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# CITY OF LEESVILLE

LEESVILLE, LOUISIANA

JUNE 30, 1998

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Release Date: June 30, 1998

## CITY OF LEBONVILLE, LOUISIANA

JUNE 30, 1998

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JUNE 30, 1988

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## CITY OF LEBEVILLE, LOUISIANA

JUNE 30, 1999

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PAUL MOORE & BERKINGTON, LLP

INDEPENDENT PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Honorable Jim Sharpless, Jr., Mayor  
and Members of the City Council  
City of Leesville, Louisiana

We have audited the accompanying primary government financial statements and the combining, individual fund, and account group financial statements of the City of Leesville, Louisiana, as of and for the year ended June 30, 1988, as listed in the table of contents. These financial statements are the responsibility of the management of City of Leesville, Louisiana. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As more fully explained in Note 1, the financial statements of the General Fixed Assets Account Group include only assets acquired subsequent to 1971. Records of general fixed assets acquired prior to 1971 were not maintained. Generally accepted accounting principles require the recording of fixed assets at cost, or estimated historical cost, if cost records are not available.

Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues, requires disclosure of certain matters regarding the year 2000 issue. The City of Leesville has included such disclosures in Note 23. Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determined until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the City of Leesville's disclosures with respect to the year 2000 issues made in Note 23. Further, we do not provide assurance that the City of Leesville is or will be year 2000 ready, that the City of Leesville's remediation efforts will be successful in whole or in part, or that parties with which the City of Leesville does business will be year 2000 ready.

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PAYNE, MOORE & HARRINGTON, LLP

The Honorable Jim Shapoff, Jr., Mayor  
and Members of the City Council  
City of Leesville, Louisiana

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary due to matters discussed in the previous two paragraphs, the primary government financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the primary government of the City of Leesville, Louisiana, as of June 30, 1998, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary due to matters discussed in the previous two paragraphs, the combined, individual fund, and account group financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of each of the individual funds and account groups of the City of Leesville, Louisiana, as of June 30, 1998, the results of operations of such funds and the cash flows of individual proprietary funds for the year then ended in conformity with generally accepted accounting principles.

However, the primary government financial statements, because they do not include the financial data of the component units of the City of Leesville, Louisiana, do not purport to, and do not, present fairly the financial position of the City of Leesville, Louisiana, as of June 30, 1998, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report, dated November 28, 1998, on our consideration of the internal control over financial reporting of the City of Leesville, Louisiana, and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was conducted for the purpose of forming an opinion on the primary government financial statements taken as a whole and on the combined, individual fund, and account group financial statements. The accompanying financial information listed as additional information in the table of contents, including the schedule of expenditures of federal awards as required by the U. S. Office of Management and Budget Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations, is presented for purposes of additional analysis and is not a required part of the financial statements of the City of Leesville, Louisiana. Such information, except for the listing of Louisiana in those marked "unaudited,"



FAYNE, MOORE & HERRINGTON, LLP

The Honorable Jim Sharpoff, Jr., Mayor  
and Members of the City Council  
City of Leesville, Louisiana

has been subjected to the auditing procedures applied in the audit of the primary government, including individual funds, and account group financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds and account groups of the primary government taken as a whole.

A handwritten signature in cursive script that reads "Payne Moore & Herrington, LLP". Below the signature, the text "Certified Public Accountants" is printed in a smaller font.

November 10, 1999

**PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

The Primary Government Financial Statements, which include all funds and account groups of the city that are not legally separate, are designed to provide an overview of the financial position and results of operations for the primary government as a whole. Additional information in the form of combining, individual fund, and account group statements and schedules is included elsewhere in this report.



STATE OF CONNECTICUT  
 CONSOLIDATED STATE - GENERAL FUND ACCOUNT STATEMENT  
 FOR FISCAL YEAR 2013

000007-4

ACCOUNTS RECEIVABLE	GENERAL FUND		GENERAL FUND		TOTAL
	2012	2013	2012	2013	
Cash	0	0	0	0	0
Accounts receivable	24,203	18,000	50,000	118,000	118,000
Prepaid expenses	11,000	20,000	20,000	20,000	20,000
Due from other funds	0	0	0	0	0
Intergovernmental receivable	0	0	0	0	0
Other receivable	0	0	0	0	0
Total	35,203	38,000	70,000	158,000	158,000
Accounts payable	0	0	0	0	0
Accrued liabilities	0	0	0	0	0
Deferred contributions	0	0	0	0	0
Other liabilities	0	0	0	0	0
Total	0	0	0	0	0
NET ASSETS	35,203	38,000	70,000	158,000	158,000
Accounts receivable	0	0	0	0	0
Accounts payable	0	0	0	0	0
Deferred contributions	0	0	0	0	0
Other liabilities	0	0	0	0	0
Total	0	0	0	0	0
NET ASSETS	35,203	38,000	70,000	158,000	158,000

The accompanying notes are an integral part of this financial statement.

CITY OF WASHINGTON, DISTRICT OF COLUMBIA  
 BOARD OF DIRECTORS OF THE DISTRICT OF COLUMBIA  
 AND BOARD OF PUBLIC WORKS AND UTILITIES  
 ALL INFORMATION FOR THIS  
 YEAR ENDS ON 12/31/1987

PAGE 12

		REVENUE STATEMENTS				BALANCE SHEET	
		REVENUE	EXPENSE	NET REVENUE	ASSETS	LIABILITIES	NET ASSETS
<b>REVENUE</b>							
Taxes	\$ 42,750	\$ 42,750	\$ -	\$ 42,750	\$ 42,750	\$ -	\$ 42,750
Grants and permits	11,100	11,100		11,100	11,100		11,100
Charge for services	12,000	12,000		12,000	12,000		12,000
Professional	12,000	12,000		12,000	12,000		12,000
Fees and royalties	17,000	17,000		17,000	17,000		17,000
Other	1,000	1,000		1,000	1,000		1,000
<b>TOTAL REVENUE</b>	<b>96,850</b>	<b>96,850</b>	<b>-</b>	<b>96,850</b>	<b>96,850</b>	<b>-</b>	<b>96,850</b>
<b>EXPENSES</b>							
Utilities	12,000	12,000		12,000	12,000		12,000
Materials	12,000	12,000		12,000	12,000		12,000
Public utility	12,000	12,000		12,000	12,000		12,000
Professional	12,000	12,000		12,000	12,000		12,000
Contract development	12,000	12,000		12,000	12,000		12,000
Salaries and benefits	12,000	12,000		12,000	12,000		12,000
Dep. capital	12,000	12,000		12,000	12,000		12,000
Travel	12,000	12,000		12,000	12,000		12,000
Printing and blank charges	12,000	12,000		12,000	12,000		12,000
Telephone	12,000	12,000		12,000	12,000		12,000
Other	12,000	12,000		12,000	12,000		12,000
<b>TOTAL EXPENSES</b>	<b>112,000</b>	<b>112,000</b>	<b>-</b>	<b>112,000</b>	<b>112,000</b>	<b>-</b>	<b>112,000</b>
<b>NET REVENUE (DEFICIT) OF SERVICES OVER EXPENSES</b>		<b>(15,150)</b>	<b>-</b>	<b>(15,150)</b>	<b>(15,150)</b>	<b>-</b>	<b>(15,150)</b>
<b>OTHER FINANCING SOURCE (DEBT)</b>							
Debt proceeds	50,000	50,000		50,000	50,000		50,000
Grants	12,000	12,000		12,000	12,000		12,000
Special Assessments	12,000	12,000		12,000	12,000		12,000
Operating transfers in	12,000	12,000		12,000	12,000		12,000
Operating transfers out	12,000	12,000		12,000	12,000		12,000
<b>TOTAL OTHER FINANCING SOURCE (DEBT)</b>	<b>88,000</b>	<b>88,000</b>	<b>-</b>	<b>88,000</b>	<b>88,000</b>	<b>-</b>	<b>88,000</b>
<b>NET REVENUE (DEFICIT) OF SERVICES AND OTHER FINANCING SOURCE OVER EXPENSES AND OTHER FINANCING SOURCE</b>		<b>72,850</b>	<b>-</b>	<b>72,850</b>	<b>72,850</b>	<b>-</b>	<b>72,850</b>
<b>NET BALANCE, RECEIPTS OF YEAR</b>		<b>72,850</b>	<b>-</b>	<b>72,850</b>	<b>72,850</b>	<b>-</b>	<b>72,850</b>
<b>NET BALANCE, PAYMENTS OF YEAR</b>		<b>(72,850)</b>	<b>-</b>	<b>(72,850)</b>	<b>(72,850)</b>	<b>-</b>	<b>(72,850)</b>
<b>NET BALANCE, CARRY-OVER TO YEAR</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET BALANCE, CARRY-OVER TO YEAR</b>		<b>72,850</b>	<b>-</b>	<b>72,850</b>	<b>72,850</b>	<b>-</b>	<b>72,850</b>

The accompanying notes are an integral part of the financial statements.

CITY OF MEMPHIS, TENNESSEE  
 COMPREHENSIVE FINANCIAL STATEMENTS  
 FUND BALANCE SHEET - FUND BALANCE SHEET

EXHIBIT 1

ACCOUNTS	FUND BALANCE SHEET				TOTAL FUND BALANCE
	UNASSIGNED	ASSIGNED	COMMITMENT	RESERVED	
<b>REVENUES</b>					
Taxes	1,150,000	7,300,000	1,000,000	1,000,000	10,450,000
License and permit	100,000	500,000	500,000	500,000	1,600,000
Charges for services	100,000	200,000	200,000	200,000	700,000
Interest	100,000	100,000	100,000	100,000	400,000
Grants	100,000	100,000	100,000	100,000	400,000
Other	100,000	100,000	100,000	100,000	400,000
<b>Total</b>	<b>1,550,000</b>	<b>8,300,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>13,850,000</b>
<b>EXPENDITURES</b>					
General	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
Capital	100,000	100,000	100,000	100,000	400,000
Debt	100,000	100,000	100,000	100,000	400,000
Other	100,000	100,000	100,000	100,000	400,000
<b>Total</b>	<b>1,300,000</b>	<b>1,300,000</b>	<b>1,300,000</b>	<b>1,300,000</b>	5,200,000
<b>NET CHANGE</b>	<b>250,000</b>	<b>5,000,000</b>	<b>700,000</b>	<b>700,000</b>	<b>8,650,000</b>
<b>INITIAL BALANCE</b>	<b>1,300,000</b>	<b>3,300,000</b>	<b>1,300,000</b>	<b>1,300,000</b>	<b>5,200,000</b>
<b>FINAL BALANCE</b>	<b>1,550,000</b>	<b>8,300,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>13,850,000</b>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBEVILLE, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN RETAINED EARNINGS -  
 ALL PROPRIETARY FUND TYPES  
 YEAR ENDED JUNE 30, 1994

EXHIBIT D

	PRIMARY GOVERNMENT'S		
	ENTERPRISE	INTERNAL SERVICE	TOTAL (ENTERPRISE ONLY)
<b>OPERATING REVENUES</b>			
Charges for services	\$1,955,318	\$518,382	\$2,473,700
Other		35,321	35,321
Total Operating Revenues	1,955,318	553,703	2,509,021
<b>OPERATING EXPENSES</b>			
Salaries and fringe benefits	388,942		388,942
Repairs and maintenance	122,494		122,494
Depreciation	438,737		438,737
Other operating expenses	398,390	25,148	423,538
Claims paid		248,482	248,482
Insurance premiums		80,474	80,474
Total Operating Expenses	1,352,763	354,104	1,706,867
<b>OPERATING INCOME (LOSS)</b>	602,555	(190,401)	412,154
<b>NONOPERATING REVENUES (EXPENSES)</b>			
AD valorem taxes	308,327		308,327
Interest revenue	18,489		18,489
Interest expense and fiscal charges	(238,834)		(238,834)
Total Nonoperating Revenues (Expenses)	87,982	-	87,982
<b>INCOME (LOSS) BEFORE GOVERNING TRANSFERS</b>	690,537	(190,401)	500,136
<b>OPERATING TRANSFERS (OUT)</b>	(158,058)	-	(158,058)
<b>NET LOSS</b>	(230,439)	(190,401)	(420,840)
<b>RETAINED EARNINGS, BEGINNING OF YEAR</b>	1,246,564	155,882	1,402,446
<b>RETAINED EARNINGS, END OF YEAR</b>	916,125	(48,583)	867,542

The accompanying notes are an integral part of the financial statements.

CITY OF MEMPHIS, LOUISIANA  
 COMBINED STATEMENT OF CASH FLOWS  
 ALL FUNDING FUND TYPES  
 YEAR ENDED JUNE 30, 1998

PERIOD 2

	PRIMARY GOVERNMENT'S		
	ENTERPRISE	INTERNAL SERVICE	TOTAL (MEMPHISAN GOVT)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 278,247	\$ (11,031)	\$ 267,216
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation	474,138		474,138
Provision for doubtful accounts	13,497		13,497
Changes in assets and liabilities			
receivables	(24,480)	(1,000)	(25,480)
due from other funds	1321,450		1321,450
deposits		(1,000)	(1,000)
accounts payable	18,752	(2,070)	16,682
other current liabilities	11,840		11,840
deferred expenses	1,766		1,766
due to other funds	181,372		181,372
customers' deposits	28,483		28,483
Net Cash Provided (Used) by Operating Activities	898,125	(14,101)	884,024
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Operating transfers out	(122,022)	-	(122,022)
Net Cash Used by Noncapital Financing Activities	(122,022)	-	(122,022)
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>			
Issuance of bonds and other indebtedness	870,500		870,500
Ad valorem taxes	308,421		308,421
Contributions in aid of construction	100		100
Acquisition of property, plant, and equipment	(128,181)		(128,181)
Payments of revenue bonds and other indebtedness	(1,389,165)		(1,389,165)
Out of issuing bonds and other indebtedness	(128,851)		(128,851)
Interest paid on long-term debt	(124,882)		(124,882)
Net Cash Used by Capital Financing Activities	(684,068)	-	(684,068)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Redemption (purchase) of investments	181,853		181,853
Interest received	21,832		21,832
Net Cash Provided by Investing Activities	203,685	-	203,685
<b>DECREASE IN CASH</b>	(186,238)	(14,101)	(200,339)
<b>CASH, BEGINNING OF YEAR</b>	718,217	172,363	890,580
<b>CASH, END OF YEAR</b>	\$ 531,979	\$ 158,262	\$ 690,241
<b>CLASSIFIED AS</b>			
Current Assets	\$ 51,852	\$ 123,598	\$ 175,450
Restricted Assets	480,127		480,127
<b>TOTAL</b>	\$ 531,979	\$ 123,598	\$ 655,577

The accompanying notes are an integral part of the financial statements.

## CITY OF MEMPHIS

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1998

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CITY OF LEBESVILLE  
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Leesville, Louisiana (the "City") was incorporated by proclamation of the governor on February 13, 1908. The City operates under a council-administrator form of government.

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

The more significant of the city's accounting policies are described below.

A. The Financial Reporting Entity

The City of Leesville is a municipal corporation governed by an elected seven-member board. The accompanying financial statements present only the data of the primary government.

A primary government is a legal entity or body politic, and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. These financial statements do not include the data of the component units necessary for reporting in conformity with generally accepted accounting principles.

B. Individual component units not included in this report

The City has two component units which are legally separate from the City. The City Marshal and the City Judge are elected by the voters of the City of Leesville. This report does not include these component units.

1. The Leesville City Marshal is responsible for enforcing judgments of city court, maintaining order within the city court, and collection of city court fines.
2. The Leesville City Court is responsible for hearing court cases involving violations of city laws and ordinances and for rendering judgments thereon.

Complete financial statements for each of the two component units can be obtained from their respective administrative offices.

CITY OF LEEVILLE

JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

Administrative Offices:

Leeville City Marshal  
P.O. Box 1486  
Leeville, Louisiana

Leeville City Court  
P.O. Box 1486  
Leeville, Louisiana

C. Related Organizations

The Leeville Housing Authority: The Authority is accountable to the city since the City Council appoints the Authority's board members. However, since the City does not have the ability to impose its will on the authority and so financial benefit/burden relationship exists, the City is not considered financially accountable for the Authority. Accordingly, the Authority is not considered part of the City for financial reporting purposes.

B. Fund Accounting

The City uses funds and account groups to report its financial position and results of 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 of the City are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate "fund types".

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).



CITY OF LEWISVILLE

JUNE 30, 1988

NOTES TO FINANCIAL STATEMENTS

The General Fixed Asset Account Group is used to account for fixed assets other than those used in the proprietary funds.

The General Long-Term Debt Account Group is used to account for long-term debt not accounted for in other funds.

E. 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 modified 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., revenue and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Proprietary funds follow GAAP prescribed by the Governmental Accounting Standards Board and all Financial Accounting Standards Board's standards issued prior to November 30, 1987. All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenue) and decreases (e.g., expense) in net total assets.

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

Those revenues susceptible to accrual are property taxes, franchise taxes, grants, interest revenue, and charges for services. Fines, permits, and license revenue are not susceptible to accrual because generally they are not measurable until received in cash.

