>          | <u>                    </u> | <u>2,552,910</u>         |
| Total All Fund Types               | <u>\$35,601,404</u>         | <u>\$ 9,503,955</u>    | <u>\$(2,015,042)</u>        | <u>\$43,090,317</u>      |

Details of the City's long-term debt as of June 30, 1997 are as follows:

General Obligation Bonds secured by ad valorem taxes:

|  |                     |
|--|---------------------|
| Water, Sewer and Refunding Bonds, Series 1989A, 1989B, and 1989C<br>bearing interest from 7.0% to 12%, payable annually through 2009 | \$ 520,000          |
| Refunding Bonds, Series 1994, bearing interest from 3.15% to<br>5.50%, payable annually through 2009                                 | 4,720,000           |
| Drainage Bonds, Series 1996, bearing interest from 4.43% to 10.00%,<br>payable annually through 2016                                 | <u>9,500,000</u>    |
|  | <u>\$14,740,000</u> |

**Sales Tax Bonds and Certificates of Indebtedness secured  
by sales and use taxes:**

|   |                     |
|---|---------------------|
| Recreation Bonds of 1980, secured by a lien and irrevocable pledge of the proceeds of the City's one percent sales and use tax levied in 1963, on a parity with the Series 1986 Public Improvement Bonds, bearing interest at 5%, payable annually through 2005 | \$ 669,375          |
| Public Improvement Bonds, Series 1987 and 1988, secured by a lien and irrevocable pledge of the proceeds of the City's one percent sales and use tax levied in 1987, bearing interest from 6.7% to 12%, payable annually through 2004                           | 2,265,000           |
| Public Improvement Refunding Bonds, Series 1993B, secured by a lien and irrevocable pledge of the proceeds of the City's one percent sales and use tax levied in 1987 bearing interest from 3.10% to 5.50%, payable annually through 2008                       | 5,965,000           |
| Public Improvement Refunding Bonds, Series 1993A, secured by a lien and irrevocable pledge of the proceeds of the City's one percent sales and use tax levied in 1963 bearing interest from 3.10% to 5.65%, payable annually through 2011                       | 3,280,000           |
| Public Improvement Bonds, Series ST-1996, secured by a lien and irrevocable pledge of the proceeds of the City's one percent sales and use tax levied in 1987 bearing interest from 5.375% to 10%, payable annually through 2016                                | <u>9,165,000</u>    |
|   | <u>\$21,344,375</u> |

**Unsecured Certificates of Indebtedness:**

|  |                    |
|--|--------------------|
| Certificates of Indebtedness, bearing interest from 4.3% to 5.3% payable annually through 2005 | \$3,125,000        |
| Certificates of Indebtedness, bearing interest at 5.10% payable annually through 1999          | <u>825,958</u>     |
|  | <u>\$3,950,958</u> |

|   |                    |
|---|--------------------|
| Utility Revenue Bonds, Series 1996, secured by revenues of the Utility Fund, bearing interest from 3.90% to 5.55% payable annually through 2016 | \$2,500,000        |
| Current portion   | <u>(85,000)</u>    |
| Long-term debt  | <u>\$2,415,000</u> |

## DEQ Revolving Loan

On May 28, 1997, the City entered into a loan and pledge agreement with the Louisiana Department of Environmental Quality (DEQ) Loan No. CS-221136-01. The purpose of the loan is to pay a portion of the cost of constructing improvements to the wastewater system of the City. Under the terms of the agreement, the DEQ, through its Municipal Facilities Revolving Loan Fund, will loan the City an amount not to exceed \$3,900,000. Upon completion of the project (currently expected to be in September 1998), the actual amount borrowed will be determined and the City will issue Utility Revenue Bonds to evidence the debt as authorized by ordinance No. 2727. The bonds will be payable over a 20 year period and will bear an interest rate of 3.45 percent. As of June 30, 1997, \$52,910 has been drawn down on the loan. This amount is recorded as a liability in the financial statements of the Utility Enterprise Fund. Under the terms of the agreement, the City is subject to compliance with certain provisions and covenants. As of June 30, 1997, the City is in compliance with all significant provisions and covenants.

The annual requirements, including interest payments of \$20,336,262, to amortize all debt outstanding as of June 30, 1997 is as follows:

| Year ending<br>June 30, | General<br>Obligation | Sales Tax           | Certificates<br>of<br>Indebtedness | Utility<br>Revenue | Total               |
|-------------------------|-----------------------|---------------------|------------------------------------|--------------------|---------------------|
| 1998                    | \$ 1,428,946          | \$ 2,206,425        | \$ 776,581                         | \$ 213,988         | \$ 4,625,940        |
| 1999                    | 1,407,191             | 2,201,647           | 780,831                            | 210,673            | 4,600,342           |
| 2000                    | 1,392,942             | 2,200,744           | 784,081                            | 212,188            | 4,589,955           |
| 2001                    | 1,373,041             | 2,190,481           | 482,464                            | 213,408            | 4,259,394           |
| 2002                    | 1,360,706             | 2,193,127           | 488,714                            | 214,322            | 4,256,869           |
| 2003-2007               | 6,910,849             | 10,788,991          | 1,485,351                          | 1,072,861          | 20,258,052          |
| 2008-2012               | 5,157,219             | 6,825,298           |                                    | 1,061,058          | 13,043,575          |
| 2013-2017               | 3,199,750             | 3,192,268           |                                    | 845,450            | 7,237,468           |
|                         | <u>\$22,230,644</u>   | <u>\$31,798,981</u> | <u>\$4,798,022</u>                 | <u>\$4,043,948</u> | <u>\$62,871,595</u> |

At June 30, 1997, the following amounts are considered available for the retirement of general long-term debt:

|                       |                    |
|-----------------------|--------------------|
| Special Revenue Funds | \$2,947,557        |
| Debt Service Fund     | <u>998,755</u>     |
|                       | <u>\$3,946,312</u> |

In accordance with the Revised Statutes of the State of Louisiana, aggregate debt payable solely from ad valorem taxes for each specific purpose shall not exceed 35% of total assessed valuation of taxable property. As of June 30, 1997, the City was in compliance with these statutes.

Pursuant to the Revenue Bond Resolution and the Recreation Bonds of 1980, Series 1986, 1987, 1988 and 1996 Public Improvement Bond ordinances, and the 1993A and 1993B Refunding Bond ordinances, and Utility Revenue Bonds, Series 1996, certain assets of the Special Revenue and Enterprise Funds are restricted (see Note 1). As of June 30, 1997, the City is in substantial compliance with the restrictive covenants of its debt agreements.

In prior years the City defeased certain general obligation and sales tax bonds and sewerage certificates by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds and certificates. Accordingly, the trust account assets and the liabilities for the defeased bonds and certificates are not included in the City's financial statements. At June 30, 1997, \$4,365,000 and \$5,370,000 of general obligation bonds and sales tax bonds, respectively, are considered defeased.

**9. INDIVIDUAL FUND DISCLOSURES**

A summary of interfund receivable and payable balances at June 30, 1997 follows:

| Fund                                | Interfund<br>Receivables | Interfund<br>Payables |
|-------------------------------------|--------------------------|-----------------------|
| General Fund                        | \$ 731,061               | \$5,186,064           |
| Special Revenue:                    |                          |                       |
| Sales Tax                           | 2,338,148                | -                     |
| Community Development Block Grant   | -                        | 166,816               |
| Regional Training Facility          | 30,952                   | -                     |
| Debt Service Fund                   | 228,128                  | -                     |
| Capital Projects Funds:             |                          |                       |
| Public Works                        | 803                      | -                     |
| Water Improvements                  | -                        | 273                   |
| Drainage Improvements               | -                        | 519,624               |
| Sewerage Improvements               | 35,087                   | -                     |
| Streets Improvements                | 446,941                  | -                     |
| City Capital                        | 137,286                  | -                     |
| Enterprise Funds:                   |                          |                       |
| Utility Fund                        | 1,937,453                | -                     |
| Airport                             | -                        | 44,348                |
| Expendable Trust Funds:             |                          |                       |
| Christmas Under the Stars           | 22,225                   | -                     |
| Old Towne Development               | 2,165                    | -                     |
| Animal Assistance League of Slidell | 6,602                    | -                     |
| Green                               | 274                      | -                     |
|                                     | <u>\$5,917,125</u>       | <u>\$5,917,125</u>    |

A summary of operating transfers by fund type for the year ended June 30, 1997 is as follows:

|                              | Transfers To or From             | Operating<br>Transfers<br>In | Operating<br>Transfers<br>Out |
|------------------------------|----------------------------------|------------------------------|-------------------------------|
| <u>General Fund</u>          |                                  |                              |                               |
|                              | Special Revenue Funds            | \$1,728,079                  | \$ -                          |
|                              | Enterprise Funds                 |                              | 25,525                        |
|                              |                                  | <u>1,728,079</u>             | <u>25,525</u>                 |
| <u>Special Revenue Funds</u> |                                  |                              |                               |
|                              | Capital Projects Funds           | 828,098                      |                               |
|                              | Special Revenue Funds            | 130,329                      | 130,329                       |
|                              | General Fund                     |                              | 1,728,079                     |
|                              | Debt Service Fund                |                              | 2,851,066                     |
|                              | Enterprise Funds                 |                              | 81,918                        |
|                              |                                  | <u>958,427</u>               | <u>4,791,392</u>              |
| <u>Debt Service Fund</u>     |                                  |                              |                               |
|                              | Special Revenue Funds            | <u>2,851,066</u>             |                               |
|                              |                                  | 2,851,066                    |                               |
| <u>Capital Project Funds</u> |                                  |                              |                               |
|                              | Special Revenue Funds            |                              | <u>828,098</u>                |
| <u>Enterprise Funds</u>      |                                  |                              |                               |
|                              | General Fund                     | 25,525                       |                               |
|                              | Special Revenue Funds            | 81,918                       |                               |
|                              |                                  | <u>107,443</u>               |                               |
|                              | <b>TOTAL OPERATING TRANSFERS</b> | <b><u>\$5,645,015</u></b>    | <b><u>\$5,645,015</u></b>     |

As of June 30, 1997, the Utility Fund's retained deficit is \$516,717.

#### 10. ALLOWANCE FOR DOUBTFUL ACCOUNTS

The water, sewerage and garbage receivable balance of \$408,781 is net of an allowance for doubtful accounts of \$58,413.



## 11. PROPERTY, PLANT AND EQUIPMENT AND CONTRIBUTED CAPITAL

A summary of changes in general fixed assets for the year ended June 30, 1997 is as follows:

|                              | June 30,<br>1996    | Additions           | Deletions                   | Construction-<br>In-Progress | June 30,<br>1997    |
|------------------------------|---------------------|---------------------|-----------------------------|------------------------------|---------------------|
| Land and buildings           | \$12,453,363        | \$ 261,840          | \$ -                        | \$ -                         | \$12,715,203        |
| Recreation facilities        | 783,751             | 244,446             |                             |                              | 1,028,197           |
| Streets                      | 9,945,242           | 31,539              |                             |                              | 9,976,781           |
| Drainage                     | 12,188,948          | 314,450             |                             | 1,053,314                    | 13,556,712          |
| Office equipment             | 1,384,803           | 263,496             | 15,943                      |                              | 1,632,356           |
| Machinery and<br>equipment   | 1,610,551           | 49,321              | 20,747                      |                              | 1,639,125           |
| Vehicles                     | 2,847,090           | 525,872             | 271,999                     |                              | 3,100,963           |
| Bridges                      | 619,084             |                     |                             |                              | 619,084             |
| Construction-in-<br>progress | <u>2,335,186</u>    | <u>8,574,584</u>    | <u>                    </u> | <u>(1,053,314)</u>           | <u>9,856,456</u>    |
|                              | <u>\$44,168,018</u> | <u>\$10,265,548</u> | <u>\$ 308,689</u>           | <u>\$ -</u>                  | <u>\$54,124,877</u> |

Construction-in-progress primarily consists of street and drainage and building improvements which are financed by general obligation bonds, sales tax revenues and sales tax bonds, CDBG and City capital fund monies.

A summary of property, plant, and equipment of the Enterprise Funds as of June 30, 1997 follows:

|                                |                      |
|--------------------------------|----------------------|
| Land                           | \$ 75,658            |
| Water system                   | 16,187,182           |
| Sewerage system                | 24,090,649           |
| General equipment              | 1,964,870            |
| Airport facility               | 2,470,178            |
| Construction-in-progress       | <u>2,029,794</u>     |
|                                | 46,818,331           |
| Less: Accumulated depreciation | <u>(14,054,261)</u>  |
|                                | <u>\$ 32,764,070</u> |

A detail of the changes in contributed capital of the Enterprise Funds for the year ended June 30, 1997 follows:

|                     | June 30,<br>1996    | Additions         | Reductions       | June 30,<br>1997    |
|---------------------|---------------------|-------------------|------------------|---------------------|
| Contributions from: |                     |                   |                  |                     |
| Federal grants      | \$11,930,716        | \$ -              | \$538,301        | \$11,392,415        |
| Municipalities      | 12,345,226          | 200,410           |                  | 12,545,636          |
| Sales and use tax   | 7,901,248           |                   |                  | 7,901,248           |
| Special assessments | 1,233,582           |                   |                  | 1,233,582           |
| State government    | 805,964             | 205,009           | 29,651           | 981,322             |
| Other               | 843,020             |                   |                  | 843,020             |
|                     | <u>\$35,059,756</u> | <u>\$ 405,419</u> | <u>\$567,952</u> | <u>\$34,897,223</u> |

Depreciation of \$540,770 on the sewer system and airport acquired by grants externally restricted for the acquisition and construction of the sewer system and airport was used to reduce the contributed capital account which increased retained earnings by a corresponding amount. An over accrual of revenue at June 30, 1996 of \$27,182 has been reversed and also reduces contributed capital for the year ended June 30, 1997.

## 12. COMMITMENTS

The local electric company owns and leases to the City certain street lighting facilities. In 1986 the City renegotiated the lease agreement, which expires in December 2000. Under the terms of this agreement, the City is required to pay \$91,379 plus a fuel adjustment charge per year for this service. The total amount paid by the City in 1997 for street lighting under this agreement was approximately \$253,000.

The City also has contracts with a sanitation disposal company to provide garbage collection and recycling services to City residents. These contracts, which expire April 30, 1999, require the City to pay a monthly fee of \$13.08 per household for service. The City in turn bills a monthly fee of approximately \$7.99 per household and collects a 5 mill property tax for garbage collection in accordance with the voter approved proposition. The City paid approximately \$1,341,000 for sanitation services under this contract in 1997. The disposal company charges a fee of \$54 per hour to perform services above and beyond the normal monthly services, as defined in the contract.

The City has authorized approximately \$28.4 million of various capital projects as of June 30, 1997, of which approximately \$9.5 million has been expended and approximately \$18.9 million of existing financing has been committed.

## 13. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

The City is a defendant in several lawsuits. In the opinion of the City's legal counsel, resolution of these cases would not have a significant effect on the financial position of the City.

#### 14. RISK MANAGEMENT

The City is exposed to various risks of loss related to thefts of, damage to, and destruction of assets, errors and omissions, negligent acts of law enforcement officials and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims did not exceed insurance coverage in fiscal year 1997.

In 1988, the City initiated a self-insured retention program in order to deal with certain other potential liabilities. In 1990 the City became self-insured for employee medical and dental insurance and in 1997 the City elected full coverage medical insurance. Claims in excess of the self-insured retention amounts are covered through third-party limited-coverage insurance policies. The city is self-insured with excess coverage in these areas: (a) workers' compensation with a \$225,000 retention and statutory limit on coverage, (b) general liability with a \$50,000 retention per occurrence and a \$1,000,000 limit per occurrence and \$2,000,000 aggregate limit on coverage, (c) auto liability with a \$50,000 retention per accident and a \$1,000,000 limit on coverage. The City also has an aggregate stop loss of \$1,200,000 for the three year period ending December 31, 1999 for workers' compensation claims and an annual stop loss of \$250,000 for general liability and auto liability combined.

The City uses the General Fund to account for self-insured risk financing activities. Claims in excess of amounts payable with expendable available resources totaling \$193,000 are reported in the General Long-Term Debt Account Group (see Note 8). The Sales Tax Fund, Regional Training Facility Fund and the Enterprise Funds make contributions to the General Fund for workers' compensation and employee dental insurance claims. Estimated losses from claims are recorded when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The expenditure and liability includes an amount for claims that have been incurred but not yet reported. The liability for claims is based on the estimated ultimate cost of settling the claims using past experience adjusted for current trends. Changes in the claims liability amounts are as follows:

|                                 | Automobile<br>General<br>Liability | Worker's<br>Compensation | Employee<br>Medical | Total               |
|---------------------------------|------------------------------------|--------------------------|---------------------|---------------------|
| Balance, June 30, 1995          | \$ 231,135                         | \$ 191,808               | \$ 179,272          | \$ 602,215          |
| Claims and changes in estimates | 188,073                            | 353,799                  | 1,471,912           | 2,013,784           |
| Claims payments                 | <u>(123,108)</u>                   | <u>(283,158)</u>         | <u>(1,404,718)</u>  | <u>(1,810,984)</u>  |
| Balance, June 30, 1996          | 296,100                            | 262,449                  | 246,466             | 805,015             |
| Claims and changes in estimates | 501,511                            | 357,521                  | 117,478             | 976,510             |
| Claims payments                 | <u>(158,345)</u>                   | <u>(180,953)</u>         | <u>(306,575)</u>    | <u>(645,873)</u>    |
| Balance, June 30, 1997          | <u>\$ 639,266</u>                  | <u>\$ 439,017</u>        | <u>\$ 57,369</u>    | <u>\$ 1,135,652</u> |

**15. OTHER POSTEMPLOYMENT BENEFITS**

In addition to the retirement benefits described in Note 5, City policy allows the City to make available health care benefits to all employees who retire from the City and are receiving benefits from a City sponsored retirement program. Currently, thirty-three retirees of the City meet these requirements and are participating. The City paid premiums totaling \$127,000 on behalf of retirees in 1997.

