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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 1997

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LEGISLATIVE AUDITOR  
BATON ROUGE, LA 70801



CITY OF LAKE CHARLES, LOUISIANA

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 1997

Prepared By  
Division of Accounting  
for  
Ronald F. Kennedy  
Director of Finance

**CITY OF LAKE CHARLES**

*Lake Charles, Louisiana*

**MAYOR**

**Honorable Willie L. Mount**

**CITY COUNCIL**

**Mike Clark**

**Mike Slater**

**A.B. Franklin**

**David Perry**

**Rodney Geyen**

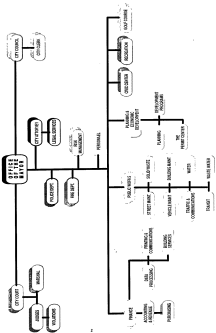
**W.H. "Buddy" Projean**

**Res. Samuel C. Tolbert**



**LAKE CHARLES..**  
*Moving Forward Together*

**CITY OF LAKE CHARLES  
ORGANIZATIONAL CHART**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Lake Charles,  
Louisiana**

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

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



*Spice R. Davitsky*  
President

*Jeffrey L. Cook*  
Executive Director

**CITY OF LAKE CHARLES, LOUISIANA**  
**COMMISSIONER'S ANNUAL FINANCIAL REPORT**  
 September 30, 1997

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## CITY OF LAKE CHARLES

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HOLLIE L. MOUNT  
MAYOR

DEPARTMENT OF FINANCE  
Ronald F. Kennedy, Director

March 30, 1998

Honorable Willie L. Mount, Mayor  
Members of the City Council

Dear Mayor and City Council Members:

I am pleased to submit the Comprehensive Annual Financial Report of the City of Lake Charles for the year ended September 30, 1997. This report has been prepared by the City's Finance Department in accordance with generally accepted accounting principles, and the general purpose financial statements contained herein have been independently audited in accordance with applicable law and governmental auditing standards. However, the Finance Department is responsible for the accuracy of the financial statements and the completeness and fairness of the presentation, including all note disclosures. We believe that this report fairly and accurately presents the financial position of the City and the results of operations of the various funds for the period covered, and that all disclosures necessary for such presentation have been included.

The contents of this report are presented in three parts as follows: (1) an introductory section which includes this letter of transmittal, providing an overview of the City's activities and financial operations; (2) a financial section consisting of the City's financial statements, note disclosures and accompanying auditor's opinion; and (3) a statistical section providing additional unaudited data focusing on financial and economic characteristics and trends.

### City Organization and Financial Reporting Scope

The City of Lake Charles was incorporated in 1867 and operates under a 1961 City Charter providing for a Mayor-Council form of government. The City provides the full range of traditional municipal services, as well as several specialized facilities such as the Civic Center coliseum and theater complex, Mallard Cove Golf Course, and the Central School Arts and Humanities Center, all of which have regional service areas. The City has a population of approximately 35,000 within its corporate limits. The metropolitan area, which covers Calcasieu Parish, has a current estimated population of over 178,000.

The financial statements presented in this report include all funds, accounts, and organizational units under the control of the City during the year ended September 30, 1997. The separately controlled accounts of the Lake Charles City Court and the Ward Three Marshal are also incorporated in this

report's financial statements as "component units," which are financially interdependent with the City but not under the City's legal control. All other activity which is presented in the financial statements represents funds under the control or custody of the City, through its elected Mayor and City Council. This report does not include the Housing Authority of Lake Charles, which is both legally and financially independent of the City.

### Area's Economic Environment

Lake Charles is the principal city and trade center of Southwest Louisiana, and is serviced by a deep water port located 39 miles from the Gulf of Mexico. The major component of the area's economic base is the concentration of petrochemical and related manufacturing industries which has developed along the deep water ship channel over the past sixty years. This industrial complex has expanded significantly during the 1990s, both through plant additions and development of major new facilities. This manufacturing sector currently employs over 18,000 persons directly, and typically generates several thousand additional jobs in the form of contract construction and maintenance.

The area's economic base has become somewhat more diversified in recent years with the additions of a major aircraft modification facility at Chalmette Industrial Airpark, which is a converted air base site adjoining the City, and with the development of two casino riverboat complexes which rely primarily on proximity to the large southeast Texas market. These operations collectively provide over 4,000 direct jobs, which are highly beneficial to the local economy, but also subject to greater long-term uncertainty than the capital-intensive petrochemical industries.

Other important components of local economic growth during the past few years have included a rapidly expanding retail and service sector, high levels of construction activity, and continued growth of shipping and marine services. In the surrounding region, agriculture, timber and oil and gas production are also significant contributors to the trade and transportation sectors of the Lake Charles area's economy.

One measure of improvement in the health of the area economy over the past decade is the metropolitan area's unemployment rate, which ranged as high as 16 percent during the economic downturn of the mid-1980s. That rate has declined to a level ranging between 5 and 6 percent throughout most of the past five years, which represents the longest period of sustained high employment and job growth in the local labor market since the late 1950s.

### City Development Trends

Since most of the area's industrial facilities are located outside the City, the City itself is primarily a center of retail, service, and governmental activity. The retail sector in particular is experiencing rapid expansion in response to regional population and income growth. Recent and pending additions include a major shopping mall expansion project, several national and regional chain restaurants, large-scale specialty retail and discount outlets, both national and local, and many other new or expanded smaller businesses. In the service sector, three new hotels are in various stages of development or completion within the City, and other sectors such as health services have experienced steady growth similar to national trends. One of the area's two-boat casino riverboat

complexes is located within the City, constituting a major source of local tax revenue as well as employment. The public sector is another major generator of employment within the City, owing to the presence of facilities such as McNeese State University, the Port of Lake Charles general cargo docks, and regional, state and federal offices as well as local government entities.