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

CITY OF LEBANON

JUNE 10, 1998

NOTES TO FINANCIAL STATEMENTS

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

F. Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with GERP which is also consistent with state law. Annual appropriated budgets are adopted for General, Special Revenue, and Debt Service Funds. All annual appropriations lapse at the end of the fiscal year. Budgets for capital projects are adopted on a project-length basis. Because these non-operating budgets primarily serve as a management control function, no comparison between budgeted and actual amounts for funds budgeted on this basis is provided in this document. Budgets established for proprietary funds are management budgets and as such are not required to be reported in this document.

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

1. The City Administrator prepares a proposed budget and submits it to the Mayor and Council no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, the date of a public hearing is published.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgets are controlled at the fund level. Budgetary amendments involving the transfers of funds from one fund or project to another or involving increases in expenditures resulting from revenues exceeding amounts estimated, require the approval of the City Council. Budgeted amounts shown in the financial statements are as originally adopted or as amended from time to time by the Council.

CITY OF GREENVILLE  
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

G. Encumbrances

Encumbrance accounting, under which purchase orders 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.

H. Cash and Investments

Management considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. Investments, which consist of certificates of deposit, are stated at cost, which approximates market value.

I. Short-Term Interfund Receivables/Payables

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

J. Inventories

INVENTORIES are valued at cost, which approximates market value, using the First-in/First-out (FIFO) method. All inventories are accounted for in the General Fund as assets when purchased and recorded as expenditures or expenses when consumed. Inventory items consumed by other funds are recorded through the interfund receivable/payable accounts.

K. Restricted Assets

Certain proprietary fund assets are classified as restricted assets because their use is limited by applicable bond covenants or by council action. Various "debt service accounts" aggregate resources accumulated for debt service payments of bonds and certificates of indebtedness. "Capital additions and contingencies accounts" are used to report resources set aside to meet unexpected contingencies or to fund when revenues are replaced for the water system. These resources may also be used for debt service if funds are not otherwise available. "Construction accounts" are used to report funds received from loan proceeds that are to be used for construction.

L. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. The City has elected to capitalize public domain ("Infrastructure") fixed assets consisting of certain improvements other

CITY OF LEESVILLE

JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

than buildings, including roads, bridges, sidewalks, and drainage improvements. Fixed assets acquired after 1971 are valued at historical cost if purchased or at market value on the date of donation if donated to the City. The cost of fixed assets acquired prior to 1972 is not recorded and is not included in general fixed assets.

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings, equipment, and vehicles in the proprietary funds is computed using the straight-line method over the estimated useful life.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.

H. Bond Issuance Costs

In governmental fund types, bond issuance costs are recognized in the current period. Bond issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond issuance costs are recorded as deferred charges.

I. Compensated Absences

Accumulated leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of accumulated leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. Accumulated leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the employer and employee.

O. Interfund Transactions

quasi-external transactions are accounted for as revenues, expenditures, or expense. 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. Nonreciprocal or nonexchange permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

CITY OF MONROE

JUNE 30, 1988

NOTES TO FINANCIAL STATEMENTS

F. Long-Term Obligations

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

G. Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds. Reserves represent those portions of fund equity not appropriated for expenditure or legally designated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

H. Retained Earnings - Reserved

Retained earnings - reserved, as reported on the combined balance sheet, represents certain restricted assets accumulated in accordance with the outstanding bond indentures which are in excess of related current liabilities payable from restricted assets or which is restricted for maintenance.

I. Supplemental Wages

Certain employees of the police and fire departments receive supplemental wages from the State of Louisiana. These supplemental wages are recognized as intergovernmental revenue and public safety expenditures in the General and Sales Tax Special Revenue Funds.

J. Memoranda Only - Detail Columns

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

CITY OF LEBANON  
June 30, 1998

NOTES TO FINANCIAL STATEMENTS

5. Estimation

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. CASH AND INVESTMENTS

Under state law, the City may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in United States bonds, treasury notes, time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, investments as stipulated in state law, or any other federally insured investment.

At June 30, 1998, the City had cash and investments as follows:

	UNRECORDED	RECORDED	TOTAL
Cash (demand deposits)	\$2,904,118	\$159,347	\$3,063,465
Cash overdraft (demand deposits)	(179,794)		(179,794)
Investments			
Certificates of deposit	341,559	118,918	460,477
	\$3,065,883	\$278,265	\$3,344,148

At year end, the carrying amount of the City's deposits (demand deposits and certificates of deposit) were \$3,344,148, and bank balances were \$1,848,442. A summary of collateralization of bank balances is presented below.

Insured (Federal deposit insurance)	\$ 388,467
Uncollateralized (in accordance with GAAP - See below)	1,459,975
	\$1,848,442

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the Federal Deposit Insurance must at all times at least equal the amount on deposit with the fiscal agent.

The uncollateralized amount shown above is secured by pledged securities with a market value of \$3,271,857 held in the name of the pledging fiscal agent banks in holding or custodial banks. Even though the pledged securities are considered

**CITY OF LEANSVILLE**  
**JUNE 30, 1988**

**NOTES TO FINANCIAL STATEMENTS**

accruals listed under O&M, Louisiana Revised Statutes impose a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the city that the fiscal agent has failed to pay deposited funds upon demand.

**3. RECEIVABLES**

Receivables at June 30, 1988, consist of the following:

	GOVERNMENTAL FUNDS	PROPRITARY FUNDS	TOTAL
Accounts	TYPE	TYPE	
Uncollected cycle billings	\$	\$178,261	\$178,261
Estimated billings between cycles		82,288	82,288
Other	28,198		28,198
Taxes			
Franchise taxes	88,876		88,876
Intergovernmental			
Federal	261,887		261,887
State	88,182		88,182
Local	1,519		1,519
Interest	1,888		1,888
Other	<u>1,888</u>	<u>3,202</u>	<u>5,090</u>
Grants receivable	482,266	266,189	748,455
Allowance for uncollectible		(11,282)	(11,282)
Net receivables	<u>453,166</u>	<u>624,488</u>	<u>1,077,654</u>

Receivables arising from utility services provided to customers consist of uncollected billings rendered customers on monthly cycle billings and estimated services provided customers between billing cycles. The allowance for uncollectible accounts of \$11,282 represents the projected uncollectible accounts at June 30, 1988.

## CITY OF GREENVILLE

JUNE 30, 1998

## NOTES TO FINANCIAL STATEMENTS

## 4. DUE FROM/TO OTHER FUNDS

Accounts due from and to other Funds at June 30, 1998, consist of the following:

FUND	DUE FROM OTHER FUNDS	DUE TO OTHER FUNDS
General Fund		
Sales Tax Fund	\$ 13,467	\$
E911 Communications District Fund	862	
Airport Construction Capital Project Fund	5,047	
Water System Enterprise Fund	87,472	
Water System Wastewater Debt Service Fund		11,094
Industrial Park Buildings Construction Fund		1,372
Sewer System Enterprise Fund		
Current		68,472
General obligation bond debt service accounts		18,046
Special Revenue Funds		
Sales Tax Fund		
Water System Enterprise Fund	82,000	
General Fund		13,487
Sewer System Enterprise Fund		112,000
Economic Development Fund		
LCRMS Capital Project Fund		8,124
E911 Communications District Fund		
General Fund		862
Debt Service Funds		
Water System Wastewater		
General Fund	11,094	
Capital Project Funds		
Airport Construction Fund		
General Fund		5,047
Industrial Park Buildings Construction Fund		
General Fund	1,372	
LCRMS Capital Project Fund		
Economic Development Special Revenue Fund	8,124	
Enterprise Funds		
Sewer System Enterprise Fund		
General Fund	68,472	
Sales Tax Fund	112,000	
Water System Enterprise Fund	221,908	



CITY OF LEANSVILLE  
 JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

FUND	DEB FROM OTHER FUNDS	DEB TO OTHER FUNDS
Water System Enterprise Fund		
General Fund	\$	\$ 32,434
Sales Tax Fund		85,000
Sewer System Enterprise Fund		311,389
	<u>874,808</u>	<u>887,484</u>
Included in restricted assets		
Sewer System Enterprise Fund		
General Fund	<u>32,188</u>	<u>0</u>
	<u>\$874,808</u>	<u>\$887,484</u>

5. RESTRICTED ASSETS - PROPRIETARY FUND TYPE

Restricted assets, at June 30, 1998, consisted of the following:

	UNDEB	UNDEB	TOTAL
Cash	\$258,127	\$3,828	\$261,955
accrued interest receivable	1,158		1,158
Investments	124,878		124,878
Deb from General Fund	<u>26,565</u>	<u>0</u>	<u>26,565</u>
	<u>\$382,821</u>	<u>\$3,828</u>	<u>\$386,649</u>

Restricted assets, by account, at June 30, 1998, consisted of the following:

	UNDEB	UNDEB	TOTAL
Revenue bond debt service account			
Cash	\$	\$2,848	\$ 2,848
Construction account			
Cash	31,683		31,683
General obligation bonds debt service account			
Cash	284,338		284,338
accrued interest receivable	1,158		1,158
Investments - certificates of deposit	124,878		124,878
Deb from General Fund	<u>26,565</u>	<u>0</u>	<u>26,565</u>
Certificates of indebtedness debt service account			
Cash		<u>1,134</u>	<u>1,134</u>
	<u>\$382,821</u>	<u>\$3,828</u>	<u>\$386,649</u>

CITY OF LOUISVILLE  
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

8. **FIXED ASSETS**

The following is a summary of changes in fixed assets during the fiscal year.

	BALANCE 1/1/98	ADDITIONS	COMPLETED CONSTRUCTION/ DEDUCTIONS	BALANCE 6/30/98
<b>GENERAL FIXED ASSET</b>				
<b>ACCOUNT GROUP</b>				
Land	\$ 128,486	\$	\$	\$ 128,486
Buildings	1,288,488	411,645	1,175,774	4,875,317
Other improvements	18,128,323	18,288	1,758,885	16,388,468
Equipment	2,569,885	221,981		2,791,867
Construction in progress	<u>2,152,284</u>	<u>2,521,112</u>	<u>14,834,880</u>	<u>85,828</u>
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$22,267,466</b>	<b>\$3,232,727</b>	<b>\$</b>	<b>\$24,499,193</b>
<b>PROPRIETARY FUNDS</b>				
<b> sewer System</b>				
Land	\$ 128,078	\$	\$	\$ 128,078
Treatment plant	8,958,943	128,858		9,087,801
sewer disposal system	2,475,088			2,475,088
Equipment and vehicles	<u>125,252</u>	<u>52,188</u>		<u>177,440</u>
Total Sewer System	<u>9,687,361</u>	<u>181,046</u>	<u>-</u>	<u>9,868,407</u>
<b>Water System</b>				
Land	37,225			37,225
plant and system	5,488,578		488,127	6,003,480
Equipment and Vehicles	<u>228,604</u>	<u>48,783</u>		<u>277,387</u>
Construction in progress	<u>448,528</u>	<u>182</u>	<u>(448,127)</u>	<u>-</u>
Total Water System	<u>6,162,935</u>	<u>49,968</u>	<u>-</u>	<u>6,612,903</u>
Total Proprietary Funds	<u>818,968,734</u>	<u>\$ 247,014</u>	<u>\$</u>	<u>14,213,791</u>
Accumulated Depreciation				<u>13,818,812</u>
<b>NET FIXED ASSET - PROPRIETARY FUNDS</b>				<b>\$3,395,179</b>

In the enterprise funds, the following useful lives are used to compute depreciation using the straight-line method.

Production and distribution system	25-50 years
Buildings and improvements	10-25 years
Equipment	5-8 years
Vehicles	3-6 years

## CITY OF LENOIRVILLE

JUNE 30, 1998

## NOTES TO FINANCIAL STATEMENTS

Depreciation expense recorded in the financial statements for the fiscal year ended June 30, 1998, amounted to \$225,512 for the sewer Enterprise Fund and \$281,413 for the Water Enterprise Fund.

Significant construction projects are summarized below:

	PROJECT APPROPRIATION	EXPENSED TO DATE	COMPLETED	RECEIVED- PAIDEE FINANCING
North Industrial Park Building	\$700,000	\$44,841	\$453,515	(*)

(\*) Financing provided by a state grant.

### 3. LONG-TERM DEBT AND CAPITALIZED LEASES

General Obligations Bonds: General obligation liabilities are direct obligations and pledge the full faith and credit of the City. The City has incurred these liabilities to provide funds for the acquisition and construction of major additions and to provide funds for major capital projects. The City has also issued general obligation bonds for sewer improvements. In accordance with GAAP, these bonds are reported in the Sewer Enterprise Fund. The City has dedicated ad valorem tax collections for payment of these liabilities.

The City's obligations relative to the governmental funds' liability for compensated absences is reported as a general obligation debt.

The City has also issued general obligation certificates of indebtedness. These certificates, which were issued for sewer and water system improvements, and are being repaid from sewer and Water System Revenues, are reported in the respective Enterprise Funds. The other certificates, which are being repaid from General Fund revenues, are reported in the General Long-Term Debt Account Group.

Revenue Bonds: The City has issued two types of revenue bonds. The first type is sales revenue bonds whereby the City pledges income derived from the acquired or constructed assets to pay for the debt service. The second type is sales tax revenue bonds whereby the City has pledged revenue from specifically dedicated sales tax collections to pay debt service.

CITY OF ANNISTON  
 JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

Long-term debt as June 30, 1998, consisted of the following:

	Maturity Date	Interest Rate	Encumbrance	Original Long-Term Debt
<b>General Obligation Debt</b>				
<b>General obligation bonds</b>				
Water system refunding (1993)	04/01/2003	6.20-6.70%	\$	\$ 700,000
Water system improvements (1994)	03/15/2015	7.50%	2,340,000	
Sanitary District No. 3 (1994)	03/10/2005	7.00%	2,140,000	
<b>Certificates of indebtedness</b>				
Water system improvements (1994)	10/01/2001	4.50%	800,000	
Economic development (1994)	04/01/2005	6.00%		510,000
Water system improvements (1997)	03/01/2007	6.25%	300,000	
<b>Notes payable</b>				
Economic development (1994)	05/01/2000	6.50%		200,000
Economic development (1998)	03/01/2000	6.50%		200,000
<b>Capitalized leases</b>				
Police cars (1994)	04/10/1998	7.25%		9,485
Police cars (1997)	12/10/1999	6.00%		31,117
Public works trucks (1997)	09/01/2002	6.00%		61,200
Water system trucks (1997)	05/01/2002	6.00%	20,540	
Water system trucks (1997)	05/01/2002	6.00%	41,880	
Computer equipment and software (1998)	04/01/2002	8.25%		33,343
Computerized equipment				176,704
<b>Revenue bonds</b>				
<b>Sales tax revenue bonds</b>				
Streets, drainage, and power improvements (1994)	04/01/2005	5.40-5.45%		2,370,000
Water Treatment Plant Refunding (1998)	04/01/2000	4.20-5.75%	118,800	
			4,535,420	4,292,544
<b>Grass</b>				
Deferred amount on refunding Water revenue bonds (1994)			111,351	
<b>Total</b>			38,404,208	38,292,244

## CITY OF LEEVILLE

JUNE 30, 1998

## STATE OF FINANCIAL STATEMENTS

The annual requirements to amortize all debts outstanding as of June 30, 1998, other than compensated absences, including interest of \$2,824,482 are as follows:

YEAR ENDING JUNE 30,	INTEREST	GENERAL	
		DEBT	ISSUE
1999	\$ 749,124	\$ 718,024	\$ 1,467,150
2000	754,144	694,520	1,450,674
2001	744,034	683,428	1,430,463
2002	748,248	668,179	1,414,428
2003	918,028	683,423	1,600,452
2004-2015	4,158,345	1,538,204	8,358,549
	\$8,263,923	\$5,988,248	\$13,244,199

Total interest and fiscal charges incurred by governmental funds on general long-term debt amounted to \$319,177, for the current period. Total interest and fiscal charges incurred by proprietary funds amounted to \$394,414.

During the year ended June 30, 1998, the following changes occurred in long-term liabilities:

	BALANCE 1/1/98	ADDITIONS	REDUCTIONS	BALANCE 6/30/98
General long-term debt Account Group				
General obligation bonds	\$ 815,000	\$	\$ (115,000)	\$ 700,000
Certificates of indebtedness	585,000		(48,000)	537,000
Notes payable	-0-	576,000	(4,000)	572,000
Capitalized leases	126,000	34,000	(49,000)	111,000
Compensated absences	149,433	27,291		176,724
Sales tax revenue bonds	2,820,888		(128,588)	2,692,300
Totals	4,896,321	637,291	(181,588)	5,351,924
Enterprise Fund Debt				
General obligation bonds	4,587,428	13,880	(148,000)	4,453,308
Certificates of indebtedness	1,580,000		(328,000)	1,252,000
Capitalized leases	-0-	47,525	(5,000)	42,525
Water Revenue Bonds	287,482	298,000	(129,448)	456,034
Totals	\$7,454,930	\$359,405	\$510,448	\$7,293,887

**Estimated Debt:** On January 1, 1998, the city issued \$790,000 in Water Revenues Bonds, Series 1998, with interest rates ranging from 4.54 to 7.794 to advance refund \$845,488 of outstanding Water Revenue Bonds, Series 1999, with an interest rate of 1%. The net proceeds of \$775,000 (after payment of issuance costs of \$17,319) plus an additional \$296,311 in funds reserved for debt service were deposited in an irrevocable trust with an escrow agent. The escrow agent purchased U.S. Government securities with these proceeds to provide for debt

CITY OF LEANSVILLE

JUNE 30, 1988

BOOKS TO FINANCIAL STATEMENTS

debt service on the Series 1989 bonds. As a result, the \$247,488 in Series 1989 bonds are considered defeased and the liability for those bonds has been removed from the books.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$194,787. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2008 using the effective interest method. The City defeased the Series 1989 bonds to reduce the total debt service payments over the next 18 years by \$387,871 and to obtain an economic gain (the difference between the present values of the old and new debt service payments) of \$74,293.