**16. SEGMENT INFORMATION - ENTERPRISE FUNDS**

The City maintains two enterprise funds which are intended to be self-supporting through user fees charged for services to the public. Financial segment information as of and for the year ended June 30, 1997 is presented below:

|   | Utility      | Airport   | Total        |
|---|--------------|-----------|--------------|
| Operating revenues                          | \$ 5,779,839 | \$ 33,008 | \$ 5,812,847 |
| Operating expenses (excluding depreciation) | 4,706,725    | 97,507    | 4,804,232    |
| Depreciation expense                        | 1,175,291    | 238,956   | 1,414,247    |
| Operating loss                              | (102,177)    | (303,455) | (405,632)    |
| Non-operating revenues (expenses)           | (983)        | 15,597    | 14,614       |
| Operating transfers in                      | 25,525       | 81,918    | 107,443      |
| Net loss                                    | (77,635)     | (205,940) | (283,575)    |
| Capital contributions                       | 200,410      | 205,009   | 405,419      |
| Property, plant and equipment additions     | 1,532,241    | 220,750   | 1,752,991    |
| Net working capital                         | 1,755,592    | 31,548    | 1,787,140    |
| Total assets                                | 35,929,474   | 2,182,504 | 38,111,978   |
| Bonds payable from operating revenues       | 2,552,910    | -         | 2,552,910    |
| Total equity                                | 32,432,894   | 2,013,556 | 34,446,450   |

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# General Fund



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**The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.**

## CITY OF SLIDELL, LOUISIANA

EXHIBIT B-1

GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 1997 AND 1996

| ASSETS                                      | 1997               | 1996               |
|---|--------------------|--------------------|
| Cash and investments:                       |                    |                    |
| Cash  | \$4,264,168        | \$3,447,301        |
| Investments                                 | 2,285,543          | 2,374,919          |
| Receivables:                                |                    |                    |
| Taxes                                       | 229,327            | 227,002            |
| Accrued interest                            | 25,572             | 43,358             |
| Other                                       | 34,290             | 132,963            |
| Due from other governmental entities:       |                    |                    |
| U.S. Government                             | 8,377              | 5,932              |
| State of Louisiana                          | 125,360            | 101,400            |
| Local entities                              | 52,056             | 80,104             |
| Due from other funds:                       |                    |                    |
| Community Development Block Grant           | 166,816            | 3,587              |
| Regional Training Facility                  | -                  | 4,061              |
| Airport                                     | 44,348             | 107,874            |
| Water Improvement                           | 273                | 7,238              |
| Sewerage Improvement                        | -                  | 518                |
| Public Works Improvement                    | -                  | 4,606              |
| Drainage Improvements                       | 519,624            | 149,522            |
| Street Improvements                         | -                  | 10,848             |
| Inventory                                   | 71,910             | 68,164             |
| Prepaid items                               | 328,050            | 281,279            |
| Restricted assets:                          |                    |                    |
| Cash and cash equivalents                   | 27,176             | 275,000            |
| Investments                                 | 275,000            | -                  |
| <b>TOTAL ASSETS</b>                         | <b>\$8,457,890</b> | <b>\$7,325,676</b> |
| <b>LIABILITIES AND FUND BALANCE</b>         |                    |                    |
| <b>LIABILITIES:</b>                         |                    |                    |
| Accounts payable and accrued expenditures   | \$ 764,030         | \$ 936,805         |
| Due to other funds:                         |                    |                    |
| Sales Tax                                   | 2,338,148          | 2,764,747          |
| Regional Training Facility                  | 30,952             | -                  |
| Utility                                     | 1,937,453          | 1,108,063          |
| Debt Service                                | 228,128            | 220,624            |
| Green                                       | 274                | 283                |
| Animal Assistance League of Slidell         | 6,602              | 18,876             |
| Christmas Under the Stars                   | 22,225             | 13,933             |
| Olde Towne Development                      | 2,165              | 1,398              |
| Sewerage Improvement                        | 35,087             | -                  |
| Public Works Improvement                    | 803                | -                  |
| Street Improvements                         | 446,941            | -                  |
| City Capital Construction                   | 137,286            | 88,232             |
|   | 5,186,064          | 4,216,156          |
| Claims and judgments                        | 942,652            | 763,060            |
| Total liabilities                           | <u>6,892,746</u>   | <u>5,916,021</u>   |
| <b>FUND BALANCE:</b>                        |                    |                    |
| Reserved for prepaid items                  | 328,050            | 281,279            |
| Reserved for inventory                      | 71,910             | 68,164             |
| Reserved for insurance                      | 275,000            | 275,000            |
| Unreserved and designated for contingencies | 275,000            | 250,000            |
| Unreserved and undesignated                 | 615,184            | 535,212            |
| Total fund balance                          | <u>1,565,144</u>   | <u>1,409,655</u>   |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b>   | <b>\$8,457,890</b> | <b>\$7,325,676</b> |

# CITY OF SLIDELL, LOUISIANA

## GENERAL FUND COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE YEARS ENDED JUNE 30, 1997 AND 1996

|   | 1997             | 1996             |
|---|------------------|------------------|
| <b>REVENUES:</b>                            |                  |                  |
| Taxes:                                      |                  |                  |
| Ad valorem                                  | \$1,308,205      | \$1,194,281      |
| Franchise                                   | 1,038,178        | 975,419          |
| Revenues from other governments:            |                  |                  |
| State shared revenues                       | 652,016          | 557,967          |
| Other Federal/State grants                  | 88,332           | 14,180           |
| Other state and local governmental revenues | 286,392          | 258,242          |
| Licenses and permits                        | 1,336,212        | 1,327,046        |
| Fines and forfeitures                       | 200,315          | 181,977          |
| Payment in lieu of taxes                    | 417,442          | 417,274          |
| Other revenues, primarily interest          | <u>412,919</u>   | <u>360,666</u>   |
| Total revenues                              | <u>5,740,011</u> | <u>5,287,052</u> |
| <b>EXPENDITURES:</b>                        |                  |                  |
| Current:                                    |                  |                  |
| General government:                         |                  |                  |
| Administrative                              | 320,150          | 333,622          |
| Finance                                     | 405,563          | 392,463          |
| Legal                                       | 377,652          | 270,455          |
| Data processing                             | 155,392          | 150,699          |
| Purchasing                                  | 205,910          | 200,895          |
| Civil service                               | 154,698          | 146,425          |
| Legislative                                 | 331,354          | 316,459          |
| Animal control                              | <u>200,476</u>   | <u>187,002</u>   |
|   | <u>2,151,195</u> | <u>1,998,020</u> |

EXHIBIT B-2

|  | 1997                | 1996                |
|--|---------------------|---------------------|
| Public works:  |                     |                     |
| Risk management  | 273,736             | 385,127             |
| Permits  | 278,179             | 286,931             |
| Planning   | 172,667             | 178,871             |
|  | <u>724,582</u>      | <u>850,929</u>      |
| Public safety:   |                     |                     |
| Police   | 4,197,450           | 3,887,597           |
| Judicial system  | 213,849             | 206,011             |
| Total expenditures   | <u>7,287,076</u>    | <u>6,942,557</u>    |
| DEFICIENCY OF REVENUES OVER EXPENDITURES   | <u>(1,547,065)</u>  | <u>(1,655,505)</u>  |
| OTHER FINANCING SOURCES (USES):  |                     |                     |
| Operating transfers in   | 1,728,079           | 2,104,082           |
| Operating transfers out  | (25,525)            | (515,845)           |
| Total other financing sources  | <u>1,702,554</u>    | <u>1,588,237</u>    |
| EXCESS (DEFICIENCY) OF REVENUES AND OTHER<br>FINANCING SOURCES OVER EXPENDITURES<br>AND OTHER FINANCING USES | 155,489             | (67,268)            |
| FUND BALANCE, BEGINNING OF YEAR  | <u>1,409,655</u>    | <u>1,476,923</u>    |
| FUND BALANCE, END OF YEAR  | <u>\$ 1,565,144</u> | <u>\$ 1,409,655</u> |



EXHIBIT B-3

|   | Actual<br>(Adjusted<br>to<br>Budgetary<br>Basis) | Budget            | Variance<br>Favorable<br>(Unfavorable) |
|---|--|-------------------|--|
| Public works:   |  |                   |  |
| Risk management   | 273,736  | 281,751           | 8,015                                  |
| Permits   | 278,179  | 280,054           | 1,875                                  |
| Planning  | 172,667  | 176,218           | 3,551                                  |
|   | <u>724,582</u>                                   | <u>738,023</u>    | <u>13,441</u>                          |
| Public safety:  |  |                   |  |
| Police  | 4,007,614  | 4,015,066         | 7,452                                  |
| Judicial system   | 213,849  | 214,409           | 560                                    |
| Total expenditures  | <u>7,097,240</u>                                 | <u>7,140,519</u>  | <u>43,279</u>                          |
| DEFICIENCY OF REVENUES OVER<br>EXPENDITURES   | (1,547,065)                                      | (2,237,766)       | 690,701                                |
| OTHER FINANCING SOURCES (USES):   |  |                   |  |
| Operating transfers in  | 1,728,079  | 1,728,079         |  |
| Operating transfers out   | (25,525)   | (25,525)          |  |
| Total other financing sources   | <u>1,702,554</u>                                 | <u>1,702,554</u>  |  |
| EXCESS (DEFICIENCY) OF REVENUES<br>AND OTHER FINANCING SOURCES<br>OVER EXPENDITURES AND OTHER<br>FINANCING USES | 155,489  | (535,212)         | 690,701                                |
| FUND BALANCE, BEGINNING OF YEAR   | <u>1,409,655</u>                                 | <u>1,409,655</u>  |  |
| FUND BALANCE, END OF YEAR   | <u>\$ 1,565,144</u>                              | <u>\$ 874,443</u> | <u>\$ 690,701</u>                      |

# Special Revenue Funds



**Special Revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.**

**The city maintains the following Special Revenue Funds:**

Sales Tax  
Community Development  
Block Grant  
Regional Training Facility

# CITY OF SLIDELL, LOUISIANA

## SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET

JUNE 30, 1997 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1996)

|                                       | Regional<br>Training<br>Facility | Sales Tax                  | Community<br>Development<br>Block Grant | Totals                     |                            |
|---------------------------------------|----------------------------------|----------------------------|---|----------------------------|----------------------------|
|                                       |                                  |                            |   | 1997                       | 1996                       |
| <b>ASSETS</b>                         |                                  |                            |   |                            |                            |
| Cash and investments:                 |                                  |                            |   |                            |                            |
| Cash                                  | \$ -                             | \$ -                       | \$ 69,954                               | \$ 69,954                  | \$ -                       |
| Investments                           |                                  | 829,164                    |   | 829,164                    | 1,152,800                  |
| Receivables:                          |                                  |                            |   |                            |                            |
| Taxes                                 |                                  | 1,017,327                  |   | 1,017,327                  | 875,000                    |
| Accrued interest                      |                                  |                            |   | -                          | 1,724                      |
| Other                                 |                                  | 2,126                      |   | 2,126                      | 4,231                      |
| Due from other governmental entities: |                                  |                            |   |                            |                            |
| U. S. Government                      |                                  |                            | 104,369                                 | 104,369                    | 24,666                     |
| State of Louisiana                    |                                  | 24,442                     |   | 24,442                     | 112,363                    |
| Local entities                        |                                  |                            |   | -                          | 7,210                      |
| Due from General Fund                 | 30,952                           | 2,338,148                  |   | 2,369,100                  | 2,764,747                  |
| Inventory                             |                                  | 30,995                     |   | 30,995                     | 38,495                     |
| Restricted assets:                    |                                  |                            |   |                            |                            |
| Cash                                  |                                  | 695,630                    |   | 695,630                    | 515,807                    |
| Investments                           |                                  | 2,510,330                  |   | 2,510,330                  | 1,586,916                  |
| <b>TOTAL ASSETS</b>                   | <b><u>\$ 30,952</u></b>          | <b><u>\$ 7,448,162</u></b> | <b><u>\$ 174,323</u></b>                | <b><u>\$ 7,653,437</u></b> | <b><u>\$ 7,083,959</u></b> |

EXHIBIT C-1

|  | Regional<br>Training<br>Facility | Sales Tax           | Community<br>Development<br>Block Grant | Totals              |                     |
|--|----------------------------------|---------------------|---|---------------------|---------------------|
|  |                                  |                     |   | 1997                | 1996                |
| <b>LIABILITIES AND FUND BALANCES</b>       |                                  |                     |   |                     |                     |
| <b>LIABILITIES:</b>                        |                                  |                     |   |                     |                     |
| Accounts payable and accrued expenditures  | \$ 1,155                         | \$ 772,376          | \$ 7,507                                | \$ 781,038          | \$ 590,161          |
| Due to General Fund                        |                                  |                     | 166,816                                 | 166,816             | 7,648               |
| Total liabilities                          | <u>1,155</u>                     | <u>772,376</u>      | <u>174,323</u>                          | <u>947,854</u>      | <u>597,809</u>      |
| <b>FUND BALANCES:</b>                      |                                  |                     |   |                     |                     |
| Reserved for inventory                     |                                  | 30,995              |   | 30,995              | 38,495              |
| Reserved for capital outlay                |                                  | 31,657              |   | 31,657              | 119,793             |
| Reserved for bond reserve fund             |                                  | 2,251,928           |   | 2,251,928           | 1,438,859           |
| Reserved for bond sinking fund             |                                  | 695,629             |   | 695,629             | 494,679             |
| Unreserved:                                |                                  |                     |   |                     |                     |
| Designated for capital outlay              |                                  | 2,261,032           |   | 2,261,032           | 2,796,607           |
| Designated for contingencies               |                                  | 890,872             |   | 890,872             | 805,872             |
| Designated for training academy            | 29,797                           |                     |   | 29,797              | -                   |
| Undesignated                               |                                  | 513,673             |   | 513,673             | 791,845             |
| Total fund balances                        | <u>29,797</u>                    | <u>6,675,786</u>    |   | <u>6,705,583</u>    | <u>6,486,150</u>    |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <u>\$ 30,952</u>                 | <u>\$ 7,448,162</u> | <u>\$ 174,323</u>                       | <u>\$ 7,653,437</u> | <u>\$ 7,083,959</u> |

# CITY OF SLIDELL, LOUISIANA

## SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES YEAR ENDED JUNE 30, 1997 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1996)

|  | Regional<br>Training<br>Facility | Sales Tax         | Community<br>Development<br>Block Grant | Totals            |                   |
|--|----------------------------------|-------------------|---|-------------------|-------------------|
|  |                                  |                   |   | 1997              | 1996              |
| <b>REVENUES:</b>                               |                                  |                   |   |                   |                   |
| Taxes:   |                                  |                   |   |                   |                   |
| Sales and use                                  | \$ -                             | \$ 10,970,123     | \$ -                                    | \$ 10,970,123     | \$ 11,568,348     |
| Ad valorem                                     |                                  | 280,966           |   | 280,966           | 255,392           |
| Revenues from other governments:               |                                  |                   |   |                   |                   |
| Federal/State grants                           |                                  | 188,328           |   | 188,328           | 261,590           |
| HUD grants                                     |                                  |                   | 280,422                                 | 280,422           | 179,962           |
| Local  |                                  |                   |   |                   | 9,210             |
| Other revenues, primarily interest and tuition | 87,927                           | 253,127           |   | 341,054           | 265,382           |
| <b>Total revenues</b>                          | <b>87,927</b>                    | <b>11,692,544</b> | <b>280,422</b>                          | <b>12,060,893</b> | <b>12,539,884</b> |
| <b>EXPENDITURES:</b>                           |                                  |                   |   |                   |                   |
| Current:                                       |                                  |                   |   |                   |                   |
| General government:                            |                                  |                   |   |                   |                   |
| Administrative                                 | 188,459                          | 980,525           | 28,190                                  | 1,197,174         | 1,302,435         |
| Arts council                                   |                                  | 136,968           |   | 136,968           | 138,276           |
| Public information                             |                                  | 15,837            |   | 15,837            | -                 |
|  | 188,459                          | 1,133,330         | 28,190                                  | 1,349,979         | 1,440,711         |
| Public works:                                  |                                  |                   |   |                   |                   |
| Improvements                                   |                                  | 1,035,546         | 157,177                                 | 1,192,723         | 644,521           |
| Streets, bridges and drainage                  |                                  | 1,341,680         |   | 1,341,680         | 1,325,748         |
| Engineering                                    |                                  | 317,875           |   | 317,875           | 302,395           |
| Electrical                                     |                                  | 180,092           |   | 180,092           | 173,888           |
| General maintenance                            |                                  | 251,391           |   | 251,391           | 247,503           |
| Vehicle maintenance                            |                                  | 369,934           |   | 369,934           | 381,150           |
|  |                                  | 3,496,518         | 157,177                                 | 3,653,695         | 3,075,205         |

## EXHIBIT C-2

|  | Regional<br>Training<br>Facility | Sales Tax           | Community<br>Development<br>Block Grant | Totals              |                     |
|--|----------------------------------|---------------------|---|---------------------|---------------------|
|  |                                  |                     |   | 1997                | 1996                |
| Parks and recreation   |                                  | 904,230             |   | 904,230             | 864,143             |
| Capital outlay   |                                  | <u>2,005,536</u>    | <u>95,055</u>                           | <u>2,100,591</u>    | <u>2,560,186</u>    |
| Total expenditures   | <u>188,459</u>                   | <u>7,539,614</u>    | <u>280,422</u>                          | <u>8,008,495</u>    | <u>7,940,245</u>    |
| EXCESS (DEFICIENCY)<br>OF REVENUES OVER<br>EXPENDITURES  | <u>(100,532)</u>                 | <u>4,152,930</u>    |   | <u>4,052,398</u>    | <u>4,599,639</u>    |
| OTHER FINANCING<br>SOURCES (USES):   |                                  |                     |   |                     |                     |
| Operating transfers in   | 130,329                          | 828,098             |   | 958,427             | 394,766             |
| Operating transfers out  |                                  | <u>(4,791,392)</u>  |   | <u>(4,791,392)</u>  | <u>(3,645,513)</u>  |
| Total other financing<br>sources (uses)  | <u>130,329</u>                   | <u>(3,963,294)</u>  |   | <u>(3,832,965)</u>  | <u>(3,250,747)</u>  |
| EXCESS OF REVENUES<br>AND OTHER<br>FINANCING SOURCES<br>OVER EXPENDITURES<br>AND OTHER<br>FINANCING USES | 29,797                           | 189,636             |   | 219,433             | 1,348,892           |
| FUND BALANCES,<br>BEGINNING OF YEAR  |                                  | <u>6,486,150</u>    |   | <u>6,486,150</u>    | <u>5,137,258</u>    |
| FUND BALANCES,<br>END OF YEAR  | <u>\$ 29,797</u>                 | <u>\$ 6,675,786</u> | <u>\$ -</u>                             | <u>\$ 6,705,583</u> | <u>\$ 6,486,150</u> |