The City has experienced steady residential growth during the 1990's as a result of new construction and renovation of existing homes. Another important recent trend has been an increased pace of new development and renovation projects in the City's downtown area and adjoining older residential districts. This activity reflects market forces and growing interest in historic preservation, but has also been stimulated in part by major public projects such as the City's lakefront development program and Central School restoration.

Current forecasts project a continuation of strong economic growth in the local area through at least the next two years, and the trade and services sectors within the City proper are expected to respond accordingly. One area of concern is the ability of the public sector to continue to provide the infrastructure necessary to support this growth. The City and other local governmental entities are heavily dependent on sales taxes as a primary source of revenues, and the rate of growth of that revenue has frequently failed to meet expectations or needs associated with community growth and expansion.

### **1997 City Activity Highlights**

Within the past four years, Lake Charles has experienced an accelerated pace of development and activity in the public sector as well as the private economy. The past year has been particularly eventful with regard to City projects and activities, some of which are highlighted below:

- The new Southwest Water Plant was completed and placed into service, increasing the water system's overall production capacity by 35 percent.
- Restoration of the former Central School building, which was authorized by a temporary sales tax collected during 1993, was completed and is now in use as an arts and humanities center. The building is located near the center of the Charpentier Historic District, which adjoins the downtown area.
- The second major phase of the City's lakefront development and beautification program was substantially completed, expanding upon the initial boardwalk construction project completed the previous year.
- An initial phase of extensive Civic Center renovations was completed and a second phase undertaken to prepare the coliseum section for professional minor league ice hockey play which began in October, 1997.
- The City expended an overall total of \$21.3 million for major capital projects and acquisitions from all sources of funds during the 1997 fiscal year, surpassing the previous year's record total of \$18.4 million. Although these

totals include a wide variety of improvements such as those mentioned above, street and drainage construction remains the largest single component of the City's capital spending.

- The City and other local taxing authorities entered into a sales tax increment financing agreement to facilitate the expansion and renovation of Pikes Lake Mall as a regional shopping center. The expansion will add 400,000 square feet of new retail space and is scheduled for completion in the fall of 1998.
- The area within the City's corporate limits increased by a total of 1.7 square miles as a result of several major annexations during 1997.
- A severe ice storm during January, 1997, resulted in minimal property damage, but produced an unprecedented volume of tree and limb destruction and debris which disrupted local services for several days and required repeated clean-up and disposal efforts over a period of four months. The City ultimately spent an estimated total of \$2.5 million for debris removal, but a major portion of the added expenditure burden was offset by the receipt of \$1.46 million in federal and state disaster relief funding.

#### **Current and Future Initiatives**

The City is currently undertaking further renovations to the Civic Center, replacement of most of the fixed-route transit system fleet, continuation of an extensive program of major street improvements, and renovations to the City Hall building. Other projects in the planning and design stages include renovations of the historic City Court building and a critically needed expansion of wastewater treatment facilities. Service improvement initiatives include the continued implementation and expansion of a community policing program, modernization and automation of public safety dispatching and records management functions, and further enhancement of recreational programs with a particular focus on youth activities. The City has also reached a tentative agreement which will provide a larger and more predictable stream of future revenue from casino riverboat admissions within the City. Since the use of all revenue from this source is restricted by City policy to capital projects and similar non-recurring items, this measure will directly benefit the City's efforts to meet current and future infrastructure needs.

#### **Financial Summary - Governmental Funds**

As required by generally accepted accounting principles, the City's accounts are organized into self-contained funds. Activities considered to be governmental in nature are accounted for in the General Fund, Special Revenue Funds, and the Debt Service and Capital Projects Funds. The financial activity and status of this group of governmental funds is summarized in the following sections:

### Revenue Summary:

Total revenues of the City's governmental funds were \$35,196,756 for the 1997 fiscal year, which represents an increase of \$143,972 or 0.26 percent from the 1996 total. The following table summarizes the revenue amounts and year-to-year changes for major revenue sources and categories.

Revenue Source	1997 Amount	Percent of Total	Percent Increase (Decrease) from 1996
Property taxes	\$ 4,614,279	8.4	0.6
Sales taxes	26,039,917	47.2	2.6
Occupational taxes	2,125,724	3.8	(1.2)
Riverboat admissions	4,755,873	8.6	(24.9)
Special assessments	124,653	0.2	(93.0)
Licenses, permits and franchises	4,425,108	8.0	2.0
Charges for services	2,881,616	3.2	(5.2)
Fines and forfeitures	425,329	0.8	(12.2)
Intergovernmental	3,384,140	9.8	48.2
Interest earnings	2,998,386	4.7	2.0
Other revenue	1,830,732	3.3	(24.4)
Total	\$35,196,756	100.0	0.3

The 1997 fiscal year was notable for a lack of significant revenue growth in virtually all categories, with many sources experiencing substantial decreases as shown above. The intergovernmental revenue category, which accounts for funds received from other governments, is the one area of notable year-to-year growth, most of which is attributable to the \$1.45 million in federal and state disaster relief funds received as a result of the January, 1997, ice storms. If those funds are excluded, the remaining total of 1997 governmental fund revenues is 2.4 percent below that of 1996. This decrease is, in turn, attributable to the sharp decline in riverboat admission tax revenue from the peak experienced in 1996. The volatility of this particular revenue source has been clearly demonstrated during its four years of existence, leading further support to the City's policy of directing its use to capital investment rather than current operation.