The City has defeased the Water Revenue Bonds, Series 1989, by placing sufficient funds in an irrevocable trust to provide for all future debt service payments on the bonds. Accordingly, the assets of the trust account and the liability for the defeased bonds are not included in the City's financial statements. At year end, defeased bonds outstanding consisted of \$634,128 of the Series 1989 bonds.

General Obligation Bonds, Series 1985 of the City of Leansville and Sewer Obligation Bonds, Series 1985, of Sewer District No. 1 of the City of Leansville:  
The material provisions of these bond agreements are as follows:

1. In compliance with the special election held on November 9, 1984, the City shall levy and collect annually ad valorem taxes in an amount sufficient to pay, when due, principal and interest on the bonds. The tax shall be expended only for the purpose of paying promptly when due the principal and interest on the bonds.
2. The City will, in accordance with prudent wastewater utility treatment practice, (i) at all time operate the properties of its System in an efficient manner; (ii) maintain the System in good repair working order and operating condition; and (iii) from time to time make all necessary and proper repairs, renewals, replacements, additions, betterments, and improvements with respect to its System so that at all times the business carried on in connection therewith shall be properly and advantageously conducted.
3. The City will keep accurate records and accounts for the System separate and distinct from its other records and accounts in accordance with generally accepted government accounting standards.
4. The City will establish a user charge system to assure that each recipient of wastewater treatment services will pay a proportionate share of the costs of operation and maintenance, including any necessary replacement of portions of the System.

CITY OF LEASVILLE  
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

3. There shall be established a separately identifiable fund or account to be designated the General Obligation Bond Sinking Fund. All monies from the collection of the ad valorem taxes shall be used solely to pay principal of and interest on the bonds.
4. There shall be established a separately identifiable fund or account to be designated the Sewer System Renewal and Replacement Fund. There shall be transferred to this fund, on or before the twentieth (20th) day of each month of each year, beginning no later than the first full month after the lease closing, an amount equal to five percent (5%) of net revenues collected in the prior calendar month until the balance in the renewal and replacement fund equals to \$75,000. All monies in the renewal and replacement fund may be drawn on and used by the System for the purpose of paying the costs of any unusual and extraordinary maintenance and any improvements to the System which will either enhance the System's producing capacity or provide a higher degree of service.

Violation of the Indentures for the General Obligation Bonds, Series 1993 of the City of Leasville and General Obligation Bonds, Series 1995, of Sewer District No. 3 of the City of Leasville:

1. Section 3-1 of the agreement provides taxes collected shall be used solely to pay principal and interest on the bonds. However, \$48,587 was transferred from the sinking fund to operations during the year ended June 30, 1998.
2. Funds were not transferred to the Sewer System Renewal and Replacement Fund in accordance with Section 3-3 of the agreement.

Certification of Indebtedness, Series 1996: The agreement requires that the City transfer monthly to a debt service sinking fund one-twelfth (1/12) of the next interest payment due and one-twelfth (1/12) of the next principal payment due.

Violation of the Certification of Indebtedness, Series 1996 Agreement: Transfers were not made to the sinking fund as required by the agreement. A deficit of \$154,413 existed in the sinking fund at year-end.

Certification of Indebtedness, Series 1997: The agreement requires that the City transfer monthly to a debt service sinking fund one-twelfth (1/12) of the next interest payment due and one-twelfth (1/12) of the next principal payment due.

Violation of the Certification of Indebtedness, Series 1997 Agreement: Transfers were not made each month to the sinking fund as required by the agreement. Deficits existed in the sinking fund at various times during the year. These were funded by periodic lump-sum transfers. There was no deficit in the sinking fund at year-end.

CITY OF LEEVILLE

JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

Water System Refunding Series 1998 Bonds: The material provisions of water system refunding bond covenants are as follows:

1. The City will establish a rate structure sufficient to pay the necessary operating expenses, principal, and interest on the bonds. Revenues after paying operating expenses must be at least 100% of the largest amount of principal and interest maturing in any future fiscal year.
2. The City will transfer monthly to a debt service sinking fund amount (1/4) of the next interest payment due and one-twelfth (1/12) of the next principal payment due.
3. The City will transfer monthly to the contingency fund an amount equal to five percent of the amount transferred to the sinking fund. Monies in this fund may be used for extensions, additions, improvements and replacements, and to pay principal and interest if funds are not otherwise available.
4. After funding necessary operations, sinking fund requirements, and contingency fund requirements, any remaining funds may be used for any lawful purpose of the City.

Violations of the Water System Refunding Bonds, Series 1998, Covenants:

1. Monthly sinking fund transfers were not made as required by the agreement. A deficit of \$24,385 existed in the sinking fund at year-end.
2. Monthly transfers were not made to the contingency fund as required by the agreement. A deficit of \$1,883 existed in the contingency fund at year-end.
3. Operating transfers were made to the General Fund prior to funding the above sinking and contingency funds.

Series 1998 Revenue Bonds: The material provisions of water tax revenue bond covenants are as follows:

1. The bonds and interest thereon are payable from the pledge and dedication of the City's sales tax.
2. The City will transfer monthly to a debt service sinking fund one-sixth (1/6) of the next interest payment due and one-twelfth (1/12) of the next principal payment due.



## CITY OF LEANSVILLE

JUNE 30, 1988

## NOTES TO FINANCIAL STATEMENTS

- The City will establish a reserve fund in the amount of \$385,000. Monies in this fund may be used for principal and interest payments, if necessary.
- Parity bonds may be issued if certain conditions are met.

Violation of Sales Tax Revenue Bond Covenants:

- Transfers were not made each month to the sinking fund as required by the covenants. A deficit of \$48,192 existed in the sinking fund at year end.
- Operating transfers were made to other funds prior to funding the above sinking fund.

**8. CONTRIBUTED CAPITAL**

The following changes occurred in contributed capital during the year ended June 30, 1988:

	SEWER	WATER	TOTAL
Balance, beginning of year	\$2,982,238	\$2,398,212	\$5,373,251
ADDITIONS			
Improvements			
Other city funds		198	198
Balance, end of year	\$2,982,238	\$2,398,212	\$5,373,249

**9. RESERVED RETAINED EARNINGS**

At June 30, 1988, reserved retained earnings consisted of the following:

	SEWER	WATER	INTERPOL.	TOTAL
	RESERVE	RESERVE	RESERVE	
Reserved for				
Construction	\$ 71,000	\$	\$	\$ 71,000
General obligation bond				
debt service	78,250			78,250
Employee benefits			142,018	142,018
	\$149,250	\$-	\$142,018	\$291,268

## CITY OF LEXINGTON

JUNE 30, 1998

## NOTES TO FINANCIAL STATEMENTS

## 10. RESERVED FUND BALANCES

At June 30, 1998, reserved fund balances consisted of the following:

	ECONOMIC DEVELOPMENT	DEBT SERVICE	TOTAL
Reserved for Economic Development	\$201,590	\$	\$201,590
Debt service		\$22,434	\$22,434
	<u>\$201,590</u>	<u>\$22,434</u>	<u>\$224,024</u>

## 11. ACCUMULATED DEFICITS

Accumulated deficits existed in the following individual funds at year end:

Sales Tax Special Revenue Fund	\$ 1,838
Industrial Park Buildings Construction Fund	351,334
Water System Enterprise Fund	226,114

The deficit in the Sales Tax Special Revenue Fund is expected to be funded by future sales tax collections.

The deficit in the Industrial Park Buildings Construction Fund is expected to be funded by an operating transfer from the Economic Development Special Revenue Fund. All transfers from the Economic Development Special Revenue Fund must be approved by the state. State approval was obtained subsequent to year-end.

The deficit in the Water System Enterprise Fund is primarily attributable to depreciation of fixed assets acquired with contributed capital. Combining contributed capital with the deficit in retained earnings results in a fund equity balance of \$2,045,991.

## 12. AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City normally on November 15 and are due on December 1. Billed taxes become delinquent on January 1 of the following year. Revenue from ad valorem taxes are budgeted in the year billed. The City bills and collects its own property taxes using the assessed values determined by the tax assessor of various parishes.

For the year ended June 30, 1998, taxes of 26.28 mills were levied on property with assessed values totaling \$29,179,829, and were dedicated as follows:

General maintenance purposes	5.15 mills
Debt service	19.98 mills

## CITY OF MEMPHIS

JUNE 30, 1988

## NOTES TO FINANCIAL STATEMENTS

TOTAL TAXES levied were \$409,390. All taxes were paid prior to the end of the current fiscal year; therefore, no allowance for doubtful accounts is provided.

**22. ENTERPRISE FUNDS - OPERATIONS**

The City operates two enterprise funds which provide sewer and water services to the residents of the City and certain adjacent areas. The following is a condensed summary of operations and other information for these funds.

	SEWER	WATER	TOTAL
Operating revenues	\$ 448,824	\$1,887,486	\$ 2,336,310
Operating expenses			
depreciation	(323,132)	(261,425)	(584,557)
Other	(253,432)	(209,815)	(463,247)
Operating income (loss)	(127,740)	816,246	688,506
Nonoperating revenues (expenses)			
Net income taxes	368,327		368,327
Interest revenues	8,319	16,242	24,561
Interest and financial charges	(171,045)	(128,948)	(300,000)
Operating transfers out - general fund	(128,898)	(268,898)	(397,796)
Net income (loss)	\$ 29,511	\$ (290,348)	\$ (260,837)
Other information:			
Current capital contributions	\$ -	\$ 198	\$ 198
Net working capital	488,831	1716,138	2,204,969
Total assets	\$ 9,328,788	\$ 6,318,338	\$ 15,647,126
Revenue bonds payable		774,900	774,900
General obligation bonds payable	4,318,000		4,318,000
Certification of indebtedness payable	228,000	618,900	846,900
Total equity	\$ 4,782,788	\$ 2,925,538	\$ 7,708,326

**23. EMPLOYEE BENEFIT INSURANCE**

The City maintains a trust to finance employee hospitalization/health insurance and certain employee life insurance. Resources accumulated for health coverage in the trust are allocated for in the Employee Benefits Insurance Fund (an internal service fund). Under this program, the Employee Benefits Insurance Fund normally provides coverage for a maximum of \$15,000 for each covered employee's (and dependent's, if applicable) qualifying health claims. The Fund's normal aggregate retained loss per plan year is \$2,000,000. The Employee Benefits Insurance Fund purchased commercial insurance for health claims in excess of coverage provided and for certain employee life insurance. Under the terms of the trust agreement, the net assets of the Fund, \$142,879, at June 30, 1988, may only be used to provide employee benefits.

## CITY OF LEBERVILLE

JUNE 30, 1998

## NOTES TO FINANCIAL STATEMENTS

All funds of the City and covered employees participate in the program and make payments to the Employee Benefits Insurance Fund. The claims liability of \$18,125 reported in the Fund at June 30, 1998, is based upon GRAP, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Fund's claim liability amount in the fiscal year ending June 30, 1998, were as follows:

Balance, beginning of year	\$ 31,498
Current year claims	248,893
Claim payments	(262,266)
Balance, end of year	\$ 18,125

## 13. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft or damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City carries commercial insurance as outlined in the following table. Settled claims did not exceed commercial coverage for any of the past three fiscal years.

	LIMITS OF COVERAGE
Workers' compensation auto liability	Statutory \$ 500,000
Commercial general liability	1,000,000
Law enforcement officers' liability (deductible \$5,000)	500,000
City-owned buildings and equipment - fire, lightning, and extended coverage	2,000,000

The City covers all other losses, claim settlements, and judgments from General Fund resources. The City annually reports all of its risk management activities in its General Fund. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The City is party to legal proceedings involving suits filed against the City for various reasons. Some of these suits claim damages that are material in amount. The exact of losses, if any, that may arise from these suits can not be reasonably estimated. Management does not believe that the City is exposed to any material losses not covered by insurance. No provision for losses is included in the financial statements.

## CITY OF LEBANVILLE

JUNE 30, 1998

## BOOKS TO FINANCIAL STATEMENTS

## 14. COMPENSATION PAID TO MAYOR AND CITY COUNCIL

In accordance with the requirements of the Office of the Legislative Auditor, State of Louisiana, the following reflects compensation paid to the Mayor and members of the City Council of the City of Lebanonville, Louisiana, for the fiscal year ending June 30, 1998.

Mayor James E. Shephard, Jr.	212,880
Council Members	
William M. Elliott	4,800
Jerry L. Jenke	4,200
Joseph P. McKee	4,800
Marshall C. Pittman	4,800
Allen P. Spitzer	3,800
Rodney G. Walls	4,175

## 17. PUBLIC EMPLOYEES' RETIREMENT SYSTEMS

The City contributes to three statewide non-sharing, multiple-employer, defined benefit public employee retirement systems. These consist of the Municipal Police Employees' Retirement System of Louisiana (MPERS), the Firefighters' Retirement System (FRS), and the Louisiana State Employees' Retirement System (LARES).

**MPERS.** Membership is mandatory for all full-time police officers employed by the City, provided they meet statutory criteria. Any member is eligible for annual retirement benefits after he has been a member of the System for one (1) year, if he has twenty-five (25) years of creditable service at any age, or if he has twenty (20) years of creditable service and is age fifty (50), or has twelve (12) years of creditable service and is age fifty-five (55). Benefit rates are three and one-third percent (3 1/3%) of final compensation per number of years of creditable service not to exceed one hundred percent (100%). Benefit and contribution requirements are established by state law. MPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Municipal Police Employees' Retirement System, P. O. Box 84885, Baton Rouge, LA 70884-8885.

Members are currently required to contribute seven and one-half percent (7 1/2%) of their annual salary to the system, including supplemental pay. The City contributes an actuarially determined rate, presently set at nine percent (9%) of the member's salary, including supplemental pay.

**FRS.** This Plan is a defined benefit pension plan covering firemen employed by a municipality, parish, or fire protection district of the state hired after December 31, 1979. Employees with twenty (20) or more years of service who have attained age fifty (50), employees who have twelve (12) years of service who have attained age fifty-five (55), or employees who have twenty-five (25) years of

CITY OF LEANSVILLE

JUNE 30, 1978

NOTES TO FINANCIAL STATEMENTS

service at any age are entitled to annual pension benefits equal to three and one-third percent (3 1/3%) of their average final compensation based on the thirty-six (36) consecutive months of highest pay multiplied by their total years of service, not to exceed one hundred percent (100%). Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. If employees terminate before reaching twelve (12) years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to their employer's contributions. Benefits are payable over the employees' lives in the form of a monthly annuity. Benefits and contribution requirements are established by state law. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Firefighters' Retirement System, 1108 Boulevard Drive, Baton Rouge, LA 70802.

Members are currently required to contribute eight percent (8%) of their annual salary, including supplemental pay to the Plan. The City contributes an actuarially determined rate, presently at nine percent (9%) of the member's salary, including supplemental pay.

**MEMBERS.** All state employees except certain classes of employees specifically excluded by statute become members of the system as a condition of employment. Statewide elected officials and officials appointed by the governor may, at their option, become members of the System. The only member of this System from the City of Leesville is the city court judge. The age and years of creditable service required in order for a member to retire with full benefits are established by statute and vary depending on the member's employer and job classification. The substantial majority of members may retire with full benefits at ages ranging from any age upon completing thirty (30) years of creditable service to age sixty (60) upon completing ten (10) years of creditable service.

The basic annual retirement benefit for substantially all members is equal to two and one-half percent (2 1/2%) of average compensation multiplied by the number of years of creditable service plus three hundred dollars (\$300). Average compensation is defined as the member's average annual earned compensation for the period of thirty-six (36) consecutive months of employment during which the member's aggregate earned compensation was greatest. The minimum annual retirement benefit cannot exceed the lesser of one hundred percent (100%) of average compensation or certain specified dollar amounts or actuarially determined monetary limits which vary depending upon the member's age at retirement. Judges and court officers and certain elected officials receive an additional annual retirement benefit equal to one percent (1%) of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the above basic retirement benefit, a member may elect to receive his retirement benefits under any one of four different options providing for a reduced retirement benefit payable throughout his life with certain benefits being paid to his designated beneficiary after his death.

CITY OF LEBLANCHE  
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

Benefit and contribution requirements are established by state law.

LASERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to P. O. Box 48213, Baton Rouge, LA 70804-4213.

Judges, court officers, and legislators contribute eleven and one-half percent (11 1/2%) of their salary to the System. The City contributes an actuarially determined rate, presently set at 1% of the member's annual salary.