# CITY OF SLIDELL, LOUISIANA

## SPECIAL REVENUE FUNDS

### COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

#### ACTUAL (Adjusted to Budgetary Basis) AND BUDGET

YEAR ENDED JUNE 30, 1997

|  | Regional Training Facility                    |                |  | Sales Tax Fund                                |                         |  |
|--|---|----------------|--|---|-------------------------|--|
|  | Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget         | Variance<br>Favorable<br>(Unfavorable) | Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget                  | Variance<br>Favorable<br>(Unfavorable) |
| <b>REVENUES:</b>                                     |   |                |  |   |                         |  |
| Taxes:   |   |                |  |   |                         |  |
| Sales and use<br>Ad valorem                          | \$ -  | \$ -           | \$ -                                   | \$10,970,123<br>280,966                       | \$10,507,643<br>260,910 | \$ 462,480<br>20,056                   |
| Revenues from other<br>governments:                  |   |                |  |   |                         |  |
| Federal/state grants                                 |   | 2,500          | (2,500)                                | 188,328                                       | 194,327                 | (5,999)                                |
| HUD grants   |   |                |  |   |                         |  |
| Local  |   | 6,400          | (6,400)                                |   |                         |  |
| Other revenues,<br>primarily interest<br>and tuition | <u>87,927</u>                                 | <u>54,650</u>  | <u>33,277</u>                          | <u>253,127</u>                                | <u>199,900</u>          | <u>53,227</u>                          |
| Total revenues                                       | <u>87,927</u>                                 | <u>63,550</u>  | <u>24,377</u>                          | <u>11,692,544</u>                             | <u>11,162,780</u>       | <u>529,764</u>                         |
| <b>EXPENDITURES:</b>                                 |   |                |  |   |                         |  |
| Current:   |   |                |  |   |                         |  |
| General government:                                  |   |                |  |   |                         |  |
| Administrative                                       | 188,459                                       | 193,879        | 5,420                                  | 980,525                                       | 1,002,033               | 21,508                                 |
| Arts Council   |   |                |  | 136,968                                       | 138,021                 | 1,053                                  |
| Public information                                   |   |                |  | 15,837  | 16,000                  | 163                                    |
|  | <u>188,459</u>                                | <u>193,879</u> | <u>5,420</u>                           | <u>1,133,330</u>                              | <u>1,156,054</u>        | <u>22,724</u>                          |
| Public works:  |   |                |  |   |                         |  |
| Improvements   |   |                |  | 1,035,546                                     | 1,035,546               |  |
| Streets, bridges and<br>drainage                     |   |                |  | 1,341,680                                     | 1,362,111               | 20,431                                 |
| Engineering  |   |                |  | 317,875                                       | 319,137                 | 1,262                                  |
| Electrical   |   |                |  | 180,092                                       | 180,185                 | 93                                     |
| General maintenance                                  |   |                |  | 251,391                                       | 251,864                 | 473                                    |
| Vehicle maintenance                                  |   |                |  | 369,934                                       | 378,925                 | 8,991                                  |
|  |   |                |  | <u>3,496,518</u>                              | <u>3,527,768</u>        | <u>31,250</u>                          |
| Parks and recreation                                 |   |                |  |   |                         |  |
| Capital outlay                                       |   |                |  | 904,230                                       | 908,779                 | 4,549                                  |
|  |   |                |  | <u>2,005,536</u>                              | <u>4,298,222</u>        | <u>2,292,686</u>                       |
| Total expenditures                                   | <u>188,459</u>                                | <u>193,879</u> | <u>5,420</u>                           | <u>7,539,614</u>                              | <u>9,890,823</u>        | <u>2,351,209</u>                       |

| Community Development Block Grant Fund        |                |  | Total  |  |  |
|---|----------------|--|--|--|--|
| Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget         | Variance<br>Favorable<br>(Unfavorable) | Actual<br>(Adjusted to<br>Budgetary<br>Basis)                      | Budget   | Actual<br>Variance<br>Favorable<br>(Unfavorable) |
| \$ -  | \$ -           | \$ -                                   | \$10,970,123<br>280,966  | \$10,507,643<br>260,910  | \$ 462,480<br>20,056                             |
| 280,422                                       | 691,255        | (410,833)                              | 188,328<br>280,422   | 196,827<br>691,255<br>6,400  | (8,499)<br>(410,833)<br>(6,400)                  |
|   |                |  | <u>341,054</u>   | <u>254,550</u>   | <u>86,504</u>                                    |
| <u>280,422</u>                                | <u>691,255</u> | <u>(410,833)</u>                       | <u>12,060,893</u>  | <u>11,917,585</u>  | <u>143,308</u>                                   |
| 28,190  | 20,000         | (8,190)                                | 1,197,174<br>136,968<br>15,837                                     | 1,215,912<br>138,021<br>16,000                                     | 18,738<br>1,053<br>163                           |
| <u>28,190</u>                                 | <u>20,000</u>  | <u>(8,190)</u>                         | <u>1,349,979</u>   | <u>1,369,933</u>   | <u>19,954</u>                                    |
| 157,177                                       | 157,177        |  | 1,192,723<br>1,341,680<br>317,875<br>180,092<br>251,391<br>369,934 | 1,192,723<br>1,362,111<br>319,137<br>180,185<br>251,864<br>378,925 | -<br>20,431<br>1,262<br>93<br>473<br>8,991       |
| <u>157,177</u>                                | <u>157,177</u> |  | <u>3,653,695</u>   | <u>3,684,945</u>   | <u>31,250</u>                                    |
| <u>95,055</u>                                 | <u>514,078</u> | <u>419,023</u>                         | <u>2,100,591</u>   | <u>4,812,300</u>   | <u>2,711,709</u>                                 |
| <u>280,422</u>                                | <u>691,255</u> | <u>410,833</u>                         | <u>8,008,495</u>   | <u>10,775,957</u>  | <u>2,767,462</u>                                 |

(Continued)



**CITY OF SLIDELL, LOUISIANA**

**SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
ACTUAL (Adjusted to Budgetary Basis) AND BUDGET  
YEAR ENDED JUNE 30, 1997**

|   | Regional Training Facility                    |                   |  | Sales Tax Fund                                |                     |  |
|---|---|-------------------|--|---|---------------------|--|
|   | Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget            | Variance<br>Favorable<br>(Unfavorable) | Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget              | Variance<br>Favorable<br>(Unfavorable) |
| EXCESS (DEFICIENCY) OF<br>REVENUES OVER<br>EXPENDITURES   | \$ (100,532)                                  | \$ (130,329)      | \$ 29,797                              | \$ 4,152,930                                  | \$ 1,271,957        | \$ 2,880,973                           |
| OTHER FINANCING<br>SOURCES (USES):  |   |                   |  |   |                     |  |
| Operating transfers in  | 130,329                                       | 130,329           |  | 828,098                                       | 861,891             | (33,793)                               |
| Operating transfers out   | <u>          </u>                             | <u>          </u> | <u>          </u>                      | <u>(4,791,392)</u>                            | <u>(4,927,207)</u>  | <u>135,815</u>                         |
| Total other financing<br>sources (uses)   | <u>130,329</u>                                | <u>130,329</u>    | <u>          </u>                      | <u>(3,963,294)</u>                            | <u>(4,065,316)</u>  | <u>102,022</u>                         |
| EXCESS (DEFICIENCY) OF<br>REVENUES AND OTHER<br>FINANCING SOURCES<br>OVER EXPENDITURES<br>AND OTHER FINANCING<br>USES | 29,797  |                   | 29,797                                 | 189,636                                       | (2,793,359)         | 2,982,995                              |
| FUND BALANCES,<br>BEGINNING OF YEAR   | <u>          </u>                             | <u>          </u> | <u>          </u>                      | <u>6,486,150</u>                              | <u>6,486,150</u>    | <u>          </u>                      |
| FUND BALANCES,<br>END OF YEAR   | <u>\$ 29,797</u>                              | <u>\$ -</u>       | <u>\$ 29,797</u>                       | <u>\$ 6,675,786</u>                           | <u>\$ 3,692,791</u> | <u>\$ 2,982,995</u>                    |

| Community Development Block Grant Fund        |             |  | Total   |                     |  |
|---|-------------|--|---|---------------------|--|
| Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget      | Variance<br>Favorable<br>(Unfavorable) | Actual<br>(Adjusted to<br>Budgetary<br>Basis) | Budget              | Actual<br>Variance<br>Favorable<br>(Unfavorable) |
| \$ -  | \$ -        | \$ -                                   | \$ 4,052,398                                  | \$ 1,141,628        | \$ 2,910,770                                     |
|   |             |  | 958,427                                       | 992,220             | (33,793)   |
|   |             |  | <u>(4,791,392)</u>                            | <u>(4,927,207)</u>  | <u>135,815</u>                                   |
|   |             |  | <u>(3,832,965)</u>                            | <u>(3,934,987)</u>  | <u>102,022</u>                                   |
|   |             |  | 219,433                                       | (2,793,359)         | 3,012,792  |
|   |             |  | <u>6,486,150</u>                              | <u>6,486,150</u>    | <u>-</u>   |
| <u>\$ -</u>                                   | <u>\$ -</u> | <u>\$ -</u>                            | <u>\$ 6,705,583</u>                           | <u>\$ 3,692,791</u> | <u>\$ 3,012,792</u>                              |

(Concluded)

# Debt Service Fund



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**The Debt Service Fund is used to accumulate monies for the payment of bond and certificate of indebtedness issues, other than bonds secured by the operation of the Utility Fund.**

**The bond issues and the certificates of indebtedness are financed by ad valorem, sales tax and special assessment levies.**

**CITY OF SLIDELL, LOUISIANA**

**EXHIBIT D-1**

**DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 1997 AND 1996**

| <b>ASSETS</b>                                     | <b>1997</b>                | <b>1996</b>              |
|---|----------------------------|--------------------------|
| Investments                                       | \$ 767,374                 | \$ 745,203               |
| Receivables:                                      |                            |                          |
| Accrued interest                                  | 4,796                      | 4,848                    |
| Due from General Fund                             | <u>228,128</u>             | <u>220,624</u>           |
| <b>TOTAL ASSETS</b>                               | <b><u>\$ 1,000,298</u></b> | <b><u>\$ 970,675</u></b> |
| <br><b>LIABILITIES AND FUND BALANCE</b>           |                            |                          |
| <b>LIABILITIES:</b>                               |                            |                          |
| Accounts payable                                  | <u>1,543</u>               | <u>3,271</u>             |
| Total liabilities                                 | <u>1,543</u>               | <u>3,271</u>             |
| <br><b>FUND BALANCES:</b>                         |                            |                          |
| Reserved for general obligation bond debt service | <u>998,755</u>             | <u>967,404</u>           |
| Total fund balances                               | <u>998,755</u>             | <u>967,404</u>           |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b>         | <b><u>\$ 1,000,298</u></b> | <b><u>\$ 970,675</u></b> |

**CITY OF SLIDELL, LOUISIANA**

**EXHIBIT D-2**

**DEBT SERVICE FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
YEARS ENDED JUNE 30, 1997 AND 1996**

|   | <b>1997</b>           | <b>1996</b>           |
|---|-----------------------|-----------------------|
| <b>REVENUES:</b>  |                       |                       |
| Ad valorem taxes  | \$ 1,476,945          | \$ 1,468,839          |
| Assessment revenue  |                       | 3,692                 |
| Interest  | <u>39,719</u>         | <u>33,224</u>         |
| <br>Total revenues  | <br><u>1,516,664</u>  | <br><u>1,505,755</u>  |
| <b>EXPENDITURES:</b>  |                       |                       |
| Debt service:   |                       |                       |
| Principal retirement  | 2,015,042             | 1,614,800             |
| Interest and paying agents' fees  | <u>2,321,337</u>      | <u>1,322,030</u>      |
| <br>Total expenditures  | <br><u>4,336,379</u>  | <br><u>2,936,830</u>  |
| <br>DEFICIENCY OF REVENUES OVER<br>EXPENDITURES   | <br>(2,819,715)       | <br>(1,431,075)       |
| <b>OTHER FINANCING SOURCES:</b>   |                       |                       |
| Operating transfers in  | <u>2,851,066</u>      | <u>1,864,163</u>      |
| <br>Total other financing sources   | <br><u>2,851,066</u>  | <br><u>1,864,163</u>  |
| <br>EXCESS OF REVENUES AND OTHER<br>FINANCING SOURCES OVER EXPENDITURES<br>AND OTHER FINANCING USES | <br>31,351            | <br>433,088           |
| <br>FUND BALANCE, BEGINNING OF YEAR   | <br><u>967,404</u>    | <br><u>534,316</u>    |
| <br>FUND BALANCE, END OF YEAR   | <br><u>\$ 998,755</u> | <br><u>\$ 967,404</u> |

# Capital Projects Funds



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**Capital Projects Funds account for the purchase, construction and renovation of the city's major capital facilities.**

**Resources are derived principally from proceeds of general obligation or sales tax bonds, U.S. Government grants and other agencies.**

**The city maintains the following Capital Project Funds:**

**Water Improvements  
Public Work Improvements  
Sewerage Improvements  
City Capital Construction  
Drainage Improvements  
Street Improvements**

CITY OF SLIDELL, LOUISIANA

EXHIBIT E-1

CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 1997 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1996)

| ASSETS                                     | Public Works Improvement | Water Improvements | Sewerage Improvements | City Capital Construction | Drainage Improvements | Street Improvements | Totals               |                      |
|--|--------------------------|--------------------|-----------------------|---------------------------|-----------------------|---------------------|----------------------|----------------------|
|  |                          |                    |                       |                           |                       |                     | 1997                 | 1996                 |
| Cash                                       | \$ 191,000               | \$ 93,000          | \$ 45,000             | \$ -                      | \$ 550,000            | \$ -                | \$ 879,000           | \$ 1,555,000         |
| Investments                                |                          |                    |                       | 940,000                   | 6,502,704             | 7,002,759           | 14,445,463           | 10,187,169           |
| Accrued interest receivable                |                          |                    |                       | 16,615                    |                       |                     | 16,615               | 16,657               |
| Prepaid items                              |                          |                    |                       |                           |                       |                     |                      | 13,867               |
| Due from State of Louisiana                |                          |                    |                       |                           | 814,827               |                     | 814,827              | 67,429               |
| Due from General Fund                      | 803                      |                    | 35,087                | 137,286                   |                       | 446,941             | 620,117              | 88,232               |
| <b>TOTAL ASSETS</b>                        | <b>\$ 191,803</b>        | <b>\$ 93,000</b>   | <b>\$ 80,087</b>      | <b>\$ 1,093,901</b>       | <b>\$ 7,867,531</b>   | <b>\$ 7,449,700</b> | <b>\$ 16,776,022</b> | <b>\$ 11,932,354</b> |
| <b>LIABILITIES AND FUND BALANCES</b>       |                          |                    |                       |                           |                       |                     |                      |                      |
| <b>LIABILITIES:</b>                        |                          |                    |                       |                           |                       |                     |                      |                      |
| Accounts payable                           | \$ -                     | \$ -               | \$ 53,015             | \$ 103,713                | \$ 1,213,914          | \$ 649,502          | \$ 2,020,144         | \$ 846,904           |
| Due to General Fund                        |                          | 273                |                       |                           | 519,624               |                     | 519,897              | 172,732              |
| Total liabilities                          |                          | 273                | 53,015                | 103,713                   | 1,733,538             | 649,502             | 2,540,041            | 1,019,636            |
| <b>FUND BALANCES:</b>                      |                          |                    |                       |                           |                       |                     |                      |                      |
| Reserved for capital outlay                |                          |                    |                       |                           |                       |                     |                      | 227,162              |
| Unreserved:                                |                          |                    |                       |                           |                       |                     |                      |                      |
| Designated for capital outlay              | 191,803                  | 92,727             | 27,072                | 990,188                   | 6,133,993             | 6,800,198           | 14,235,981           | 10,685,556           |
| Total fund balances                        | 191,803                  | 92,727             | 27,072                | 990,188                   | 6,133,993             | 6,800,198           | 14,235,981           | 10,512,718           |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 191,803</b>        | <b>\$ 93,000</b>   | <b>\$ 80,087</b>      | <b>\$ 1,093,901</b>       | <b>\$ 7,867,531</b>   | <b>\$ 7,449,700</b> | <b>\$ 16,776,022</b> | <b>\$ 11,932,354</b> |

## CITY OF SLIDELL, LOUISIANA

EXHIBIT E-2

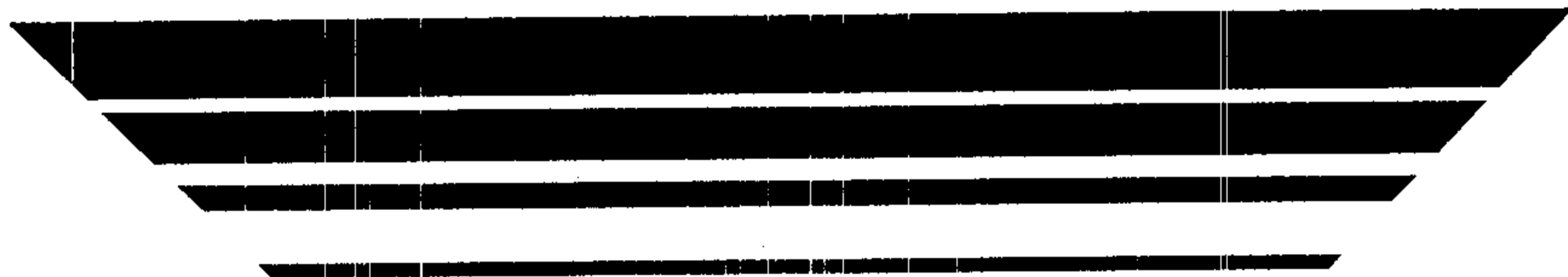
## CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 1997 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1996)

|   | Public<br>Works<br>Improvement | Water<br>Improvements | Sewerage<br>Improvements | City<br>Capital<br>Construction | Drainage<br>Improvements | Street<br>Improvements | Totals       |              |
|---|--------------------------------|-----------------------|--------------------------|---------------------------------|--------------------------|------------------------|--------------|--------------|
|   |                                |                       |                          |                                 |                          |                        | 1997         | 1996         |
| REVENUES:   |                                |                       |                          |                                 |                          |                        |              |              |
| Federal/State grants  | \$ -                           | \$ -                  | \$ -                     | \$ -                            | \$1,874,640              | \$ -                   | \$ 1,874,640 | \$ 67,428    |
| From other local<br>governments   |                                |                       |                          | 160,000                         |                          |                        | 160,000      | 200,000      |
| Other, primarily interest   | 29,568                         | 15,504                | 8,160                    | 52,642                          | 358,538                  | 374,317                | 838,729      | 472,143      |
| Total revenues  | 29,568                         | 15,504                | 8,160                    | 212,642                         | 2,233,178                | 374,317                | 2,873,369    | 739,571      |
| CAPITAL OUTLAY  | 203,803                        | 132,980               | 67,430                   | 490,785                         | 5,080,989                | 1,971,675              | 7,947,662    | 5,064,452    |
| BOND ISSUANCE COSTS   |                                |                       |                          |                                 |                          | 74,346                 | 74,346       | 62,954       |
| DEFICIENCY OF<br>REVENUES OVER<br>EXPENDITURES  | (174,235)                      | (117,476)             | (59,270)                 | (278,143)                       | (2,847,811)              | (1,671,704)            | (5,148,639)  | (4,387,835)  |
| OTHER FINANCING<br>SOURCES (USES):  |                                |                       |                          |                                 |                          |                        |              |              |
| Operating transfers out   |                                |                       |                          |                                 |                          | (828,098)              | (828,098)    | (278,654)    |
| Proceeds from bonds   |                                |                       |                          |                                 |                          | 9,300,000              | 9,300,000    | 10,575,000   |
| Total other financing<br>sources  |                                |                       |                          |                                 |                          | 8,471,902              | 8,471,902    | 10,296,346   |
| EXCESS (DEFICIENCY)<br>OF REVENUES AND<br>OTHER FINANCING<br>SOURCES OVER<br>EXPENDITURES | (174,235)                      | (117,476)             | (59,270)                 | (278,143)                       | (2,847,811)              | 6,800,198              | 3,323,263    | 5,908,511    |
| FUND BALANCES,<br>BEGINNING OF YEAR   | 366,038                        | 210,203               | 86,342                   | 1,268,331                       | 8,981,804                |                        | 10,912,718   | 5,004,207    |
| FUND BALANCES,<br>END OF YEAR   | \$ 191,803                     | \$ 92,727             | \$ 27,072                | \$ 990,188                      | \$6,133,993              | \$6,800,198            | \$14,235,981 | \$10,912,718 |