The City is heavily dependent on sales taxes, which consist of three separate levies totaling 2.25

percent, for funding of current operations and some capital improvements. Total sales tax revenue is nearly half of all governmental fund revenues, and accounts for more than half of the total if receipts from other governments are excluded. Although total sales tax revenue did post a modest 2.6 percent increase from the 1996 to 1997 fiscal year, this result barely matches the rate of inflation for that period, and is disappointing in relation to the strength of other local economic indicators and the apparent growth in retail capacity. It remains to be seen whether such relatively limited growth is an emerging economic trend or a temporary aberration.

#### Expenditure Summary:

Expenditures and additional transfers from governmental funds totaled \$54,353,144 for the 1997 fiscal year, representing an increase of \$2,401,909 or 4.6 percent from the 1996 total. The use of these funds for departmental operations and other purposes is summarized in the following table.

Use of Funds	1997 Amount	Percent of Total	Percent Increase (Decrease) from 1996
<b>Current operating expenditures</b>			
General government	\$ 1,778,283	3.3	3.2
Finance	974,520	1.8	0.7
Personnel	204,197	0.4	2.8
Public safety	15,296,178	28.1	7.8
Public works	13,728,283	25.3	16.5
Planning and development	1,271,844	2.3	(3.1)
Community services	2,838,587	5.3	1.4
General services	1,813,771	3.3	6.7
<b>Other expenditures and uses:</b>			
Capital projects	13,716,144	25.2	(1.5)
Debt service	177,006	0.3	(34.9)
Operating transfers to other funds	1,286,915	2.4	11.4
Residual equity (capital) transfers to other funds	1,243,076	2.3	(32.8)
<b>Total</b>	<b>\$54,353,144</b>	<b>100.0</b>	<b>4.8</b>



The most significant increase in expenditures was for operation of the Public Works Department, and is almost entirely attributable to the costs of ice storm clean-up incurred through that department during 1997. The public safety function also continues to reflect steady annual increases, primarily as a result of expanding law enforcement activity. Debt service expenditures are decreasing as a result of previous debt retirements, while other annual decreases reflect only short term fluctuations in cash flow.

#### **Fund Balances:**

As a result of the 1997 financial activity described above, the total fund balances of all governmental funds increased by \$843,613, primarily due to the accumulation of funds for capital projects. A comparison of 1996 and 1997 ending fund balances for the respective fund types is shown below:

Fund Type	Total Fund Balances		Net Change 1996 to 1997
	1997	1996	
General Fund	\$13,967,603	\$15,804,446	\$ 1,836,843
Special Revenue	4,653,708	5,362,469	(708,761)
Debt Service	987,276	873,983	113,293
Capital Projects	23,113,369	21,698,339	1,415,030
<b>Total</b>	<b>\$44,781,948</b>	<b>\$43,738,236</b>	<b>\$ 843,613</b>

Portions of the ending 1997 balances are reserved as required for items such as inventories, debt service, and capital project contract accumulations. Additional portions are designated for use during 1998, primarily with respect to capital projects. The City seeks to maintain a substantial overall balance at all times in the General Fund, in order to compensate for exposure to revenue fluctuations and cost contingencies such as disaster events.

#### **Financial Summary - Proprietary Functions**

The City maintains a total of seven proprietary funds, in which financial activity is reported on a basis similar to that of private business. This category includes four enterprise funds, in which services are provided to the general public, and three internal service funds, in which services are provided primarily to the City's own departments or employees. The financial activity of these funds and their relationship to general governmental operations is summarized below.

### Enterprise Funds

This fund type is used to account for Civic Center, Public Transit, Golf Course, and Water Utility operations. The Civic Center and Transit System have historically experienced significant operating deficits, with expenses substantially exceeding the revenue generated by their operations. The Golf Course generally operates at or above a "break even" level, while the Water Utility typically generates significant net income. The following table shows revenues and other financing sources of these funds for the 1997 fiscal year.

1997 Revenues and Other Sources (thousands)	Civic Center	Golf Course	Public Transit	Water Utility
Operating revenues	\$ 648	\$1,182	\$ 86	\$6,133
Intergovernmental revenue	0	0	393	0
Other non-operating revenue (expenses)	43	20	(21)	359
Operating transfers	731	37	434	215
Total	\$1,424	\$1,239	\$1,198	\$6,719

In addition to revenues and operating transfers as shown above, enterprise funds received a total of \$1,342,476 as contributed capital from governmental funds during 1997, in order to support continuing renovations of the Civic Center and the planned acquisition of new transit vehicles. The total capital expenditures made through enterprise funds during the year were \$7,734,361, consisting primarily of water plant construction and Civic Center renovations.

### Internal Service Funds

The Risk Management Fund was established in mid-1986 to account for the City's self-insurance program, which covers workers' compensation and most forms of liability risks. Operating revenues of this fund are provided by internal service charges which are distributed among the City's departments and activities in proportion to estimated risk. This fund received \$2,630,896 in operating revenue and an additional \$672,260 from interest earnings and other revenue during 1997, while incurring expenses and loss accounts totaling \$1,821,401.

The Vehicle Replacement Fund is a revolving fund which finances the acquisition of general purpose vehicles from revenues generated by internal service charges for vehicle use. The fund received \$227,390 from such charges during 1997, while providing a total of \$323,300 for new vehicle purchases.

The Employee Group Insurance Fund was established in 1993 to account for self-funding of employee group health benefits by the City. This fund received \$2,701,723 in City and employee payroll contributions and paid \$2,111,534 in claims and expenses during the 1997 fiscal year.

