

CITY OF BASTROP, LOUISIANA

SCHEDULE OF FINDINGS  
For the Year ended June 30, 1997

Criteria:	Adequate segregation of duties is essential to proper internal control.
Condition:	The segregation of duties is inadequate to provide effective internal control.
Cause:	The condition is due to economic and space limitations.
Effect:	Not determined.
Recommendation:	No action is recommended.
Management's response:	We concur in the finding.

This finding was also reported for the year ended June 30, 1996.

The only other finding cited for the year ended June 30, 1996, concerned accounts receivable of the Special Revenue Fund (Sewer Use Fee Fund) not being reconciled monthly and the accumulation of uncollectible accounts. Controls in billing and collection have improved for the year ended June 30, 1997.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we noted a matter involving the internal control and its operation that we consider to be a material weakness and such condition is described in the accompanying schedule of findings.

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

September 23, 1997

*Wier, Smyja & Co.*

# HILL, INZINA & COMPANY

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING,  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS**

The Honorable Clarence W. Hawkins, Mayor,  
and Members of the Board of Aldermen  
City of Bastrop, Louisiana

We have audited the general-purpose financial statements and the combining, individual fund and account group financial statements of City of Bastrop, Louisiana, as of and for the year ended June 30, 1997, and have issued our report thereon dated September 25, 1997. We conducted our audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide* published jointly by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

## Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatements, 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 these provisions was not an objective of our audit and, accordingly, we do not express 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. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

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## CITY OF BASTROP, LOUISIANA

SCHEDULE OF MAYOR AND ALDERMEN'S COMPENSATION  
Year Ended June 30, 1997

Clarence Hawkins, Mayor	\$ 52,579
Tom Carter, Alderman	8,787
Billie Lenoir, Alderman	8,787
Arthur Hamlin, Alderman	8,787
Fryton Spear, Alderman	8,787
John Bentley, Alderman	<u>8,787</u>
Total compensation	\$ 96,524

CITY OF BASTROP, LOUISIANA

SCHEDULE OF GENERAL FUND CURRENT EXPENDITURES -  
BUDGET AND ACTUAL (Continued)

Year Ended June 30, 1997

With Comparative Actual Amounts for Year Ended June 30, 1996

	Year Ended June 30, 1997			Year Ended June 30, 1996
	Budget	Actual	Variance - Favorable (Unfavorable)	Actual
<b>Public works (continued):</b>				
Building maintenance:				
Salaries	\$ 86,000	\$ 88,929	\$( 2,929)	\$ 83,212
Payroll taxes and retirement	11,800	11,513	287	11,429
Insurance	15,800	15,434	366	12,851
Vehicle	1,500	351	1,149	897
Maintenance and supplies	28,300	21,966	7,234	21,758
Other	-	321	\$( 321)	178
Total building maintenance	\$ 143,300	\$ 139,754	\$ 4,546	\$ 132,124
Capital outlay	\$ 150,700	\$ 157,871	\$ 38,070	\$ 62,213
Total public works	\$ 1,799,012	\$ 1,618,022	\$ 177,020	\$ 1,668,685
<b>Sanitation:</b>				
Sewer:				
Service contract	\$ 685,000	\$ 758,918	\$( 83,918)	\$ 81,137
Salaries	-	-	-	295,139
Payroll taxes and retirement	-	-	-	40,914
Insurance	-	-	-	32,853
Utilities	-	-	-	81,546
Vehicles	-	-	-	15,639
Maintenance and supplies	-	-	-	84,831
Other	20,000	12,513	7,487	24,787
Capital outlay	168,000	3,382	174,421	48,743
Total sanitation	\$ 873,000	\$ 798,732	\$ 78,268	\$ 685,689
<b>Total general fund current expenditures</b>	<b>\$ 8,620,345</b>	<b>\$ 8,013,896</b>	<b>\$ 604,349</b>	<b>\$ 7,634,651</b>

## CITY OF BASTROP, LOUISIANA

SCHEDULE OF GENERAL FUND - CURRENT EXPENDITURES -  
BUDGET AND ACTUAL (Continued)

Year Ended June 30, 1997

With Comparative Actual Amounts for Year Ended June 30, 1996

	Year Ended June 30, 1997		Variance - Favorable (Unfavorable)	Year Ended June 30, 1996
	Budget	Actual		Actual
<b>Public works (continued):</b>				
<b>Health:</b>				
Salaries	\$ 31,628	\$ 33,978	\$ (2,350)	\$ 30,843
Payroll taxes and retirement	4,398	3,538	798	3,098
Insurance	3,598	3,816	( 18)	4,538
Utilities	3,700	3,542	158	3,544
Vehicle	3,200	2,581	629	2,843
Maintenance and supplies	12,200	13,430	( 1,230)	15,286
Other	1,220	1,851	( 631)	808
<b>Total health</b>	<u>\$ 62,034</u>	<u>\$ 65,916</u>	<u>\$ (3,882)</u>	<u>\$ 60,878</u>
<b>Recreation:</b>				
Salaries	\$ 376,187	\$ 340,414	\$ 37,983	\$ 334,908
Payroll taxes and retirement	39,790	39,698	2	39,768
Insurance	39,080	37,077	1,923	31,273
Utilities	58,660	50,808	7,860	53,512
Vehicles	12,780	9,897	2,883	11,079
Maintenance and supplies	58,225	58,338	( 113)	71,113
Other	7,680	7,768	( 68)	7,382
<b>Total recreation</b>	<u>\$ 594,322</u>	<u>\$ 541,992</u>	<u>\$ 50,330</u>	<u>\$ 548,952</u>
<b>Cemetery:</b>				
Salaries	\$ 120,580	\$ 91,833	\$ 28,647	\$ 97,446
Payroll taxes and retirement	16,331	11,648	4,882	12,845
Insurance	21,486	16,238	5,208	15,288
Utilities	1,280	709	491	882
Vehicle	6,950	6,454	496	5,220
Maintenance and supplies	8,240	4,854	4,486	6,126
Other	1,250	682	668	885
<b>Total cemetery</b>	<u>\$ 177,127</u>	<u>\$ 139,409</u>	<u>\$ 44,898</u>	<u>\$ 139,082</u>

## CITY OF BASTROP, LOUISIANA

SCHEDULE OF GENERAL FUNDS CURRENT EXPENDITURES -  
BUDGET AND ACTUAL (Continued)

Year Ended June 30, 1997

With Comparative Actual Amounts for Year Ended June 30, 1996

	Year Ended June 30, 1997			Year Ended June 30, 1996
	Budget	Actual	Variance - Favorable (Unfavorable)	Actual
<b>Public safety (continued):</b>				
<b>Fees:</b>				
Salaries	\$ 1,139,419	\$ 1,349,110	\$ (209,691)	\$ 1,231,843
Payroll taxes and retirement	182,900	175,286	7,614	168,559
Insurance	186,900	192,227	( 5,327)	157,419
Utilities	27,900	25,193	2,707	34,298
Vehicles	38,500	21,135	17,365	23,114
Maintenance and supplies	51,200	47,830	3,370	48,631
Uniforms and laundry	15,600	14,867	733	15,336
Other	14,150	12,222	1,928	30,256
Capital outlay	129,650	51,759	77,891	55,877
Total fees	\$ 1,796,419	\$ 1,789,869	\$ 6,550	\$ 1,749,354
Total public safety	\$ 3,434,665	\$ 3,623,078	\$ (188,413)	\$ 3,485,588
<b>Public works:</b>				
<b>Highways and streets:</b>				
Salaries	\$ 285,110	\$ 311,881	\$ ( 26,771)	\$ 275,158
Payroll taxes and retirement	40,820	48,515	( 7,695)	37,167
Insurance	48,000	32,114	15,886	27,660
Utilities	3,800	4,803	( 1,003)	3,841
Vehicles	24,500	22,895	1,605	20,295
Maintenance and supplies	91,250	101,259	( 10,009)	92,498
Other	650	2,183	( 1,533)	899
Capital outlay	200,000	24,271	175,729	243,829
Total highways and streets	\$ 694,430	\$ 548,321	\$ 146,109	\$ 724,355

(continued)

CITY OF BASTROP, LOUISIANA

SCHEDULE OF GENERAL FUND CURRENT EXPENDITURES -  
BUDGET AND ACTUAL

Year Ended June 30, 1997

With Comparative Actual Amounts for Year Ended June 30, 1996

	Year Ended June 30, 1997			Year Ended June 30, 1996
	Budget	Actual	Variance - Favorable (Unfavorable)	Actual
<b>General government:</b>				
Salaries	\$ 900,715	\$ 645,444	\$ 255,271	\$ 591,921
Payroll taxes and retirement	90,445	90,358	( 87)	82,918
Street and traffic lights	200,000	183,923	16,077	161,213
Utilities and telephones	128,664	139,332	( 10,668)	129,990
Office	20,000	17,315	2,685	20,842
Vehicle	8,320	7,799	521	7,999
Maintenance and supplies	40,150	38,111	2,039	35,877
Insurance	550,774	594,139	( 43,365)	542,282
Travel	18,000	29,595	( 11,595)	18,066
Airport	18,000	19,943	( 1,943)	17,481
Other	207,750	158,880	48,870	127,048
Capital outlay	287,990	76,832	211,158	49,242
<b>Total general government:</b>	<b>\$ 2,474,502</b>	<b>\$ 1,878,032</b>	<b>\$ 596,470</b>	<b>\$ 1,784,789</b>
<b>Public safety:</b>				
<b>Police:</b>				
Salaries	\$ 1,093,662	\$ 1,221,088	\$( 127,426)	\$ 1,144,841
Payroll taxes and retirement	108,834	114,508	( 5,674)	102,340
Insurance	177,800	186,335	( 8,535)	143,666
Office	11,800	8,470	3,330	10,811
Vehicle	44,500	54,382	( 9,882)	43,583
Maintenance and supplies	38,800	24,154	14,646	22,120
Fuel	42,500	44,715	( 2,215)	38,977
Uniforms and laundry	35,000	31,990	3,010	37,801
Other	69,400	53,301	16,099	48,443
Capital outlay	138,750	89,215	49,535	174,750
<b>Total police:</b>	<b>\$ 1,738,246</b>	<b>\$ 1,833,299</b>	<b>\$( 95,053)</b>	<b>\$ 1,743,254</b>