# Enterprise Funds



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**These proprietary funds are used to account for operations of the city which are financed and operated in a manner similar to private business enterprises.**

**The city operates the following enterprises:**

Utility Fund  
Airport Fund

# CITY OF SLIDELL, LOUISIANA

## ENTERPRISE FUNDS COMBINING BALANCE SHEET JUNE 30, 1997 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1996)

| ASSETS  | Utility             | Airport            | Totals              |                     |
|---|---------------------|--------------------|---------------------|---------------------|
|   |                     |                    | 1997                | 1996                |
| <b>CURRENT ASSETS:</b>  |                     |                    |                     |                     |
| Cash  | \$ 13,712           | \$ -               | \$ 13,712           | \$ -                |
| Investments   |                     |                    |                     | 153,617             |
| Accounts receivable, net of allowances for doubtful accounts of \$58,413 in 1997 and \$39,344 in 1996 | 408,781             |                    | 408,781             | 481,437             |
| Unbilled receivable   | 183,194             |                    | 183,194             | 162,675             |
| Other receivables   | 7,537               | 1,020              | 8,557               | 7,900               |
| Due from U.S. Government  |                     | 14,111             | 14,111              | 78,891              |
| Due from State of Louisiana   |                     | 185,365            | 185,365             | 135,993             |
| Due from General Fund   | 1,937,453           |                    | 1,937,453           | 1,108,063           |
| Inventory   | 233,585             |                    | 233,585             | 238,617             |
| <b>Total current assets</b>   | <b>2,784,262</b>    | <b>200,496</b>     | <b>2,984,758</b>    | <b>2,367,193</b>    |
| <b>RESTRICTED ASSETS:</b>   |                     |                    |                     |                     |
| Cash and cash equivalents   | 136,338             |                    | 136,338             | 57,246              |
| Investments   | 2,099,252           |                    | 2,099,252           | 2,806,262           |
| <b>Total restricted assets</b>  | <b>2,235,590</b>    |                    | <b>2,235,590</b>    | <b>2,863,508</b>    |
| <b>PROPERTY, PLANT AND EQUIPMENT:</b>   |                     |                    |                     |                     |
| Land  | 75,559              | 99                 | 75,658              | 75,658              |
| Water system  | 16,187,182          |                    | 16,187,182          | 15,918,252          |
| Sewerage system   | 24,090,649          |                    | 24,090,649          | 23,997,953          |
| General equipment   | 1,919,855           | 45,015             | 1,964,870           | 1,832,984           |
| Airport facility  |                     | 2,470,178          | 2,470,178           | 1,580,958           |
| Construction in progress  | 1,800,697           | 229,097            | 2,029,794           | 1,729,381           |
|   | 44,073,942          | 2,744,389          | 46,818,331          | 45,135,186          |
| Less accumulated depreciation   | (13,291,880)        | (762,381)          | (14,054,261)        | (12,679,879)        |
| <b>Total property, plant and equipment</b>  | <b>30,782,062</b>   | <b>1,982,008</b>   | <b>32,764,070</b>   | <b>32,455,307</b>   |
| Other assets  | 127,560             |                    | 127,560             | 115,754             |
| <b>TOTAL ASSETS</b>   | <b>\$35,929,474</b> | <b>\$2,182,504</b> | <b>\$38,111,978</b> | <b>\$37,801,762</b> |

EXHIBIT F-1

| LIABILITIES AND FUND EQUITY   | Utility             | Airport            | Totals              |                     |
|---|---------------------|--------------------|---------------------|---------------------|
|   |                     |                    | 1997                | 1996                |
| <b>CURRENT LIABILITIES:</b>   |                     |                    |                     |                     |
| Accounts payable and accrued expenses   | \$ 655,645          | \$ 124,600         | \$ 780,245          | \$ 562,957          |
| Customer deposits   | 288,025             |                    | 288,025             | 279,143             |
| Due to General Fund   |                     | 44,348             | 44,348              | 107,874             |
| Revenue bonds payable, current  | <u>85,000</u>       | <u></u>            | <u>85,000</u>       | <u>-</u>            |
| Total current liabilities (including approximately \$540,000 and \$400,000 payable from restricted assets in 1997 and 1996, respectively) | 1,028,670           | 168,948            | 1,197,618           | 949,974             |
| Revenue bonds payable, net of current portion (including approximately \$32,000 payable from restricted assets in 1997)                   | 2,415,000           |                    | 2,415,000           | 2,500,000           |
| DEQ Revolving loan  | <u>52,910</u>       | <u></u>            | <u>52,910</u>       | <u>-</u>            |
| Total liabilities   | <u>3,496,580</u>    | <u>168,948</u>     | <u>3,665,528</u>    | <u>3,449,974</u>    |
| <b>FUND EQUITY:</b>   |                     |                    |                     |                     |
| Contributed capital   | 32,949,611          | 1,947,612          | 34,897,223          | 35,059,756          |
| Retained earnings (deficit):<br>Unreserved  | <u>(516,717)</u>    | <u>65,944</u>      | <u>(450,773)</u>    | <u>(707,968)</u>    |
| Total fund equity   | <u>32,432,894</u>   | <u>2,013,556</u>   | <u>34,446,450</u>   | <u>34,351,788</u>   |
| <b>TOTAL LIABILITIES AND FUND EQUITY</b>  | <u>\$35,929,474</u> | <u>\$2,182,504</u> | <u>\$38,111,978</u> | <u>\$37,801,762</u> |

CITY OF SLIDELL, LOUISIANA

EXHIBIT F-2

ENTERPRISE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN RETAINED EARNINGS (DEFICIT)  
 YEAR ENDED JUNE 30, 1997 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1996)

|   | Utility             | Airport          | Totals              |                     |
|---|---------------------|------------------|---------------------|---------------------|
|   |                     |                  | 1997                | 1996                |
| <b>OPERATING REVENUES:</b>  |                     |                  |                     |                     |
| Water revenues  | \$ 1,816,781        | \$ -             | \$ 1,816,781        | \$ 1,803,375        |
| Sewerage revenues   | 1,860,917           |                  | 1,860,917           | 1,861,013           |
| Solid waste disposal revenues   | 776,082             |                  | 776,082             | 773,194             |
| Ad valorem taxes assessed for sewerage maintenance  | 555,261             |                  | 555,261             | 510,789             |
| Ad valorem taxes assessed for garbage service   | 555,261             |                  | 555,261             | 510,789             |
| Connection charges  | 130,916             |                  | 130,916             | 70,579              |
| Tie down and rental revenues  |                     | 33,008           | 33,008              | 27,609              |
| Penalties   | 84,621              |                  | 84,621              | 85,064              |
| <b>Total operating revenues</b>   | <b>5,779,839</b>    | <b>33,008</b>    | <b>5,812,847</b>    | <b>5,642,412</b>    |
| <b>OPERATING EXPENSES (EXCLUDING DEPRECIATION):</b>   |                     |                  |                     |                     |
| Salaries, wages and related benefits  | 1,681,088           | 51,010           | 1,732,098           | 1,910,335           |
| Solid waste disposal  | 1,429,356           |                  | 1,429,356           | 1,374,012           |
| Repairs and maintenance   | 160,892             | 13,237           | 174,129             | 161,274             |
| Materials and supplies  | 486,391             | 2,148            | 488,539             | 418,069             |
| Utilities   | 359,346             | 6,237            | 365,583             | 343,552             |
| Gas and oil   | 35,606              | 708              | 36,314              | 31,182              |
| Insurance   | 29,038              | 2,500            | 31,538              | 30,500              |
| Office expense  | 28,902              | 1,060            | 29,962              | 27,380              |
| Certification and training  | 6,944               | 5,332            | 12,276              | 10,920              |
| Other   | 45,091              | 15,275           | 60,366              | 41,880              |
| Payment in lieu of taxes  | 417,442             |                  | 417,442             | 417,274             |
| Bad debt expense  | 26,629              |                  | 26,629              | 43,997              |
| <b>Total operating expenses before depreciation</b>   | <b>4,706,725</b>    | <b>97,507</b>    | <b>4,804,232</b>    | <b>4,810,375</b>    |
| <b>OPERATING INCOME (LOSS) BEFORE DEPRECIATION</b>  | <b>1,073,114</b>    | <b>(64,499)</b>  | <b>1,008,615</b>    | <b>832,037</b>      |
| <b>DEPRECIATION</b>   | <b>1,175,291</b>    | <b>238,956</b>   | <b>1,414,247</b>    | <b>1,357,440</b>    |
| <b>OPERATING LOSS</b>   | <b>(102,177)</b>    | <b>(303,455)</b> | <b>(405,632)</b>    | <b>(525,403)</b>    |
| <b>NON OPERATING REVENUES (EXPENSES):</b>   |                     |                  |                     |                     |
| Other income, primarily interest  | 126,359             |                  | 126,359             | 53,403              |
| Grant revenue   | 1,646               | 15,597           | 17,243              |                     |
| Interest and fiscal charges   | (128,988)           |                  | (128,988)           | (29,022)            |
| <b>Total non operating revenues (expenses)</b>  | <b>(983)</b>        | <b>15,597</b>    | <b>14,614</b>       | <b>24,381</b>       |
| <b>NET LOSS BEFORE OPERATING TRANSFERS</b>  | <b>(103,160)</b>    | <b>(287,858)</b> | <b>(391,018)</b>    | <b>(501,022)</b>    |
| <b>OPERATING TRANSFERS IN</b>   | <b>25,525</b>       | <b>81,918</b>    | <b>107,443</b>      | <b>77,001</b>       |
| <b>NET LOSS</b>   | <b>(77,635)</b>     | <b>(205,940)</b> | <b>(283,575)</b>    | <b>(424,021)</b>    |
| <b>DEPRECIATION ON ASSETS ACQUIRED WITH EXTERNALLY RESTRICTED CAPITAL CONTRIBUTIONS WHICH REDUCES CONTRIBUTED CAPITAL</b> |                     |                  |                     |                     |
|   | 306,111             | 234,659          | 540,770             | 476,080             |
| <b>RETAINED EARNINGS (DEFICIT), BEGINNING OF YEAR</b>   | <b>(745,193)</b>    | <b>37,225</b>    | <b>(707,968)</b>    | <b>(760,027)</b>    |
| <b>RETAINED EARNINGS (DEFICIT), END OF YEAR</b>   | <b>\$ (516,717)</b> | <b>\$ 65,944</b> | <b>\$ (450,773)</b> | <b>\$ (707,968)</b> |

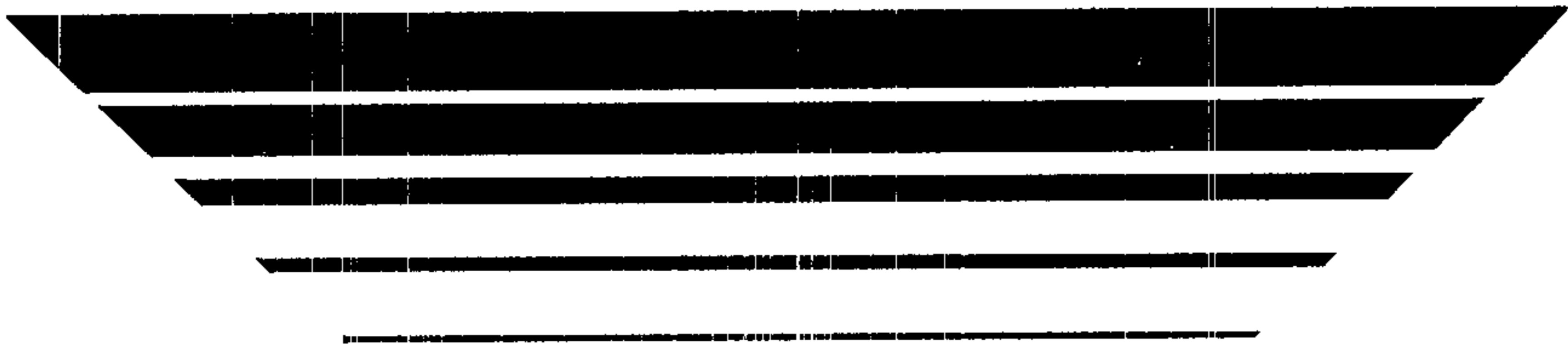
## ENTERPRISE FUNDS

## COMBINING STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 1997 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1996)

|   | Utility            | Airport            | Totals             |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   |                    |                    | 1997               | 1996               |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>  |                    |                    |                    |                    |
| Receipts from operations  | \$ 3,890,250       | \$ 33,908          | \$ 3,924,158       | \$ 4,507,635       |
| Payments for goods and services   | (2,047,160)        | (15,053)           | (2,062,213)        | (1,860,024)        |
| Payments for employee services  | (1,681,088)        | (51,010)           | (1,732,098)        | (1,910,335)        |
| Payments in lieu of taxes   | (417,442)          |                    | (417,442)          | (417,274)          |
| Payments for direct and indirect costs  | (440,419)          | (29,344)           | (469,763)          | (415,985)          |
| Other operating income  | <u>1,110,522</u>   |                    | <u>1,110,522</u>   | <u>1,021,578</u>   |
| Net cash provided by (used in) operating activities                                     | <u>414,663</u>     | <u>(61,499)</u>    | <u>353,164</u>     | <u>925,595</u>     |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>                                 |                    |                    |                    |                    |
| Operating transfers in, net   | 25,525             | 81,918             | 107,443            | 77,001             |
| Proceeds from federal grant   | <u>1,646</u>       | <u>15,597</u>      | <u>17,243</u>      | <u>-</u>           |
| Net cash provided by noncapital financing activities                                    | <u>27,171</u>      | <u>97,515</u>      | <u>124,686</u>     | <u>77,001</u>      |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>                        |                    |                    |                    |                    |
| Proceeds from issuance of debt  | 52,910             |                    | 52,910             | 2,500,000          |
| Issuance cost paid  | (17,594)           |                    | (17,594)           | (115,754)          |
| Capital contributed by others   | 200,410            | 177,301            | 377,711            | 1,344,938          |
| Acquisition and construction of capital assets  | (1,446,986)        | (213,317)          | (1,660,303)        | (2,171,591)        |
| Interest paid on debt   | <u>(123,200)</u>   |                    | <u>(123,200)</u>   | <u>(29,022)</u>    |
| Net cash provided by (used in) capital and related financing activities                 | <u>(1,334,460)</u> | <u>(36,016)</u>    | <u>(1,370,476)</u> | <u>1,528,571</u>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>  |                    |                    |                    |                    |
| Purchases of investments  | (7,893,373)        |                    | (7,893,373)        | (2,958,498)        |
| Proceeds from maturities and sale of investments  | 8,754,000          |                    | 8,754,000          | 300,000            |
| Proceeds from interest income   | <u>124,803</u>     |                    | <u>124,803</u>     | <u>53,403</u>      |
| Net cash (used in) provided by investing activities                                     | <u>985,430</u>     |                    | <u>985,430</u>     | <u>(2,605,095)</u> |
| NET (DECREASE) INCREASE IN CASH   | 92,804             |                    | 92,804             | (73,928)           |
| CASH, BEGINNING OF YEAR   | <u>57,246</u>      |                    | <u>57,246</u>      | <u>131,174</u>     |
| CASH AND CASH EQUIVALENTS, END OF YEAR  | <u>\$ 150,050</u>  | <u>\$ -</u>        | <u>\$ 150,050</u>  | <u>\$ 57,246</u>   |
| <b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>   |                    |                    |                    |                    |
| Operating loss  | \$ (102,177)       | \$ (303,455)       | \$ (405,632)       | \$ (525,403)       |
| Adjustments to reconcile operating income to net cash provided by operating activities: |                    |                    |                    |                    |
| Depreciation  | 1,175,291          | 238,956            | 1,414,247          | 1,357,440          |
| Bad debt expense  | 26,629             |                    | 26,629             | 43,997             |
| Change in asset and liabilities:  |                    |                    |                    |                    |
| (Increase) decrease in accounts receivable  | (787,949)          | 900                | (787,049)          | (112,910)          |
| (Increase) decrease in inventory  | 5,032              |                    | 5,032              | (16,653)           |
| Increase in accounts payable  | <u>97,837</u>      | <u>2,100</u>       | <u>99,937</u>      | <u>179,124</u>     |
| Net cash provided by (used in) operating activities                                     | <u>\$ 414,663</u>  | <u>\$ (61,499)</u> | <u>\$ 353,164</u>  | <u>\$ 925,595</u>  |

# Expendable Trust Funds



**Expendable Trust Funds are used  
to account for assets held by the  
city in a fiduciary capacity for  
individuals, organizations  
and others.**

CITY OF SLIDELL, LOUISIANA

EXHIBIT G-1

EXPENDABLE TRUST FUNDS  
COMBINING BALANCE SHEET

JUNE 30, 1997 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1996)

| ASSETS                                     | Christmas<br>Under<br>The Stars | Old Towne<br>Development | Animal<br>Assistance<br>League of<br>Slidell | Green                | Totals                  |                         |
|--|---------------------------------|--------------------------|--|----------------------|-------------------------|-------------------------|
|  |                                 |                          |  |                      | 1997                    | 1996                    |
| Cash                                       | \$ -                            | \$ -                     | \$ 1,350                                     | \$ 431               | \$ 1,781                | \$ 1,782                |
| Restricted cash                            |                                 |                          | 5,210  |                      | 5,210                   | -                       |
| Due from General Fund                      | <u>22,225</u>                   | <u>2,165</u>             | <u>6,602</u>                                 | <u>274</u>           | <u>31,266</u>           | <u>34,490</u>           |
| <b>TOTAL ASSETS</b>                        | <b>\$ <u>22,225</u></b>         | <b>\$ <u>2,165</u></b>   | <b>\$ <u>13,162</u></b>                      | <b>\$ <u>705</u></b> | <b>\$ <u>38,257</u></b> | <b>\$ <u>36,272</u></b> |
| <b>LIABILITIES AND FUND BALANCES</b>       |                                 |                          |  |                      |                         |                         |
| <b>LIABILITIES:</b>                        |                                 |                          |  |                      |                         |                         |
| Accounts payable                           | \$ -                            | \$ 10                    | \$ 2,982                                     | \$ -                 | \$ 2,992                | \$ 1,600                |
| <b>FUND BALANCES:</b>                      |                                 |                          |  |                      |                         |                         |
| Reserved for spay neuter                   |                                 |                          | 3,466  |                      | 3,466                   | 3,466                   |
| Reserved for trust purposes                | <u>22,225</u>                   | <u>2,155</u>             | <u>6,714</u>                                 | <u>705</u>           | <u>31,799</u>           | <u>31,206</u>           |
| Total fund balances                        | <u>22,225</u>                   | <u>2,155</u>             | <u>10,180</u>                                | <u>705</u>           | <u>35,265</u>           | <u>34,672</u>           |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ <u>22,225</u></b>         | <b>\$ <u>2,165</u></b>   | <b>\$ <u>13,162</u></b>                      | <b>\$ <u>705</u></b> | <b>\$ <u>38,257</u></b> | <b>\$ <u>36,272</u></b> |