### **Other Financial Activity**

#### **Pension Funds:**

The City participates in three cost-sharing statewide retirement systems, which together cover virtually all of the City's full-time employees. The City has also continued to maintain its previous local police and firemen's pension funds on a limited basis, in order to account for a portion of the costs related to the 1983 and 1987 mergers of these members into statewide retirement systems. The local pension funds receive no payroll contributions, but are used to account for limited remaining benefit liabilities to certain police retirees under age fifty, and to provide a portion of the annual payments required to amortize the transfer of firemen's pension liabilities to the statewide system. These funds had 1997 ending balances of \$561,896 for police and \$915,131 for firemen. The City has a long-term debt of \$12,769,866 in connection with the 1983 and 1987 mergers, each of which is amortized over 30 years and paid through the General Fund.

#### **Debt Administration:**

The City's long-term debt consists mostly of the fire and police pension merger liabilities described above. The City has no outstanding general obligation bonds, as the last such debt was retired during 1993. Other remaining bonded debt consists of limited obligation special assessment bonds, which totaled \$203,736 at year end.

#### **Risk Management:**

In addition to the self-insured liability risks accounted for in the Risk Management Fund, the City maintains insurance coverage for other forms of property and casualty loss exposure, the cost of which is charged directly to the affected operating funds and departments.

#### **Cash Management and Investment:**

Funds under the control of the City are held in an interest bearing cash pool, from which investments are made in accordance with statutory restrictions and locally adopted investment policy. Interest and investment earnings for all funds totaled \$3,887,233 during the 1997 fiscal year, representing an increase of 4.3 percent from the preceding year. It should be noted that the amortized cost basis, which is currently used for valuation of investments, will be replaced by a market value basis for 1998 and subsequent years, in accordance with recent changes in governmental accounting standards. City policy restricts investments to short-term and intermediate-term obligations of the U. S. Government and its agencies and instrumentalities, and to participation in a local government investment pool which is similarly restricted.

### Accounting System and Budgetary Control

The City maintains internal accounting controls designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, as well as the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits requires estimates and judgements by management. The current system of controls is believed to provide such assurance, but is subject to periodic evaluation by City management in response to changing conditions.

Budgetary control is maintained administratively at the expenditure object level, and expenditures are legally controlled at the department and fund level with respect to the General Fund and Special Revenue Funds, in which annual budgetary appropriations are legally required. With the exception of capital projects which are authorized on a project length basis, budgetary appropriations are annual, and any outstanding encumbrances at year end are subject to re-appropriation for the subsequent year.

### Independent Audit

The City Charter requires that an annual independent audit of the City's financial statements be made by a certified public accountant selected by the City Council. This requirement has been met, and a copy of the auditor's opinion is included in the financial section of this report. However, the City's Finance Department remains responsible for the accuracy and fair representation of the financial statements and disclosures contained in this report.

The independent audit also includes the examinations of internal controls and federal financial assistance programs required by the Single Audit Act and implementing regulations. The results of this examination for the fiscal year ended September 30, 1993, are incorporated in a supplementary compliance report.

### Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lake Charles for its comprehensive annual financial report for the fiscal year ended September 30, 1993. The City also received the Certificate of Achievement for its reports of the preceding twelve years.

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

A Certificate of Achievement is valid for one year only. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

### Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated efforts of the Finance Department and, particularly that of the Accounting Division. We also wish to acknowledge the continued interest and support of the City's elected officials in maintaining an effective financial management and reporting program.

Respectfully submitted,

Ronald P. Kennerly  
Director of Finance

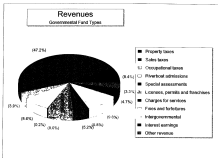
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# CITY OF LAKE CHARLES, LOUISIANA

## Chart of Revenues

All Governmental Fund Types

For Fiscal Year Ended September 30, 1997



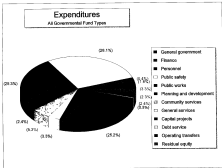
Revenue	1997 Amount	Percent of Total
Property taxes	\$4,814,279	47.2
Sales taxes	26,038,917	8.4
Occupational taxes	2,125,724	3.9
Riverboat admissions	4,755,873	8.0
Special assessments	124,853	0.2
Licenses, permits and franchises	4,423,108	8.0
Charges for services	2,881,616	5.2
Fines and forfeitures	425,329	0.8
Intergovernmental	3,384,140	9.8
Interest earnings	2,398,388	4.7
Other revenue	1,820,732	3.3
<b>Total revenues</b>	<b>\$53,186,716</b>	

# CITY OF LAKE CHARLES, LOUISIANA

Chart of Expenditures

All Governmental Fund Types

For Fiscal Year Ended September 30, 1997



Expenditures	1997 Amount	Percent of Total
General government	\$1,778,285	13.7%
Finance	974,530	0.4%
Personnel	304,197	0.4%
Public safety	15,299,178	18.1%
Public works	13,728,389	25.3%
Planning and development	1,277,844	2.4%
Community services	2,858,587	3.3%
General services	1,815,711	3.3%
Capital projects	13,795,144	21.3%
Debt service	177,028	0.3%
Operating transfers	1,288,713	2.4%
Residual equity	1,242,476	2.3%
<b>Total expenditures</b>	<b>\$54,551,044</b>	



CITY OF LAKE CHARLES, LOUISIANA





# Langley, Williams & Company, L.L.C.

## CERTIFIED PUBLIC ACCOUNTANTS

2000 OLEANS STREET  
LAKE CHARLES, LOUISIANA 70601-2000  
(504) 487-7000  
LAKE CHARLES  
MOBILE OFFICE

MEMBER OF  
AMERICAN SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF CHICAGO  
CERTIFIED PUBLIC ACCOUNTANTS

REGISTERED SECTION  
OFFICE

LEE T. LANGLEY, III  
DANIEL L. WILLIAMS  
BRYAN J. CHAMBERS  
RICHARD S. WOODRUFF, III  
DUSTIN S. CLARK

## INDEPENDENT AUDITORS' REPORT

Honorable Willie L. Mount, Mayor  
and the Members of the City Council  
Lake Charles, Louisiana