(continued)



## CITY OF BASTROP, LOUISIANA

SCHEDULE OF GENERAL FUND REVENUES -  
BUDGET AND ACTUAL (Continued)

Year Ended June 30, 1997

With Comparative Actual Amounts for Year Ended June 30, 1996

	Year Ended June 30, 1997		Variance - Favorable (Unfavorable)	Year Ended
	Budget	Actual		June 30, 1996
<b>Fees, charges and commissions for services:</b>				<b>Actual</b>
Cemetery and industrial park lot sales	\$ 40,000	\$ 33,999	\$ ( 6,001)	\$ 39,587
City court	35,000	24,493	( 10,507)	24,092
Recreation fees	23,000	17,894	( 5,106)	22,428
Sewer fees	55,850	51,916	( 3,934)	54,039
Toll use	48,000	72,890	24,890	63,523
Municipal center	20,000	14,592	( 5,408)	16,734
Other charges	3,890	5,198	1,308	5,082
	<u>\$ 217,340</u>	<u>\$ 221,142</u>	<u>\$ 3,802</u>	<u>\$ 226,671</u>
<b>Fees and forfeitures:</b>				
Court and parking	\$ 138,900	\$ 156,168	\$ 17,268	\$ 145,338
<b>Interest and miscellaneous:</b>				
Interest	\$ 58,000	\$ 43,543	\$ ( 14,457)	\$ 58,164
Rents	30,150	9,143	( 21,007)	9,428
Other	48,783	30,918	( 17,865)	77,840
	<u>\$ 136,933</u>	<u>\$ 123,607</u>	<u>\$ ( 13,326)</u>	<u>\$ 145,627</u>
<b>Total general fund revenues</b>	<b>\$ 7,921,673</b>	<b>\$ 7,926,148</b>	<b>\$ 4,475</b>	<b>\$ 7,795,027</b>

## CITY OF BASTROP, LOUISIANA

SCHEDULE OF GENERAL FUND REVENUES -  
BUDGET AND ACTUAL

Year Ended June 30, 1997

With Comparative Actual Amounts for Year Ended June 30, 1996

	Year Ended June 30, 1997			Year Ended June 30, 1996
	Budget	Actual	Variance - Favorable (Unfavorable)	Actual
<b>Taxes:</b>				
Ad valorem	\$ 2,428,800	\$ 2,399,978	\$ ( 28,822)	\$ 2,340,189
Sales	3,799,808	3,545,806	( 253,992)	3,719,637
Gross receipts	222,000	231,149	9,149	239,769
Costs and interest	4,000	5,922	1,922	1,828
	<u>\$ 6,454,608</u>	<u>\$ 6,182,933</u>	<u>\$ ( 271,675)</u>	<u>\$ 6,301,423</u>
<b>Licenses and permits:</b>				
Business licenses	\$ 185,000	\$ 197,617	\$ 12,617	\$ 182,285
Insurance licenses	190,000	190,217	217	187,231
Building permits	7,000	6,732	( 268)	6,738
Beer and liquor permits	15,000	14,502	( 498)	14,815
Other permits	8,972	9,180	208	7,752
	<u>\$ 406,972</u>	<u>\$ 418,457</u>	<u>\$ 11,487</u>	<u>\$ 398,841</u>
<b>Intergovernmental:</b>				
Tobacco tax	\$ 71,000	\$ 67,837	\$ ( 3,163)	\$ 61,837
Fire insurance	351,000	350,888	( 112)	344,197
Grants	20,000	156,691	136,691	33,825
Supplemental pay	344,215	343,084	( 1,131)	334,816
Other	97,036	101,268	4,232	98,712
	<u>\$ 883,251</u>	<u>\$ 821,768</u>	<u>\$ ( 61,483)</u>	<u>\$ 673,387</u>

(continued)

## SUPPORTING SCHEDULES

CITY OF BASTROP, LOUISIANA

STATEMENT OF GENERAL LONG-TERM DEBT  
June 30, 1997

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

<b>Bonds payable:</b>		
Amount available in Debt Service Fund	\$ 31,317	
Amount to be provided	<u>7,238,682</u>	\$ 7,270,000
<b>Pension liabilities:</b>		
Amount to be provided		693,002
<b>Compensated absences:</b>		
Amount to be provided		<u>173,144</u>
		<b>\$ 8,136,138</b>

GENERAL LONG-TERM DEBT PAYABLE

General obligation bonds payable	\$ 50,000	
Senior revenue bonds payable	<u>7,220,000</u>	\$ 7,270,000
Pension liabilities		693,002
Compensated absences		<u>173,144</u>
		<b>\$ 8,136,138</b>

See notes to financial statements.

**GENERAL LONG-TERM DEBT ACCOUNT GROUP**

Accounts for long-term liabilities to be financed from governmental funds.

CITY OF BASTROP, LOUISIANA

STATEMENT OF GENERAL FIXED ASSETS BY SOURCE  
June 30, 1997

GENERAL FIXED ASSETS

Land and buildings	\$ 4,696,844
Improvements other than buildings	18,397,771
Equipment and vehicles	5,862,738
	<u>\$ 43,957,353</u>

INVESTMENT IN GENERAL FIXED ASSETS BY SOURCE

General revenues	\$ 19,900,836
Federal grants	12,450,882
Other sources	4,480
Property acquired prior to July 1, 1975*	9,101,256
	<u>\$ 43,957,353</u>

\*Prior to July 1, 1975, records were not maintained indicating the source from which general fixed assets were acquired.

See notes to financial statements.

**GENERAL FIXED ASSETS ACCOUNT GROUP**

Accounts for fixed assets used in governmental fund operations for control purposes.

## CITY OF BASTROP, LOUISIANA

## FIDUCIARY FUNDS

STATEMENTS OF CASH FLOWS  
Years Ended June 30, 1997 and 1996

	Year Ended June 30,	
	1997	1996
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ 136,700	\$ ( 134,756)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
(Increase) decrease in accrued interest receivable	<u>      3,761</u>	<u>      898</u>
Net cash provided (used) by operating activities	<u>\$ 140,461</u>	<u>\$ (133,858)</u>
<b>CASH FLOWS USED BY INVESTING ACTIVITIES</b>		
Purchase of investments	<u>\$ (14,837)</u>	<u>\$ (11,852)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating transfers in	<u>\$ 148,743</u>	<u>\$ 145,918</u>
Net increase in cash	\$ 917	\$ 268
Cash - beginning	<u>      13,380</u>	<u>      13,114</u>
Cash - ending	<u>\$ 14,297</u>	<u>\$ 13,382</u>

See notes to financial statements.



## CITY OF BASTROP, LOUISIANA

## FIDUCIARY FUNDS

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE  
Years Ended June 30, 1997 and 1996

	Year Ended June 30,	
	1997	1996
Operating revenues:		
Interest	\$ 32,932	\$ 11,173
Operating expenses:		
Benefit payments	\$ 148,440	\$ 145,938
Other	309	291
	\$ 148,749	\$ 146,229
Income (loss) before operating transfers	\$ (156,717)	\$ (134,756)
Operating transfers in	148,749	145,938
Net income	\$ 12,032	\$ 11,182
Fund balance - reserved - beginning	225,204	216,124
Fund balance - reserved - ending	\$ 237,236	\$ 227,306

See notes to financial statements.

## CITY OF BASTROP, LOUISIANA

## FIDUCIARY FUNDS

## COMBINING BALANCE SHEET

June 30, 1997

With Comparative Totals for June 30, 1996

ASSETS	Firemen's Pension and Relief Trust	Deferred Compen- sation Agency	June 30,	
			1997	1996
Cash	\$ 14,317	\$ -	\$ 14,317	\$ 13,380
Pooled investments	204,586	-	204,586	-
Investments	-	425,322	425,322	569,572
Accrued interest receivable	-	-	-	3,761
	<u>\$ 248,903</u>	<u>\$ 425,322</u>	<u>\$ 674,225</u>	<u>\$ 586,713</u>
LIABILITIES AND FUND BALANCE				
Liabilities				
Due to other funds	\$ 11,586	\$ -	\$ 11,586	\$ 11,586
Deferred compensation benefits	-	425,322	425,322	349,821
	<u>\$ 11,586</u>	<u>\$ 425,322</u>	<u>\$ 436,908</u>	<u>\$ 361,407</u>
Fund balance - reserved	237,317	-	237,317	225,306
	<u>\$ 248,903</u>	<u>\$ 425,322</u>	<u>\$ 674,225</u>	<u>\$ 586,713</u>

See notes to financial statements.