Required contributions. The City made the following required contributions to the various pension plans:

YEAR ENDING	SPRS	ERS	LASERS	TOTALS
6/30/98	128,788	\$24,122	\$400	\$43,310
6/30/97	41,793	23,885	400	\$4,324
6/30/96	35,113	18,830	432	\$4,375

18. DEFINED CONTRIBUTION PLAN

The City sponsors a defined contribution pension plan (the Plan) to provide benefits at retirement to all full-time employees who elect to participate. The Plan is administered by Public Employees Benefit Services Corporation. At June 30, 1998, there were 23 participants in the Plan. Plan members are required to contribute 3% of covered salary. The City is required to contribute 3% of the participant's covered salary. Plan provisions and contribution requirements are established by and may be amended by the City Council. Participant contributions were \$29,964 for the year ending June 30, 1998. Employer contributions were \$40,878. Participant and employer contributions are recognized in the period that the contributions are due.

19. SUPPLEMENTAL PAY

Certain employees meeting statutory qualifications in the police and fire departments receive supplemental pay directly from the State of Louisiana. This supplemental pay in the amount of \$121,396 is recognized as revenue and expenditures in the General Fund and Sales Tax Special Revenue Fund as follows:

General Fund	
Police	\$ 75,348
Sales Tax Special Revenue Fund	
Fire	46,048
	\$121,396

CITY OF LOUISVILLE  
JUNE 30, 1988

NOTES TO FINANCIAL STATEMENTS

10. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following individual governmental funds had expenditures, including transfers out, exceeding appropriations as approved in the budget:

	EXPENDITURES	APPROPRIATIONS	EXCESS
General Fund	\$3,847,329	\$2,325,258	\$1,522,071
Special Revenue Funds			
Sales Tax Fund	1,422,711	1,328,335	\$94,376
K-11 Communications			
District Fund	259,474	231,878	27,596
Law Enforcement Block			
Grant Fund	21,188	18,448	2,740

11. LEGAL COMPLIANCE

The following violations of state statutes occurred during the fiscal year:

- (1) Complete records, as required by Louisiana Revised Statutes for fixed assets for which the City is accountable, are not maintained.
- (2) Actual expenditures exceeded budgeted expenditures by five percent (5%) or more in the General Fund and Sales Tax Special Revenue Fund. In both cases the excess of actual expenditures over budgeted expenditures was due to year-end audit adjustments.
- (3) An excess of expenditures over available resources was inadvertently budgeted in the General Fund.

12. CITY AS LESSEE

On May 15, 1980, the City leased to a tenant land and buildings at the North Louisville Industrial Park for a term of 10 years with rental payments of \$7,000 per month for the first 5 years and \$1,000 per month for the next 5 years. The tenant has the option to extend the term of this lease for two additional 5 year periods for a rental of \$5,000 per month. The cost of land and buildings leased to the tenant, which are included in general fixed assets and, therefore, not subject to depreciation, is \$3,381,878.

Total lease revenues for the fiscal year, consisting solely of minimum rentals on the above lease, amounted to \$14,000.



## CITY OF LEXINGTON

JUNE 30, 1998

## NOTES TO FINANCIAL STATEMENTS

Minimum future rentals receivable on this lease, as of June 30, 1998, for each of the next five years and in aggregate are:

YEAR ENDED JUNE 30,	AMOUNT
1999	\$ 84,000
2000	84,000
2001	84,000
2002	84,000
2003	84,000
Thereafter	258,000
	\$784,000

## 25. YEAR 2000 ISSUE

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the City's operations as early as fiscal year 1999.

The City has completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 issue and that are necessary to conducting City operations and has identified such systems as being financial reporting, payroll, water and sewer accounts receivable, and cash receipts. The City relies on a vendor to provide these systems and for assessment, remediation, testing, and validation of these systems as being Year 2000 compliant.

During the year ended June 30, 1998, the vendor assessed, remediated, tested, and validated the water and sewer accounts receivable and the cash receipts systems. As of June 30, 1998, the financial reporting and payroll systems were being assessed by the vendor. During the year ended June 30, 1998, the City entered into a capital lease for \$34,500 with the vendor for upgrades of the above systems. No additional funds were committed to this project as of June 30, 1998.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of the related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Management can not assure that the City is or will be Year 2000 ready, that the City's remediation efforts will be successful in whole or in part, or that justice with whom the City does business will be Year 2000 ready.

**COMPENSATION, INDIVIDUAL FUNDS, AND ACCOUNT  
GROUP FINANCIAL STATEMENTS AND SCHEDULES**

**GENERAL FUND**

This is the general operating fund of the City and is used to account for operations traditionally associated with a city which are not required to be accounted for in another fund.

CITY OF LAKESHIRE, LOUISIANA  
 GENERAL FUND  
 BALANCE SHEET  
 JUNE 30, 1998

	DEBIT 8-3
<b>ASSETS</b>	
Cash	\$ 28,333
Receivables	
Taxes	88,878
Intergovernmental	88,003
Other	1,488
Due from other funds	
Sales Tax Special Revenue Fund	13,483
8811 Communications District Special Revenue Fund	883
Airport Construction Capital Project Fund	5,849
Water System Enterprise Fund	57,411
Inventory	27,860
<b><u>TOTAL ASSETS</u></b>	<b><u>\$212,388</u></b>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Cash overdraft	\$ 78,881
Accounts and contracts payable	84,838
Other current liabilities	53,281
Due to other funds	
Civil Center Bonds Debt Service Fund	
Water System Bonds Debt Service Fund	11,894
Industrial Park Buildings Construction Fund	1,873
Water System Enterprise Fund	
Operating	48,873
General obligations bonds debt service accounts	28,588
<b>TOTAL LIABILITIES</b>	<b>112,354</b>
<b>FUND BALANCE</b>	
Unreserved - undesignated	_____
<b><u>TOTAL LIABILITIES AND FUND BALANCE</u></b>	<b><u>\$212,388</u></b>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBLANCHE, LOUISIANA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 1998

EXHIBIT P-1

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Taxes	\$ 373,300	\$ 422,825	\$ 49,525
Licenses and permits	317,300	317,300	0
Charges for services	46,815	44,869	(1,946)
Intergovernmental	232,345	266,818	34,473
Fines and forfeitures	134,250	134,887	737
Interest	10,370	0,000	(10,370)
Other	72,830	11,288	(61,542)
Total Revenues	<u>1,352,510</u>	<u>1,398,387</u>	<u>45,877</u>
<b>EXPENDITURES</b>			
<b>CURRENT</b>			
General government	481,380	495,445	14,065
Public safety	1,814,785	1,852,822	38,037
Public works	488,385	525,382	36,997
Economic development	87,870	91,512	3,642
Debt service	-	50,384	(50,384)
Capital outlay	38,325	612,343	574,018
Total Expenditures	<u>2,910,665</u>	<u>3,528,388</u>	<u>(617,723)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(558,155)</b>	<b>(1,130,001)</b>	<b>(571,846)</b>
<b>OTHER FINANCING RESOURCES (USES)</b>			
Operating transfers in:			
Sales Tax Special Revenue Fund	150,000	150,000	-
Water System Enterprise Fund	-	95,000	95,000
Water System Enterprise Fund	588,000	588,000	-
Loan proceeds	-	575,000	575,000
Capital lease proceeds	-	34,000	34,000
Certificates of indebtedness			
Gen. Service Fund	185,000	185,000	-
Total Other Financing Resources	<u>733,000</u>	<u>1,347,000</u>	<u>614,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(425,155)</b>	<b>(783,001)</b>	<b>(642,156)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>515,324</b>	<b>321,323</b>	<b>(194,001)</b>
<b>RESIDUAL EQUITY TRANSFER</b>	<b>-</b>	<b>38,323</b>	<b>38,323</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ (409,831)</b>	<b>\$ (461,678)</b>	<b>\$ (51,847)</b>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBLANCHE, LOUISIANA  
 GENERAL FUND  
 STATEMENT OF REVENUES - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 1980

EXHIBIT P-1

REVENUES	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>Taxes</b>			
Ad valorem	\$ 174,895	\$ 132,800	\$(41,297)
Franchise	194,443	204,442	9,977
Other	2,770	2,773	3
Totals	<u>372,108</u>	<u>439,915</u>	<u>67,808</u>
<b>Licenses and permits</b>			
Occupational licenses	285,820	289,870	4
Beer and liquor permits	12,825	12,820	(5)
Building permits	18,150	18,149	(1)
Other licenses and permits	1,800	1,800	—
Totals	<u>317,595</u>	<u>322,739</u>	<u>5,144</u>
<b>Charges for Services</b>			
Animal shelter	7,100	7,100	—
Inspection fees	10,700	10,700	—
Police department fees	23,800	21,728	(2,072)
Totals	<u>41,600</u>	<u>39,528</u>	<u>(2,072)</u>
<b>Intergovernmental</b>			
<b>Federal</b>			
Law enforcement	10,025	28,385	17,270
<b>STATE</b>			
Video paper commissions	48,100	87,820	39,820
State tobacco tax	18,100	20,187	2,087
State beer tax	28,140	28,640	4,500
Fire insurance rebates	22,478	22,471	(7)
Highway maintenance	2,175	19,200	17,025
Supplemental pay - police	—	75,200	75,200
Other	18,975	20,978	2,003
Totals	<u>222,743</u>	<u>362,410</u>	<u>139,667</u>
<b>Fines and forfeitures</b>			
City court	124,238	124,947	711
<b>Interest</b>	18,978	8,822	(10,156)
<b>Other</b>			
Miscellaneous	27,828	11,200	(16,628)
<b>TOTAL REVENUES</b>	<u>\$1,382,320</u>	<u>\$1,322,245</u>	<u>\$(60,075)</u>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBLANCHE, LOUISIANA  
 GENERAL FUND  
 STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 1999

EXHIBIT F-4

CURRENT	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>General Government</b>			
Executive Department			
Salaries	\$27,375	\$27,375	\$
Payroll taxes	2,468	2,468	
Retirement	388	388	(1)
Insurance	125	4,158	(4,033)
Travel	1,540	1,540	
Public relations	825	823	2
Telephone and utilities	3,000	3,494	(494)
Other	820	823	(3)
Totals	\$37,331	\$37,934	(603)
Finance Department			
Salaries	22,645	22,645	-
Payroll taxes	2,428	2,428	-
Insurance	4,725	4,720	5
Telephone and utilities	3,388	3,881	(493)
Other	415	415	-
Totals	\$33,591	\$33,689	(98)
Administrative Department			
Salaries	44,438	44,438	
Payroll taxes	3,800	3,807	(7)
Automobile leases	4,500	4,500	
Retirement	3,800	3,804	(4)
Insurance	17,300	17,300	
Travel	1,800	1,800	-
Office supplies and expenses	348	485	(137)
Telephone and utilities	1,788	1,943	(155)
Other	58	85	(27)
Totals	\$78,832	\$78,752	(80)
Legal Department			
Salaries	21,288	21,288	
Payroll taxes	2,438	2,434	4
Other	2,015	2,888	(873)
Totals	\$25,741	\$26,610	(869)
Building Inspection Department			
Salaries	17,845	17,845	
Payroll taxes	1,410	1,411	(1)
Automobile leases	2,480	2,480	
Insurance	1,370	1,369	1
Travel	2,048	2,037	11
Other	2,738	2,731	7
Totals	\$27,771	\$27,973	(202)

The accompanying notes are an integral part of the financial statements.

CITY OF LEBESVILLE, LOUISIANA  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
YEAR ENDING JUNE 30, 1998

EXHIBIT F-4  
(Continued)

	BUDGET	ACTUAL	VARIANCE Favorable Unfavorable
<b>General Expenses</b>			
Liability insurance	\$ 225,840	\$ 22,418	\$ 182,422
Uniforms	18,828	18,779	(49)
Office supplies and expenses	640	642	(2)
Utilities	18,418	18,988	(570)
Printing	4,565	5,328	(763)
Post	1,428	1,431	(3)
Mayor's Women's Commission	625	628	(3)
Operating supplies	15,718	15,885	(167)
Building maintenance	15,888	16,821	(933)
Computer and software maintenance	18,018	18,145	(127)
Equipment maintenance	2,585	2,584	(1)
Coal costs	3,485	1,877	(1,608)
Professional services	13,888	13,882	(6)
Garbage service	3,485	1,747	(1,738)
Storage	8,825	8,824	(1)
Other	13,188	21,815	(8,627)
Totals	<u>328,828</u>	<u>188,817</u>	<u>140,011</u>
Total General Government	481,148	405,645	75,503
<b>Public safety</b>			
<b>Police Department</b>			
Salaries	682,115	688,142	(6,027)
State supplemental pay		78,288	(78,288)
Payroll taxes	51,828	51,925	(97)
Retirement	88,880	88,847	(33)
Insurance	117,255	141,998	(24,743)
Travel	4,800	4,888	(88)
Training	11,888	12,023	(135)
Uniforms	18,880	18,428	(452)
Office supplies	2,840	4,064	(1,224)
Telephone and utilities	18,880	18,823	(57)
Post	4,118	4,112	(6)
Operating supplies	21,118	27,821	(6,703)
Gas and oil	17,828	19,228	(1,400)
Repairs and maintenance	27,888	24,128	(3,760)
Printer expenses	18,148	11,828	(6,320)
Investigative expense	4,818	4,848	(30)
Equipment lease	3,248	3,288	(40)
DRM program	3,828	4,848	(1,020)
Other	2,285	7,248	(4,963)
Totals	<u>878,128</u>	<u>1,118,842</u>	<u>(240,714)</u>

The accompanying notes are an integral part of the financial statements.



CITY OF LEBLANCHE, LOUISIANA  
 General Fund  
 STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 1978

SERIAL 7-1  
 (Continued)

	BUDGET	ACTUAL	VARIANCE FUNDABLE (UNAVAILABLE)
<b>Animal Shelter</b>			
Salaries	\$ 30,825	\$ 30,825	\$ 0
Payroll taxes	2,730	2,730	0
Automobile lease	4,200	4,200	0
Supplies	1,045	0,120	(925)
Veterinarian expenses	1,880	1,190	(690)
Other	1,273	1,273	0
<b>Total</b>	<u>42,953</u>	<u>40,338</u>	<u>(2,615)</u>
<b>Total Public Safety</b>	<u>1,618,908</u>	<u>1,552,932</u>	<u>(65,976)</u>
<b>Public Works</b>			
<b>Public Works Department</b>			
Salaries	170,808	170,808	0
Payroll taxes	17,898	17,898	0
Automobile lease	10,800	10,800	0
ENTERTAINMENT	8,160	8,160	0
Insurance	49,820	41,720	(8,100)
Telephone and utilities	55,200	52,978	(2,222)
Supplies	28,820	46,917	(18,097)
Gas and oil	4,100	8,890	(4,790)
Repairs and maintenance	47,900	50,184	(2,284)
Identification	3,820	3,821	(1)
Other	1,200	4,732	(3,532)
<b>Total</b>	<u>427,512</u>	<u>414,835</u>	<u>(12,677)</u>
<b>Shop Department</b>			
Salaries	28,288	28,120	168
Payroll taxes	2,880	2,880	0
Entertainment	2,812	2,812	0
Insurance	9,890	9,488	402
Supplies	3,818	4,207	(389)
Other	1,880	1,880	0
<b>Total</b>	<u>49,568</u>	<u>48,477</u>	<u>(1,091)</u>
<b>Total Public Works</b>	<u>477,080</u>	<u>463,312</u>	<u>(13,768)</u>
<b>Economic Development</b>			
<b>Airport</b>			
Management fees	9,400	9,400	0
Insurance	2,445	2,445	0
Utilities	9,370	9,370	0
Supplies	2,820	2,820	0
Repairs and maintenance	3,290	4,140	(850)
Other	1,200	1,218	(18)
<b>Total</b>	<u>29,525</u>	<u>29,893</u>	<u>(368)</u>
<b>Other Economic Development Programs</b>			
Salaries	41,840	41,520	320
Payroll taxes	3,180	3,180	0
Insurance	2,100	2,100	0
Technical assistance	11,810	11,810	0
Economic development office expenses	8,450	8,450	0
<b>Total</b>	<u>67,380</u>	<u>67,160</u>	<u>(220)</u>
<b>Total Economic Development</b>	<u>96,905</u>	<u>97,055</u>	<u>(150)</u>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBLANCHE, LOUISIANA  
 GENERAL FUND  
 STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 1998

EXHIBIT F-2  
 (Continued)

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>DEBT SERVICE</b>			
Principal	\$	\$ 58,448	\$ 158,448)
Interest		8,284	18,284)
Total Debt Service	-0-	66,732	176,732)
<b>CAPITAL OUTLAY</b>			
General government	11,385	418,798	1807,385)
Police	35,588		35,588)
Public works	12,338	793	13,531)
Total Capital Outlay	59,311	419,591	1856,504)
<b>TOTAL EXPENDITURES</b>	<b>\$2,139,550</b>	<b>\$2,892,318</b>	<b>\$1728,718)</b>

The accompanying notes are an integral part of the financial statements.

**SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

**SALES TAX FUND** is used to account for revenues generated by the use, sale and use tax. Proceeds are dedicated as follows: debt service of sales tax bonds; operations of public works; operations of sewer system; operations of fire department; and operations of recreation department.

**HOUSING VOUCHER PROGRAM FUND** accounted for revenues received from a Federal rental subsidy program. This program was transferred to the Leesville Housing Authority during the fiscal year ending June 30, 1998.