We have audited the accompanying general purpose financial statements of the City of Lake Charles, Louisiana as of September 30, 1997, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Lake Charles, Louisiana's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the discretely presented component units of the entity, as described in Note 1. These statements account for 100% of total assets and revenues of the discretely presented component unit column reported herein as September 30, 1997, and for the year then ended. The financial statements of these entities were audited by other auditors whose reports have been furnished to us, and our opinion on the general purpose financial statements, insofar as it relates to the amounts included for such discretely presented component units presented as a separate fund type, is based solely on the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Comptroller 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 and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors, the general purpose financial statements referred to above present fairly, in all material aspects, the financial position of the City of Lake Charles, Louisiana as of September 30, 1997, and the results of its operations and cash flows of its proprietary and similar trust fund types for the year then ended in conformity with generally accepted accounting principles.

Honorable Willie L. Moran, Mayor  
and the Members of the City Council  
Page 2

In accordance with Government Auditing Standards, we have also issued our report dated February 13, 1998 on our consideration of the City of Lake Charles's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Lake Charles, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements.

The statistical section listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the City of Lake Charles, Louisiana. Such information has not been subjected to the auditing procedures applied in the audit of the general purpose, combining and individual fund and account group financial statements, and accordingly, we do not express an opinion on it.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which there was an unqualified opinion expressed on the general purpose financial statements of the City of Lake Charles, Louisiana.

*Royce Williams, Sr., CPA*

February 13, 1998



CITY OF LAKE CHARLES, LOUISIANA

## GENERAL PURPOSE FINANCIAL STATEMENTS

**CITY OF LAKE CHARLES, LOUISIANA**

Combined Balance Sheet - All Fund Types, Account Groups and Discretely Presented Component Units

September 30, 1997

ASSETS AND OTHER DEBITS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Cash (Note 1-G)	\$1,697,799	\$985,279	\$67,700	\$1,720,609
Investments (Note 1-G)	11,403,941	1,617,232	695,994	21,264,704
Receivable (net of allowance for uncollectible)				
Accounts (Note 1-G)	190,679	326,427	0	0
Special Assessments	0	0	\$15,883	0
Accrued interest	354,471	64,873	8,187	380,481
Intergovernmental (Note 8-C)	928,898	408,615	0	55,323
Due from other funds (Note 8-D)	151,912	166,893	0	358,179
Inventory (Note 1-G)	366,327	0	0	0
General Fixed assets (Note 5)	0	0	0	0
Fixed assets, net of accumulated depreciation (Note 5)	0	0	0	0
Prepaid items	186,942	18,824	0	0
Restricted cash (Note 1-G)	0	0	0	0
Restricted customer deposits	0	0	0	0
Deferred non-accrual-rehabilitation loans	0	48,941	0	0
Amount available to Debt Service Funds	0	0	0	0
Amount to be provided for retirement of general- long-term debt	0	0	0	0
<b>Total assets and other debits</b>	<b>\$15,116,181</b>	<b>\$5,609,629</b>	<b>\$1,598,799</b>	<b>\$24,908,187</b>
<b>LIABILITIES</b>				
Accounts payable	\$579,189	\$176,637	\$0	\$1,174,264
Contracts payable	0	15,423	0	586,873
Income	68,188	12,780	26,620	0
Due to primary government	0	0	0	0
Due to other funds	195,981	208,793	0	1,891
General obligation bonds payable (Note 6)	0	0	0	0
Special assessment bonds payable (Note 6)	0	0	0	0
Accrued wages and benefits payable (Note 1-L)	27,330	5,828	0	0
Accrued pension liability (Note 1)	0	0	0	0
Liabilities payable from restricted assets	0	0	0	0
Accrued insurance claims-current (Notes 7 & 10)	1,800	0	0	0
Accrued insurance claims - noncurrent (Notes 7 and 10)	0	0	0	0
Deferred revenues	0	0	600,993	0
Deferred revenue-rehabilitation loans	0	48,941	0	0
Deferred compensation benefits payable	0	0	0	0
Other liabilities	34,898	0	0	0
<b>Total liabilities</b>	<b>1,288,546</b>	<b>991,331</b>	<b>600,993</b>	<b>1,721,138</b>