CITY OF SLIDELL, LOUISIANA

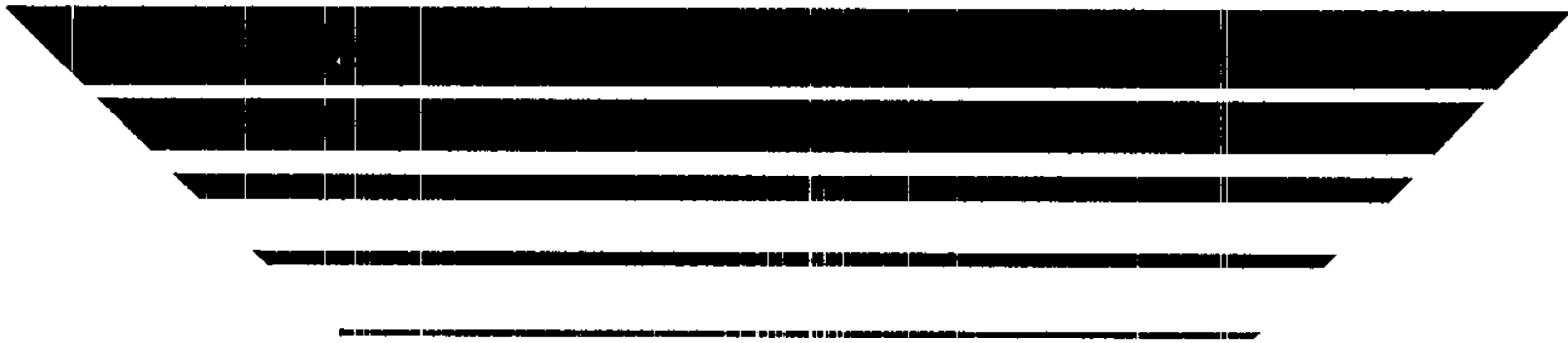
EXHIBIT G-2

EXPENDABLE TRUST FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 YEAR ENDED JUNE 30, 1997 (WITH COMPARATIVE TOTALS FOR JUNE 30, 1996)

|   | Christmas<br>Under<br>The Stars | Old Towne<br>Development | Animal<br>Assistance<br>League of<br>Slidell | Green  | Totals    |
|---|---------------------------------|--------------------------|--|--------|-----------|
|   |                                 |                          |  |        | 1997      |
| REVENUES:   |                                 |                          |  |        |           |
| Contributions   | \$ 8,292                        | \$ 3,340                 | \$ 60,933                                    | \$ -   | \$ 72,565 |
| EXPENDITURES:   |                                 |                          |  |        |           |
| Public works  |                                 | 2,299                    | 69,663                                       | 10     | 71,972    |
| EXCESS (DEFICIENCY)<br>OF REVENUES OVER<br>EXPENDITURES | 8,292                           | 1,041                    | (8,730)                                      | (10)   | 593       |
| FUND BALANCES,<br>BEGINNING OF YEAR                     | 13,933                          | 1,114                    | 18,910                                       | 715    | 34,672    |
| FUND BALANCES,<br>END OF YEAR                           | \$ 22,225                       | \$ 2,155                 | \$ 10,180                                    | \$ 705 | \$ 35,265 |
|   |                                 |                          |  |        | 34,417    |
|   |                                 |                          |  |        | 70,281    |
|   |                                 |                          |  |        | \$ 70,536 |



# General Fixed Assets Account Group



**This account group is used to account  
for the general fixed assets of the  
city, other than assets of the  
Enterprise Funds.**

**CITY OF SLIDELL, LOUISIANA**

**EXHIBIT H-1**

**GENERAL FIXED ASSETS ACCOUNT GROUP  
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS  
BY ASSET CLASS AND SOURCE  
YEAR ENDED JUNE 30, 1997**

|  | June 30,<br>1996    | Additions           | Retirements         | June 30,<br>1997    |
|--|---------------------|---------------------|---------------------|---------------------|
| <b>GENERAL FIXED ASSETS:</b>                   |                     |                     |                     |                     |
| Land and buildings                             | \$ 12,453,363       | \$ 261,840          | \$                  | \$ 12,715,203       |
| Recreation facilities/parks                    | 783,751             | 244,446             |                     | 1,028,197           |
| Streets  | 9,945,242           | 31,539              |                     | 9,976,781           |
| Drainage                                       | 12,188,948          | 1,367,764           |                     | 13,556,712          |
| Office equipment                               | 1,384,803           | 263,496             | (15,943)            | 1,632,356           |
| Machinery and equipment                        | 1,610,551           | 49,321              | (20,747)            | 1,639,125           |
| Vehicles                                       | 2,847,090           | 525,872             | (271,999)           | 3,100,963           |
| Bridges  | 619,084             |                     |                     | 619,084             |
| Construction in progress                       | 2,335,186           | 7,521,270           |                     | 9,856,456           |
|  | <u>\$44,168,018</u> | <u>\$10,265,548</u> | <u>\$ (308,689)</u> | <u>\$54,124,877</u> |
| <b>INVESTMENT IN GENERAL<br/>FIXED ASSETS:</b> |                     |                     |                     |                     |
| From General Obligation Bonds                  | \$ 7,781,954        | \$ 5,060,906        | \$                  | \$ 12,842,860       |
| From Sales Tax Bonds                           |                     | 1,971,675           |                     | 1,971,675           |
| From General Fund                              | 354,004             | 60,056              | (2,293)             | 411,767             |
| From Sales and Use Taxes                       | 17,876,861          | 2,163,696           | (288,333)           | 19,752,224          |
| From Special Assessment Levies                 | 412,185             |                     |                     | 412,185             |
| From Certificate of Indebtedness               | 3,766,413           | 204,151             |                     | 3,970,564           |
| From Federal Grants                            | 6,798,177           | 96,015              | (13,563)            | 6,880,629           |
| From State of Louisiana                        | 1,850,416           |                     |                     | 1,850,416           |
| From Local Governments                         | 163,682             | 398,174             |                     | 561,856             |
| From Individuals                               | 2,942,520           | 219,300             | (4,500)             | 3,157,320           |
| From Slidell Housing Authority                 | 151,228             |                     |                     | 151,228             |
| From Public Trust Authority                    | 2,070,578           | 91,575              |                     | 2,162,153           |
|  | <u>\$44,168,018</u> | <u>\$10,265,548</u> | <u>\$ (308,689)</u> | <u>54,124,877</u>   |

**CITY OF SLIDELL, LOUISIANA**

**GENERAL FIXED ASSETS ACCOUNT GROUP  
 SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION  
 JUNE 30, 1997**

|                                   | <b>Land<br/>and<br/>Buildings</b> | <b>Parks and<br/>Recreational<br/>Facilities</b> |
|-----------------------------------|-----------------------------------|--|
| Administration                    | \$ 3,657,099                      | \$   |
| Finance                           |                                   |  |
| Legal                             |                                   |  |
| Property management               |                                   |  |
| Animal control                    |                                   |  |
| Permits                           |                                   |  |
| Human resources                   |                                   |  |
| Legislative                       |                                   |  |
| <br>Total general government      | <br><u>3,657,099</u>              |  |
| Public works                      | <u>5,371,188</u>                  |  |
| Public safety - police            | <u>1,335,954</u>                  |  |
| Parks, recreational and culture   | <u>2,350,962</u>                  | <u>1,028,197</u>                                 |
| Construction in progress          |                                   |  |
| <b>TOTAL GENERAL FIXED ASSETS</b> | <b><u>\$12,715,203</u></b>        | <b><u>\$1,028,197</u></b>                        |

EXHIBIT H-2

| Streets<br>Bridges and<br>Drainage<br>Improvements | Machinery<br>and<br>Equipment | Construction<br>In Progress | Total               |
|--|-------------------------------|-----------------------------|---------------------|
| \$   | \$ 92,342                     | \$                          | \$ 3,749,441        |
|  | 417,413                       |                             | 417,413             |
|  | 8,345                         |                             | 8,345               |
|  | 163,407                       |                             | 163,407             |
|  | 69,365                        |                             | 69,365              |
|  | 78,593                        |                             | 78,593              |
|  | 28,598                        |                             | 28,598              |
|  | 72,232                        |                             | 72,232              |
|  | <u>930,295</u>                |                             | <u>4,587,394</u>    |
| <u>24,152,577</u>                                  | <u>2,224,492</u>              |                             | <u>31,748,257</u>   |
|  | <u>2,613,403</u>              |                             | <u>3,949,357</u>    |
|  | <u>604,254</u>                |                             | <u>3,983,413</u>    |
|  | <u>-</u>                      | <u>9,856,456</u>            | <u>9,856,456</u>    |
| <u>\$24,152,577</u>                                | <u>\$6,372,444</u>            | <u>\$9,856,456</u>          | <u>\$54,124,877</u> |

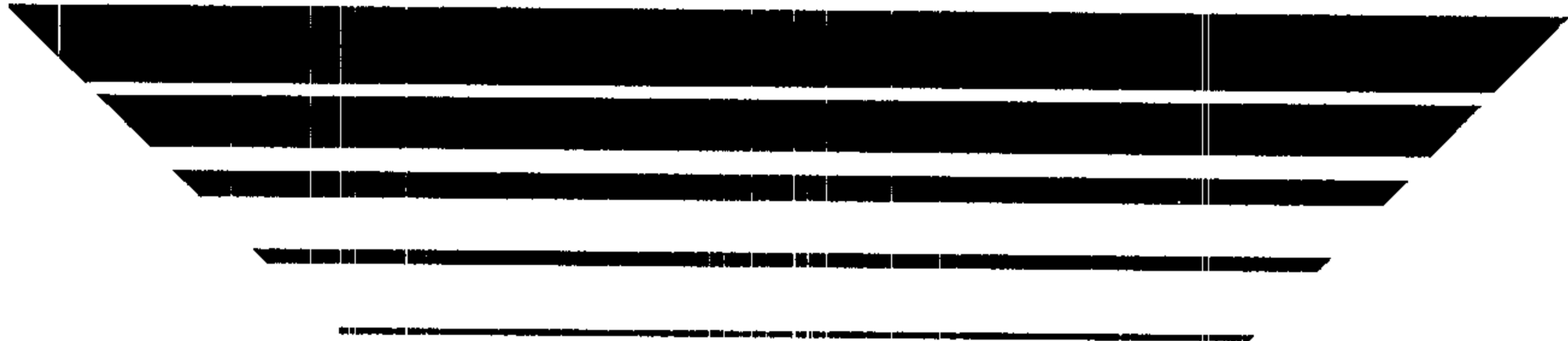
**CITY OF SLIDELL, LOUISIANA**

**EXHIBIT H-3**

**GENERAL FIXED ASSETS ACCOUNT GROUP  
 SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY  
 YEAR ENDED JUNE 30, 1997**

|                                       | <b>General<br/>Fixed Assets<br/>June 30,<br/>1996</b> | <b>Additions</b>    | <b>Retirements</b>  | <b>General<br/>Fixed Assets<br/>June 30,<br/>1997</b> |
|---------------------------------------|---|---------------------|---------------------|---|
| Administrative                        | \$ 3,428,223  | \$ 321,218          | \$                  | \$ 3,749,441  |
| Finance                               | 402,347   | 19,232              | (4,166)             | 417,413   |
| Legal                                 | 8,345   |                     |                     | 8,345   |
| Property management/planning          | 139,248   | 25,855              | (1,696)             | 163,407   |
| Animal control                        | 69,365  |                     |                     | 69,365  |
| Permits                               | 80,387  |                     | (1,794)             | 78,593  |
| Human resources                       | 21,480  | 7,968               | (850)               | 28,598  |
| Legislative                           | 72,731  |                     | (499)               | 72,232  |
| <b>Total general<br/>government</b>   | <u>4,222,126</u>                                      | <u>374,273</u>      | <u>(9,005)</u>      | <u>4,587,394</u>                                      |
| Public Works                          | <u>30,249,723</u>                                     | <u>1,504,622</u>    | <u>(6,088)</u>      | <u>31,748,257</u>                                     |
| Public Safety/Police                  | <u>3,638,444</u>                                      | <u>568,291</u>      | <u>(257,378)</u>    | <u>3,949,357</u>                                      |
| Parks, Recreation and<br>Culture      | <u>3,722,539</u>                                      | <u>297,092</u>      | <u>(36,218)</u>     | <u>3,983,413</u>                                      |
| Construction in progress              | <u>2,335,186</u>                                      | <u>7,521,270</u>    |                     | <u>9,856,456</u>                                      |
| <b>TOTAL GENERAL<br/>FIXED ASSETS</b> | <u>\$44,168,018</u>                                   | <u>\$10,265,548</u> | <u>\$ (308,689)</u> | <u>\$54,124,877</u>                                   |

# General Long-Term Debt Account Group



**This account group represents a  
summary of the general obligation,  
sales tax, and special assessment  
debt as well as certain other  
long-term liabilities  
of the city.**

CITY OF SLIDELL, LOUISIANA

EXHIBIT I-1

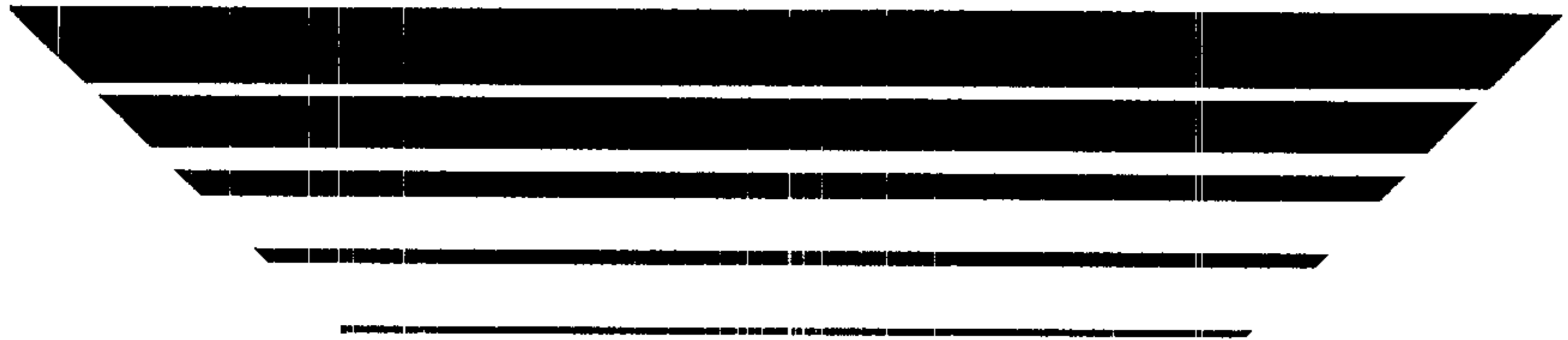
GENERAL LONG TERM DEBT ACCOUNT GROUP  
 SCHEDULE OF CHANGES IN GENERAL LONG TERM DEBT  
 YEAR ENDED JUNE 30, 1997

|  | June 30,<br>1996    | Additions                   | Reductions                  | Debt Service<br>Funds<br>Operations | June 30,<br>1997    |
|--|---------------------|-----------------------------|-----------------------------|-------------------------------------|---------------------|
| <b>AMOUNT AVAILABLE IN DEBT SERVICE AND SALES TAX FUNDS:</b>           |                     |                             |                             |                                     |                     |
| For the retirement of:   |                     |                             |                             |                                     |                     |
| General obligation bonds   | \$ 967,404          | \$ -                        | \$ -                        | \$ 31,351                           | \$ 998,755          |
| Sales tax bonds  | <u>1,933,538</u>    | <u>1,014,019</u>            | <u>                    </u> | <u>                    </u>         | <u>2,947,557</u>    |
|  | <u>2,900,942</u>    | <u>1,014,019</u>            | <u>                    </u> | <u>31,351</u>                       | <u>3,946,312</u>    |
| <b>AMOUNT TO BE PROVIDED FOR RETIREMENT OF GENERAL LONG TERM DEBT:</b> |                     |                             |                             |                                     |                     |
| From ad valorem taxes  | 14,427,596          |                             | (655,000)                   | (31,351)                            | 13,741,245          |
| From sales and use taxes   | 10,926,837          | 9,300,000                   | (1,830,019)                 |                                     | 18,396,818          |
| From General Fund  | 351,029             | 151,045                     |                             |                                     | 502,074             |
| From Sales Tax Fund  | <u>4,495,000</u>    | <u>                    </u> | <u>(544,042)</u>            | <u>                    </u>         | <u>3,950,958</u>    |
|  | <u>30,200,462</u>   | <u>9,451,045</u>            | <u>(3,029,061)</u>          | <u>(31,351)</u>                     | <u>36,591,095</u>   |
|  | <u>\$33,101,404</u> | <u>\$10,465,064</u>         | <u>\$ (3,029,061)</u>       | <u>\$ -</u>                         | <u>\$40,537,407</u> |
| <b>GENERAL LONG TERM DEBT PAYABLE:</b>                                 |                     |                             |                             |                                     |                     |
| General obligation bonds payable                                       | \$15,395,000        | \$ -                        | \$ (655,000)                | \$ -                                | \$14,740,000        |
| Sales tax bonds payable  | 12,860,375          | 9,300,000                   | (816,000)                   |                                     | 21,344,375          |
| Certificate of indebtedness  | <u>4,495,000</u>    | <u>                    </u> | <u>(544,042)</u>            | <u>                    </u>         | <u>3,950,958</u>    |
|  | <u>32,750,375</u>   | <u>9,300,000</u>            | <u>(2,015,042)</u>          | <u>                    </u>         | <u>40,035,333</u>   |
| Claims and judgments   | 41,955              | 151,045                     |                             |                                     | 193,000             |
| Accrued compensatory absences  | <u>309,074</u>      | <u>                    </u> | <u>                    </u> | <u>                    </u>         | <u>309,074</u>      |
|  | <u>\$33,101,404</u> | <u>\$ 9,451,045</u>         | <u>\$ (2,015,042)</u>       | <u>\$ -</u>                         | <u>\$40,537,407</u> |

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# Supporting Schedules



# CITY OF SLIDELL, LOUISIANA

## GENERAL FUND SCHEDULE OF FUNCTIONAL EXPENDITURES BY DEPARTMENT (Budgetary Basis) YEAR ENDED JUNE 30, 1997

|                    | Salaries,<br>Wages and<br>Related<br>Benefits | Contract<br>Services | Supplies<br>and<br>Materials | Equipment         |
|--------------------|---|----------------------|------------------------------|-------------------|
| ADMINISTRATIVE     | \$ 279,658                                    | \$ 20,270            | \$ 17,249                    | \$ 2,973          |
| FINANCE            | 367,250                                       | 8,994                | 25,597                       | 3,722             |
| LEGAL              | 103,615                                       | 7,428                | 4,056                        | 1,553             |
| DATA PROCESSING    | 122,678                                       | 1,196                | 30,766                       | 752               |
| PURCHASING         | 184,011                                       | 1,134                | 19,357                       | 1,408             |
| CIVIL SERVICE      | 100,558                                       | 26,735               | 23,759                       | 3,646             |
| LEGISLATIVE        | 245,924                                       | 65,713               | 11,115                       | 8,602             |
| ANIMAL CONTROL     | 180,190                                       | 5,352                | 14,934                       |                   |
| RISK MANAGEMENT    | 201,385                                       | 25,724               | 4,141                        | 2,486             |
| PERMITS            | 264,907                                       | 2,909                | 9,528                        | 835               |
| PLANNING           | 156,379                                       | 5,990                | 6,953                        | 388               |
| POLICE             | 3,525,802                                     | 101,550              | 276,839                      | 6,867             |
| CITY MARSHALL      | 62,794  | 8,566                |                              |                   |
| CITY COURT         | 54,501  | 45,022               | 930                          |                   |
| CITY PROSECUTOR    | <u>23,606</u>                                 | <u>17,872</u>        | <u>558</u>                   | <u>          </u> |
| TOTAL EXPENDITURES | <u>\$5,873,258</u>                            | <u>\$344,455</u>     | <u>\$445,782</u>             | <u>\$33,232</u>   |