### **FIDUCIARY FUNDS**

*Accounts for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the City.*

*Fireman's Pension and Relief Trust Fund - accounts for resources to be used for retirement annuity payments to firemen not accepted by Firefighters' Retirement System of Louisiana.*

*Defined Compensation Agency Fund - accounts for assets that the City holds on behalf of others as their agent.*

## CITY OF BASTROP, LOUISIANA

## ENTERPRISE FUND

## STATEMENTS OF CASH FLOWS

Year Ended June 30, 1997 and 1996

	Year Ended June 30,	
	1997	1996
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ ( 18,949)	\$ ( 13,247)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	15,679	9,227
(Increase) decrease in other receivable	-	6,342
(Increase) decrease in loans receivable - net	20,780	( 31,531)
(Increase) decrease in net investment in direct financing issue	13,366	9,083
Net cash provided (used) by operating activities	\$ 28,796	\$ ( 21,886)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest earned	\$ 38,458	\$ 14,696
<b>CASH FLOWS USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of fixed assets	\$ ( 10,865)	\$ _____
Net increase (decrease) in cash	\$ 35,889	\$ ( 7,240)
Cash - beginning	201,189	208,409
Cash - ending	\$ 236,578	\$ 201,189

See notes to financial statements.

## CITY OF BASTROP, LOUISIANA

## ENTERPRISE FUND

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
Years Ended June 30, 1997 and 1996

	Year Ended June 30,	
	1997	1996
Operating revenues:		
Fees, charges and commissions for services	\$ 6,750	\$ 4,090
Operating expenses:		
Depreciation	\$ 15,079	\$ 9,257
Other	18,020	10,049
	\$ 33,099	\$ 19,306
Operating income (loss)	\$ (26,349)	\$ (15,216)
Nonoperating revenue:		
Interest	16,458	14,646
Net income (loss)	\$ (9,891)	\$ (61)
Retained earnings - reserved - beginning	213,137	213,738
Retained earnings - reserved - ending	\$ 203,246	\$ 213,137

See notes to financial statements.

## CITY OF BASTROP, LOUISIANA

## ENTERPRISE FUND

## BALANCE SHEETS

June 30, 1997 and 1996

	June 30,	
ASSETS	1997	1996
<b>Current assets:</b>		
Cash	\$ 236,379	\$ 266,990
Current portion of loans receivable	20,347	25,174
Current portion of net investment in direct financing lease	<u>51,132</u>	<u>32,818</u>
Total current assets	<u>\$ 307,858</u>	<u>\$ 325,082</u>
<b>Property and equipment:</b>		
Buildings	\$ 290,893	\$ 290,893
Improvements other than buildings	351,564	348,699
Less accumulated depreciation	<u>99,778</u>	<u>24,300</u>
	<u>\$ 542,679</u>	<u>\$ 615,292</u>
<b>Other assets:</b>		
Loans receivable - net of current portion	\$ 22,404	\$ 38,177
Net investment in direct financing lease - net of current portion	<u>65,185</u>	<u>95,843</u>
	<u>\$ 87,589</u>	<u>\$ 134,020</u>
	<u>\$ 597,902</u>	<u>\$ 859,394</u>
<b>FUND EQUITY</b>		
Contributed capital	\$ 736,713	\$ 776,757
Retained earnings - reserved	<u>130,646</u>	<u>212,127</u>
	<u>\$ 597,902</u>	<u>\$ 859,394</u>

See notes to financial statements.

#### ENTERPRISE FUND

Accounts for operations where the intent of the governing body is that the costs (expenses, including depreciation) of providing good or services to the general public on a continuing basis be financed or recovered primarily through user charges.

*Revolving Loan Fund* - accounts for low-interest lending to qualified applicants and leasing of property, all of which must be related to economic development and the creation of jobs.

## CITY OF BASTROP, LOUISIANA

## CAPITAL PROJECTS FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
Years Ended June 30, 1997 and 1998

	<u>Year Ended June 30,</u>	
	<u>1997</u>	<u>1998</u>
<b>Revenues:</b>		
Intergovernmental	\$ 113,972	\$ 683,420
<b>Expenditures:</b>		
Capital outlay	<u>136,823</u>	<u>722,816</u>
Excess (deficiency) of revenues over expenditures	\$( 22,851)	\$( 44,396)
<b>Other financing sources:</b>		
Opening transfers in	<u>22,850</u>	<u>44,412</u>
Excess of revenues and other financing sources over expenditures	\$ -	\$ -
Fund balance - reserved - beginning	<u>-</u>	<u>-</u>
Fund balance - reserved - ending	<u>\$ -</u>	<u>\$ -</u>

See notes to financial statements.



### **CAPITAL PROJECTS FUND**

*Accounts for financial resources received and used for the acquisition, construction or improvement of capital facilities.*

*Community Development Block Grant Fund - accounts for street overlays financed through the State of Louisiana and local funds of the City.*

## CITY OF BASTROP, LOUISIANA

## DEBT SERVICE FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
Years Ended June 30, 1997 and 1996

	Year Ended June 30,	
	1997	1996
Revenues:		
Miscellaneous:		
Rents	\$ 48,813	\$ 48,810
Interest	<u>794</u>	<u>804</u>
	\$ <u>49,607</u>	\$ <u>49,614</u>
Expenditures:		
Debt service:		
Principal	\$ 45,000	\$ 45,000
Interest and fiscal charges	<u>4,316</u>	<u>5,212</u>
	\$ <u>49,316</u>	\$ <u>50,212</u>
Excess of revenues over expenditures	\$ 291	\$ 402
Fund balance - reserved - beginning	<u>30,794</u>	<u>30,142</u>
Fund balance - reserved - ending	\$ <u>31,217</u>	\$ <u>30,794</u>

See notes to financial statements.

#### **DEBT SERVICE FUND**

*Accounts for transactions relating to resources retained and used for the payment of principal, interest and related costs on long-term debt obligations.*

## CITY OF BASTROP, LOUISIANA

## SPECIAL REVENUE FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL (Continued)

Year Ended June 30, 1997

With Comparative Actual Amounts for Year Ended June 30, 1996

	Year Ended June 30, 1997		Variance - Favorable (Unfavorable)	Year Ended
	Budget	Actual		June 30, 1996
Excess (deficiency) of revenues over expenditures	\$ 653,241	\$ 304,352	\$ 348,889	\$ (5,413,711)
Other financing source:				
Proceeds of long-term debt	342,367	396,143	53,776	6,825,829
Excess (deficiency) of revenues and other financing sources over expenditures	\$ 310,874	\$ 91,793	\$ 402,665	\$ 682,118
Fund balance - reserved - beginning	339,879	1,672,381	1,332,502	990,267
Fund balance - reserved - ending	\$ _____	\$ 1,764,174	\$ 1,764,174	\$ 1,672,389

See notes to financial statements.

## CITY OF BASTROP, LOUISIANA

## SPECIAL REVENUE FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

Year Ended June 30, 1997

With Comparative Actual Amounts For Year Ended June 30, 1996

	Year Ended June 30, 1997			Year Ended June 30, 1996
	Budget	Actual	Variance - Favorable (Unfavorable)	Actual
<b>Revenues:</b>				
Fees, charges and commissions for services	\$ 385,000	\$ 373,980	\$ ( 11,020)	\$ 367,531
Interest and miscellaneous	85,000	88,608	23,608	79,389
	<u>\$ 470,000</u>	<u>\$ 462,588</u>	<u>\$ ( 7,412)</u>	<u>\$ 446,920</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Salaries	\$ 85,000	\$ 54,547	\$ 30,453	\$ 60,258
Payroll taxes and retirement	11,781	6,943	4,838	8,531
Maintenance and supplies	132,000	24,932	107,068	48,072
Office	20,000	12,482	7,518	14,609
Insurance	14,000	7,879	6,121	9,758
Other	11,500	1,126	10,374	36,748
<b>Debt service:</b>				
Principal	280,000	280,000	-	-
Interest and fiscal charges	100,000	218,032	( 118,032)	125,926
Capital outlay	688,215	381,013	307,202	3,796,807
	<u>\$ 1,163,215</u>	<u>\$ 866,241</u>	<u>\$ 296,974</u>	<u>\$ 4,090,613</u>

(continued)

## CITY OF BASTROP, LOUISIANA

## SPECIAL REVENUE FUND

## BALANCE SHEETS

June 30, 1997 and 1996

ASSETS	June 30,	
	1997	1996
Cash	\$ 344,668	\$ 341,008
Fixed investments	1,255,126	1,191,879
Receivables:		
Accounts	84,096	72,636
Other	-	3,065
Due from other governments	-	4,157
Restricted assets:		
Cash	<u>179,383</u>	<u>114,608</u>
	<u>\$ 1,764,174</u>	<u>\$ 1,729,376</u>
LIABILITIES AND FUND BALANCE		
Accounts payable	\$ -	\$ 57,190
Fund balance - reserved	<u>1,764,174</u>	<u>1,672,186</u>
	<u>\$ 1,764,174</u>	<u>\$ 1,729,376</u>

See notes to financial statements.

### SPECIAL REVENUE FUNDS

Accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

*Street Light Fund* - accounts for a dedicated source of revenue available for repayment of bonds borrowed for improvements to the sewage treatment and collection systems.