Proprietary Internal Service	Fund Type Enterprise	Fiduciary Fund Trust and Agency	Account Groups		Totals		Component Units 2007
			General Fixed Assets	General Long-Term Debt	Primary Government (Memorandum Only) 2007	2006	
3791,336	1774,336	371,461	\$0	\$0	\$7,888,711	\$7,888,696	\$220,714
14,183,896	7,133,868	3,867,734	0	0	41,869,857	42,627,762	0
9,700	438,211	0	0	0	988,811	1,123,397	7,348
0	0	0	0	0	815,885	982,873	0
230,709	37,888	17,580	0	0	1,885,008	817,180	0
0	141,271	0	0	0	1,530,907	587,586	0
62,892	0	0	0	0	669,837	343,943	1,891
0	187,683	0	0	0	434,889	479,511	0
0	0	0	51,241,827	0	51,241,827	48,003,268	261,823
597,376	42,603,809	0	0	0	43,251,185	38,416,149	0
31	64,495	0	0	0	282,293	378,788	0
0	0	0	0	0	0	0	126,688
0	373,580	0	0	0	373,580	387,188	0
0	0	0	0	0	48,041	58,087	0
0	0	0	0	981,690	981,690	873,082	0
0	0	0	0	14,380,540	14,380,540	15,004,641	14,820
<u>\$15,816,148</u>	<u>\$49,508,189</u>	<u>\$3,898,314</u>	<u>\$51,343,827</u>	<u>\$18,381,280</u>	<u>\$84,993,661</u>	<u>\$77,643,637</u>	<u>\$734,688</u>
802,991	894,348	\$0	\$0	\$0	\$3,453,442	\$2,505,169	\$13,582
0	354,447	0	0	0	1,156,790	898,717	0
0	62,429	2,733	0	0	388,798	154,169	0
0	0	0	0	0	0	0	5,493
3,004	168,234	0	0	0	669,837	343,943	2,690
0	0	0	0	0	0	50,608	0
0	0	0	0	300,738	300,738	298,178	0
18,799	444,117	0	0	1,368,368	2,887,624	1,972,844	0
0	0	0	0	11,374,972	11,374,972	14,814,712	0
0	273,329	0	0	0	273,329	386,376	236,608
4,846,691	0	0	0	0	4,846,691	4,131,237	0
849,545	0	0	0	43,362	952,707	764,818	0
0	0	0	0	0	630,690	721,170	0
0	0	0	0	0	48,341	59,887	0
0	0	1,982,008	0	0	1,982,838	1,721,866	0
0	0	0	0	0	74,898	187,873	14,820
7,961,430	2,348,887	1,984,807	0	13,281,240	28,168,651	28,158,198	248,684

(continued on next page)

**CITY OF LAKE CHARLES, LOUISIANA**

Combined Balance Sheet - All Fund Types, Account Groups and Discretely Presented Component Units  
September 30, 1997

EQUITY AND OTHER CREDITS	Governmental Fund Types			
	General	Special Revenues	Debt Service	Capital Projects
Contributed capital	\$0	\$0	\$0	\$0
Investment in general fixed assets	0	0	0	0
Retained earnings (deficit):				
Reserved for insurance claims (Note 10)	0	0	0	0
Unreserved	0	0	0	0
Fund balances:				
Reserved for inventory	286,517	0	0	0
Reserved for prepaid items (Note 1-K)	184,942	10,834	0	0
Reserved for accumulations (Note 1-F)	0	0	0	4,901,748
Reserved for employees' retirement system	0	0	0	0
Reserved for debt service	0	0	807,276	0
Unreserved:				
Designated for subsequent year's expenditures	770,848	1,144,215	0	0
Designated for capital projects	0	0	0	18,042,840
Undesignated	14,683,288	3,478,219	0	170,271
<b>Total retained earnings / fund balances</b>	<b>15,867,605</b>	<b>4,622,708</b>	<b>807,276</b>	<b>21,113,359</b>
<b>Total equity and other credits</b>	<b>15,867,605</b>	<b>4,622,708</b>	<b>807,276</b>	<b>21,113,359</b>
<b>Total liabilities, equity and other credits</b>	<b>\$17,115,151</b>	<b>\$7,699,632</b>	<b>\$1,898,718</b>	<b>\$24,844,487</b>

See accompanying notes to financial statements

Proprietary Fund Types		Fiduciary Fund Trust and Agency	Account Groups		Totals		Component Units 1997
Internal Service	Enterprise		General Fund Assets	General Long-Term Debt	Primary Government (Blended/Random Only) 1997	1996	
\$173,790	\$27,763,190	\$0	\$0	\$0	\$28,138,980	\$28,688,980	\$0
0	0	0	51,342,827	0	51,342,827	46,033,168	162,823
3,424,779	0	0	0	0	3,424,779	4,940,020	0
4,954,234	18,816,831	0	0	0	24,771,065	32,413,041	0
0	0	0	0	0	366,527	384,168	0
0	0	0	0	0	103,766	109,162	0
0	0	0	0	0	4,911,788	7,513,457	0
0	0	1,476,227	0	0	1,476,227	1,333,987	0
0	0	0	0	0	907,276	879,082	0
0	0	0	0	0	1,810,373	2,675,868	0
0	0	0	0	0	18,842,048	9,818,617	0
0	0	97,272	0	0	18,418,496	21,866,758	303,181
18,379,083	18,816,831	1,573,499	0	0	76,351,282	72,680,381	303,181
18,794,713	47,898,022	1,573,499	51,342,827	0	115,730,069	145,400,628	466,094
<u>\$1,818,142</u>	<u>\$49,828,199</u>	<u>\$1,598,216</u>	<u>\$51,342,827</u>	<u>\$15,393,128</u>	<u>\$184,980,061</u>	<u>\$173,642,837</u>	<u>5734,688</u>



## CITY OF LAKE CHARLES, LOUISIANA

### Combined Statement of Revenues, Expenditures, and Changes in Fund Balances

All Governmental Fund Types and expendable Trust Fund and Discretely Presented Component Units  
For Fiscal Year Ended September 30, 1997