SCHEDULE 1

---

| 911             | Community<br>Service | Legal<br>Fees and<br>Claims | Total              |
|-----------------|----------------------|-----------------------------|--------------------|
| \$ -            | \$ -                 | \$ -                        | \$ 320,150         |
|                 |                      |                             | 405,563            |
|                 |                      | 261,000                     | 377,652            |
|                 |                      |                             | 155,392            |
|                 |                      |                             | 205,910            |
|                 |                      |                             | 154,698            |
|                 |                      |                             | 331,354            |
|                 |                      |                             | 200,476            |
|                 | 40,000               |                             | 273,736            |
|                 |                      |                             | 278,179            |
|                 | 2,957                |                             | 172,667            |
| 96,556          |                      |                             | 4,007,614          |
|                 |                      |                             | 71,360             |
|                 |                      |                             | 100,453            |
|                 |                      |                             | <u>42,036</u>      |
| <u>\$96,556</u> | <u>\$42,957</u>      | <u>\$261,000</u>            | <u>\$7,097,240</u> |

# CITY OF SLIDELL, LOUISIANA

## SALES TAX FUND

### SCHEDULE OF FUNCTIONAL EXPENDITURES BY DEPARTMENT (Budgetary Basis)

YEAR ENDED JUNE 30, 1997

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|                                  | Salaries,<br>Wages and<br>Related<br>Benefits | Contract<br>Services | Supplies<br>and<br>Materials |
|----------------------------------|---|----------------------|------------------------------|
| ADMINISTRATIVE                   | \$ 135,244                                    | \$ 838,511           | \$ 6,770                     |
| ARTS COUNCIL                     | 105,054                                       | 22,000               | 8,418                        |
| IMPROVEMENTS                     |   |                      | 1,035,546                    |
| STREETS, BRIDGES<br>AND DRAINAGE | 1,070,170                                     | 19,363               | 250,197                      |
| ENGINEERING                      | 309,115                                       | 2,068                | 6,508                        |
| ELECTRICAL                       | 169,914                                       | 1,302                | 7,660                        |
| GENERAL MAINTENANCE              | 195,182                                       | 6,137                | 49,193                       |
| VEHICLE MAINTENANCE              | 244,423                                       | 2,926                | 119,348                      |
| PARKS AND RECREATION             | 734,261                                       | 64,430               | 96,376                       |
| PUBLIC INFORMATION               |   | 9,762                | 5,975                        |
| TOTAL EXPENDITURES               | <u>\$2,963,363</u>                            | <u>\$966,499</u>     | <u>\$ 1,585,991</u>          |

SCHEDULE 2

---

| Equipment        | Total               |
|------------------|---------------------|
| \$ -             | \$ 980,525          |
| 1,496            | 136,968             |
|                  | 1,035,546           |
| 1,950            | 1,341,680           |
| 184              | 317,875             |
| 1,216            | 180,092             |
| 879              | 251,391             |
| 3,237            | 369,934             |
| 9,163            | 904,230             |
| <u>100</u>       | <u>15,837</u>       |
| <u>\$ 18,225</u> | <u>\$ 5,534,078</u> |

**CITY OF SLIDELL, LOUISIANA**

**SCHEDULE 3**

**COMBINED SCHEDULE OF INVESTMENTS  
JUNE 30, 1997**

|  | Interest Rate |      | Maturity Date |       | Book Value                  |
|--|---------------|------|---------------|-------|-----------------------------|
|  | From          | To   | From          | To    |                             |
| <b>GENERAL FUND:</b>                     |               |      |               |       |                             |
| U.S. Treasury Notes, Bills, Strips       | 6.00          | 6.00 | 8/97          | 8/97  | \$ 1,001,114                |
| Federal discount notes, agencies, strips | 5.21          | 5.50 | 8/97          | 10/97 | <u>1,284,429</u>            |
| Total unrestricted investments           |               |      |               |       | <u>\$ 2,285,543</u>         |
| Certificates of deposit                  | 5.31          | 5.31 | 2/98          | 2/98  | <u>\$ 275,000</u>           |
| Total restricted investments             |               |      |               |       | <u>\$ 275,000</u>           |
| <b>SPECIAL REVENUE FUNDS:</b>            |               |      |               |       |                             |
| Federal discount notes, agencies, strips | 4.70          | 5.31 | 12/97         | 1/98  | <u>\$ 829,164</u>           |
| Total unrestricted investments           |               |      |               |       | <u>\$ 829,164</u>           |
| U.S. Treasury Notes, Bills, Strips       | 4.70          | 5.20 | 2/98          | 8/98  | <u>\$ 2,510,330</u>         |
| Total restricted investments             |               |      |               |       | <u>\$ 2,510,330</u>         |
| <b>DEBT SERVICE FUND:</b>                |               |      |               |       |                             |
| Federal discount notes, agencies, strips | 5.32          | 5.41 | 3/98          | 3/98  | <u>\$ 767,374</u>           |
| Total unrestricted investments           |               |      |               |       | <u>\$ 767,374</u>           |
| <b>CAPITAL PROJECTS FUNDS:</b>           |               |      |               |       |                             |
| Federal discount notes, agencies strips  | 5.16          | 5.16 | 8/98          | 8/98  | \$ 940,000                  |
| U.S. Treasury Notes, Bills, Strips       | 4.58          | 4.58 | 7/97          | 7/97  | <u>13,505,463</u>           |
| Total unrestricted investments           |               |      |               |       | <u>\$ 14,445,463</u>        |
| <b>ENTERPRISE FUNDS:</b>                 |               |      |               |       |                             |
| U.S. Treasury Notes, Bills, Strips       | 4.48          | 6.00 | 7/97          | 8/97  | \$ 1,874,216                |
| Federal discount notes, agencies, strips | 5.19          | 5.19 | 1/99          | 1/99  | 200,036                     |
| Certificates of deposit                  | 5.45          | 5.45 | 6/98          | 6/98  | <u>25,000</u>               |
| Total restricted investments             |               |      |               |       | <u>\$ 2,099,252</u>         |
| <b>TOTAL UNRESTRICTED INVESTMENTS</b>    |               |      |               |       | <b>\$ 18,327,544</b>        |
| <b>TOTAL RESTRICTED INVESTMENTS</b>      |               |      |               |       | <u><b>4,884,582</b></u>     |
| <b>TOTAL INVESTMENTS</b>                 |               |      |               |       | <u><b>\$ 23,212,126</b></u> |

**CITY OF SLIDELL, LOUISIANA****SCHEDULE 4****SCHEDULE OF COMPENSATION PAID TO CITY COUNCIL MEMBERS  
YEAR ENDED JUNE 30, 1997**

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| <b>Council Member</b> | <b>Number<br/>of Days</b> | <b>Compensation</b> |
|-----------------------|---------------------------|---------------------|
| Dudley Smith          | 365                       | \$ 10,500           |
| Alvin D. Singletary   | 365                       | 10,500              |
| Lionel J. Washington  | 365                       | 10,500              |
| Bob Callahan          | 365                       | 10,500              |
| Richard B. Van Sandt  | 365                       | 10,500              |
| Belinda Levy          | 365                       | 10,500              |
| Marti J. Livaudais    | 365                       | 10,500              |
| Michael J. Molbert    | 365                       | 10,500              |
| Pearl Williams        | 365                       | 10,500              |

CITY OF SLIDELL, LOUISIANA

SCHEDULE 5

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF STATE AWARDS  
 YEAR ENDED JUNE 30, 1997

|   | State<br>Grant Number                      | Program<br>or Award<br>Amount | Disbursements/<br>Expenditures |
|---|--|-------------------------------|--------------------------------|
| Department of Culture, Recreation, and Tourism<br>Office of Cultural Development<br>Division of Arts Grant  | FY97060                                    | \$ 20,086                     | \$ 20,086                      |
| Subgrant through Arts Council of New Orleans<br>Decentralized Arts Funding - 1996   |  | 72,254                        | 19,124                         |
| Decentralized Arts Funding - 1997   |  | 82,844                        | 76,714                         |
| Total Department of Culture, Recreation,<br>and Tourism   |  |                               | <u>115,924</u>                 |
| Department of Transportation and Development<br>Office of Public Works<br>Schneider Canal Pumping Station   | 576-52-004, 5, and 6<br>562-52-006         | 1,202,705<br>500,000          | 1,135,276<br>500,000           |
| Maintenance Division<br>Highway Maintenance Grant - 1997  | 737-08-12                                  | 16,522                        | 16,522                         |
| Division of Aviation<br>Taxiway Extension<br>Automobile Parking Lot<br>Airport Master Plan Update   | 952-01-0007<br>952-01-0009<br>780-52-0003  | 87,798<br>236,715<br>9,205    | (2,720)<br>205,010<br>1,544    |
| Total Department of Transportation and Development  |  |                               | <u>1,855,632</u>               |
| Commission on Law Enforcement and Administration<br>of Criminal Justice<br>Subgrants through METLAC<br>D.A.R.E.<br>Slidell Academy Equipment<br>Slidell Academy Equipment | E-97-7-019<br>T-96-8-B.1-0020<br>P97-8-016 | 12,246<br>5,877<br>6,000      | 12,246<br>9<br>6,000           |
| Total Commission on Law Enforcement and<br>Administration of Criminal Justice   |  |                               | <u>18,255</u>                  |
| TOTAL STATE GRANTS  |  |                               | <u>\$1,989,811</u>             |



# CITY OF SLIDELL, LOUISIANA

## GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1) LAST TEN FISCAL YEARS

---

| <b>Fiscal Year</b> | <b>General Government</b> | <b>Public Works</b> | <b>Public Safety</b> | <b>Parks and Recreation</b> |
|--------------------|---------------------------|---------------------|----------------------|-----------------------------|
| 1988               | \$ 1,948,256              | \$2,900,898         | \$2,437,138          | \$573,975                   |
| 1989               | 1,669,584                 | 3,258,266           | 2,561,139            | 596,398                     |
| 1990               | 1,861,715                 | 3,457,381           | 2,864,211            | 655,062                     |
| 1991               | 2,158,162                 | 3,540,223           | 2,826,756            | 686,365                     |
| 1992               | 2,391,107                 | 3,494,264           | 3,128,061            | 708,653                     |
| 1993               | 3,255,365                 | 3,027,917           | 3,276,057            | 712,945                     |
| 1994               | 3,176,345 (2)             | 3,646,496           | 3,832,885            | 818,465                     |
| 1995               | 3,668,219 (3)             | 3,293,623           | 3,627,643            | 846,649                     |
| 1996               | 3,429,840                 | 3,916,717           | 3,721,666            | 864,143                     |
| 1997               | 3,501,174                 | 4,378,277           | 4,007,614            | 904,230                     |

- (1) The above information reflects the General and Special Revenue Funds (budgetary basis) and the Debt Service Fund; Capital Projects and Expendable Trust Funds are not included herein.
- (2) Includes \$63,000 for claims and judgments.
- (3) Includes \$404,817 for disasters.

**TABLE 1**

---

| <b>City<br/>Court &amp;<br/>Prosecutor</b> | <b>Capital<br/>Outlay</b> | <b>Debt<br/>Service</b> | <b>Total</b>  |
|--|---------------------------|-------------------------|---------------|
| \$ 43,294                                  | \$ 3,058,148              | \$ 1,862,218            | \$ 12,823,927 |
| 50,700                                     | 6,046,352                 | 2,746,032               | 16,928,471    |
| 75,774                                     | 4,325,681                 | 2,807,865               | 16,047,689    |
| 118,424                                    | 2,125,233                 | 3,119,023               | 14,574,186    |
| 113,025                                    | 2,894,125                 | 2,695,148               | 15,424,383    |
| 140,136                                    | 2,909,923                 | 2,710,604               | 16,032,947    |
| 170,553                                    | 2,075,152                 | 3,074,371               | 16,794,267    |
| 172,108                                    | 1,843,362                 | 2,503,453               | 15,955,057    |
| 206,011                                    | 2,324,423                 | 2,936,830               | 17,399,630    |
| 213,849                                    | 2,100,591                 | 4,336,379               | 19,442,114    |

# CITY OF SLIDELL, LOUISIANA

## GENERAL GOVERNMENTAL REVENUES BY SOURCE (1) LAST TEN FISCAL YEARS

| Fiscal Year | Taxes        |                |               | Total        | Inter-Governmental Revenue | Licenses and Permits |
|-------------|--------------|----------------|---------------|--------------|----------------------------|----------------------|
|             | Sales Taxes  | Property Taxes | Franchise Tax |              |                            |                      |
| 1988        | \$ 7,078,356 | \$2,625,601    | \$ 688,746    | \$10,392,703 | \$ 633,511                 | \$ 905,340           |
| 1989        | 7,529,794    | 2,713,710      | 689,426       | 10,932,930   | 472,480                    | 948,794              |
| 1990        | 8,236,623    | 2,324,491      | 770,059       | 11,331,173   | 491,532                    | 999,564              |
| 1991        | 8,841,108    | 2,340,824      | 797,782       | 11,979,714   | 569,789                    | 1,020,736            |
| 1992        | 8,572,802    | 2,394,209      | 793,681       | 11,760,692   | 966,688                    | 1,053,663            |
| 1993        | 9,162,962    | 2,434,652      | 815,077       | 12,412,691   | 1,111,533                  | 1,108,842            |
| 1994        | 9,935,945    | 2,471,326      | 924,588       | 13,331,859   | 886,734                    | 1,191,495            |
| 1995        | 10,410,596   | 2,439,023      | 908,694       | 13,758,313   | 1,722,053                  | 1,250,309            |
| 1996        | 11,568,348   | 2,918,512      | 975,419       | 15,462,279   | 1,115,220                  | 1,327,046            |
| 1997        | 10,970,123   | 3,066,116      | 1,038,178     | 15,074,417   | 1,305,654                  | 1,336,212            |

(1) The above information reflects the General and Special Revenue Funds (budgetary basis) and the Debt Service Fund; Capital Projects and Expendable Trust Funds are not included herein.

(2) Special assessments recorded in special assessment fund type not included.

**TABLE 2**

| <b>Fines and Forfeitures</b> | <b>Special Assessments (2)</b> | <b>Interest and Other Revenues</b> | <b>Payment in Lieu of Taxes</b> | <b>Contributions</b> | <b>Total</b>  |
|------------------------------|--------------------------------|------------------------------------|---------------------------------|----------------------|---------------|
| \$ 111,036                   | \$ 332,910                     | \$ 785,282                         | \$ 283,824                      | \$ -                 | \$ 13,444,606 |
| 128,301                      | 45,281                         | 1,421,406                          | 243,060                         |                      | 14,192,252    |
| 154,911                      | 53,744                         | 725,540                            | 293,613                         |                      | 14,050,077    |
| 119,555                      | 40,118                         | 699,274                            | 300,840                         |                      | 14,730,026    |
| 181,962                      | 51,898                         | 641,413                            | 376,359                         |                      | 15,032,675    |
| 176,746                      | 38,059                         | 461,699                            | 393,940                         |                      | 15,703,510    |
| 159,908                      | 1,542                          | 494,186                            | 392,012                         |                      | 16,457,736    |
| 210,188                      | 2,905                          | 530,507                            | 387,908                         | 8,030                | 17,870,213    |
| 181,977                      | 3,692                          | 659,272                            | 417,274                         |                      | 19,166,760    |
| 200,315                      |                                | 793,692                            | 417,442                         |                      | 19,127,732    |

**CITY OF SLIDELL, LOUISIANA****TABLE 3****PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

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| <b>Fiscal<br/>Year</b> | <b>Total<br/>Tax Levy</b> | <b>Current Tax<br/>Collections</b> | <b>Percent<br/>of Levy<br/>Collected</b> |
|------------------------|---------------------------|------------------------------------|--|
| 1988                   | \$3,041,704               | \$3,017,932                        | 99.2                                     |
| 1989                   | 3,183,202                 | 3,141,823                          | 98.7                                     |
| 1990                   | 3,159,816                 | 3,188,603                          | 100.9*                                   |
| 1991                   | 3,255,246                 | 3,227,996                          | 99.2                                     |
| 1992                   | 3,328,539                 | 3,295,963                          | 99.0                                     |
| 1993                   | 3,391,030                 | 3,349,291                          | 98.8                                     |
| 1994                   | 3,384,729                 | 3,448,848                          | 101.9*                                   |
| 1995                   | 3,446,301                 | 3,443,731                          | 99.9                                     |
| 1996                   | 3,934,645                 | 3,940,091                          | 100.1*                                   |
| 1997                   | 4,157,934                 | 4,176,638                          | 100.4*                                   |

\*Total collections include redemptions.