## CITY OF BASTROP, LOUISIANA

## GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL (Continued)

Year Ended June 30, 1997

With Comparative Actual Amounts for Year Ended June 30, 1996

	Year Ended June 30, 1997			Year Ended June 30, 1996	
	Budget	Actual	Variance - (Unfavorable)		Actual
Other financing sources:					
Operating transfers in (out)	\$ ( 151,470)	\$ 178,791	\$ 17,321	\$	198,371
Sale of fixed assets	-	18,624	18,624		10,159
Total other financing sources (uses)	\$ ( 151,470)	\$ 197,415	\$ 17,690	\$	208,530
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 1,007,000	\$ 402,885	\$ 604,115	\$	164,457
Fund balance - beginning	1,007,000	1,259,092	252,092		1,403,568
Prior period adjustment	-	49,079	49,079		-
Fund balance - ending	\$ 1,007,000	\$ 1,711,056	\$ 704,056	\$	1,568,025

See notes to financial statements.



## CITY OF BASTROP, LOUISIANA

## GENERAL FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

Year Ended June 30, 1997

With Comparative Actual Amounts For Year Ended June 30, 1996

	Year Ended June 30, 1997		Year Ended June 30, 1996	
	Budget	Actual	Variance - Favorable (Unfavorable)	Actual
<b>Revenues:</b>				
Taxes	\$ 6,364,408	\$ 6,302,930	\$ (61,478)	\$ 6,201,548
Licenses and permits	404,978	418,487	11,517	388,844
Intergovernmental	685,324	821,798	136,474	637,198
Fees, charges and commissions for services	217,540	221,149	3,609	226,471
Fines and forfeitures	138,908	156,168	17,260	145,356
Interest and miscellaneous	108,333	223,002	114,678	145,623
	<u>\$ 7,932,471</u>	<u>\$ 7,926,140</u>	<u>\$ (6,331)</u>	<u>\$ 7,795,913</u>
<b>Expenditures:</b>				
Current:				
General government:	\$ 2,474,358	\$ 1,978,033	\$ 496,326	\$ 1,784,769
Public safety	3,474,665	3,623,078	(148,413)	3,485,588
Public works	1,706,813	1,618,050	117,920	1,668,883
Sanitation	875,858	786,792	89,066	685,609
Debt service:				
Principal	124,860	182,733	(57,873)	93,893
Interest and fiscal charges	-	52,108	52,108	52,767
	<u>\$ 8,773,200</u>	<u>\$ 8,170,826</u>	<u>\$ 602,374</u>	<u>\$ 7,778,513</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (840,729)</u>	<u>\$ (244,686)</u>	<u>\$ 596,043</u>	<u>\$ 15,326</u>

(continued)

## CITY OF BASTROP, LOUISIANA

## GENERAL FUND

## BALANCE SHEETS

June 30, 1997 and 1996

ASSETS	June 30,	
	1997	1996
Cash	\$ 182,828	\$ 226,684
Pooled investments	730,499	1,080,990
Receivables:		
Taxes	142,864	92,243
Inventory	49,879	-
Due from other governments	155,669	58,643
Due from other funds	11,586	11,586
Restricted asset:		
Cash	<u>1,603</u>	<u>394,286</u>
	\$ <u>1,265,308</u>	\$ <u>1,574,281</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 292,964	\$ 377,385
Deferred revenue	30,000	30,000
Accrued salaries	64,894	51,879
Payable from restricted asset	<u>296</u>	<u>96,026</u>
	\$ <u>378,154</u>	\$ <u>555,290</u>
Fund balance:		
Reserved for inventory	\$ 49,879	\$ -
Unreserved - undesignated	<u>836,167</u>	<u>1,239,091</u>
	\$ <u>886,046</u>	\$ <u>1,239,091</u>
	\$ <u>1,265,308</u>	\$ <u>1,574,281</u>

See notes to financial statements.

**GENERAL FUND**

Accounts for all financial resources, except those required to be accounted for in other funds.

COMBINING INDIVIDUAL  
FUND AND ACCOUNT GRANT  
FINANCIAL STATEMENTS

## NOTES TO FINANCIAL STATEMENTS

The City participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, in the event that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivables at June 30, 1997, may be impaired. In the opinion of the City's management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

For JTPA and Aging Programs, the City contracts with other governments or local agencies to perform the specific services set forth in the grant agreements.

### Note 18. Commitments

In July, 1997, approval was given by the State Bond Commission authorizing the City to issue, sell and deliver not exceeding \$700,000 of certificates of indebtedness for the purpose of paying the costs of acquiring a site and constructing thereon a public building to house the local motor vehicle and sewer use fee collection offices. The certificates will be payable from a pledge and dedication of the excess annual revenues of the City above statutory, necessary and usual charges in each of the fiscal years during which the certificates are outstanding.

The City was awarded a Community Development Block Grant from the State of Louisiana Division of Administration in August, 1996, for \$480,000 to be used for street improvements with the City to provide local funds of \$35,000. As of the date of this report, \$113,972 of the grant funds and \$22,034 of the City's local funding requirement had been obligated.

## NOTES TO FINANCIAL STATEMENTS

PSG's compensation under the agreement consists of an annual fee which is negotiated each year with one-twelfth of the annual fee due and payable on the first of the month for each month that services are provided.

### Note 16. Expiration of Franchise, Right and Privilege

On June 13, 1997, the 15-year franchise, right and privilege between the City and the local water company expired. As of the date of this report, no new franchise agreement has been reached as the City's management is studying its right and option to purchase the water system.

### Note 17. Contingencies and Risk Management

Individual firefighter employees of the City have filed a suit against the City seeking, among other things, to have a Court declare that all firemen should be paid the same equal base pay. The City's legal counsel cannot make a judgment as to the outcome or financial impact of the case, but does feel that the suit could have a major financial impact upon the City dependent upon the outcome.

The City has also been named as the defendant in a number of other lawsuits arising principally in the normal course of operations, all of which relate to risks which are commercially insured. The City's legal counsel is of the opinion that the outcome of these lawsuits will not have a material adverse effect on the accompanying financial statements. Accordingly, no provision for losses has been recorded for any pending lawsuits.

The City's legal counsel is also of the opinion that Morehouse Parish Police Jury is legally responsible for meeting all federal, state or local laws or regulations related to the solid waste landfill which is owned by the City but operated and managed by the Jury.

The City is exposed to various risks of loss related to thefts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance. Settlement amounts have not exceeded insurance coverage for the current year or the three prior fiscal years.

## NOTES TO FINANCIAL STATEMENTS

### Funding Policy:

Plan members are required by state statute to contribute 3.0% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 9.0% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:163, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City's contributions to the System for the years ended June 30, 1993, 1994, and 1995, were \$81,367, \$79,588 and \$75,742, respectively, equal to the required contributions for each year.

### Note 12. Enterprise Fund Retained Earnings - Reserved

Repayment of the loans made to IBA Apparel Manufacturing, Ltd. and assigns, Delta Biological Products, Inc. and individual proprietors, and interest collected thereon, addressed in Note 9, are restricted to other loans and expenditures related to economic development and the creation of jobs.

### Note 13. Fund Balances - Reserved

Inventory at year end is equally offset by a fund balance reservation of the General Fund under the purchase method.

Revenue collected by the Special Revenue Fund, through the institution of sewer use fees, is dedicated for repayment of funds borrowed for acquisition, construction and improvements to the sewage and wastewater collection, treatment and disposal systems.

### Note 14. On-Behalf Payments For Salaries

For the year ended June 30, 1995, the City recognized revenue and expenditures of \$3,120,897,135 and \$342,829 in salary supplements from the State of Louisiana paid directly to employees of the administrative, police and fire departments, respectively.

### Note 15. Agreement for Operations, Maintenance and Management Services

On June 1, 1990, the City entered into an agreement for operations, maintenance and management services of the wastewater and related treatment facilities with Professional Services Group, Inc. (PSG), for a period of five years.

## NOTES TO FINANCIAL STATEMENTS

### Funding Policy:

Plan members are required by state statute to contribute 7.25% of their annual covered salary and the City is required to contribute at an actuarially-determined rate. The current rate is 8.0% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuations and are subject to change each year based on the results of the valuation for the prior fiscal year. The City's contributions to the System for the years ended June 30, 1997, 1996, and 1995, were \$82,408, \$81,647 and \$71,852, respectively, equal to the required contributions for each year.

### Firefighters' Retirement System of Louisiana (System):

#### Plan Description:

Membership in the Firefighters' Retirement System of Louisiana is mandatory for all full-time firefighters employed by a municipality, parish or fire protection district that did not exist as a cadet before January 1, 1990, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 58 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 3 1/2% of their final-average salary for each year of creditable service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 30 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employer contributions may retire at or after 55 (or at or after age 58 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Firefighters' Retirement System of Louisiana, P. O. Box 94095, Baton Rouge, Louisiana 70804, or by calling (504)625-4060.



## NOTES TO FINANCIAL STATEMENTS

### Funding Policy:

Under Plan A, members are required by state statute to contribute 9.25% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 6.25% of annual covered payroll. Contributions to the System also include 14 of 1% (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the City are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:303, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City's contributions to the System under Plan A for the years ended June 30, 1997, 1996, and 1995, were \$91,199, \$111,665 and \$71,668, respectively, equal to the required contributions for each year.

### Municipal Police Employees' Retirement System of Louisiana (System)

#### Plan Description:

All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 10 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3% of their final average salary for each year of creditable service. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Municipal Police Employees' Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2254, or by calling (504)829-7411.