**ECONOMIC DEVELOPMENT FUND** is used to account for monies available for economic development purposes.

**911 COMMUNICATIONS DISTRICT FUND** is used to account for the intergovernmental agreement with the Warren Parish Police Jury and the Warren Parish Communications District for the operation of the Warren Parish enhanced 911 emergency system. Funding is provided by a telephone surcharge collected by South Central Bell.

**LAW ENFORCEMENT BLOCK GRANT FUND** is used to account for revenues received from a Federal program for crime prevention.

CITY OF SERRAVALLE, COVINGTON  
 SPECIAL REVENUE FUND  
 COMBINED BALANCE SHEET  
 YEAR 19, 1998

EXHIBIT 6-1

	ASSETS	NET PROPERTY TAXES REVENUE	ECONOMIC DEVELOPMENT REVENUE	CELL COMMUNICATIONS REVENUE	LAW ENFORCEMENT	TOTAL
Cash	\$115,544					\$115,544
Accounts receivable	97,000					97,000
Due from other funds	1,000					1,000
Water System Enterprise Fund						
Inventory						
<b>TOTAL ASSETS</b>	<b>\$213,544</b>	<b>\$1,000</b>	<b>\$200,214</b>	<b>\$122,000</b>	<b>\$22,250</b>	<b>\$559,008</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable	\$ 90,000	\$	\$	\$ 7,000	\$10,000	\$117,000
Due to other funds	10,000			000		10,000
General Fund			0,000			0,000
Capital projects funds						
Water System Enterprise Fund						
Deferred revenues						
<b>Total Liabilities</b>	<b>\$110,000</b>	<b>\$0</b>	<b>\$0,000</b>	<b>\$7,000</b>	<b>\$10,000</b>	<b>\$127,000</b>
<b>FUND BALANCES (DEFICIT)</b>						
Reserved for economic development			\$200,214			\$200,214
Unreserved - non-designated						
Total Fund Balances						
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$110,000</b>	<b>\$0</b>	<b>\$200,214</b>	<b>\$7,000</b>	<b>\$10,000</b>	<b>\$337,214</b>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBANON, MISSISSIPPI  
 SPECIAL SERVICES FUND  
 CONSOLIDATED STATEMENT OF REVENUES, EXPENSES, DEFICIT/SURPLUS, AND  
 CASH BALANCE BY FUND BALANCE (DEFICIT)  
 YEAR ENDED JUNE 30, 1998

	SALES TAX	ISSUANCE OF BONDS	STATEMENT OF REVENUES	STATEMENT OF EXPENSES	STATEMENT OF DEFICIT/SURPLUS	STATEMENT OF CASH BALANCE
<b>REVENUES</b>						
Taxes	81,324,263					81,324,263
Charges for services	84,892					84,892
Intercommunal	33,363					33,363
Interest			6,081			6,081
Other	1,247,897		8,702			1,256,600
<b>EXPENSES</b>						
<b>Operating</b>						
General government	98,474					98,474
Public safety	489,248					489,248
Culture and recreation	38,739					38,739
Capital outlay	84,892					84,892
Total Operating	651,353					651,353
<b>OTHER DEFICIT(S) OF REVENUE OVER EXPENSE(S)</b>	848,256		8,683			856,939
<b>OTHER FINANCING SOURCE(S) (DEBT)</b>						
Special financing source (DEBT)						
Special creation is (cost)						
General fund	(129,690)					(129,690)
Capital projects funds	129,690		(129,690)			
Debt Service Funds						
Total Other Financing Sources (Debt)	0					
<b>STATEMENT OF REVENUE OVER EXPENSES AND OTHER FINANCING SOURCES</b>	848,256		8,683			856,939
<b>FUND BALANCE, BEGINNING OF YEAR</b>	650,091	15,323	400,000			1,065,414
<b>NET FUND BALANCE, END OF YEAR</b>	1,500,000	115,323	1,200,000			1,815,323

The accompanying notes are an integral part of the financial statements.

CITY OF MONROE, LOUISIANA  
 STATE THE SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE (BUDGET) - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 1998

EXHIBIT C-3

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Sales tax	\$1,374,045	\$1,324,383	\$ (49,662)
Charges for services - recreation	94,045	94,450	405
Intergovernmental			
State supplemental pay		45,938	45,938
Juvenile program grant	4,435	7,821	3,386
Insurance		382	382
Other	2,125	1,187	(938)
Total Revenues	1,470,650	1,473,877	3,227
<b>EXPENDITURES</b>			
<b>General</b>			
<b>General Government</b>			
Salaries	42,800	42,800	0
Payroll taxes	4,978	4,968	10
Retirement	3,485	3,485	0
Automobile lease	4,000	4,305	305
Insurance	4,000	4,000	0
Telephone	418	418	0
Professional fees	3,000	4,000	1,000
Other	275	1,318	1,043
Total General Government	57,956	59,434	1,478
<b>Public safety - Fire Department</b>			
Salaries	247,645	243,447	4,198
State supplemental pay		45,938	(45,938)
Payroll taxes	23,400	23,400	0
Retirement	22,780	22,780	0
Insurance	71,400	83,000	(11,600)
Training	3,975	4,200	(225)
Uniforms	1,500	1,500	0
Office supplies and expenses	40	40	0
Telephone and utilities	8,300	8,025	275
Supplies	8,400	8,982	(582)
Gas and oil	3,840	3,100	740
Repairs and maintenance	14,825	13,400	1,425
Contracts and leases	4,200	4,242	(42)
Other	425	425	0
Total Public Safety	428,575	428,329	246
<b>Children and recreation</b>			
Recreation			
Salaries	80,700	80,700	0
Juvenile program wages	7,510	7,538	(28)
Payroll taxes	7,098	7,084	14
Automobile leases	1,100	1,100	0
Insurance	11,000	10,927	73
Telephone and utilities	11,400	12,892	(1,492)
Supplies	11,500	11,842	(342)
Gas and oil	3,000	3,770	(770)
Repairs and maintenance	10,700	20,842	(10,142)
Items purchased for resale	3,000	4,000	(1,000)
Exchange service	3,310	3,528	(218)
Other	200	210	(10)
Total Recreation	149,810	149,814	(4)

The accompanying notes are an integral part of the financial statements.

CITY OF LEBLANCHE, LOUISIANA  
 SALES TAX SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 1998

EXHIBIT G-3  
 (Continued)

	BUDGET	ACTUAL	VARIANCE FAVORABLE UNFAVORABLE
<b>Recreation Complex</b>			
Salaries	\$ 17,445	\$ 17,442	\$ 3
Payroll taxes	1,335	1,333	2
Auto allowance	1,900	1,900	
Insurance	515	504	11
Professional fees	6,300	6,300	
Telephone and utilities	5,218	6,459	(1,241)
Supplies	6,400	7,000	(600)
Repairs and maintenance	3,500	4,350	(850)
Items purchased for resale	14,875	20,300	(5,425)
Other	(1,000)	(2,188)	(1,188)
Total Recreation Complex	<u>67,628</u>	<u>61,793</u>	<u>(5,835)</u>
<b>Neighborhood Center</b>			
Salaries	47,000	47,000	0
Payroll taxes	4,100	4,100	0
Retirement	1,615	1,613	2
Insurance	4,810	4,802	8
Telephone and utilities	4,555	4,474	(81)
Supplies	4,780	5,385	(605)
Repairs and maintenance	3,335	3,300	35
Other	200	200	0
Total Neighborhood Center	<u>73,205</u>	<u>73,284</u>	<u>(79)</u>
Total Culture and Recreation	<u>140,833</u>	<u>135,077</u>	<u>(5,756)</u>
<b>Capital Outlay</b>			
Culture and recreation	8,388	8,388	0
Total Expenditures	<u>149,221</u>	<u>143,465</u>	<u>(5,756)</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>500,425</u>	<u>500,258</u>	<u>(167)</u>
<b>OTHER FINANCING USES</b>			
Operating transfers out			
General fund	(150,000)	(150,000)	
CDBG Incentive Funds	(138,000)	(138,000)	
Total Other Financing Uses	<u>(288,000)</u>	<u>(288,000)</u>	<u>0</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<u>212,425</u>	<u>212,258</u>	<u>(167)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>(50,000)</u>	<u>(50,000)</u>	<u>0</u>
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>	<u>\$ 162,425</u>	<u>\$ 162,258</u>	<u>(167)</u>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBLANCHE, LOUISIANA  
 ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 1998

PAGE 6-6

	BUDGET		ACTUAL		VARIANCE FAVORABLE UNFAVORABLE
REVENUES					
Interest	\$	8,675	\$	8,681	\$ 6
OTHER FINANCING (USE)					
Operating transfers out					
Capital Projects Fund					
1998 Capital Projects			(8,124)		(8,124)
Industrial Park					
Buildings Construction	1281,820		(204,820)		(127,000)
Total Other Financing Uses	1281,820		(212,944)		18,128
EXCESS (DEFICIENCY) OF REVENUES OVER OTHER FINANCING USES		(196,145)		(204,263)	(8,128)
FUND BALANCE, BEGINNING OF YEAR		<u>405,855</u>		<u>485,855</u>	-----
<u>FUND BALANCE, END OF YEAR</u>		<u>\$ 209,710</u>		<u>\$ 281,592</u>	<u>\$ 8,128</u>

The accompanying notes are an integral part of the financial statements.



CITY OF MONROE, LOUISIANA  
 PUBLIC COMMUNICATIONS DISTRICT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 1978

EXHIBIT C-3

	BUDGET	ACTUAL	VARIANCE PERCENTAGE (UNFAVORABLE)
<b>REVENUES</b>			
Charges for services -			
Telephone exchanges	\$227,715	\$251,054	\$23,339
Interest	1,388	1,328	48
Other	<u>2,875</u>	<u>364</u>	<u>11,111</u>
<b>Total Revenues</b>	<b>231,978</b>	<b>252,746</b>	<b>20,770</b>
<b>EXPENDITURES</b>			
Current			
Public Safety			
Salaries	115,325	115,325	-
Payroll taxes	8,388	8,388	-
Retirement	4,885	4,885	-
Insurance	18,870	17,828	(542)
Office supplies and expenses	828	828	-
Telephone and utilities	4,310	4,878	(568)
Repairs and maintenance	4,320	4,318	-
Supplies	3,328	3,778	(451)
Gas and oil	925	2,901	(198)
Other	888	887	(1)
Capital outlay	<u>68,828</u>	<u>78,854</u>	<u>10,026</u>
<b>Total Expenditures</b>	<b>232,818</b>	<b>238,438</b>	<b>5,620</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>-\$840</b>	<b>14,308</b>	<b>15,148</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>88,438</b>	<b>88,438</b>	<b>---</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 87,598</b>	<b>\$102,746</b>	<b>\$15,148</b>

The accompanying notes are an integral part of the financial statements.

CITY OF LAKELAND, LOUISIANA  
 LAW ENFORCEMENT BLOCK GRANT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 1990

EXHIBIT C-4

	BUDGET	ACTUAL	VARIANCE FAVORABLE UNFAVORABLE
<b>REVENUES</b>			
Intragovernmental - federal grant	\$13,478	13,404	(7,388)
INTEREST		<u>34</u>	<u>34</u>
Total Revenues	<u>13,478</u>	<u>13,438</u>	<u>(4,000)</u>
<b>EXPENDITURES</b>			
CURRENT			
Public Safety - Police Department			
Salaries and payroll taxes	7,385	7,385	
Capital outlay	11,888	11,713	(1,800)
Total Expenditures	<u>19,273</u>	<u>19,098</u>	<u>(1,800)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	5,205	(400)	(5,800)
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in			
General Fund	<u>32</u>	<u>-</u>	<u>(32)</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>	5,237	(400)	(5,832)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>400</u>	<u>400</u>	<u>—</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 1,237</u>	<u>\$ 400</u>	<u>\$ (832)</u>

The accompanying notes are an integral part of the financial statements.

#### DEBT SERVICE FUNDS

These funds account for resources accumulated for payment of principal and interest of general obligation debt consisting of the following:

Civic Center public improvement bonds, dated February 2, 1972, secured as to payment by ad valorem tax assessed on all property and improvements in the City of Leesville. Final payment on these bonds were made during the year ended June 30, 1977.

Water System public improvement bonds, dated April 1, 1963, secured as to payment by ad valorem tax assessed on all property and improvements in the City of Leesville.

Public improvement bonds, Series 83-1993, secured as to payment by the revenues of the special one percent sales and use tax levied and collected by the City.

Certificates of indebtedness, Series 1976, secured by and payable as to principal and interest solely from a pledge and destination of the excess of annual revenues of the City.

CITY OF LEBANON, LOUISIANA  
 DEBT SERVICE FUND  
 COMBINED BALANCE SHEET  
 JUNE 30, 1999

PAGE 2

ASSETS	CIVIC CENTER BONDS	WATER SYSTEM BONDS	SALES TAX BONDS	CERTIFICATES OF DEPOSIT	TOTAL
Cash	\$	\$12,000	\$194,439	\$28,393	\$234,832
Investments			142,369		142,369
Amounts receivable due from General Fund	—	1,949	1,949	—	3,898
<b><u>TOTAL ASSETS</u></b>	<b><u>\$—</u></b>	<b><u>\$13,949</u></b>	<b><u>\$339,757</u></b>	<b><u>\$28,393</u></b>	<b><u>\$482,409</u></b>
<b>FUND BALANCES</b>					
Reserved for debt service	\$—	\$13,949	\$325,808	\$28,393	\$472,150
<b><u>TOTAL FUND BALANCES</u></b>	<b><u>\$—</u></b>	<b><u>\$13,949</u></b>	<b><u>\$325,808</u></b>	<b><u>\$28,393</u></b>	<b><u>\$472,150</u></b>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBANON, LOUISIANA  
 WATER SERVICE FUNDS  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES  
 YEAR ENDING JUNE 30, 1988

EXHIBIT B-2

	CITY CENTRAL BOND	WATER SYSTEM BOND	SALUS TAX BOND	CERTIFICATES OF INTEREST	TOTAL
<b>REVENUES</b>					
Ad Valorem Taxes	\$	\$146,817	\$	\$	\$ 146,817
Interest		<u>225</u>	<u>18,233</u>	<u>1,118</u>	<u>19,576</u>
Total Revenues	-0-	146,132	18,233	1,118	165,483
<b>EXPENDITURES - WATER SERVICE</b>					
Principal payments		115,890	185,000	80,000	380,890
Interest and fiscal charges		<u>51,380</u>	<u>128,833</u>	<u>35,788</u>	<u>216,001</u>
Total Expenditures	-0-	167,270	313,833	115,788	596,891
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-0-	(21,138)	(195,600)	(144,670)	(561,416)
<b>OTHER FINANCING SOURCES</b>					
Operating transfers in General Fund				85,000	85,000
Salus Tax Fund			<u>218,800</u>		<u>218,800</u>
Total Other Financing Sources	-0-	-0-	218,800	85,000	303,800
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>	-0-	(2,338)	(76,800)	40,320	(39,818)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	1,018	28,238	878,544	49,874	1,057,674
<b>RESIDUAL CARRY TRANSFER</b>	<u>11,818</u>	<u>1,018</u>			<u>12,836</u>
<b>FUND BALANCES, END OF YEAR</b>	\$ <u>12,836</u>	\$ <u>29,256</u>	\$ <u>878,544</u>	\$ <u>49,874</u>	\$ <u>1,057,674</u>

The accompanying notes are an integral part of the financial statements.

CITY OF MONROE, LOUISIANA  
 WATER SYSTEM BOARD DEBT SERVICE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 1998

EXHIBIT B-3

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Ad valorem taxes	\$151,995	\$149,897	2,098
Interest	<u>222</u>	<u>222</u>	
Total Revenues	152,217	149,119	3,098
EXPENDITURES - DEBT SERVICE			
Principal retirement	115,000	115,000	
Interest and fiscal charges	<u>32,338</u>	<u>32,338</u>	
Total Expenditures	147,338	147,338	—0—
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,121)	(8,219)	3,098
FUND BALANCE, BEGINNING OF YEAR	34,274	34,274	
NET CHANGE IN EQUITY TRANSFER:			
Civic Center Bonds Debt Service Fund	<u>        </u>	<u>3,913</u>	3,913
FUND BALANCE, END OF YEAR	<u>\$ 29,153</u>	<u>\$ 26,055</u>	\$ 3,098

The accompanying notes are an integral part of the financial statements.

CITY OF LEBANON, LOUISIANA  
 SALES TAX BONDS DEBT SERVICE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 1960

EXHIBIT B-4

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Interest	\$ 14,138	\$ 14,138	\$ 0.000
EXPENDITURES - DEBT SERVICE			
Principal payments	285,000	285,000	
Interest and fiscal charges	<u>128,835</u>	<u>128,835</u>	<u>0</u>
Total expenditures	<u>413,835</u>	<u>413,835</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(400,700)	(400,700)	0.000
OTHER FINANCING SOURCES			
Operating transfers in Sales Tax Fund	<u>279,800</u>	<u>279,800</u>	<u>(60,900)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	20,200	(20,900)	(87,100)
FUND BALANCE, BEGINNING OF YEAR	<u>272,644</u>	<u>272,644</u>	_____
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 292,844</u>	<u>\$ 251,744</u>	<u>\$ (41,100)</u>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBLANCHE, LOUISIANA  
 CERTIFICATE OF INTERESTING BEST SERVICE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED JUNE 30, 1999

EXHIBIT 9-5

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Interest	\$ 1,418	\$ 1,119	\$ 299
EXPENDITURES - BEST SERVICE			
Principal retirement	48,000	50,000	
Interest and fiscal charges	<u>25,188</u>	<u>25,188</u>	---
Total Expenditures	<u>73,188</u>	<u>75,188</u>	(2,000)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(71,770)	(74,069)	2,299
OTHER FINANCING SOURCES			
Operating transfers in general fund	<u>71,822</u>	<u>71,822</u>	---
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	152	413	261
FUND BALANCE, BEGINNING OF YEAR	<u>48,874</u>	<u>48,874</u>	---
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 49,026</u>	<u>\$ 49,287</u>	<u>\$ 261</u>

The accompanying notes are an integral part of the financial statements.



#### CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital additions, other than those financed by proprietary funds.

AIRPORT CONSTRUCTION FUND was used to account for construction of improvements at the airport. Funding was provided primarily by federal and state grants. The project was completed during the year ended June 30, 1990.

INDUSTRIAL PARK INFRASTRUCTURE CONSTRUCTION FUND is used to account for construction of the infrastructure at the North Industrial Park. Funding is provided primarily by federal economic development grants and by proceeds from the Certificate of Indebtedness, Series - 1990.

INDUSTRIAL PARK BUILDING CONSTRUCTION FUND is used to account for construction of buildings at the North Industrial Park. Funding is provided primarily by a state economic development grant of \$7,633,000.

LCEDS CAPITAL PROJECTS FUND was used to account for the proceeds of an LCEDS grant for the acquisition of certain equipment for the City's new wastewater treatment plant. In accordance with LCEDS requirements, the grant is shown in a separate capital projects fund. The equipment was also recorded as contributed capital in the Sewer System Enterprise Fund.

CITY OF MONROE, LOUISIANA  
 CAPITAL RESOURCES FUND  
 COMBINED BALANCE SHEET  
 JUNE 30, 1989

EXHIBIT 3-1

	STREET CONSTRUCTION	COMMERCIAL PAVE INFRASTRUCTURE CONSTRUCTION	INDUSTRIAL PAVE BUILDING CONSTRUCTION	LOCAL CAPITAL PROJECTS	TOTAL
<b>ASSETS</b>					
Cash	\$13,000	\$ 20,378	\$	\$	\$ 33,378
Receivables		3,000			3,000
Due from other governments					
Federal					
State		287,000	46,000		333,000
Due from other funds					
General Fund			1,373		1,373
Economic Development Special					
Revenue Fund					
<b>TOTAL ASSETS</b>	<b>\$13,000</b>	<b>\$211,646</b>	<b>\$ 47,373</b>	<b>\$ 47,373</b>	<b>\$ 319,392</b>
<b>LIABILITIES AND FUND BALANCES</b>					
LIABILITIES					
Cash in bank overdraft	\$	\$	\$ 85,100	\$ 85,100	\$ 85,100
Receivables and accounts payable		231,000	216,000		447,000
Due to other funds					
General Fund	1,000				1,000
Deferred revenues	22,000				22,000
Total liabilities	<u>23,000</u>	<u>231,000</u>	<u>216,000</u>	<u>85,100</u>	<u>535,100</u>
FUND BALANCES (continued)					
Unreserved-unassigned	\$10,000	\$10,000	\$ 231,173	\$ 231,173	\$ 382,346
<b>TOTAL UNASSIGNED AND FUND BALANCES</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$ 231,173</b>	<b>\$ 231,173</b>	<b>\$ 382,346</b>

The accompanying notes are an integral part of the financial statements.

CITY OF LOS ANGELES, CALIFORNIA  
 CAPITAL PROJECTS FUND  
 CHANGES STATEMENT OF REVENUES, EXPENDITURES, AND  
 BALANCE IN THE ACCOUNTS  
 FOR THE YEAR ENDING JUNE 30, 1976

SHEET 1-2

REVENUES	ALBERT CONSTRUCTION	IMPROVING PARK INFRASTRUCTURE CONSTRUCTION	IMPROVING PARK RECREATION CONSTRUCTION	LOCAL CAPITAL REVENUES	TOTAL
CONVEYANCE					
Federal	\$ 5,049	\$ 418,514	\$ 1,248,587	\$	\$ 1,672,149
State	5,049	2,823	7,987,587	-0-	10,863,463
Local					2,175,831
Total revenues	10,098	421,337	8,236,174	-0-	8,667,609
EXPENDITURES - CAPITAL OUTLAY					
Public Works Improvements		50,509	1,484,545	8,124	1,535,178
Public Development	25	187,538	1,388,538	3,731	2,603,882
Total expenditures	25	238,047	2,873,083	11,855	3,123,005
OTHER FINANCING SOURCES (USES)					
Operating transfers to (from)	5,847	450,425	1,035,993	18,124	1,500,389
Reserve Fund	15,007				15,007
Reserve for Development Special			284,832	3,124	287,956
Reserve Fund			284,832	3,124	307,956
Total Other Financing Sources (uses)	20,854	450,425	1,320,825	21,248	1,613,352
NETS (DEFICIT) OF REVENUE AND EXPENDITURES					
Other financing sources (uses)					
Operating transfers to (from)					
Reserve Fund					
Reserve for Development Special					
Reserve Fund					
Total Other Financing Sources (uses)					
NETS (DEFICIT) OF REVENUE AND EXPENDITURES AND OTHER FINANCING SOURCES	-0-	183,292	1,852,108	-0-	2,035,399
NET BALANCE (DEFICIT), BEGINNING OF YEAR	-0-	383,632	-0-	-0-	383,632
NET BALANCE (DEFICIT), END OF YEAR	183,632	-0-	1,852,108	0	2,036,740

The accompanying notes are an integral part of the financial statements.

CITY OF LEBEVILLE, LOUISIANA  
 AIRPORT CONSTRUCTION FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE  
 YEAR ENDED JUNE 30, 1998

EXHIBIT 1-3

REVENUES	
Intergovernmental	
State	\$ 5,847
EXPENDITURES	-0-
EXCESS OF REVENUES OVER EXPENDITURES	5,847
OTHER FINANCING USES	
Operating Transfer out	
General Fund	(5,847)
EXCESS OF REVENUES AND OTHER FINANCING USES OVER EXPENDITURES	-0-
FUND BALANCE, BEGINNING OF YEAR	-0-
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBLANCHE, LOUISIANA  
 INDUSTRIAL PARK INFRASTRUCTURE CONSTRUCTION FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE  
 YEAR ENDED JUNE 30, 1998

EXHIBIT 1-4

<b>REVENUES</b>		
Intergovernmental		
Federal	\$ 418,314	
INDEBT	<u>2,833</u>	
Total Revenues	418,447	
<b>EXPENDITURES - CAPITAL OUTLAY</b>		
Economic development - infrastructure		
Engineering	39,488	
Construction	488,954	
Other costs	<u>8,438</u>	
Total Expenditures	523,668	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(105,221)	
FUND BALANCE, BEGINNING OF YEAR	<u>183,632</u>	
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 78,411</u>	

The accompanying notes are an integral part of the financial statements.

CITY OF LITTLE ROCK, ARKANSAS  
 INDUSTRIAL PARK BUILDINGS CONSTRUCTION FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE  
 YEAR ENDED JUNE 30, 1998

EXHIBIT 1-5

<b>REVENUES</b>	
Intergovernmental	
State	\$1,788,843
<b>EXPENDITURES - CAPITAL OUTLAY</b>	
Economic Development - Buildings	
Engineering	48,851
Construction	3,881,847
Other costs	<u>14,885</u>
Total expenditures	\$4,125,583
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(236,740)
<b>OTHER FINANCING SOURCES</b>	
Operating transfer in	
Economic Development Special Revenue Fund	<u>389,822</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	(146,918)
FUND BALANCE, BEGINNING OF YEAR	<u>0</u>
<b>FUND BALANCE (DEFICIENCY), END OF YEAR</b>	<b>\$ (146,918)</b>

The accompanying notes are an integral part of the financial statements.

CITY OF MONROE, LOUISIANA  
 LONG CAPITAL PROJECTS FUND  
 STATEMENT OF REVENUE, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE  
 YEAR ENDED JUNE 30, 1998

EXHIBIT 2-6

REVENUE	\$ -0-
EXPENDITURES - CAPITAL OUTLAY	
Sewer System Improvements	
Equipment	\$ 124
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(14,124)
OTHER FINANCING SOURCES	
Operating transfer in	
Economic Development Special Revenue Fund	\$ 124
EXCESS OF OTHER FINANCING SOURCES OVER EXPENDITURES	-0-
FUND BALANCE, BEGINNING OF YEAR	-0-
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of the financial statements.

#### ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

**SEWER SYSTEM FUND** is used to account for the sewer services provided to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

**WATER SYSTEM FUND** is used to account for water services provided to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.



CITY OF LEBLANCHE, LOUISIANA  
 REVENUE FUND  
 COMBINED BALANCE SHEET  
 JUNE 30, 1998

SHEET 2-1  
 (Continued)

ASSETS	1998 DOLLARS	1997 DOLLARS	TOTAL
<b>CURRENT ASSETS</b>			
Cash	\$ 2,122	\$ 58,120	\$ 60,242
Accounts receivable (net of allowance for doubtful accounts)	82,288	178,276	260,564
Cash from other funds			
General Fund	65,472		65,472
Sales Tax Special Revenue Fund	127,800		127,800
Water System Enterprise Fund	21,016		21,016
TOTAL CURRENT ASSETS	<u>169,212</u>	<u>228,296</u>	<u>397,508</u>
<b>RESTRICTED ASSETS</b>			
Revenue bond debt service accounts		2,888	2,888
Construction accounts	71,893		71,893
General obligation bonds debt service accounts	220,828		220,828
Certificates of indebtedness debt service accounts		<u>1,124</u>	<u>1,124</u>
TOTAL RESTRICTED ASSETS	<u>292,721</u>	<u>3,812</u>	<u>296,533</u>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>			
Property, plant, and equipment	9,829,800	8,273,278	18,103,078
Accumulated depreciation	<u>(1,829,852)</u>	<u>(2,289,812)</u>	<u>(4,119,664)</u>
Net Property, Plant, and Equipment	8,000,000	6,000,000	12,000,000
<b>OTHER ASSETS</b>			
Bond insurance costs - net	60,849		60,849
Carryforward of indebtedness insurance costs - net	<u>2,428</u>	<u>2,428</u>	<u>4,856</u>
TOTAL Other Assets	<u>63,277</u>	<u>4,856</u>	<u>68,133</u>
<b>TOTAL ASSETS</b>	<u>\$ 9,125,278</u>	<u>\$ 4,316,212</u>	<u>\$13,441,511</u>

The accompanying notes are an integral part of the financial statements.

**CITY OF LEXINGTON, LOUISIANA**  
**RESTRICTED FUNDS**  
**COMBINED BALANCE SHEET**  
**JUNE 30, 1999**

SHEET 1-1  
(Continued)

	SEWER ACCOUNT	WATER ACCOUNT	TOTAL
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES (Payable from Current Assets)</b>			
Bonds and certificates of indebtedness payable - net	\$ 45,000	\$ 128,807	\$ 273,807
Capitalized leases	4,284	8,927	13,211
Accounts payable	14,300	24,376	38,676
Other current liabilities		2,884	3,884
Accrued expenses	8,880	23,829	32,709
Customers' deposits		177,480	177,480
Due to other funds			
General Fund		57,411	57,411
Sales Tax Special Revenue Fund		81,000	81,000
Cable System Enterprise Fund		39,069	39,069
Totals	<u>33,464</u>	<u>207,520</u>	<u>240,984</u>
<b>CURRENT LIABILITIES (Payable from Restricted Assets)</b>			
Payable from revenue bond debt service accounts			
Interest		2,446	2,446
General obligation bonds debt service accounts			
General obligation bonds	208,000		208,000
Interest	42,378		42,378
Payable from certificates of indebtedness debt service account			
Interest		1,174	1,174
Totals	<u>250,378</u>	<u>3,620</u>	<u>254,000</u>
<b>Total Current Liabilities</b>	<b><u>284,842</u></b>	<b><u>400,363</u></b>	<b><u>685,205</u></b>
<b>NONCURRENT LIABILITIES</b>			
Revenue bonds - net		623,597	623,597
General obligation bonds	4,128,800		4,128,800
Certificates of indebtedness	478,200	820,000	1,298,200
Capitalized leases	16,244	34,488	50,732
Totals Noncurrent Liabilities	<u>4,639,444</u>	<u>1,479,085</u>	<u>6,118,529</u>
<b>Total Liabilities</b>	<b><u>5,314,318</u></b>	<b><u>5,314,318</u></b>	<b><u>10,628,636</u></b>
<b>EQUITY</b>			
Contributed capital	2,982,208	2,290,213	5,272,421
Retained earnings (Accumulated Deficit)			
Reserved for			
Construction	71,893		71,893
Debt Service	126,200		126,200
Total Reserved Retained Earnings	<u>198,093</u>	<u>0</u>	<u>198,093</u>
Unreserved	1,165,705	(200,114)	965,591
Total Retained Earnings (Accumulated Deficit)	<u>1,363,798</u>	<u>(200,114)</u>	<u>1,163,684</u>
<b>Total Equity</b>	<b><u>4,346,006</u></b>	<b><u>2,090,100</u></b>	<b><u>6,436,106</u></b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>\$5,314,318</u></b>	<b><u>\$5,314,318</u></b>	<b><u>\$11,064,742</u></b>

The accompanying notes are an integral part of the financial statements.

CITY OF MONROE, LOUISIANA  
 ENTERPRISE FUNDS  
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND  
 CHANGES IN RETAINED EARNINGS (ACCUMULATED DEFICIT)  
 YEAR ENDED JUNE 30, 1990

EXHIBIT 3-1

	DEBIT DEBITED	CREDIT CREDITED	TOTAL
<b>OPERATING REVENUES</b>			
Charges for services	\$ 485,924	\$1,897,488	\$2,383,412
<b>OPERATING EXPENSES</b>			
Salaries	86,433	170,851	257,284
Payroll taxes	6,447	12,379	18,826
Retirement	6,438	6,393	12,831
Operating supplies	26,388	28,987	55,375
Gas and oil	2,878	3,898	6,776
Utilities and telephones	52,823	94,344	147,167
Trash disposal	38,438		38,438
Depreciation	223,222	281,828	415,050
Repairs and maintenance	61,885	61,483	123,368
Printing	13,323		13,323
Professional fees	5,382	5,283	10,665
Provision for doubtful accounts	7,413	6,584	13,997
Office expense	1,729	18,292	19,021
Insurance	19,871	54,880	74,751
Other	1,660	1,825	3,485
Total Operating Expenses	<u>958,622</u>	<u>732,218</u>	<u>1,690,840</u>
<b>OPERATING INCOME</b>	(84,698)	365,270	280,572
<b>NONOPERATING REVENUES (EXPENSES)</b>			
All salaries taxes	399,227		399,227
Interest income	8,217	19,242	27,459
Interest expense and fiscal charges	(111,965)	(122,348)	(234,313)
Total Nonoperating Revenues (Expenses)	<u>395,479</u>	<u>(103,106)</u>	<u>292,373</u>
<b>INCOME BEFORE OPERATING TRANSFERS</b>	410,874	332,164	743,038
<b>OPERATING TRANSFERS (OUT)</b>			
General Fund	(138,818)	(488,888)	(627,706)
<b>NET INCOME (LOSS)</b>	271,056	(156,724)	114,332
<b>RETAINED EARNINGS (ACCUMULATED DEFICIT), BEGINNING OF YEAR</b>	1,321,412	(138,820)	1,182,592
<b>RETAINED EARNINGS (ACCUMULATED DEFICIT), END OF YEAR</b>	<u>\$1,348,512</u>	<u>\$ (156,724)</u>	<u>\$1,191,788</u>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBANON, LOUISIANA  
 ENTERPRISE FUNDS  
 COMBINED STATEMENT OF CASH FLOWS  
 YEAR ENDED JUNE 30, 1999

PAGE 2 of 2

	FUND BALANCE	MAKER BALANCE	TOTAL
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (88,899)	\$ 209,394	\$ 220,495
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	229,313	281,826	511,139
Provisions for doubtful accounts	7,413	6,584	13,997
Changes in assets and liabilities			
Accounts receivable	(22,481)	(22,487)	(44,968)
Due from other funds	(121,489)		(121,489)
Accounts payable	7,338	8,424	15,762
Other current liabilities		(1,884)	(1,884)
Accrued expenses	254	6,615	7,869
Due to other funds		181,352	181,352
Customers' deposits		38,488	38,488
Net Cash Provided by Operating Activities	8,551	709,775	809,326
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Operating leasehold out	(28,888)	(288,888)	(317,776)
Net Cash Used by Noncapital Financing Activities	(28,888)	(288,888)	(317,776)
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>			
Issuance of bonds and other indebtedness	28,488	831,627	860,115
Ad valorem taxes	388,431		388,431
Contributions in aid of construction		288	288
Acquisition and construction of property, plant, and equipment	(241,888)	(48,888)	(290,776)
Payments of bonds and other indebtedness	(128,988)	(1,152,397)	(1,281,385)
Cost of issuing bonds and other indebtedness		(128,851)	(128,851)
Interest paid on long-term debt	(182,881)	(121,814)	(304,695)
Net Cash Used by Capital Financing Activities	(297,538)	(396,548)	(694,086)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition (purchase) of investments	128,426	58,227	186,653
Interest received	8,867	22,828	31,695
Net Cash Provided by Investing Activities	137,293	81,055	218,348
<b>DECREASE IN CASH</b>	(181,544)	(124,689)	(306,233)
<b>CASH, BEGINNING OF YEAR</b>	428,888	738,622	1,167,510
<b>CASH, END OF YEAR</b>	\$ 247,344	\$ 613,933	\$ 861,277
<b>CLASSIFIED AS</b>			
Current Assets	\$ 2,713	\$ 60,226	\$ 62,939
Restricted Assets	244,631	553,707	798,338
<b>TOTAL</b>	\$ 247,344	\$ 613,933	\$ 861,277

The accompanying notes are an integral part of the financial statements.