# CITY OF SLIDELL, LOUISIANA

## ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1) LAST TEN FISCAL YEARS

| Fiscal Year | Residential Property |                        | Commercial Property |                        | Public Service Property |                        |
|-------------|----------------------|------------------------|---------------------|------------------------|-------------------------|------------------------|
|             | Assessed Value       | Estimated Actual Value | Assessed Value      | Estimated Actual Value | Assessed Value          | Estimated Actual Value |
| 1988        | \$64,278,685         | \$642,786,850          | \$11,587,360        | \$77,249,067           | \$8,205,453             | \$54,703,020           |
| 1989        | 65,396,058           | 653,960,580            | 10,872,860          | 72,485,733             | 8,338,249               | 55,588,327             |
| 1990        | 64,689,601           | 646,896,010            | 12,646,695          | 84,311,300             | 8,258,712               | 55,058,080             |
| 1991        | 67,179,235           | 671,792,350            | 14,098,225          | 93,954,833             | 8,189,169               | 54,594,460             |
| 1992        | 66,321,738           | 663,217,380            | 16,139,915          | 107,599,433            | 8,687,351               | 57,915,673             |
| 1993        | 66,935,950           | 669,359,500            | 17,003,757          | 113,358,380            | 9,097,200               | 60,648,000             |
| 1994        | 66,999,860           | 669,998,600            | 20,063,115          | 133,754,100            | 9,317,298               | 62,115,320             |
| 1995        | 68,668,925           | 686,689,250            | 23,454,485          | 156,363,233            | 9,423,313               | 62,822,087             |
| 1996        | 68,583,745           | 685,837,450            | 26,608,618          | 177,390,787            | 8,553,173               | 57,021,154             |
| 1997        | 75,622,776           | 756,227,759            | 27,099,731          | 180,664,873            | 8,297,714               | 55,318,094             |

(1) Total assessed value is based on the following percentages of estimated actual value:

|                         |     |
|-------------------------|-----|
| Residential property    | 10% |
| Commercial property     | 15% |
| Public service property | 15% |
| Railroad stock          | 15% |

**TABLE 4**

| <b>Railroad Stock</b>     |                                       | <b>Total</b>              |                                       | <b>Ratio of<br/>Total<br/>Assessed to<br/>Total<br/>Estimate<br/>Actual Value</b> |
|---------------------------|---------------------------------------|---------------------------|---------------------------------------|---|
| <b>Assessed<br/>Value</b> | <b>Estimated<br/>Actual<br/>Value</b> | <b>Assessed<br/>Value</b> | <b>Estimated<br/>Actual<br/>Value</b> |   |
| \$ 16,450                 | \$ 109,667                            | \$ 84,087,948             | \$ 774,848,604                        | .11   |
| 7,440                     | 49,600                                | 84,614,607                | 782,084,240                           | .11   |
| 13,672                    | 91,147                                | 85,608,680                | 786,356,537                           | .11   |
| 16,905                    | 112,700                               | 89,483,534                | 820,454,343                           | .11   |
| 18,871                    | 125,807                               | 91,167,875                | 828,858,293                           | .11   |
| 21,010                    | 140,067                               | 93,057,917                | 843,505,947                           | .11   |
| 23,290                    | 155,267                               | 96,403,563                | 866,023,287                           | .11   |
| 24,181                    | 161,207                               | 101,570,904               | 906,035,777                           | .11   |
| 29,860                    | 199,067                               | 103,775,396               | 920,448,458                           | .11   |
| 29,660                    | 197,734                               | 111,049,881               | 992,408,460                           | .11   |

**CITY OF SLIDELL, LOUISIANA**

**TABLE 5**

**PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS**

| Fiscal Year  | City<br>(Wards 8&9) | School<br>(Wards 8&9) | Parish<br>(Wards 8&9) | Other    |          | Total     |           |
|--|---------------------|-----------------------|-----------------------|----------|----------|-----------|-----------|
|  |                     |                       |                       | (Ward 8) | (Ward 9) | (Ward 8)  | (Ward 9)  |
| <b>Tax Rates</b><br>(In Dollars Per \$1,000 of Assessed Value) |                     |                       |                       |          |          |           |           |
| 1988   | \$ 36.91            | \$ 83.07              | \$ 41.58              | \$ 36.12 | \$ 35.39 | \$ 197.68 | \$ 196.95 |
| 1989   | 37.62               | 85.41                 | 31.79                 | 29.78    | 29.78    | 184.60    | 184.60    |
| 1990   | 36.91               | 85.41                 | 31.79                 | 43.33    | 43.33    | 197.44    | 197.44    |
| 1991   | 36.38               | 85.41                 | 31.79                 | 42.28    | 42.28    | 195.86    | 195.86    |
| 1992   | 36.51               | 85.41                 | 31.79                 | 42.31    | 42.31    | 196.02    | 196.02    |
| 1993   | 36.44               | 87.10                 | 32.70                 | 43.24    | 43.24    | 199.48    | 199.48    |
| 1994   | 35.11               | 87.10                 | 32.70                 | 41.19    | 41.19    | 196.10    | 196.10    |
| 1995   | 33.93               | 87.10                 | 32.70                 | 41.19    | 41.19    | 194.92    | 194.92    |
| 1996   | 38.51               | 87.10                 | 32.70                 | 40.50    | 40.50    | 198.81    | 198.81    |
| 1997   | 37.54               | 90.10                 | 32.17                 | 39.20    | 39.20    | 199.01    | 199.01    |



**CITY OF SLIDELL, LOUISIANA**

**TABLE 6**

**RATIO OF NET GENERAL OBLIGATION BONDED DEBT  
TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

| <b>Fiscal Year</b> | <b>Population</b> | <b>Assessed Value</b> | <b>Gross Bonded Debt (2)</b> | <b>Less Debt Service Funds (3)</b> | <b>Net Bonded Debt</b> | <b>Ratio of Net Bonded Debt to Assessed Value</b> | <b>Net Bonded Debt Per Capita</b> |
|--------------------|-------------------|-----------------------|------------------------------|------------------------------------|------------------------|---|-----------------------------------|
| 1988               | 30,022 (1)        | \$ 84,087,948         | \$6,530,000                  | \$496,532                          | \$6,033,468            | 7.18  | \$201                             |
| 1989               | 30,022 (1)        | 84,614,607            | 9,370,000                    | 536,753                            | 8,833,247              | 10.44   | 294                               |
| 1990               | 24,013 (1)        | 85,608,680            | 8,919,000                    | 540,405                            | 8,378,595              | 9.79  | 349                               |
| 1991               | 24,013 (1)        | 89,478,534            | 8,433,000                    | 545,518                            | 7,887,482              | 8.81  | 328                               |
| 1992               | 24,013 (1)        | 91,167,875            | 7,892,000                    | 555,480                            | 7,336,520              | 8.05  | 305                               |
| 1993               | 24,161 (1)        | 93,057,917            | 7,285,000                    | 571,586                            | 6,713,414              | 7.21  | 278                               |
| 1994               | 24,161 (1)        | 96,403,563            | 7,145,000                    | 489,200                            | 6,655,800              | 6.90  | 275                               |
| 1995               | 26,314 (1)        | 101,570,904           | 6,545,000                    | 509,702                            | 6,035,298              | 5.94  | 229                               |
| 1996               | 26,314 (1)        | 103,775,396           | 15,395,000                   | 967,404                            | 14,427,596             | 13.90   | 548                               |
| 1997               | 26,408 (1)        | 111,050,081           | 14,740,000                   | 998,755                            | 13,741,245             | 12.37   | 520                               |

(1) The population figures for 1988 and 1989 are estimates. The 1990 through 1992 population is based on actual 1990 census. 1993 through 1996 - Research Division, College of Administration and Business, Louisiana Tech University.

(2) Amount does not include special assessment, sales tax or revenue bonds.

(3) Amount available for repayment of general obligation bonds.

CITY OF SLIDELL, LOUISIANA

TABLE 7

COMPUTATION OF LEGAL DEBT MARGIN  
JUNE 30, 1997

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|   |                      |
|---|----------------------|
| ASSESSED VALUE  | <u>\$111,050,081</u> |
| DEBT LIMIT - 35% of \$111,050,081<br>assessed value (1)             | \$ 38,867,528        |
| DEDUCT - Amount of debt applicable<br>to debt limit:<br>Bonded debt | <u>14,740,000</u>    |
| Legal debt margin   | <u>\$ 24,127,528</u> |

(1) State law allows a maximum of 35% of assessed valuation for total bonded general obligation debt.

**CITY OF SLIDELL, LOUISIANA**

**TABLE 8**

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR  
GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL EXPENDITURES  
LAST TEN FISCAL YEARS**

| <b>Fiscal Year</b> | <b>Principal (1)</b> | <b>Interest and Paying Agent Fees (1)</b> | <b>Total Debt Service (1)</b> | <b>Total General Expenditures (2)</b> | <b>Ratio of Debt Service to General Expenditures</b> |
|--------------------|----------------------|---|-------------------------------|---------------------------------------|--|
| 1988               | \$430,000            | \$594,317                                 | \$1,024,317                   | \$12,823,927                          | 7.99   |
| 1989               | 520,000              | 556,343                                   | 1,076,343                     | 16,928,471                            | 6.36   |
| 1990               | 451,000              | 665,449                                   | 1,116,449                     | 16,047,689                            | 6.96   |
| 1991               | 486,000              | 635,303                                   | 1,121,303                     | 14,574,186                            | 7.69   |
| 1992               | 541,000              | 597,853                                   | 1,138,853                     | 15,424,383                            | 7.38   |
| 1993               | 607,000              | 556,543                                   | 1,163,543                     | 16,032,947                            | 7.26   |
| 1994               | 650,000              | 510,163                                   | 1,160,163                     | 16,794,267                            | 6.91   |
| 1995               | 600,000              | 391,931                                   | 991,931                       | 15,955,057                            | 6.22   |
| 1996               | 650,000              | 342,830                                   | 992,830                       | 17,399,630                            | 5.71   |
| 1997               | 655,000              | 833,763                                   | 1,488,763                     | 19,442,114                            | 7.66   |

(1) Amount does not include special assessment, sales tax or revenue bonds debt service.

(2) Per Table 1.

**CITY OF SLIDELL, LOUISIANA**

**TABLE 9**

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
JUNE 30, 1997**

| Jurisdiction             | Net General<br>Obligation<br>Bonded Debt<br>Outstanding | Percent<br>Applicable<br>to Slidell | Amount<br>Applicable<br>to Slidell |
|--------------------------|---|-------------------------------------|------------------------------------|
| Direct:                  |   |                                     |                                    |
| City of Slidell          | \$13,741,245  | (1) 100 %                           | \$13,741,245                       |
| Overlapping:             |   |                                     |                                    |
| St. Tammany School Board | 75,130,000  | 17 %                                | 12,772,000                         |
| St. Tammany Parish       | <u>3,231,934</u>  | 17 %                                | <u>549,429</u>                     |
| <b>TOTAL</b>             | <u>\$92,103,179</u>                                     |                                     | <u>\$27,062,674</u>                |

(1) Net of funds available for payment of debt service (Ref. Table 6).

**CITY OF SLIDELL, LOUISIANA**

**TABLE 10**

**SALES TAX BONDS COVERAGE  
LAST TEN FISCAL YEARS**

| Fiscal Year | Sales Tax Revenue | Debt Service Requirements |            |            | Coverage |
|-------------|-------------------|---------------------------|------------|------------|----------|
|             |                   | Principal                 | Interest   | Total      |          |
| 1988        | \$ 7,078,356      | \$ 147,000                | \$ 507,959 | \$ 654,959 | 10.8     |
| 1989        | 7,529,794         | 214,000                   | 1,221,498  | 1,435,498  | 5.2      |
| 1990        | 8,236,623         | 313,000                   | 1,193,311  | 1,506,311  | 5.5      |
| 1991        | 8,841,108         | 336,000                   | 1,158,210  | 1,494,210  | 5.9      |
| 1992        | 8,572,802         | 364,000                   | 1,120,260  | 1,484,260  | 5.8      |
| 1993        | 9,162,962         | 398,000                   | 1,078,859  | 1,476,859  | 6.2      |
| 1994        | 9,935,944         | 466,000                   | 726,931    | 1,192,931  | 8.3      |
| 1995        | 10,410,596        | 584,000                   | 793,324    | 1,377,324  | 7.6      |
| 1996        | 11,568,348        | 637,000                   | 737,697    | 1,374,697  | 8.4      |
| 1997        | 10,970,123        | 816,000                   | 1,251,934  | 2,067,934  | 5.3      |

**CITY OF SLIDELL, LOUISIANA**

**TABLE 11**

**ENTERPRISE REVENUE BONDS COVERAGE (UTILITY FUND ONLY)  
LAST TEN FISCAL YEARS**

| Fiscal Year | Gross Revenue | Expenses (1) | Net Revenue Available for Debt Service | Debt Service Requirements |          |          | Coverage |
|-------------|---------------|--------------|--|---------------------------|----------|----------|----------|
|             |               |              |  | Principal                 | Interest | Total    |          |
| 1988        | \$3,409,264   | \$3,124,509  | \$ 284,755                             | \$64,000                  | \$13,727 | \$77,727 | 3.66     |
| 1989        | 3,618,855     | 3,273,639    | 345,216                                | 68,000                    | 25,667   | 93,667   | 3.69     |
| 1990        | 3,998,675     | 3,433,842    | 564,833                                | 70,000                    | 13,783   | 83,783   | 6.74     |
| 1991        | 4,021,713     | 3,617,600    | 404,113                                | 74,000                    | 11,320   | 85,320   | 4.74     |
| 1992        | 4,209,585     | 3,878,041    | 331,544                                | 78,000                    | 8,280    | 86,280   | 3.84     |
| 1993        | 4,600,744     | 4,176,906    | 423,838                                | 82,000                    | 5,080    | 87,080   | 4.87     |
| 1994        | 4,815,338     | 4,373,094    | 442,244                                | 86,000                    | 1,720    | 87,720   | 5.04     |
| 1995        | 5,208,892     | 4,298,269    | 910,623                                |                           |          |          |          |
| 1996        | 5,614,803     | 4,723,966    | 890,837                                |                           |          |          |          |
| 1997        | 5,779,839     | 4,706,725    | 1,073,114                              |                           | 128,988  | 128,988  | 8.32     |

(1) Amount does not include depreciation or interest expenses.

**CITY OF SLIDELL, LOUISIANA**

**TABLE 12**

**PROPERTY VALUE AND CONSTRUCTION  
LAST TEN FISCAL YEARS**

| Fiscal Year | Commercial Construction |              | Residential Construction |             | Estimated Actual Value |               |
|-------------|-------------------------|--------------|--------------------------|-------------|------------------------|---------------|
|             | Number of Units         | Value        | Number of Units          | Value       | Commercial             | Residential   |
| 1988        | 143                     | \$11,419,266 | 200                      | \$1,072,305 | \$131,952,087          | \$642,786,850 |
| 1989        | 115                     | 16,412,379   | 198                      | 1,226,246   | 128,074,060            | 653,960,580   |
| 1990        | 114                     | 16,030,681   | 172                      | 869,070     | 139,369,380            | 646,896,010   |
| 1991        | 118                     | 16,727,273   | 143                      | 1,890,710   | 148,661,993            | 671,792,350   |
| 1992        | 72                      | 7,403,478    | 207                      | 3,278,310   | 165,640,913            | 663,217,380   |
| 1993        | 108                     | 5,276,044    | 207                      | 3,713,008   | 174,146,447            | 669,359,500   |
| 1994        | 112                     | 10,826,727   | 195                      | 2,966,283   | 196,024,687            | 669,998,600   |
| 1995        | 161                     | 16,495,803   | 194                      | 3,496,079   | 219,346,527            | 686,689,250   |
| 1996        | 153                     | 13,501,297   | 231                      | 4,769,635   | 234,611,008            | 685,837,450   |
| 1997        | 162                     | 19,612,552   | 265                      | 9,674,971   | 236,180,701            | 756,227,759   |

Source of data - City of Slidell permits department; tax rolls

Data on bank deposits is not available.

**CITY OF SLIDELL, LOUISIANA**

**TABLE 13**

**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS  
LAST TEN FISCAL YEARS**

| <b>Fiscal Year</b> | <b>Current Assessments Billed</b> | <b>Current Assessments Collected</b> | <b>Ratio of Collections to Amount Due(1)</b> | <b>Total Outstanding Assessments</b> |
|--------------------|-----------------------------------|--------------------------------------|--|--------------------------------------|
| 1988               | \$ 91,935                         | \$ 479,862                           | 522.0  | \$ 350,714                           |
| 1989               | 45,281                            | 50,905                               | 112.4  | 299,809                              |
| 1990               | 53,744                            | 55,243                               | 102.8  | 244,566                              |
| 1991               | 40,118                            | 33,631                               | 83.8   | 143,619                              |
| 1992               | 31,223                            | 35,726                               | 114.4  | 108,954                              |
| 1993               | 25,474                            | 30,096                               | 118.1  | 78,859                               |
| 1994               | 6,597                             | 23,072                               | 349.7  | 55,787                               |
| 1995               |                                   | 10,938                               |  | 21,939                               |
| 1996               |                                   | 3,692                                |  |                                      |
| 1997               |                                   |                                      |  |                                      |

(1) Collections in excess of amounts billed are due to the exercise of prepayment options.



**CITY OF SLIDELL, LOUISIANA**

**TABLE 14**

**PRINCIPAL TAXPAYERS  
JUNE 30, 1997**

| <b>Taxpayer</b>                       | <b>Type of Business</b> | <b>Fiscal 1997<br/>Assessed<br/>Valuation*</b> | <b>Percentage<br/>of Total<br/>Assessed<br/>Valuation</b> |
|---------------------------------------|-------------------------|--|---|
| Bell South Communications             | Telephone Utility       | \$ 4,038,590                                   | 3.64 %  |
| Fox Meyer Drug Co.                    | Wholesale               | 3,143,295                                      | 2.83  |
| Central LA Electric Co.               | Electric Utility        | 3,141,290                                      | 2.83  |
| First National Bank of Commerce       | Financial Institution   | 3,027,473                                      | 2.73  |
| Sizeler North Shore Ltd               | Shopping Center         | 2,580,692                                      | 2.32  |
| Northshore Regional Medical<br>Center | Hospital                | 1,640,500                                      | 1.48  |
| Healthcare Properties                 | Medical Facility        | 1,583,110                                      | 1.43  |
| Maison Blanche, Inc.                  | Retail                  | 1,434,795                                      | 1.29  |
| Schwegmann                            | Retail                  | 1,311,475                                      | 1.18  |
| IT Corporation                        | Environmental           | <u>1,200,252</u>                               | <u>1.08</u>   |
|                                       |                         | <u>\$23,101,472</u>                            | <u>20.81 %</u>  |

Source of data - Current ad valorem tax rolls

\*Total assessed valuation \$111,049,881

**CITY OF SLIDELL, LOUISIANA**

**TABLE 15**

**SALARIES OF PRINCIPAL OFFICIALS  
YEAR ENDED JUNE 30, 1997**

| <b>Name</b>               | <b>Title</b>                               | <b>Method of Selection</b> | <b>Annual Base Salary</b> | <b>Senior Incentive Pay</b> | <b>Surety Bonds</b> |
|---------------------------|--|----------------------------|---------------------------|-----------------------------|---------------------|
| Salvatore A. "Sam" Caruso | Mayor                                      | Election                   | \$ 63,500                 | \$ -                        | \$ 100,000          |
| Ben O. Morris             | Chief of Police                            | Election                   | 57,212                    |                             | 100,000             |
| Dudley D. Smith           | Councilman at Large                        | Election                   | 10,500                    |                             | 100,000             |
| Alvin D. Singletary       | Councilman at Large                        | Election                   | 10,500                    |                             | 100,000             |
| Lionel J. Washington      | Councilman Dist. A                         | Election                   | 10,500                    |                             | 100,000             |
| Bob Callahan              | Councilman Dist. B                         | Election                   | 10,500                    |                             | 100,000             |
| Richard B. Van Sandt      | Councilman Dist. C                         | Election                   | 10,500                    |                             | 100,000             |
| Belinda Levy              | Councilman Dist. D                         | Election                   | 10,500                    |                             | 100,000             |
| Marti J. Livaudais        | Councilman Dist. E                         | Election                   | 10,500                    |                             | 100,000             |
| Michael J. Molbert        | Councilman Dist. F                         | Election                   | 10,500                    |                             | 100,000             |
| Pearl Williams            | Councilman Dist. G                         | Election                   | 10,500                    |                             | 100,000             |
| Davis Dautreuil           | Council Administrator/<br>Clerk of Council | Appointed                  | 58,645                    | 324                         | 100,000             |
| Reinhard Dearing          | Chief of Staff                             | Appointed                  | 58,645                    | 576                         | 100,000             |
| Carmel Everard            | Secretary to Mayor                         | Appointed                  | 27,230                    |                             | 100,000             |
| Sharon Howes              | Director of Finance                        | Appointed                  | 50,006                    |                             | 100,000             |
| Martin Bruno              | Director of Planning                       | Appointed                  | 49,622                    |                             | 100,000             |
| Dean Born                 | Director of Permits                        | Appointed                  | 50,072                    | 432                         | 100,000             |
| Stanley Polivick          | City Engineer                              | Appointed                  | 54,063                    | 396                         | 100,000             |
| Larry Abney               | Director of Recreation<br>and Parks        | Appointed                  | 42,645                    | 504                         | 100,000             |
| Sue Herron                | Director of Civil<br>Service               | Appointed                  | 35,216                    | 360                         | 100,000             |
| Suzanne Parsons           | Director of Cultural<br>Affairs            | Appointed                  | 35,863                    | 468                         | 100,000             |
| Tim Mathison              | City Attorney                              | Appointed                  | 57,428                    |                             | 100,000             |
| Laura Zaidain             | Airport Manager                            | Appointed                  | 30,498                    |                             | 100,000             |