	Governmental Fund		
	General	Special Revenues	Debt Service
<b>Revenues:</b>			
Taxes	\$17,313,283	\$19,748,002	\$45,407
Special assessments	0	0	124,639
Licenses and permits	4,413,398	0	0
Intergovernmental	2,394,973	1,771,879	0
Charges for services	932,344	1,886,072	0
Fines and forfeitures	425,229	0	0
Miscellaneous	1,493,345	685,817	41,138
Total revenues	27,656,382	24,094,882	211,232
<b>Expenditures:</b>			
Current operating:			
General government	1,778,283	0	0
Finance	974,520	0	0
Public safety	14,460,619	818,339	0
Personnel	204,197	0	0
Public works	18,890,317	3,037,896	0
Planning and development	1,124,070	153,358	0
Community services	0	2,858,587	0
General services	1,815,771	0	0
Capital projects	0	973,340	0
Debt service:			
Principal retirement	0	0	144,442
Interest and fiscal charges	0	0	32,584
Total expenditures	31,047,783	7,862,340	177,026
Excess (deficiency) of revenues over expenditures	(3,391,401)	16,232,542	34,194
<b>Other financing sources (uses):</b>			
Operating transfers in	8,398,199	3,854,802	0
Operating transfers out	(4,429,363)	(22,537,983)	0
Total other financing sources (uses)	3,968,836	(18,683,181)	0
Excess (deficiency) of rev and other over exp and other uses	577,035	(1,450,639)	34,194
Fund balance at beginning of year	15,804,446	3,362,489	873,082
Residual equity transfer out	(184,478)	(258,090)	0
Fund balance at end of year	\$15,987,605	\$3,104,399	\$907,276

See accompanying notes to financial statements

Types	Fiduciary Fund Veteran's Memorial Park	Totals		Component Units
		Primary Government (Memorandum Only)		
		1997	1996	
Capital Projects				1997
\$0	\$0	\$37,226,792	\$38,441,976	\$0
0	0	124,683	263,415	0
0	0	4,425,168	4,339,682	0
1,627,288	0	3,384,140	3,633,397	0
0	0	2,881,606	3,039,712	0
0	0	429,329	484,426	289,900
2,306,786	32,383	4,481,485	4,872,173	19,916
2,214,054	32,383	59,229,121	35,076,781	289,817
0	0	1,778,289	1,723,913	0
0	0	974,520	967,700	0
0	0	13,299,178	14,158,403	0
0	0	304,397	168,710	0
0	0	13,728,203	11,780,032	0
0	0	1,273,844	1,318,443	0
0	20,084	2,978,671	2,823,030	0
0	0	1,813,771	1,782,340	335,739
12,738,404	0	13,718,144	13,970,169	24,988
0	0	144,442	321,804	14,834
0	0	32,384	50,182	2,064
12,738,404	20,084	51,643,813	48,956,732	977,343
(9,582,538)	12,281	3,185,284	6,120,089	(87,326)
11,117,339	0	21,680,331	21,934,042	119,293
0	0	(26,967,266)	(23,988,148)	0
11,117,339	0	(1,286,935)	(1,153,186)	113,293
2,214,000	12,281	2,698,169	4,964,903	25,967
21,898,339	84,991	43,823,327	40,708,424	177,214
(800,000)	0	(1,242,478)	(1,858,004)	0
233,413,399	897,272	844,679,328	843,833,327	328,180

## CITY OF LAKE CHARLES, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget (GAAP Basis) and Actual - General and Special Revenue Fund Types  
For Fiscal Year Ended September 30, 1997

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>Revenues:</b>			
Taxes	\$17,830,800	\$17,735,289	(95,511)
Licenses and permits	4,079,108	4,425,108	346,000
Intergovernmental	1,838,454	2,284,973	446,519
Charges for services	938,150	982,544	44,394
Fines and forfeitures	433,800	425,320	(8,480)
Miscellaneous	859,800	1,499,345	639,545
<b>Total revenues</b>	<u>25,980,304</u>	<u>27,659,989</u>	<u>1,679,685</u>
<b>Expenditures:</b>			
<b>Current:</b>			
General government	1,803,835	1,778,289	25,546
Finance	1,818,586	974,320	844,266
Public safety	14,565,465	14,460,619	104,846
Personal	210,247	204,197	6,050
Public works	11,099,509	10,690,317	409,192
Planning	1,282,154	1,124,078	158,076
Community services	0	0	0
General services	2,001,200	1,815,771	185,429
Capital outlay	0	0	0
<b>Total expenditures</b>	<u>32,781,454</u>	<u>31,047,783</u>	<u>1,733,671</u>
<b>Excess (deficiency) of rev over exp</b>	<u>(6,801,150)</u>	<u>(3,387,801)</u>	<u>3,413,649</u>
<b>Other financing sources (uses):</b>			
Operating transfer in	8,234,430	8,168,199	(66,231)
Operating transfer out	(4,662,470)	(4,429,363)	233,107
<b>Total other financing sources (uses)</b>	<u>3,571,960</u>	<u>3,738,836</u>	<u>(166,364)</u>
<b>Excess (deficiency) of rev and other sources over exp</b>	<u>(3,229,190)</u>	<u>350,995</u>	<u>3,580,185</u>
<b>Fund balance at beginning of year</b>	15,834,444	15,834,444	0
<b>Residual equity transfer out</b>	<u>(184,478)</u>	<u>(184,478)</u>	<u>0</u>
<b>Fund balance at end of year</b>	<u>\$15,649,966</u>	<u>\$16,009,005</u>	<u>\$359,039</u>

See accompanying notes to financial statements

Special Revenues		
Budget	Actual	Variance Favorable (Unfavorable)
\$19,983,200	\$19,748,082	(\$235,118)
0	0	0
5,156,448	1,771,879	(\$3,384,569)
1,985,000	1,889,072	(\$95,928)
0	0	0
993,288	683,837	(\$309,451)
<u>27,769,917</u>	<u>24,094,880</u>	<u>(\$3,675,037)</u>
0	0	0
0	0	0
1,157,452	838,559	(\$318,893)
0	0	0
3,550,250	3,037,886	(\$512,364)
153,768	153,768	0
3,120,885	2,894,987	(\$225,898)
0	0	0
1,938,401	973,740	(\$964,661)
<u>9,913,816</u>	<u>7,862,543</u>	<u>(\$2,051,273)</u>
<u>37,838,901</u>	<u>16,232,340</u>	<u>(\$21,606,561)</u>
4,286,572	3,854,882	(\$431,690)
<u>(21,160,000)</u>	<u>(22,517,983)</u>	<u>(1,357,983)</u>
<u>(16,873,428)</u>	<u>(16,663,101)</u>	<u>(\$210,327)</u>
993,473	(450,761)	(\$1,444,234)
3,362,469	3,362,469	0
<u>(258,000)</u>	<u>(718,000)</u>	<u>0</u>
<u>\$6,897,942</u>	<u>\$4,653,708</u>	<u>(\$2,244,234)</u>