#### INTERNAL SERVICE FUND

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government on a cost reimbursement basis.

EMPLOYEE BENEFITS INSURANCE FUND is used to account for the provision of hospitalization/health insurance to employees of the City. A defined amount is paid toward and provision is made for excess coverage through premiums paid to a third party. In addition, certain life insurance is provided for employees through premiums paid to a third party insurance carrier.

CITY OF LEEVILLE, LOUISIANA  
INTERNAL SERVICE FUND  
EMPLOYEE BENEFITS INSURANCE FUND  
BALANCE SHEET  
JUNE 30, 1988

SHEET 6-1

	ASSETS	
<b>CURRENT ASSETS</b>		
Cash		\$150,000
Claims receivable		2,923
<b>Total Current Assets</b>		<b>152,923</b>
<b>OTHER ASSETS</b>		
Deposit		2,000
<b><u>TOTAL ASSETS</u></b>		<b><u>\$154,923</u></b>
	<b>LIABILITIES AND EQUITY</b>	
<b>CURRENT LIABILITIES</b>		
Claims payable		\$ 10,000
<b>EQUITY</b>		
Retained earnings		
Reserved for employee benefits		144,923
<b><u>TOTAL LIABILITIES AND EQUITY</u></b>		<b><u>\$154,923</u></b>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBLANCHE, LOUISIANA  
 INTERNAL SERVICE FUND  
 EMPLOYEE BENEFITS INSURANCE FUND  
 STATEMENT OF REVENUES, EXPENSES, AND  
 CHANGES IN RETAINED EARNINGS  
 YEAR ENDED JUNE 30, 1998

BMM1998 6-2

<b>OPERATING REVENUES</b>	
Charges for services	
Employer and employee contributions	\$318,393
<b>Grants</b>	
Stop loss reimbursements	33,712
Miscellaneous	<u>3,488</u>
<b>Total Operating Revenues</b>	<b>355,593</b>
<b>OPERATING EXPENSES</b>	
Insurance premiums	
Disability/sickness/health	75,799
Life	4,893
Claims paid	248,882
Administrative costs	<u>25,188</u>
<b>Total Operating Expenses</b>	<b>334,562</b>
<b>NET LOSS</b>	<b>(11,811)</b>
<b>RETAINED EARNINGS, BEGINNING OF YEAR</b>	<b>123,883</b>
<b><u>RETAINED EARNINGS, END OF YEAR</u></b>	<b><u>112,072</u></b>

The accompanying notes are an integral part of the financial statements.

CITY OF LEBANON, LOUISIANA  
INTERNAL SERVICE FUND  
EMPLOYEE BENEFIT INSURANCE FUND  
STATEMENT OF CASH FLOW  
YEAR ENDED JUNE 30, 1998

EXHIBIT 8-1

CASH FLOW FROM OPERATING ACTIVITIES	
Operating loss	\$(11,811)
Adjustments to reconcile operating loss to net cash used by operating activities	
Changes in assets and liabilities	
Unap. loss reimbursement receivable	11,829
Deposit	11,800
Claims payable	<u>12,828</u>
Net Cash Used by Operating Activities	(10,897)
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES	-0-
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES	-0-
CASH FLOW FROM INVESTING ACTIVITIES	<u>-0-</u>
DECREASE IN CASH	(10,897)
CASH, BEGINNING OF YEAR	122,582
<u>CASH, END OF YEAR</u>	<u>\$111,685</u>

The accompanying notes are an integral part of the financial statements.



**GENERAL FIXED ASSETS ACCOUNT GROUP**

This account group is used to account for fixed assets other than those used in the proprietary funds.

CITY OF MONROE, LOUISIANA  
 STATEMENT OF GENERAL FIXED ASSETS  
 YEAR 19, 1990

EXHIBIT I-1

<b>GENERAL FIXED ASSETS</b>	
Land	\$ 329,496
Buildings	4,870,717
Improvements other than buildings	14,194,489
Equipment	2,282,867
Construction in progress	<u>89,828</u>
<b><u>TOTAL GENERAL FIXED ASSETS</u></b>	<b><u>\$21,767,397</u></b>
<b>INVESTMENT IN GENERAL FIXED ASSETS</b>	
General fund revenues	\$ 4,803,918
Sales Tax revenues	4,814,827
SWT Communications District revenues	143,360
Federal and state grants	3,950,889
General public contributions	<u>1,274,295</u>
<b><u>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</u></b>	<b><u>\$14,987,289</u></b>

The accompanying notes are an integral part of the financial statements.

CITY OF LOS ANGELES, CALIFORNIA  
 STATEMENT OF CHANGES IN GENERAL FUND ASSETS  
 FROM PERIOD COMM. TO, 1989

PAGE 1-3

GENERAL FUND ASSETS, BEGINNING OF YEAR	SALES	REVENUES	OTHER		ACQUISITIONS	DISBURSEMENTS	TOTAL
			DEPRECIATION	EXCESS			
6208,474	67,383,499	519,325,323	62,998,889	0	2,783,074	626,480,867	
ADDITIONS							
Special fund revenues	495,234		219,381		476,651	1,497,268	
Rates tax revenues	3,211		2,319		27,449	31,679	
Federal and state grants			3,281		2,284,881	2,290,622	
Total additions	411,445		18,399		820,981	3,426,370	
CONTRACTS CONTRACTED		3,129,718	3,218,888				62
<u>GENERAL FUND ASSETS, END OF YEAR</u>	<u>6781,456</u>	<u>62,025,212</u>	<u>619,314,443</u>	<u>62,998,889</u>	<u>62,483,052</u>	<u>626,480,867</u>	<u>626,480,867</u>

The accompanying notes are an integral part of the financial statements.

GENERAL LONG-TERM DEBT ACCOUNT GROUP

This account group accounts for long-term debt not recorded in any other fund.

CITY OF WESTVILLE, MISSISSIPPI  
 STATEMENT OF GENERAL LONG-TERM DEBT  
 YEAR ENDED, 1998

EXHIBIT B-2

AMOUNT AVAILABLE TO BE PROVIDED FOR THE PAYMENT OF GENERAL LONG-TERM DEBT	AD VALOREM TAX REVENUE	SALES TAX REVENUE	CELEBRATION OF AMERICAN BIRTHDAY REVENUE	ROSES PARKING AND CAPITAL LEASE REVENUE	COMBINED GENERAL TAX REVENUE	2000
	\$ 20,000	\$ 608,848	\$ 90,000	\$	\$	\$ 718,848
AMOUNT AVAILABLE TO BE PROVIDED FROM THE PAYMENT OF GENERAL LONG-TERM DEBT	608,800	1,018,818	668,000	668,000	1,341,108	608,800
<b>TOTAL AVAILABLE TO BE PROVIDED</b>	<b>628,800</b>	<b>1,627,666</b>	<b>1,568,000</b>	<b>668,000</b>	<b>1,341,108</b>	<b>1,217,648</b>
GENERAL LONG-TERM DEBT PAYABLE	8700,000	80,000,000	\$	\$	100,000	87,000,000
Bonds payable						87,000,000
Notes payable						100,000
Contingencies of liabilities payable			615,000			615,000
Capitalized leases payable						115,000
Compositional advances payable						127,000
<b>TOTAL GENERAL LONG-TERM DEBT PAYABLE</b>	<b>8700,000</b>	<b>80,000,000</b>	<b>615,000</b>	<b>615,000</b>	<b>615,000</b>	<b>91,955,000</b>

The accompanying notes are an integral part of the financial statements.

**ADDITIONAL INFORMATION**

CITY OF MEMPHIS, TENNESSEE  
 CONSOLIDATED SCHEDULE OF LIABILITIES TO POLICE  
 YEAR EN, 1978

SCHEDULE 1  
 (Continued)

ISSUER	EXPIRATION DATE	COVERAGE	SECURITY COVERAGE	LIABILITY
National Union Fire Insurance Company of Hutchinson, KS.	05-31-88	Automobile liability comprehensive & collision	General liability, non-owned comprehensive & collision	\$ 200,000 CGL \$ 1,000,000 \$1,200,000 Automobile
National Union Fire Insurance Company of Louisiana.	05-31-88	Public Officials and Employees liability Comprehensive General Liability	Each separate act or service Automobile liability comprehensive general	\$ 200,000 \$ 1,000,000 \$ 1,200,000
		Comprehensive General Liability	General Aggregate liability (policy limit previously operations)	\$1,200,000
		Law Enforcement Professional Liability	Products-completed operations Aggregate liability	\$1,000,000
			Professional & Administrative liability limit	\$ 500,000
			Each separate liability	\$ 200,000
			Fire Damage liability (any one)	\$ 2,000,000
			Building expense liability (any one)	\$ 1,000,000
			Required each separate liability	\$ 100,000
			Aggregate liability	\$ 100,000
			Professional services	\$ 1,000
Memphis Fire Insurance Company	01-31-88	Fire, lightning, and extended coverage	City owned buildings Memphis schools (all insurance) fire personal property	\$ 1,000,000 \$ 1,000 \$ 1,000
Employees Mutual Surety Company	01-31-88	Fire, lightning, and extended coverage	City owned buildings Personal property \$1,000 deductible	\$ 1,000,000 \$ 1,000,000 \$50,000 maximum

See independent auditor's report.

CITY OF MEMPHIS, TENNESSEE  
 UNAUDITED SCHEDULE OF DEBENTURE IS FUND  
 YEAR END, 1998

SCHEDULE 1  
 (Continued)

ISSUER	ISSUANCE DATE	COUSAS	PROPERTY COVERED	AMOUNT
Dr. Paul Lawrence Company	08-11-87	Mobile Office	Auto, Property 1111 Poplar, P.O. Bldg Memphis Commercial Property 2700 Woodlands	112,714 95,129
Western Surety Company SPAC	08-18-87	Mobile Office		95,000 Bonds 149,400 Bonds
Plasma Biester				
Old Republic Ins. Co.	01-14-87	Smart Saver's Savings General Insurance	Products-Completed Operations Savings Plan Policy in Full and Accumulating Policy-Reserve Only Mutual-Deferred Annuity Mutual-Deferred Annuity Bank-Savings Plan Fire Marine Liability and Auto Policy Supplemental Liability Policy Accidentals Reinsurance Liability and sure Insurance	1,000,000 1,000,000 1,000,000 1,000,000 1,000,000 1,000,000 1,000,000 1,000,000 1,000,000 1,000,000
Equiline Business's Competition Corporation	12-31-88	Market's Corporation	Buildings Business Personal Personal Property Personal Property Personal Property Business Real Estate	15,000 21,000 21,000 21,000 21,000 21,000
Alliance Insurance Co.	12-31-88	Commercial Property Surety Insurance Auto		1,000,000

See Independent Auditor's Report.



**CITY OF MONROE  
SCHEDULE OF EXPENDITURES OF FEDERAL FUNDS  
YEAR ENDED JUNE 30, 1968**

SCHEDULE 1

FEDERAL AGENCY, FUND-TITLE AND PROGRAM TITLE	FY68 FOUR FOUR68	AGENCY OR FUND-TITLE YEAR-TITLE FOUR-TITLE68	TOTAL FEDERAL FOUR- FOUR68	FEDERAL AGENCY FOUR68
<b>U.S. Department of Commerce</b> Economic Development Administration Main				
Special Economic Development and Government Assistance Programs - Budget and Service Economic Development and Long-Term Economic Stabilization Louisiana Statewide Industrial Park	11,007	00-40-00000	10,870,750	1000,000
<b>U.S. Department of Housing and Urban Development</b> Community Planning and Development Fund-through the State of Louisiana, Division of Administration Community Development Block Grant - State's Program	14,030	107-00000	740,470	-0-
<b>U.S. Department of Justice</b> Bureau of Juvenile Justice and Delinquency Prevention Fund-through the State of Louisiana, Commission on Law Enforcement Juvenile Justice and Delinquency Prevention - Illustration to State	28,500	07-00-3-0000	0,000	0,000
<b>Bureau of Justice Assistance</b> Buret Local Law Enforcement Block Grant Program Local Law Enforcement Block Grant Program Buret Program Program Totals	14,100	07-00-00-0000	10,000	10,000
Fund-through the State of Louisiana, Commission on Law Enforcement Buret Program Buret Program Buret Program Buret Program Year ending 3/31/68	14,400	07-00-00-0000	10,000	10,000
<b>Office of Community Related Policing Services</b> Buret Public Safety Partnerships and Community Policing Buret- CCRF National Buret Award Agency Totals	14,710	000000000	10,000	10,000
<b>TOTAL</b>			<u>10,910,220</u>	<u>1000,000</u>

**Note:** The Schedule of Expenditures for Federal Funds was prepared on the modified accrual basis of accounting. Note 1 to the financial statements provides additional information relative to the City's accounting policies.

No Federal funds were awarded to subrecipients during the year ended June 30, 1968.

See Independent Auditor's Report.

**OTHER REPORTS REQUIRED BY  
GOVERNMENT ACQUISITION STANDARDS  
AND OMB CIRCULAR 8-111**

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS, INCLUDING,  
INDIVIDUAL FUND, AND ACCOUNT GROUP FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS



PAINE, MOORE & HERRINGTON, LLP

**LOCAL PUBLIC ACCOUNTS**

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF PRIMARY GOVERNMENT, COMBINING  
INDIVIDUAL FUNDS, AND ACCOUNT GROUP FINANCIAL STATEMENTS PREPARED  
IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS**

The Honorable Jim Shagoff, Jr., Mayor  
and Members of the City Council  
City of Leesville, Louisiana

We have audited the primary government financial statements and the combining, individual fund, and account group financial statements of the City of Leesville, Louisiana, as of and for the year ended June 30, 1999, and have issued our report thereon dated November 18, 1999. In our report, our opinion was qualified because the financial statements of the General Fixed Assets account group include only assets acquired subsequent to 1971 and because insufficient evidence exists to support the City's disclosures with respect to the year 2000 lease.

Except as discussed in the above paragraph, 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 these provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards, which are described in the accompanying schedule of findings and questioned costs as Finding 98-81 through Finding 98-85.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered City of Leesville, Louisiana'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.





PAYNE, WHORSE & HERGENROTHER, LLP

The Honorable Jim Shapstoff, Jr., Mayor  
and Members of the City Council  
City of Leesville, Louisiana

However, we noted certain matters involving the internal control over financial reporting and its operations that we consider to be reportable conditions. 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 intentions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs as Findings 98-04 through 98-08.

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, of the reportable conditions listed above, we consider Finding 98-05 and Finding 98-06 to be material weaknesses.

This report is intended for the information of the Mayor, members of the City Council and management of the City of Leesville, Louisiana, Federal auditing agencies, and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

  
Payne, Whorse & Hergenrother, LLP  
Certified Public Accountants

November 18, 1998

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH ONE CIRCULAR A-133**



PAYNE, MOORE & HERRINGTON, LLP

EXTERNAL PUBLIC ACCOUNTANTS

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

The Honorable Jim Shackelford, Jr., Mayor  
and Members of the City Council  
City of Leesville, Louisiana

Compliance

We have audited the compliance of the City of Leesville, Louisiana, with the types of compliance requirements described in the U.S. Office Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major Federal program for the year ended June 30, 1999. The City's major Federal program is 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 its major Federal program is the responsibility of management of the City of Leesville, Louisiana. 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. These 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 of Leesville, Louisiana's compliance with these requirements.

In our opinion, the City of Leesville, Louisiana, complied in all material respects, with the requirements referred to above that are applicable to its major Federal programs for the year ended June 30, 1999.