# CITY OF SLIDELL, LOUISIANA

## DEMOGRAPHIC STATISTICS

JUNE 30, 1997

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|                                       |                 |
|---------------------------------------|-----------------|
| DATE OF SETTLEMENT                    | 1888            |
| DATE PRESENT CHARTER ADOPTED          | 1978            |
| FORM OF GOVERNMENT                    | MAYOR - COUNCIL |
| AREA SQUARE MILES                     | 12.01           |
| MILES OF STREETS:                     |                 |
| Paved                                 | 113.7           |
| Unimproved                            | 1.3             |
| BUILDING PERMITS:                     |                 |
| New residential                       | 115             |
| Residential additions                 | 150             |
| New commercial                        | 25              |
| Commercial additions                  | 137             |
| POLICE PROTECTION:                    |                 |
| Number of employees                   | MUNICIPAL 71    |
| FIRE PROTECTION:                      |                 |
| Number of stations                    | DISTRICT 3      |
| RECREATION:                           |                 |
| Parks - number of acres               | 369             |
| Number of playgrounds                 | 18              |
| Number of picnic areas                | 6               |
| NUMBER OF STREET LIGHTS               | 2,436           |
| NUMBER OF TRAFFIC SIGNALS             | 56              |
| NUMBER OF WATER STORAGE TANKS:        |                 |
| Total capacity of water storage tanks | 1,500,000 GAL.  |
| MUNICIPAL WATER DISTRIBUTION SYSTEM:  |                 |
| Number of accounts                    | 9,170           |
| Number of metered accounts            | 9,019           |
| Daily average consumption             | 4.1 MGD         |
| Productive capacity                   | 17 MGD          |
| Miles of water mains - City           | 149             |

**TABLE 16**

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|   |            |
|---|------------|
| <b>MUNICIPAL SEWER PLANT:</b>                     |            |
| Number of accounts                                | 8,996      |
| Daily average treated wastewater                  | 4.1 MGD    |
| Plant capacity                                    | 60 MGD     |
| Miles of sewer mains - City                       | 95         |
| <b>AUTHORIZED FULL TIME EQUIVALENT EMPLOYEES:</b> |            |
| Merit - elected, appointed & classified           | 328        |
| School crossing guards                            | <u>18</u>  |
| Total employees                                   | <u>346</u> |
| <b>ELECTION:</b>                                  |            |
| Registered voters                                 | 15,183     |
| Number of votes cast, last local election         | 11,210     |
| Percentage of registered voters voting            | 74%        |
| <b>POPULATION:</b>                                |            |
| 1890  | 354        |
| 1900  | 1,129      |
| 1910  | 2,188      |
| 1920  | 2,958      |
| 1930  | 2,807      |
| 1940  | 2,864      |
| 1950  | 3,464      |
| 1960  | 6,356      |
| 1970  | 16,101     |
| 1980  | 26,718     |
| 1990  | 24,013     |

Source of data - City and parish records

**CITY OF SLIDELL, LOUISIANA**

**TABLE 17**

**INSURANCE COVERAGE  
JUNE 30, 1997**

| <b>Policy Number</b>  | <b>Insurer</b>             | <b>Expires</b> | <b>Policy Type of Coverage</b> | <b>Limits</b>  |
|-----------------------|----------------------------|----------------|--------------------------------|----------------|
| 651-000271-7          | Coregis                    | 7/1/98         | General Liability              | \$1M/\$2M      |
| 651-000271-7          | Coregis                    | 7/1/98         | Auto Liability                 | \$1M/\$1M      |
| 651-000271-7          | Coregis                    | 7/1/98         | Employee Benefit               | \$1M/\$2M      |
| 1140                  | Associated Intl. Ins. Co.  | 7/1/98         | Police Professionals           | \$1M/\$1M      |
| 1141                  | Associated Intl. Ins. Co.  | 7/1/98         | Public Officials E & O         | \$1M/\$1M      |
| P-630-637J4423-TIL-97 | Travelers                  | 7/1/98         | Property                       | \$35,719,674   |
| AGC-3854-LA           | Safety National            | 12/31/97       | Workers' Compensation          | \$1M/Statutory |
| 435R842101            | Hartford Insurance Co.     | 7/1/98         | Police Volunteers              | \$15,000       |
| 435B350959            | Hartford Insurance Co.     | 7/1/98         | Summer Recreation              | \$2,500        |
| MSJBMGS416384T1L97    | Travelers                  | 7/1/98         | Boiler & Machinery             | \$25,000,000   |
| AP 3229316-02         | AIG Aviation (Texas), Inc. | 7/1/98         | Airport Liability              | \$1M           |
| 091288                | Community Health Network   | 7/1/98         | Employee Medical               | Fully Insured  |
| NC97ACZ5              | Lloyds of London           | 7/1/98         | Employee Practice Liability    | \$1M/\$1M      |



## **CITY OF SLIDELL, LOUISIANA**

### **INDEPENDENT AUDITORS' 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 Mayor and Members  
of the City Council of the  
City of Slidell, Louisiana

We have audited the financial statements of the City of Slidell, Louisiana (the "City"), as of and for the year ended June 30, 1997, and have issued our report thereon dated September 17, 1997. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Compliance

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

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the City in a separate letter dated September 17, 1997.

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

*Deloitte + Touche LLP*

September 17, 1997



## **CITY OF SLIDELL, LOUISIANA**

### **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable Mayor and Members  
of the City Council of the  
City of Slidell, Louisiana

#### Compliance

We have audited the compliance of the City of Slidell, Louisiana (the "City"), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 1997. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1997. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 97-1 and 97-2.



CITY OF SLIDELL, LOUISIANA

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED JUNE 30, 1997

|   | CFDA<br>Number   | Federal<br>Grant Number  | Disbursements/<br>Expenditures            |
|---|------------------|--|---|
| Department of Housing and Urban Development<br>Community Planning and Development Division<br>Community Development Block Grant,<br>Entitlement Grant                     | 14.218           | B94-MC-22-0010<br>B95-MC-22-0010<br>B96-MC-22-0010<br>B97-MC-22-0010 | \$ 178,255<br>102,167                     |
| Office of Community Services<br>Emergency Shelter Grant   | 14.231           | 360-610806490  | <u>37,839</u>                             |
| Total Department of Housing and Urban<br>Development  |                  |  | <u>318,261</u>                            |
| Department of Justice<br>Office of Community Oriented Policing Services<br>COPS Fast  |                  | 95-Cf-WX-4662  | 52,017                                    |
| Bureau of Justice Assistance<br>Local Law Enforcement Block Grant   |                  | 96-LB-VX-0893  | <u>24,069</u><br><u>76,086</u>            |
| Total Department of Justice   |                  |  |   |
| Department of Transportation<br>Federal Aviation Administration<br>Taxiway Extension<br>Master Plan Update<br>Highway Safety Commission Subgrant<br>A Safer Slidell - DWI | 20.106<br>20.106 | 3-22-0060-95<br>3-22-0060-70   | (24,463)<br>14,053                        |
| Total Department of Transportation  |                  | 9607   | <u>12,037</u><br><u>1,627</u>             |
| Department of the Interior<br>Department of Wildlife and Fisheries Subgrant<br>Bayou Bonfouca Boat Launch   |                  | 16-01-00-86-6  | <u>(3)</u>                                |
| Federal Emergency Management Agency<br>City Barn Pump Station<br>Delwood Pump Station<br>Flood Assistance   | 83.516<br>83.516 | 1049-103-0012<br>1049-103-0009<br>1049DRLA                           | 239,364<br><u>1,646</u><br><u>241,010</u> |
| Total Federal Emergency Management Agency   |                  |  | <u>\$ 636,981</u>                         |
| TOTAL   |                  |  |   |

# CITY OF SLIDELL, LOUISIANA

## NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 1997

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Basis of Presentation* - The accompanying statement of selected grant activity has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the City of Slidell, Louisiana (the City), has met the cost reimbursement or funding qualifications for the respective grants. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.

*Accrued Reimbursement* - Various reimbursement procedures are used for federal awards received by the City. Consequently, timing differences between expenditures and program reimbursements exist at the beginning and end of the year.

*Payments to Subrecipients* - There were no payments to subrecipients for the fiscal year ended June 30, 1997.

### 2. DESCRIPTION OF GRANTS

#### **United States Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG), Entitlement Grant**

HUD provides the City with funds on a reimbursement basis for expenditures incurred by the City in connection with activities that meet one of the following objectives: (1) benefiting low and moderate-income families, (2) aiding in the prevention or elimination of slums and blight, and (3) meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community and other financial resources are not available to meet such needs.

#### **Emergency Shelter Grant**

The Caring Center, Inc., a 501(c)(3) non-profit organization, operates a shelter for homeless women and children in the community on behalf of the City. HUD reimburses for costs to provide shelter, homeless prevention, and essential services at the emergency shelter. HUD also pays a small administrative fee to the City. The City provides matching funds, primarily in the value of rent equivalent for the building. The Caring Center also provides matching funds through donations of cash, goods and services.

#### **United States Department of Justice COPS Fast Grant**

The Department of Justice is providing funds to hire seven new police officers as part of a program to increase community oriented police activity. The grant provides reimbursement for 75% of base wages and benefits for three years with increasing City participation throughout the grant period. The City must show plans to fund the additional officers after the grant period.

**United States Department of Transportation  
Taxiway Extension Grant**

The Federal Aviation Administration provides the City with funds under a grant on a reimbursement basis for 90% of construction expenditures incurred by the City in connection with its airport runway improvements. The remaining 10% of costs are reimbursed by the Louisiana Department of Transportation and Development

**Louisiana Department of Wildlife and Fisheries  
Bayou Bonfouca Boat Launch**

The State reimbursed the City for 75% of costs relating to the design and construction of a public boat launch on Bayou Bonfouca. The monies were made available by the Federal Aid in Sport Fish Restoration Act through the United States Department of the Interior. The City provided the 25% balance of the costs.

**Louisiana Highway Safety Commission  
A Safer Slidell**

Federal Funds controlled by the National Highway Traffic Safety Administration and the Federal Highway Administration have been subgranted to the City for several years to provide reimbursement for personnel, supplies, and other direct costs expended in activities designed to reduce alcohol-related deaths in the city. The major activities are additional police patrols and dissemination of educational materials and car seats. The City provides matching funds in excess of the grant amount by providing vehicles, fuel, maintenance and supervisory personnel costs.

**Local Law Enforcement Block Grant**

This Bureau of Justice Assistance block grant provides the City with funds to underwrite projects to reduce crime and improve public safety. After holding public hearings, the City elected to fund overtime costs for additional traffic patrols at high accident areas around the city.

**City Barn Pump Station**

The Federal Emergency Management Agency is providing 65% funding for modification of the existing City Barn Pump Station and levee, bayou stabilization, and construction of a retention reservoir to decrease high water and repetitive flooding in Olde Towne and the adjacent neighborhoods. This funding is part of the Hazard Mitigation Grant Program which is designed to reduce the potential losses that would result in the event that a natural disaster, such as the flooding in May of 1995, repeated itself.

**Dellwood Pump Station**

As part of the Hazard Mitigation Grant Program, the Federal Emergency Management Agency is providing 65% funding of the pump costs for the City's project to modify and upgrade the Dellwood Pumping Station.

**Airport Master Plan Upgrade**

The Federal Aviation Administration is reimbursing the City for 90% of the cost of hiring an engineer/planning firm to prepare a 20 year plan for the development and use of the Slidell Municipal Airport with emphasis on the priorities of the next 5 years. The State Department of Transportation and Development is providing the remaining 10% of funding.

# **CITY OF SLIDELL, LOUISIANA**

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 1997**

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### **SUMMARY OF THE AUDITORS' RESULTS**

- An unqualified opinion was issued on the financial statements of the auditee.
- The statement that reportable conditions in internal control were disclosed by the audit of the financial statements and whether any such conditions were material weaknesses is not applicable.
- The audit disclosed no instances of noncompliance that were material to the financial statements of the auditee.
- The statement that reportable conditions in internal control over major programs were disclosed by the audit and whether any such conditions were material weaknesses is not applicable.
- An unqualified opinion was issued on compliance for major programs.
- The audit disclosed findings which are required to be reported under Section 510(a) of Circular A-133 as disclosed in the Schedule of Findings and Questioned Costs Related to federal awards as indicated below:
- Major programs for the fiscal year ended June 30, 1997 were:
  1. Department of Housing and Urban Development  
Community Planning and Development Division  
Community Development Block Grant, Entitlement Grant
  2. Federal Emergency Management Agency  
City Barn Pump Station
- The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- The auditee did not qualify as a low-risk auditee.

### **SCHEDULE OF FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

There were no findings related to the financial statements for the year ended June 30, 1997.

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

### 97-1 FLOOD INSURANCE

Major Program - CDBG - Entitlement Grant - CFDA No. 14.218

#### Condition

We selected five housing rehab files and noted that in all five files the City is not maintaining verification of flood insurance or providing flood insurance if the homeowner does not already maintain coverage.

#### Criteria

The City's CDBG Housing Rehab Manual states the homeowner is required to secure and maintain a policy of flood insurance on the unit for a three year period after program participation or the period of ownership, if this is less than three years. A copy of the insurance certificate or policy shall be required for documentation and the City shall retain same in the rehabilitation file. The homeowner shall be counseled prior to application approval of this requirement, and where practicable, the first year of coverage will be provided as part of the grant/loan benefits.

#### Effect

The City is not in compliance with its CDBG Housing Rehab Manual.

#### Cause

This situation appears to have occurred because of the City not being aware of the requirement and not being able to obtain an insurance carrier immediately upon discovery of this deficiency.

#### Recommendation

The City should review its housing rehab files and determine which files require further evidence of coverage by the homeowner and should establish a program for providing coverage for the first year to homeowners without flood insurance coverage. In addition, procedures should be established for verification of continued coverage by homeowners participating in the program.

### 97-2 VERIFICATION OF OTHER PROPERTY

Major Program - CDBG - Entitlement Grant - CFDA No. 14.218

#### Condition

We selected five housing rehab files and noted one file in which the applicant stated that they owned a piece of property but the City did not verify the assessed value of the property.

#### Criteria

The City's CDBG Housing Rehab Manual states that savings and the assessed value of other real property holdings shall also be considered and verified as income resources.

Effect

The City is not in compliance with its CDBG Housing Rehab Manual.

Cause

This situation appears to have occurred because the City did not consider it necessary to verify the value of this property.

Recommendation

The City should verify and document the assessed value of the applicant's other property. Additional procedures should be taken to ensure that other property of future applicants is verified.

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September 17, 1997

To the City Council of the  
City of Slidell, Louisiana

In planning and performing our audit of the general purpose financial statements of the City of Slidell, Louisiana (the City), for the year ended June 30, 1997 (on which we have issued our report thereon dated September 17, 1997), we developed the following recommendations concerning certain accounting, administrative and operating matters. A description of the responsibility of management for establishing and maintaining an internal control structure, and the objectives of and inherent limitations in such a structure, is set forth in the attached Appendix, and should be read in conjunction with this letter. Our principal recommendations are summarized below.

## GASB STATEMENT NO. 31

### Observation

The Governmental Accounting Standards Board ("GASB") has issued Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." GASB Statement No. 31 will become effective for the City for periods beginning after June 15, 1997. It requires that most investments be recorded at fair value. Fair value is defined as the amount at which a financial instrument could be exchanged in a current transaction between willing parties. This method of accounting will cause fluctuations in reported investment values based on fluctuations in the investment market. Fluctuations in the fair value of investments will be recorded in the operating statements, in accordance with GASB Statement No. 31. Reported investment income will be affected as amounts formerly excluded from the operating statements as "unrealized," or non-cash, gains and losses will now be included.

### Recommendation

Evaluate the impact of GASB Statement No. 31 on the City's investment policy and strategies. Management will need to establish and implement procedures to ensure that all information required to monitor the fair value of investments is available and can be recorded appropriately. Users of the City's financial statements may need to be educated on the effects of the financial statements of this change in accounting for investments.

THE YEAR 2000

In our letter to the City Council of the City of Slidell, Louisiana, dated September 17, 1997, we informed you that (1) we made limited inquiries of management regarding their activities to address the year 2000, (2) our audit of the general purpose financial statements of the City of Slidell, Louisiana (the City) for the year ended June 30, 1997, will not provide any assurances that the City's systems or any other systems, such as those of the City's vendors, service providers, customers, or other third parties, are year 2000 compliant, nor will our audit provide any other assurances regarding the year 2000, and (3) we were not engaged to perform, nor will we perform, any procedures to test whether the City's systems or any other systems are year 2000 compliant or whether the plans and activities of the City are sufficient to address and correct system or any other problems that might arise because of the year 2000. Accordingly, we will not express any opinion or provide any other assurances regarding the year 2000.

\*\*\*\*\*

The City has taken complete corrective action on all comments concerning certain observations and recommendations relating to other accounting, administrative, and operating matters from our prior management letter dated September 13, 1996. See "Status of Our 1996 Recommendations" below.

STATUS OF OUR 1996 RECOMMENDATIONS

The following is a summary of our 1996 recommendations and the status of implementation thereof:

|  | Implemented | Partially<br>Implemented | Not<br>Implemented |
|--|-------------|--------------------------|--------------------|
| PROPERTY TAX PROCESSING                            | X           |                          |                    |
| GENERAL LIABILITY SELF<br>INSURANCE APPROPRIATIONS | X           |                          |                    |

\*\*\*\*\*

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

We will be pleased to discuss these comments with you and, if desired, to assist you in implementing any of the suggestions.

Yours truly,

*Deloitte + Touche LLP*



## APPENDIX

### MANAGEMENT'S RESPONSIBILITY FOR, AND THE OBJECTIVES AND LIMITATIONS OF, THE INTERNAL CONTROL STRUCTURE

The following comments concerning management's responsibility for the internal control structure and the objectives of and the inherent limitations in the internal control structure are adapted from the Statements on Auditing Standards of the American Institute of Certified Public Accountants.

#### Management's Responsibility

Management is responsible for establishing and maintaining the internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures.

#### Objectives

The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

#### Limitations

Because of inherent limitations in any internal control structure, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

## City of Slidell

For Fiscal Year Ended  
June 30, 1997



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

JAN 07 1998

Release Date \_\_\_\_\_