## NOTES TO FINANCIAL STATEMENTS

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

### Municipal Employees' Retirement System of Louisiana (System):

#### Plan Description:

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

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from City funds and all elected City officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, or at or after age 55 with at least 25 years of creditable service or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 7% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joint months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefits accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Municipal Employees' Retirement System of Louisiana, 7697 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (504)923-4810.

## NOTES TO FINANCIAL STATEMENTS

The annual requirements to amortize the sewer revenue bonds as of June 30, 1993, including interest payments of \$1,932,513 are as follows:

<u>Year Ending</u> <u>June 30</u>	
1998	\$ 466,890
1999	469,788
2000	467,438
2001	469,963
2002	467,248
Thereafter	<u>5,881,128</u>
	<b>\$3,142,513</b>

Proceeds of the sewer revenue bonds were received in two separate series and for the purpose of financing the acquisition and construction of extensions and improvements to the City's sewage and wastewater collection, treatment and disposal systems.

**Conduit Debt Obligations** - In April, 1988, the City adopted a resolution approving the issuance of \$2,000,000 of Environmental Improvement Revenue bonds by International Paper Company by the Industrial Development Board of City of Bastrop, Louisiana, Inc. The bond indenture bears the name of the City but the City has not guaranteed payment of these bonds in the event of default by the issuing authority.

### Note 11. Pension Plan and Other Pension Liabilities

The City maintains one pension plan, the Bastrop Firemen's Pension and Relief Fund. It is accounted for as the Firemen's Pension and Relief Trust Fund, and covers those firemen who were already receiving benefits before December, 1981. There were no current contributions to the plan.

In December, 1981, active City firemen were accepted into the Firefighters' Retirement System of Louisiana. Terms of the agreement require the City to pay \$928,236 plus interest of \$1,168,002 in 30 annual installments of \$49,913.

In November, 1978, the Bastrop Police Pension and Relief Fund was merged with the Municipal Police Employees' Retirement System of Louisiana. Terms of the merger require the City to pay \$1,820,426 plus interest of \$648,160 in 12 semi-annual installments of \$18,941 and 28 semi-annual installments of \$43,475.

The liabilities described in the two preceding paragraphs have been recorded in the General Long-Term Debt Account Group.

NOTES TO FINANCIAL STATEMENTS

Note 10. Changes in Long-Term Debt

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

	General Obligation Bonds	Sewer Revenue Bonds	Pension Liabilities	Compon- sated Absences	Total
Long-term debt payable - July 1, 1996	\$ 95,000	\$ 37,143,865	\$ 797,787	\$ 131,180	\$8,125,782
Additions	-	396,149	-	41,994	438,139
Retirements	<u>45,000</u>	<u>389,900</u>	<u>102,755</u>	<u>-</u>	<u>427,755</u>
Long-term debt payable - June 30, 1997	\$ 50,000	\$ 37,420,099	\$ 695,032	\$ 173,174	\$8,116,176

The bonds outstanding are as follows:

\$638,000 Public Improvement Bonds - general obligation bonds dated November 1, 1972, bear interest at 5.0 - 5.4%, payable May 1 and November 1 of each year. Principal is due November 1 of each year.

The remaining annual requirement to amortize the preceding bonded debt as of June 30, 1997, including interest of \$1,258, is due November 1, 1997.

Proceeds of this bond issue were used to finance the purchase of land and the construction and acquisition of buildings and equipment currently leased by J.R.A. Apparel Manufacturing, Ltd. and assigns. Payments are received by the City from the lease in amounts sufficient to meet the debt service requirements of the issue. These payments are secured by the land, buildings and equipment of the lessee.

As of June 30, 1997, the City has accumulated \$81,317 in the Debt Service Fund for future debt requirements of this issue.

\$7,500,000 Street Extension Bonds - dated December 1, 1994, bear interest at 2.45% per annum on the outstanding principal balance of the loan, interest and principal payable July 1 of each year beginning in 1997.

The interest and principal payments due July 1 of each year are being reported and budgeted by the City in the preceding fiscal year when payment documents are actually dated.

## NOTES TO FINANCIAL STATEMENTS

### Note 9. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Investments are managed by the plan's trustee under one of three investment options, or a combination thereof. The choice of the investment option(s) is made by the participants.

The plan's assets are presented in the agency fund at fair market value as investments with corresponding liabilities of deferred compensation benefits.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City, subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred amount for each participant.

It is the opinion of the City's legal counsel that the City has no liability for losses under the plan agreement but does have the duty of due care that would be required of an ordinary prudent investor. The City's management believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

On August 20, 1996, the President signed into law the Small Business Job Protection Act of 1996. The Act includes certain changes to Section 457 plans increasing protection for participants' investments. Under this Act, Section 457 plan assets will be held in a trust, custodial account or irrevocable contract to protect participant assets from creditors of a bankrupt or financially troubled public jurisdiction. Existing plans have until January 1, 2000, to comply with this requirement. This provision does not reduce the City's rights as an entity to select and change investment options associated with 457 plan assets, however, it does impact how those assets will be held. Future deferrals to non-annuity investments such as life insurance and mutual funds will be held in a trust or custodial account.

**NOTES TO FINANCIAL STATEMENTS**

**Note 7. Net Investment in Direct Financing Lease**

The City is leasing a commercial trucking facility to Farrell Transport, Inc. The lease is classified as a direct financing lease and will expire over the next 8 years.

Total minimum lease payments to be received for years ending June 30 are as follows:

1998	\$ 22,080
1999	18,936
2000	18,936
2001	18,936
2002	18,936
Thereafter	<u>47,140</u>
	\$145,176
Less unearned revenue	<u>28,881</u>
	\$116,295

**Note 8. Changes in Fixed Assets**

A summary of the changes in the General Fixed Assets Account Group is as follows:

	Balance			Balance	
	July 1, 1996			June 30, 1997	
Land and buildings	\$ 6,648,088	\$ 61,346	\$ 12,800	\$ 6,690,844	
Improvements other than buildings	27,742,415	653,438	-	28,397,771	
Equipment and vehicles	<u>5,830,182</u>	<u>199,354</u>	<u>43,323</u>	<u>5,852,778</u>	
<b>Totals</b>	<b>\$40,220,685</b>	<b>\$ 814,138</b>	<b>\$ 56,923</b>	<b>\$ 40,857,193</b>	

A summary of the Enterprise Fund Fixed assets and depreciation at June 30, 1997, is as follows:

	Accumulated			Current	
	Depreciation			Depreciation	
	Cost		Net	Cost	
Buildings	\$ 790,893	\$ 72,110	\$ 718,783	\$ 4,141	
Improvements other than buildings	<u>351,394</u>	<u>17,850</u>	<u>333,544</u>	<u>11,938</u>	
<b>Totals</b>	<b>\$ 1,142,287</b>	<b>\$ 90,000</b>	<b>\$ 1,052,287</b>	<b>\$ 16,079</b>	

NOTES TO FINANCIAL STATEMENTS

For the year ended June 30, 1997, sales taxes of 2% were levied for any and all lawful purposes as follows:

Rate	Expiration Date
10%	June 1, 2000
10%	August 1, 1999
1%	August 1, 1998

Note 5. Restricted Cash and Liabilities Payable From Same

Restricted cash of \$475 of the General Fund represents monies collected from properties bought at tax sales for nonpayment of taxes by original owners and interest earned thereon. Subsequent to these sales, the original owners redeemed the properties but those buying the properties at tax sales have not been located to refund their monies. The remaining restricted cash of the General Fund, in the amount of \$1,190, represents the unexpended funds of a grant award which can only be expended for allowable costs under the program.

Restricted cash of \$171,387 of the Special Revenue Fund consists of funds required by the sewer revenue bond issue and pledge agreement to be maintained and its use is restricted for specific purposes.

Note 6. Loans Receivable - Net

Lender	Original Note	Monthly Payment	Term in Months	Interest Rate	Balance as June 30, 1997
Delta Biological Products, Inc.	\$10,000	\$380	60	6.00%	\$ 3,398
Elizabeth Johnson and Eddie Robinson, II	15,000	400	42	6.00%	4,511
Phillip Ailes	5,000	97	60	6.00%	2,804
Mountain Valley Water of North-east Louisiana, Inc.	20,000	387	60	6.00%	12,966
Thomas D. and Katherine E. Harshbarger	15,000	290	60	6.00%	10,706
Donald and Teresa Britton	10,000	160	60	6.00%	8,704
Kimberly Lynn	250	43	6	6.00%	218
					<b>\$ 62,613</b>

No payments have been received as of June 30, 1997, on the \$250 loan made in June, 1994, which were scheduled to begin August 5, 1994.