PROFE. MOORE & HERRINGTON, LLP

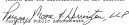
The Honorable Jim Shephard, Jr., Mayor  
and Members of the City Council  
City of Leesville, Louisiana

Internal Control Over Compliance

The management of the City of Leesville, Louisiana, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Leesville, Louisiana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Mayor, members of the City Council and management of the City of Leesville, Louisiana, federal awarding agencies, and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

  
Robert Moore & Herrington, LLP  
Certified Public Accountants

November 18, 1990



CITY OF LEBANON, LOUISIANA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDING JUNE 30, 1998

**PART I - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued:	Qualified	
Internal control over financial reporting:		
Material weakness(es) identified?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Reportable condition(s) identified not considered to be material weakness(es)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None reported
Noncompliance material to the financial statements noted?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

**Major Programs**

Internal control over major programs:		
Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Reportable condition(s) identified not considered to be material weakness(es)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Type of auditor's report issued on compliance with major programs:	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 5.01(g)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Identification of major programs:

CDBG F II NOT Special Economic Development and Adjustment Assistance  
 Program - Gidden and Severe Economic Distress and Long-  
 Term Economic Stabilization

Dollar threshold used to distinguish between Type A and Type B programs:	\$100,000
Auditor qualified as a low-risk auditor?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Remarks of Other Comments and Recommendations: Not applicable

Management's Schedule of Prior Year Findings: Attached

MANAGEMENT'S Corrective Action Plan: Attached

CITY OF LEBLANCHE, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 1998

PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE  
REQUIRED TO BE REPORTED UNDER GOVERNMENT ACCOUNTING STANDARDS

FINDING 20-01

COMPLIANCE WITH THE LOUISIANA LOCAL BUDGET ACT

Criteria: It is our understanding that the Louisiana Local Government Budget Act provides that budgeted expenditures can not exceed available resources (budgeted revenues plus beginning fund balance) and that, except for the exceptions provided in the statute, that budget amendments are required when actual expenditures exceed budgeted expenditures by 1% or more.

Condition: We found that budgeted expenditures exceed available resources by the General Fund and that actual expenditures exceeded budgeted expenditures in the General Fund and Sales Tax Special Revenue Fund by more than 1%.

Cause: Management reviewed the budget prior to year-end and proposed budget amendments to the City Council which were approved. However, in proposing these amendments, management inadvertently budgeted expenditures in excess of available resources. Certain year-end journal entries prepared as a result of our engagement, which were not taken into account by management as part of their year-end budget review, resulted in actual expenditures exceeding budgeted expenditures by more than 1% in the General and Sales Tax Special Revenue Funds.

Recommendation: We recommend that more care be taken in the budgeting process so that budgeted expenditures do not exceed available resources and that the budget amendment process include consideration of all facts and circumstances.

Management's Response: See Management's Corrective Action Plan.

FINDING 21-01

COMPLIANCE WITH ASSET MANAGEMENT LAWS

Criteria: It is our understanding that the Louisiana Revised Statutes require the City to maintain records of all fixed assets which were purchased or otherwise acquired, and for which the City is accountable. The records should include the date of purchase, the initial cost, the disposition, if applicable, the purpose of such disposition, and the recipient of the disposed property. In addition, Federal regulations may require that additional information be maintained on property acquired with Federal funds.

Condition: Records of general fixed assets acquired prior to 1971 were not maintained. Records of fixed assets acquired subsequent to 1971 do not always contain all of the required information.

CITY OF LEEVILLE, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 1998

Recommendation: We understand that the City has an on-going project to bring the City's fixed asset records into compliance with these requirements. We continue to recommend that the City complete this project as soon as possible.

Management's Response: See Management's Corrective Action Plan.

**FINDING 88-01**

**COMPLIANCE WITH BOND INSTRUMENTS**

Criteria: Various indentures for bonds and certificates of indebtedness require the City to establish and maintain sinking funds and, in some cases, contingency funds; specify that sinking funds and contingency funds be fully funded prior to using any remaining funds for other purposes; and that all valorem taxes dedicated to the payment of the bonds not be used for other purposes.

**Conditions:**

General Obligation Bonds, Series 1995 of the City of Leeville and  
General Obligation Bonds, Series 1995 of Sewer District No. 3 of the City:  
Section 5.1 of the indentures providing that all valorem taxes collected for the payment of these bonds shall be used solely to pay principal and interest on the bonds. However, during the year ended June 30, 1998, all valorem taxes in the amount of \$49,847 were transferred from the sinking fund to operations. In addition, funds were not transferred to the Sewer System Renewal and Replacement Fund in accordance with Section 5.2 of the agreement.

Certificate of Indebtedness, Series 1994:

Monthly transfers to the sinking fund as required by the agreement were not made. Periodic lump-sum transfers were made to the sinking fund. At June 30, 1998, a deficit of \$134,413 existed in the sinking fund.

Certificate of Indebtedness, Series 1993:

Monthly transfers to the sinking fund as required by the agreement were not made. Deficits existed in the sinking fund at various times during the fiscal year. Periodic lump-sum transfers were made to the sinking fund. At June 30, 1998, no deficit existed in the sinking fund.

Water System Refunding Bonds, Series 1998:

Monthly transfers to the sinking fund as required by the covenants were not made. A deficit of \$24,381 existed in the sinking fund at year-end. Monthly transfers to the contingency fund were not made as required by the covenants. At year-end, a deficit of \$2,088 existed in the contingency fund. Operating transfers were made to the General Fund prior to funding the above sinking and contingency funds.

CITY OF MONROEVILLE, LOUISIANA  
SCHEDULE OF FINANCES AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 1988

Sales Tax Revenue Bonds:

Transfers were not made each month to the sinking fund as required by the indentures. A deficit of \$48,182 existed in the sinking fund at year-end. Operating transfers were made to other funds prior to funding the sinking fund.

Cause: Discussion with management indicates that the above violations were due to periodic cash flow problems.

Recommendation: We recommend that the city comply with the requirements of the indentures or agreements for the various bonds and certificates of indebtedness.

Management's Response: See Management's Corrective Action Plan.

FINING 88-84

AD VALOREM TAX RECEIPTS

Criteria: It is our understanding that Louisiana Revised Statutes provide that the proceeds of any special tax constitute a trust fund to be used exclusively for the objects and purposes for which the tax was levied.

Condition: Ad valorem tax collections are recorded in the General Fund as a debit to the bank account and a credit to an undistributed ad valorem tax revenue account. Periodically, but not on a regular basis, checks were drawn on the bank account and deposited into the debt service accounts serviced by dedicated ad valorem taxes. For example, the majority of ad valorem taxes are collected in December and January. However, most of the ad valorem taxes belonging to the Water Revenue Bonds Debt Service Fund were not distributed to that fund until March. At year-end, entries are made to record the amount of undistributed ad valorem taxes due to the related debt service funds. In effect, the General Fund is borrowing dedicated ad valorem tax revenues from other funds and only repaying the loan when necessary to make principal and interest payments on the bonds.

Criteria: Discussion with management indicates that the above is due to chronic cash flow problems in the General Fund.

Recommendation: We recommend that an agency fund with a separate bank account be established for ad valorem tax receipts. Receipts should be deposited into this fund and distributed to the correct funds at least monthly.

Management's Response: See Management's Corrective Action Plan.

CITY OF LEBANON, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDING JUNE 30, 1998

FINDING 26-12

REPORTING PACKAGE NOT SUBMITTED WITHIN SIX MONTHS

**Criteria:** It is our understanding that state statutes require that the annual reporting package of the city be submitted to the Legislative Auditor within six months of the close of the City's fiscal year. The City's fiscal year ended June 30, 1998, and therefore, the reporting package is required to be submitted to the Legislative Auditor by December 31, 1998.

**Condition:** The City's Reporting package was NOT submitted to the Legislative Auditor within the required six month period. As required by generally accepted auditing standards, we requested the City's management to send a letter of inquiry to the City Attorney concerning litigation, claims, and assessments. Management sent this letter of inquiry to the City Attorney on October 14, 1998. Additional requests, both written and verbal, were made in November and December. However, the reply from the City Attorney was not received until subsequent to December 31, 1998.

**Recommendation:** Management exhausted all reasonable efforts to obtain a response from the City Attorney. However, we recommend in the future that the City Attorney be required to respond to the letter of inquiry within a reasonable time.

**Management's Response:** See Management's Corrective Action Plan.

FINDING 26-25

LACK OF RECONCILIATION OF SUBSIDIARIES  
TO GENERAL LEDGER CONTROL ACCOUNTS

**Criteria:** The objectives of internal controls are to provide management with reasonable assurance that assets are safeguarded against loss, and that transactions are recorded in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Reconciliation of subsidiary ledgers to general ledger control accounts is an integral part of internal controls.

**Conditions:**

**Comptroller's Liaison Subsidiary Ledger:**

Discussion with client personnel indicated that there was no attempt to reconcile this subsidiary ledger to the general ledger control account during the year. At year-end, there was approximately \$14,889 difference between the subsidiary and the control account. Testing of the subsidiary ledger located approximately \$70,889 of receipts not posted to the subsidiary and approximately \$14,889 in duplicate posting to the subsidiary ledger. The duplicate postings to the subsidiary appeared to have been a flaw in the new cash receipts software which has been corrected. The new software contains an option to post the receipts to the subsidiary. If this option is not selected, the receipt will not post to the subsidiary.

CITY OF LEBANON, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 1998

**Customer Deposits Subsidiary Ledger in the Water Fund:**

There was approximately \$26,000 difference between this subsidiary ledger and its general ledger control account at year-end. Testing of subsidiary ledger indicated that several \$75 customer deposits were posted to the subsidiary ledger as \$7,500 deposits.

**CUSTOMER ACCOUNTS RECEIVABLE in the Water and Sewer Funds:**

Although there was not a significant difference between the subsidiary balance and the general ledger control accounts, we were informed that there were no procedures in place to regularly reconcile the subsidiary to the control account.

**Recommendation:** We recommend that subsidiary ledgers be reconciled to their respective general ledger control accounts at least monthly.

**Management's Response:** See Management's Corrective Action Plan.

**FINDING #8-12**

**RECONCILIATION - ACCOUNT DEBITED BANK ACCOUNT**

**Criteria:** Procedures should be in place to ensure the bank statements are reconciled to the general ledger and that the reconciliations are reviewed and approved by Management.

**Condition:** From the time the new cash receipts software was installed in April, 1998, to the end of the fiscal year, the City's bookkeeper was unable to completely reconcile the bank statement for the accounts payable bank account to the general ledger.

**Cause:** There was a defect in the new software which resulted in duplicate payments being posted to the general ledger. The vendor has fixed this "bug". The Cashiers were unaware of the proper way to code some transactions to properly reflect the transaction in the general ledger. The vendor has provided additional training and created additional codes to properly record these transactions. At least one deposit was made directly to the bank with no supporting documentation being provided to the bookkeeper. The bookkeeper was not informed that she no longer had to manually record certain transactions that the new software recorded automatically resulting in duplicate postings of receipts.

**Recommendation:** We recommend that when new software is installed that it be completely tested prior to going "live" and that all personnel be fully trained in operating the new software. We also recommend that all bank accounts be reconciled monthly to the general ledger and that the reconciliations be reviewed and approved by management.

**Management's Response:** See Management's Corrective Action Plan.

CITY OF MONROEVILLE, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 1990

FINDING 88-28

DUPLICATE PAYMENTS OF INVOICES

**Criteria:** There should be internal control procedures in place to detect and prevent duplicate payment of invoices.

**Condition:** In performing tests of disbursements, we located several duplicate payments to vendors.

**Cause:** The accounts payable software checks for duplicate invoice numbers. However, discussion with management indicates that invoice numbers are not always entered into the system.

**Recommendation:** We recommend that the City take advantage of the control procedure built into the software by requiring that the accounts payable clerk always enter the invoice number when posting invoices to the system.

**Management's Response:** See Management's Corrective Action Plan.

PAGE III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None reported.

**MANAGEMENT'S SCHEDULE OF PRIOR YEAR FINDINGS**



CITY OF LEBLANCHE, LOUISIANA  
MANAGEMENT'S SCHEDULE OF PRIOR YEAR FINDINGS  
YEAR ENDED JUNE 30, 1998

**SECTION I**  
**FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE**  
**REQUIRED TO BE REPORTED UNDER GOVERNMENT ACCOUNTING STANDARDS**

<b>FINDING</b>		<b>CURRENT YEAR STATUS</b>
91-01	Compliance with the Louisiana Local Government Budget Act	Unresolved - see Finding 98-01
91-02	Compliance with Asset Management Laws	Unresolved - see Finding 98-02
91-03	Compliance with Bond Indentures	Unresolved - see Finding 98-03
91-04	Compliance with Public Bid Law - Change Orders	Resolved
91-05	Compliance with Payroll Tax Deposit Requirements	Resolved
91-06	Reconciliation of Ad Valorem Tax Subsidiary to General Ledger	Partially Resolved - see Finding 98-06

**SECTION II**  
**FINDINGS AND QUESTIONED COSTS FOR FEDERAL GRANTS**

91-07	Compliance with Debris-Removal Act	Resolved
91-08	Compliance with Reporting Requirements	Resolved

**SECTION III**  
**OTHER COMMENTS AND RECOMMENDATIONS**

91-09	Compliance with Revenue Bond Indentures	Unresolved - see Finding 98-09
91-10	Failure to File Form 990-NIDC	Resolved
91-11	Liens Not Filed on Concessions	Resolved
91-12	Compliance with Article 7, Section 14 of the State Constitution	Resolved
91-13	TRUST Advances	Resolved
91-14	Insufficient Documentation for Credit Card Charges	Resolved
91-15	Adjustments to Customer's Accounts	Resolved
91-16	Payment Agreement on Delinquent Customer Accounts	Resolved

**MANAGEMENT'S CORRECTIVE ACTION PLAN**

CITY OF LEBEVILLE, LOUISIANA  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 1998

The management of the city of Leveville, Louisiana respectfully submits the following corrective action plan for the year ended June 30, 1998.

Independent Public Accounting Firm:	Payne, Moore & Worthington, LLP P. O. Box 13288 Alexandria, LA 71303-3288 (504)482-1882
Audit Period:	July 1, 1997 through June 30, 1998
Auditor Contact Person:	DeLain P. Frewitt City Clerk/Administrator (504)238-2444

The findings from the Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

**SECTION I**  
**INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS**

**FINDING 16-01** **COMPLIANCE WITH THE LOUISIANA BONDING ACT**

**Summary:** The auditors recommended that more care be taken in the budgeting process so that budgeted expenditures do not exceed available resources and that the budget amendment process include consideration of all facts and circumstances.

**Response:** The City will ensure that budgeted expenditures do not exceed available resources and ensure that all expenditures are posted prior to the end of the fiscal year before preparing budget amendments.

**FINDING 18-01** **COMPLIANCE WITH ASSET MANAGEMENT LAWS**

**Summary:** The auditors recommended that the City maintain records of all fixed assets in accordance with the requirements of state law and that the City complete its on-going project to record fixed assets acquired prior to 1973.

**Response:** The City will continue to work on bringing our general fixed assets into compliance and to include those assets purchased prior to 1973.

CITY OF MEMPHIS, LOUISIANA  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
YEAR ENDING JUNE 30, 1998

**FINDING 98-03**

**COMPLIANCE WITH BOND OBLIGATIONS**

**Summary:** The auditors recommended that the City comply with requirements of the indentures or agreements for the various bonds and certificates of indebtedness.

**Response:** The City will attempt to prevent this action from being taken in the future.

The City will make the required debt service sinking fund monthly deposits on a timely basis as outlined in the bond indentures.

**FINDING 98-04**

**AD VALOREM TAX RECEIPTS**

**Summary:** The auditors recommended that an agency fund with a separate bank account be established for ad valorem tax receipts. They also recommended that ad valorem tax receipts be deposited into this fund and distributed to the correct funds at least monthly.

**Response:** The City has upgraded computer software which allows cash to be distributed to proper funds when collected.

**FINDING 98-05**

**REPORTING PACKAGE NOT SUBMITTED WITHIN SIX MONTHS**

**Summary:** The reporting package was not submitted to the Legislative Auditor within six months of the close of the City's fiscal year because the city Attorney did not respond to the letter of inquiry until after December 31, 1998.

**Response:** After discussion with the City Attorney, management believes the attorney understands the importance of providing this information prior to December 31 for future reports.

**FINDING 98-06**

**LACK OF RECONCILIATION OF SUBSIDIARIES  
TO GENERAL LEDGER CONTROL ACCOUNTS**

**Summary:** The auditors recommended that subsidiary ledgers be reconciled to their general ledger control accounts at least monthly.

**Response:** The City has met with our software providers and have corrected this problem. The city has implemented procedures to assure that subsidiary ledgers are reconciled to control accounts on a monthly basis.

CITY OF LEXINGTON, LOUISIANA  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
YEAR ENDING JUNE 30, 1998

**FINDING 88-01** **RECONCILIATION - ACCOUNTS PAYABLE BANK ACCOUNT**

**Summary:** The auditors recommended that when new software is installed that it be fully tested prior to going "live" and that all personnel be fully trained in operating the new software. They also recommended that all bank accounts be reconciled monthly to the general ledger and that the reconciliations be reviewed and approved by management.

**Response:** The City will test all new software before going "live" in the future. The software problems have been corrected and the system is operating properly.

**FINDING 88-02** **DUPLICATE PAYMENTS OF INVOICES**

**Summary:** The auditors recommended that the city take advantage of the control procedure built into the software that checks for duplicate invoice numbers by requiring that the accounts payable clerk always enter the invoice number when posting invoices to the system.

**Response:** The City is in the process of updating the Accounts Payable program to include alpha vendor lookup that will allow the clerk to view paid invoices. The City will implement a standard procedure that if an invoice does not have a number, the date of the invoice is to be used.

**SECTION II**  
**INTERNAL CONTROLS AND COMPLIANCE RELATED TO FEDERAL AWARDS**

None reported.

**SECTION III**  
**OTHER COMMENTS AND RECOMMENDATIONS**

None issued.