NOTES TO FINANCIAL STATEMENTS

Note 4. Taxes

For the year ended June 30, 1993, ad valorem taxes of 40.70 mills were levied on property with assessed valuations totaling \$58,825,668 as follows:

	Authorized Millage	Levied Millage	Expiration Date
General corporate purposes	9.81	9.81	Perpetual
Police	6.88	6.88	2001
Street improvements	6.88	6.88	2001
Street maintenance	6.88	6.88	2001
Fire (F1)	3.40	3.40	2001
Fire (F2)	3.23	3.23	2003
Recreation	2.56	2.56	2003
Cemetery	.65	.65	2003
Building maintenance	.65	.65	2003

The following are the principal ad valorem taxpayers for the City (amounts expressed in thousands):

Taxpayer	Assessed Valuation	Percentage of Total Assessed Valuation
International Paper Company	\$ 23,532,860	39.94%
BellSouth Telecommunications	1,393,880	2.37%
Peoples Water Service Co. of Bastrop, Inc.	1,173,870	1.99%
Energy Louisiana	1,122,820	1.90%
Hibernia National Bank	1,034,280	1.76%
Wal-Mart Stores, Inc.	813,310	1.38%
East One Aft, Inc.	763,720	1.30%
Liquid Packaging Division	665,170	1.13%
Regency Motors of Bastrop, Inc.	544,620	.93%
West Carroll National Bank	348,470	.59%

Total ad valorem taxes levied were \$2,367,712. There were no uncollected ad valorem taxes at June 30, 1993.



## NOTES TO FINANCIAL STATEMENTS

The deposits (including investments) are stated at cost, which approximates market value. The investments of the Deferred Compensation Agency Fund are carried at market value and represent investments in long-term guaranteed contracts. Under state law, the deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held jointly in the name of the pledging fiscal agent bank and the City in a holding or custodial bank that is mutually acceptable to both parties.

The pooled deposits are under the custody of the City Clerk and are invested in the Louisiana Asset Management Pool solely in treasury obligations. The deposits may be liquidated as needed.

At June 30, 1997, the carrying amount and bank balance of the City's deposits (including investments, pooled deposits and petty cash) were \$888,858 and \$1,065,818, respectively. Of the bank balance, \$164,725 was covered by federal depository insurance and \$901,094 was covered by the market value of collateral held by a third party bank's trust department in the joint name of the City and the pledging fiscal agent bank.

There were no repurchase or reverse repurchase agreements at June 30, 1997.

### Note 3. Receivables and Due From Other Governments

The following is a summary of receivables and due from other governments as of June 30, 1997:

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals
<b>Taxes:</b>				
Sales/use	\$ 97,179	\$ -	\$ -	\$ 97,179
Franchise	44,894	-	-	44,894
<b>Intergovernmental:</b>				
Federal	9,560	-	113,972	123,532
State	111,840	-	-	111,840
Local	33,969	-	-	33,969
<b>User fees:</b>				
Sewer	-	84,928	-	84,928
	<u>\$ 287,733</u>	<u>\$ 84,928</u>	<u>\$ 113,972</u>	<u>\$ 486,633</u>

## NOTES TO FINANCIAL STATEMENTS

Sales/use taxes collected and held by other governments at year end on behalf of the City and those collected by other governments and remitted to the City within 60 days after June 30 for preceding months are recognized as revenue. The sales/use taxes are collected by Missouri Sales and Use Tax Commission and remitted to the City.

### Total Columns on Combined Statements - Overview:

Total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

### Comparative Data:

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

### Note 2. Cash and Investments:

The following is a summary of cash and investments at June 30, 1997:

Non-pooled deposits:	
Non-interest bearing demand deposits	\$ 44,600
Interest-bearing demand deposits	640,648
Time deposits	280,608
Investments	425,322
Fifty cash	<u>1,358</u>
	\$ 1,392,536
Pooled deposits:	
Treasury obligations	<u>2,200,211</u>
	\$ 3,592,747

## NOTES TO FINANCIAL STATEMENTS

### Long-Term Obligations:

Long-term obligations expected to be financed from governmental funds are reported in the General Long-Term Debt Account Group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

Long-term obligations expected to be financed from proprietary fund operations are accounted for in that fund.

### Fund Equity:

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

Reserves represent those portions of equity not appropriate for expenditure or legally segregated for a specific future use.

### Interfund Transactions:

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

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

### Revenue Recognition - Ad Valorem and Sales/Use Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1. Taxes are levied by the City in September or October, are actually billed to the taxpayers in November and are due and payable on or before January 1 of the following year. All unpaid taxes become delinquent on March 15 of the following year. The City bills and collects its own property taxes using the assessed values determined by the tax assessor of Monrovia Parish. The City's ad valorem tax revenues are recognized when levied.

## NOTES TO FINANCIAL STATEMENTS

### Inventory:

Inventory of the General Fund consists of expendable supplies held for consumption and is valued at cost. The expenditures are recognized when the items are acquired.

### Interfund Receivables/Payables:

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

### Fixed Assets:

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the General Fixed Assets Account Group. Public domain or "infrastructures" including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are capitalized. Interest costs incurred during construction are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or, if donated, assets are valued at their estimated fair value on the date of donation.

Fixed assets used in the proprietary fund operations are included on the balance sheet of the fund net of accumulated depreciation. Depreciation of all exhaustible fixed assets used by proprietary fund operations is charged as an expense against operations. Depreciation has been calculated on the buildings and improvements classes of depreciable property using the straight line method over estimated useful lives of 10 years.

### Accumulated Compensated Absences:

The City's policy allows employees to accumulate a limited amount of earned but unused vacation, which will be paid to employees upon use or separation from the City's employment. In governmental funds, the cost of vacation is recognized when actually paid to employees. A long-term liability has been recorded in the General Long-Term Debt Account Group representing the City's commitment to fund unpaid costs from future operations. Proprietary fund types recognize vacation in the period it is earned.

No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

## NOTES TO FINANCIAL STATEMENTS

### Budgets and Budgetary Accounting:

The Board of Aldermen adopted annual budgets for the General Fund and Special Revenue Fund on June 13, 1996. The annual budgets were prepared in accordance with the basis of accounting utilized by the Bonds. The City Clerk is authorized to transfer budgeted amounts within and among departments; however, any revisions that alter total expenditures resulting from revenues exceeding amounts estimated must be approved by the Board of Aldermen. On June 19, 1997, the Board of Aldermen adopted amended budgets approving additional revenues and expenditures for both funds, which amendments are reflected in the budget comparisons. All annual appropriations lapse at fiscal year end.

### Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City.

### Cash:

Cash includes amounts in interest-bearing demand and time deposits and is reported at net book value - the June 30, 1997, bank balance plus deposits in transit and less checks that have not cleared the bank as of that date.

Under state law, the City may deposit funds in demand deposits, interest-bearing demand deposits or time deposits with state banks organized under Louisiana law, any other state of the United States, or under the laws of the United States.

### Investments:

Under state law, the City may invest in United States bonds, treasury notes or certificates. These are classified as investments if their original maturities exceed 90 days. Investments are stated at cost, except for investments in the Deferred Compensation Agency Fund, which are reported at market.

### Uncollectible Allowance:

The statements contain no provision for uncollectible accounts. City management is of the opinion that such allowance would be immaterial in relation to the financial statements taken as a whole.

## NOTES TO FINANCIAL STATEMENTS

### Basis of Accounting:

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

The modified accrual basis of accounting recognizes revenues when both "measurable" and "available". Measurable means the amount can be determined and available means collectible within the current period or soon enough thereafter to pay current liabilities. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due. Transfers between funds that are not expected to be repaid (and any other financing sources) are accounted for as other financing sources (uses) and are recorded when the transaction occurs.

Three major revenues susceptible to accrual are ad valorem, sales and gross receipts taxes, intergovernmental revenues and sewer use fees. Licenses and permits, charge-for services (other than sewer use fees), fines and other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The City reports deferred revenue on its combined balance sheet. Deferred revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

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

## NOTES TO FINANCIAL STATEMENTS

*Special Revenue Fund* - accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

*Debt Service Fund* - accounts for transactions relating to resources retained and used for the payment of principal and interest on the long-term obligation recorded in the general long-term debt account group.

*Capital Projects Fund* - accounts for financial resources received and used for the acquisition, construction or improvement of capital facilities not reported in the other governmental funds.

### Proprietary Funds:

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

*Enterprise Fund* - accounts for operations where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

### Fiduciary Funds:

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the City. Fiduciary funds include:

*Trust Fund* - accounts for resources to be used for retirement annuity payments to persons not accepted by Firefighters' Retirement System of Louisiana.

*Agency Fund* - accounts for assets that the City holds on behalf of others as their agent. Agency funds are controlled in nature (assets equal liabilities) and do not involve measurement of results of operations.

## NOTES TO FINANCIAL STATEMENTS

1. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.
2. Organizations for which the municipality does not appoint a voting majority but are fiscally dependent on the municipality.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Considered in the determination of component units of the reporting entity were the Bastrop City Marshal and City Court of Bastrop. It was determined that these governmental entities are not component units of the City reporting entity because they are staffed by independently elected officials, are legally separate and are fiscally independent of the City.

### Fund Accounting

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

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

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

#### Governmental Funds

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

**General Fund** - the general operating fund of the City and accounts for all financial resources, except those required to be accounted for in other funds.



CITY OF DASTROP, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1997

Note 1. Organization and Summary of Significant Accounting Policies

City of Dastrop, Louisiana, (the "City") operates under a mayor-board of aldermen form of government in accordance with the provisions of the charter adopted July 3, 1992. Citizens elect the mayor at large and five council members by districts. The City is located in northeast Louisiana, its population is approximately 14,800 and it employs approximately 200 people.

The following services are provided as authorized by its charter: general administrative services, public safety (police and fire), public works (building maintenance, cemetery, health, recreation and streets), sanitation and public improvements.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below:

Financial Reporting Entity:

As the municipal governing authority, for reporting purposes, the City is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (City), (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the municipality to impose its will on that organization and/or

Totals  
(Miscellaneous Only)  
Year Ended June 30,  
1987                      1986

\$ ( 155,679)    \$ ( 150,000)

15,679                      9,257  
3,761                      696  
-                              6,342  
30,700                      ( 31,511)

12,366                      9,093  
\$ ( 103,131)                \$ ( 155,706)

\$ 16,438                      \$ 14,646  
( 14,837)                      ( 11,852)  
1,601                              2,794

\$ 10,865                      \$ \_\_\_\_\_

\$ 148,742                      \$ 143,828

\$ 30,328                      \$ ( 6,974)

210,570                      221,594

\$ 250,898                      \$ 214,570

## CITY OF BASTROP, LOUISIANA

COMBINED STATEMENT OF CASH FLOWS -  
 ALL PROPRIETARY AND FIDUCIARY FUND TYPES  
 Year Ended June 30, 1997  
 With Comparative Totals for Year Ended June 30, 1996

	Proprietary Fund Types	Fiduciary Fund Types Trust and Agency
	Enterprise	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ ( 18,948)	\$ ( 118,750)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	15,679	-
(Decrease) decrease in accrued interest receivable	-	1,781
(Increase) decrease in other receivable	-	-
(Increase) decrease in loans receivable - net	20,709	-
(Increase) decrease in net investment in direct financing lease	<u>12,750</u>	<u>-</u>
Net cash provided (used) by operating activities	\$ <u>20,790</u>	\$ <u>(116,969)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest earned	\$ 16,458	\$ -
Purchase of investments	<u>-</u>	<u>( 14,817)</u>
Net cash flows provided (used) by investing activities	\$ <u>16,458</u>	\$ <u>( 14,817)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of fixed assets	\$ <u>(18,865)</u>	\$ <u>-</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating transfers in	\$ <u>-</u>	\$ <u>148,743</u>
Net increase (decrease) in cash	\$ <u>3,383</u>	\$ <u>607</u>
Cash - beginning	<u>291,158</u>	<u>12,980</u>
Cash - ending	\$ <u>294,541</u>	\$ <u>13,587</u>

See notes to financial statements.

Totals  
(Memorandum Only)  
Year Ended June 30,  
1997                      1996

\$	6,790		\$	4,080
	<u>12,032</u>			<u>11,132</u>
\$	<u>18,732</u>	\$	<u>15,212</u>	

\$	15,679		\$	9,257
	148,441			143,608
	<u>164,120</u>			<u>152,865</u>
\$	<u>179,791</u>	\$	<u>162,120</u>	

\$	133,879		\$	150,000
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\$	<u>16,458</u>		\$	<u>14,685</u>
----	---------------	--	----	---------------

\$	139,211		\$	135,315
	<u>148,740</u>			<u>145,938</u>

\$	9,522		\$	10,581
	<u>438,441</u>			<u>427,862</u>

\$	<u>447,960</u>		\$	<u>438,642</u>
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CITY OF BASTROP, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS/FUND BALANCES -  
ALL PROPRIETARY AND FIDUCIARY FUND TYPES

Year Ended June 30, 1997

With Comparative Totals for Year Ended June 30, 1996

	Proprietary Fund Type Enterprise	Fiduciary Fund Types Trust and Agency
<b>Operating revenues:</b>		
Fees, charges and commissions for services	\$ 6,750	\$ -
Interest and miscellaneous	-	12,822
	<u>\$ 6,750</u>	<u>\$ 12,822</u>
<b>Operating expenses:</b>		
Depreciation	\$ 11,639	\$ -
Benefit payments	-	148,443
Other	18,820	308
	<u>\$ 30,459</u>	<u>\$ 148,751</u>
Operating income (loss)	\$ (23,709)	\$ (135,929)
<b>Nonoperating revenue:</b>		
Interest	\$ 26,458	\$ -
Income (loss) before operating transfers	\$ (7,251)	\$ (135,929)
Operating transfers in	-	148,743
Net income (loss)	\$ (7,251)	\$ 12,814
Retained earnings/fund balances - reserved - beginning	213,127	225,908
Retained earnings/fund balances - reserved - ending	<u>\$ 205,876</u>	<u>\$ 238,722</u>

See notes to financial statements.

## Special Revenue

Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -
<u>340,567</u>	<u>396,145</u>	<u>55,578</u>
\$ 340,567	\$ 396,145	\$ 55,578
W 310,674	\$ 91,760	\$ 402,434
310,674	1,672,381	1,361,707
<u>-</u>	<u>-</u>	<u>-</u>
\$ -	\$ 1,764,138	\$ 1,764,138

CITY OF BASTROP, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -  
GENERAL AND SPECIAL REVENUE FUNDS (Continued)  
Year Ended June 30, 1997

	General		Variance - Favorable (Unfavorable)
	Budget	Actual	
Other financing sources (uses):			
Operating transfers in (out)	\$ 153,470	\$ 170,791	\$ 17,321
Sale of fixed assets	-	14,624	14,624
Proceeds of long-term debt	-	-	-
Total other financing sources (uses)	<u>\$ 153,470</u>	<u>\$ 185,415</u>	<u>\$ 32,195</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 1,807,000	\$ 482,883	\$ 604,117
Fund balances - beginning	1,040,000	1,218,052	218,052
Prior period adjustment (Note 11)	-	48,072	48,072
Fund balances - ending	<u>\$ -</u>	<u>\$ 883,245</u>	<u>\$ 883,245</u>

See notes to financial statements

Special Revenue		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -
-	-	-
-	-	-
583,000	573,988	( 11,012)
-	-	-
<u>61,000</u>	<u>85,000</u>	<u>23,000</u>
<u>\$ 650,000</u>	<u>\$ 662,988</u>	<u>\$ 12,988</u>

\$ -	\$ -	\$ -
-	-	-
254,941	377,897	147,894
-	-	-
390,045	380,000	110,045
-	218,032	( 218,032)
<u>658,115</u>	<u>351,012</u>	<u>287,203</u>
<u>\$ 1,308,115</u>	<u>\$ 896,941</u>	<u>\$ 328,200</u>

\$ 653,241    \$ 304,330    \$ 348,888

(continued)



## CITY OF BASTROP, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -  
GENERAL AND SPECIAL REVENUE FUNDS  
Year Ended June 30, 1997

	General		Variance -
	Budget	Actual	Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$ 6,164,408	\$ 6,182,900	\$( 18,492)
Licenses and permits	486,970	418,497	11,527
Intergovernmental	685,004	821,798	136,794
Fees, charges and commissions for services	217,540	221,149	3,609
Fines and forfeitures	138,900	156,189	17,289
Interest and miscellaneous	188,813	323,682	134,869
	<u>\$ 7,921,673</u>	<u>\$ 7,924,140</u>	<u>\$ 2,467</u>
<b>Expenditures:</b>			
<b>Current:</b>			
General government	\$ 1,474,560	\$ 1,878,003	\$( 403,516)
Public safety	1,474,665	1,623,038	( 148,413)
Public works	1,796,813	1,618,083	178,730
Sanitation	875,098	796,782	78,316
<b>Debt service:</b>			
Principal	103,755	103,755	-
Interest and fiscal charges	52,100	52,185	-
<b>Capital outlay</b>			
	<u>\$ 8,735,205</u>	<u>\$ 8,170,856</u>	<u>\$ 564,349</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>\$ 1,186,468</u>	<u>\$ 753,284</u>	<u>\$ 433,184</u>

Debt Service	Capital Projects	Totals (Microcost/Ann. Only) Year Ended June 30.	
		1997	1998
\$ -	\$ 22,058	\$( 148,743)	\$( 145,838)
-	-	14,024	10,380
-	-	296,145	5,895,829
<u>\$ -</u>	<u>\$ 22,058</u>	<u>\$ 261,426</u>	<u>\$ 5,860,381</u>
\$ 573	\$ -	\$( 310,518)	\$ 518,263
90,744	-	2,942,777	2,403,913
-	-	48,870	-
<u>\$ 91,317</u>	<u>\$ -</u>	<u>\$ 2,680,737</u>	<u>\$ 2,962,176</u>

CITY OF BASTROP, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
(Continued)

Year Ended June 30, 1997

With Comparative Totals for Year Ended June 30, 1996

	General	Special Revenues
Other financing sources (uses):		
Operating transfers in (out)	\$( 170,700)	\$ -
Sale of fixed assets	14,034	-
Proceeds of long-term debt	<u>-</u>	<u>396,143</u>
Total other financing sources (uses)	\$( 156,666)	\$ 396,143
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$( 482,887)	\$ 91,793
Fund balances - beginning	1,218,052	1,672,381
Prior period adjustment (Note 15)	<u>48,079</u>	<u>-</u>
Fund balances - ending	<u>\$ 883,244</u>	<u>\$ 1,764,174</u>

See notes to financial statements.

Debt Service	Capital Projects	Totals (Interim Statement Data) Year Ended June 30,	
		1987	1986
\$ -	\$ -	\$ 6,182,920	\$ 6,201,549
-	-	418,497	798,844
-	813,972	933,770	1,360,600
-	-	765,120	794,022
-	-	154,869	145,156
<u>48,588</u>	<u>-</u>	<u>261,805</u>	<u>271,831</u>
\$ <u>48,588</u>	\$ <u>813,972</u>	\$ <u>8,756,256</u>	\$ <u>9,172,212</u>
\$ -	\$ -	\$ 1,678,033	\$ 1,784,769
-	-	1,621,078	3,485,358
-	-	1,725,969	1,844,904
-	-	786,762	685,609
<u>48,800</u>	<u>-</u>	<u>427,755</u>	<u>177,083</u>
<u>4,816</u>	<u>-</u>	<u>274,153</u>	<u>193,965</u>
<u>-</u>	<u>136,022</u>	<u>487,038</u>	<u>6,474,762</u>
\$ <u>48,816</u>	\$ <u>136,022</u>	\$ <u>9,322,835</u>	\$ <u>14,616,229</u>
\$ <u>573</u>	\$ <u>72,680</u>	\$ <u>372,545</u>	\$ <u>5,463,818</u>

(continued)

CITY OF BASTROP, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

Year Ended June 30, 1997

With Comparative Totals for Year Ended June 30, 1996

	General	Special Revenues
<b>Revenues:</b>		
Taxes	\$ 6,182,920	\$ -
Licenses and permits	418,497	-
Intragovernmental	821,798	-
Fees, charges and commissions for services	321,349	133,980
Fines and forfeitures	138,369	-
Interest and miscellaneous	122,807	88,600
	<u>\$ 7,924,140</u>	<u>\$ 662,580</u>
<b>Expenditures:</b>		
Current:		
General government	\$ 1,978,033	\$ -
Public safety	3,623,078	-
Public works	1,618,083	107,897
Sanitation	796,792	-
Debt service:		
Principal	102,753	290,089
Interest and fiscal charges	52,108	318,032
Capital outlay	-	361,012
	<u>\$ 8,173,856</u>	<u>\$ 969,941</u>
Excess (deficiency) of revenues over expenditures	\$ 2,750,284	\$ 304,132

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
		General Fixed Assets	General Long-Term Debt	Jan. 31, 1977 1978	
Enterprise	Trust and Agency				
\$ -	\$ -	\$ -	\$ -	\$ 396,936	\$ 214,581
-	-	-	-	30,000	30,000
-	-	-	-	64,884	51,819
-	11,588	-	-	11,586	11,586
-	425,322	-	-	425,322	348,821
-	-	-	-	286	96,026
-	-	-	50,000	50,000	50,000
-	-	-	7,238,000	7,238,000	7,103,855
-	-	-	693,002	693,002	799,787
-	-	-	173,148	173,148	131,150
\$ -	\$ -316,688	\$ -	\$ 8,138,150	\$ 9,068,200	\$ 8,279,627
\$ 776,757	\$ -	\$ -	\$ -	\$ 776,757	\$ 776,757
-	-	41,037,393	-	41,037,393	40,280,928
110,646	-	-	-	239,646	233,137
-	-	-	-	49,079	-
-	-	-	-	1,764,174	1,672,388
-	-	-	-	21,317	30,744
-	227,317	-	-	227,317	225,366
-	-	-	-	826,167	1,288,051
\$ 887,403	\$ 227,317	\$ 41,037,393	\$ -	\$ 44,567,858	\$ 44,358,295
\$ 887,403	\$ 674,228	\$ 41,037,393	\$ 8,138,176	\$ 54,038,058	\$ 53,287,930

CITY OF BASTROP, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

(Continued)

June 30, 1997

With Comparative Totals for June 30, 1996

LIABILITIES, EQUITY AND OTHER CREDITS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Liabilities:</b>				
Accounts payable	\$ 282,964	\$ -	\$ -	\$ 113,972
Deferred revenue (Note 1)	30,968	-	-	-
Accrued salaries	64,884	-	-	-
Due to other funds	-	-	-	-
Deferred compensation benefits (Note 9)	-	-	-	-
Payable from restricted assets (Note 5)	296	-	-	-
General obligation bonds payable (Note 10)	-	-	-	-
Sewer revenue bonds (Note 10)	-	-	-	-
Pension liabilities (Notes 10 and 11)	-	-	-	-
Compensated absences payable (Notes 1 and 10)	-	-	-	-
<b>Total liabilities</b>	<u>\$ 378,112</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113,972</u>
<b>Equity and other credits:</b>				
Contributed capital (Note 1)	\$ -	\$ -	\$ -	\$ -
Investment in general fixed assets	-	-	-	-
Retained earnings - reserved (Note 12)	-	-	-	-
<b>Fund balances:</b>				
Reserved for inventory (Notes 1 and 12)	48,079	-	-	-
Reserved for sewage system (Notes 1 and 12)	-	1,764,174	-	-
Reserved for debt service (Notes 1 and 10)	-	-	31,317	-
Reserved for Fireman's pension (Notes 1 and 11)	-	-	-	-
Unreserved - undesignated	836,187	-	-	-
<b>Total equity and other credits</b>	<u>\$ 884,266</u>	<u>\$ 1,764,174</u>	<u>\$ 31,317</u>	<u>\$ -</u>
<b>Total liabilities, equity and other credits</b>	<u>\$ 1,262,378</u>	<u>\$ 1,764,174</u>	<u>\$ 31,317</u>	<u>\$ 113,972</u>

See notes to financial statements.

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
		General Fixed Assets	General Long-Term Debt	Fisc. Yr.	
Enterprise	Trust and Agency			1997	1998
\$ 214,379	\$ 14,317	\$ -	\$ -	\$ 799,708	\$ 812,094
-	214,386	-	-	2,210,211	2,272,829
-	425,122	-	-	425,322	569,572
-	-	-	-	84,996	72,634
-	-	-	-	142,064	82,243
-	-	-	-	-	3,761
-	-	-	-	-	3,065
-	-	-	-	49,073	-
-	-	-	-	369,641	62,964
-	-	-	-	11,586	11,586
-	-	-	-	181,052	208,824
42,651	-	-	-	42,651	63,351
116,295	-	-	-	116,295	128,660
591,878	-	41,037,393	-	41,649,271	40,797,612
-	-	-	31,317	31,317	30,244
-	-	-	7,238,683	7,238,683	7,168,111
-	-	-	693,032	693,032	795,787
-	-	-	173,144	173,144	131,156
<u>\$ 987,489</u>	<u>\$ 674,225</u>	<u>\$ 41,037,393</u>	<u>\$ 8,136,178</u>	<u>\$ 54,008,850</u>	<u>\$ 53,237,929</u>



CITY OF BASTROP, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1997

With Comparative Totals for June 30, 1996

ASSETS AND OTHER DEBITS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Assets:</b>				
Cash (Notes 1 and 2)	\$ 182,828	\$ 244,805	\$ 31,317	\$ -
Pooled investments (Notes 1, 2 and 9)	730,489	1,255,126	-	-
Investments (Notes 1 and 2)	-	-	-	-
Receivables:				
Accounts (Note 3)	-	84,996	-	-
Taxes (Notes 1, 3 and 4)	142,064	-	-	-
Accrued interest	-	-	-	-
Other	-	-	-	-
Inventory (Notes 1 and 11)	49,879	-	-	-
Due from other governments (Note 5)	153,629	-	-	143,973
Due from other funds (Note 1)	11,586	-	-	-
Restricted assets:				
Cash (Notes 1, 2 and 3)	1,665	179,343	-	-
Loans receivable - net (Note 6)	-	-	-	-
Net investment in direct financing lease (Note 7)	-	-	-	-
Fixed assets - net (Notes 1 and 8)	-	-	-	-
<b>Other debts:</b>				
Amount available in Debt Service Fund (Note 14)	-	-	-	-
Amount to be provided for retirement of general long-term debt (Note 10)	-	-	-	-
Amount to be provided for retirement of pension liabilities (Note 10)	-	-	-	-
Amount to be provided for compensated absences (Notes 1 and 10)	-	-	-	-
<b>Total assets and other debts</b>	<b>\$ 1,269,690</b>	<b>\$ 1,364,126</b>	<b>\$ 31,317</b>	<b>\$ 143,973</b>

GENERAL-PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)

In accordance with Government Auditing Standards, we have also issued our report dated September 25, 1997, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit of the June 30, 1997, financial statements was performed for the purpose of forming an opinion on the general-purpose financial statements, taken as a whole, and on the combining, individual fund and account group financial statements. The accompanying financial information listed as supporting schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of City of Bossier, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose, combining, individual fund and account group financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account groups, taken as a whole.

September 23, 1997

*Price, Morgan & Co.*

**INDEPENDENT AUDITORS' REPORT  
ON FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

The Honorable Clarence W. Hawkins, Mayor,  
and Members of the Board of Aldermen  
City of Bastrop, Louisiana

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

We conducted our audit in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Governments Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Louisiana Revised Statute 24:513 and the Louisiana Government Audit Guide published jointly by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of City of Bastrop, Louisiana, as of June 30, 1997, and the results of its operations and cash flows of its proprietary and fiduciary fund types for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund and account group financial statements as of and for the year ended June 30, 1997, and the individual fund financial statements as of and for the year ended June 30, 1996, present fairly, in all material respects the financial position of each of the individual funds and account groups of City of Bastrop, Louisiana, as of June 30, 1997 and 1996, and the results of operations of such funds and the cash flows of individual proprietary and fiduciary fund types for the years then ended in conformity with generally accepted accounting principles.

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CITY OF BASTROP, LOUISIANA  
FINANCIAL REPORT  
JUNE 30, 1967

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the reader, or reviewed, orally and other appropriate public officials. The report is available for public inspection at the Bastrop Mayor's office or the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date... DEC. 2, 1968

**HILL, INZINA & COMPANY**

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