**CITY OF LAKE CHARLES, LOUISIANA**  
 Combined Statement of Revenues, Expenses, and Changes in Retained Earnings/  
 Fund Balance - All Proprietary Fund Types and Similar Trust Funds  
 For Fiscal Year Ended September 30, 1997

	Proprietary Fund Types	
	Internal Service	Enterprise
<b>Operating revenues:</b>		
Charges for services	\$5,495,624	\$7,900,876
Interest	0	0
Other	66,385	176,327
<b>Total operating revenues</b>	<u>5,562,009</u>	<u>8,077,203</u>
<b>Operating expenses:</b>		
Personal services	291,765	4,847,513
Materials and supplies	3,434	1,417,329
Maintenance	0	482,234
Heat, light and power	0	897,199
Transportation	0	38,788
General and administrative	649,416	1,768,722
Depreciation	176,677	1,427,456
Benefit payments	0	0
Claims and losses paid	3,890,879	0
<b>Total operating expenses</b>	<u>4,933,161</u>	<u>9,337,201</u>
<b>Operating income (loss)</b>	<u>1,439,844</u>	<u>(1,265,838)</u>
<b>Nonoperating revenues (expenses):</b>		
Operating grants from governmental agencies	0	590,389
Interest	774,289	424,408
Other	2,538	(2,125)
<b>Total nonoperating revenues</b>	<u>776,825</u>	<u>1,012,672</u>
<b>Income (loss) before operating transfers</b>	<u>2,216,669</u>	<u>(253,166)</u>
<b>Operating transfers:</b>		
Operating transfers in	0	1,416,915
Operating transfers out	0	0
<b>Net operating transfers</b>	<u>0</u>	<u>1,416,915</u>
<b>Net income (loss)</b>	<u>2,216,669</u>	<u>563,791</u>
<b>Add depreciation on contributed assets acquired from governmental grants or developers</b>	<u>0</u>	<u>41,338</u>
<b>Retained earnings/fund balance at beginning of year</b>	<u>8,142,334</u>	<u>18,211,773</u>
<b>Retained earnings/fund balance at end of year</b>	<u>\$10,359,003</u>	<u>\$18,816,832</u>

See accompanying notes to financial statements.

Fiduciary Pension Trusts	Totals	
	(Millions of Dollars Only)	
	1997	1996
\$0	\$13,400,660	\$13,059,338
84,708	84,708	81,049
130,909	351,711	851,564
<u>205,707</u>	<u>13,837,079</u>	<u>13,971,881</u>
0	4,339,278	4,143,897
0	1,422,763	1,240,369
0	403,034	478,855
0	887,139	899,379
0	38,788	38,202
0	2,412,138	2,407,449
0	1,634,133	1,543,438
185,467	325,467	100,841
0	2,680,873	3,178,168
<u>205,467</u>	<u>14,142,831</u>	<u>14,095,898</u>
100,240	(305,734)	(54,807)
0	598,369	602,967
0	1,198,713	1,201,528
0	497	(7,914)
0	1,788,489	1,803,973
<u>100,240</u>	<u>1,483,739</u>	<u>1,771,966</u>
76,000	1,484,813	1,355,108
(200,000)	(200,000)	(200,000)
<u>(124,000)</u>	<u>1,284,813</u>	<u>1,155,108</u>
(28,760)	2,778,650	2,827,072
0	41,338	37,173
<u>1,565,987</u>	<u>28,860,054</u>	<u>25,895,810</u>
<u>\$1,479,217</u>	<u>\$31,672,962</u>	<u>\$28,846,884</u>

**CITY OF LAKE CHARLES, LOUISIANA**

## Combined Statement of Cash Flows

All Proprietary Fund Types and Similar Trust Funds

For Fiscal Year Ended September 30, 1997

	<u>Proprietary Internal Services</u>
Cash flows from operating activities:	
Operating income (loss)	<u>\$1,450,844</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	176,637
Interest income	0
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	39,439
(Increase) decrease in prepaid expenses	187
(Increase) decrease in inventory	0
(Increase) decrease in due from other funds operating transfers reimbursements	0
(Increase) decrease in interfund charge - vehicle use	(8,472)
Increase (decrease) in due to other funds operating transfers reimbursements	0
Increase (decrease) in accounts payable	21,841
Increase (decrease) in miscellaneous accounts payable	0
Increase (decrease) in accrued insurance claims	135,608
Increase (decrease) in customer deposit accounts payable	0
Increase (decrease) in accrued wages and benefits	6,533
Total adjustments	<u>371,613</u>
Net cash provided by (used for) operating activities	<u>1,821,457</u>
Cash flows from capital and related financial activities:	
Capital expenditures	(331,838)
Contract payable	0
Contributed capital	0
Net cash provided by (used for) capital and related financial activities:	<u>(331,838)</u>

Fund Type	Fiduciary Private Trust	Totals (Memorandum Only)	
		1997	1996
<u>(\$1,863,838)</u>	<u>\$100,240</u>	<u>(\$385,754)</u>	<u>(\$64,077)</u>
1,427,476	0	1,684,133	1,543,428
0	(84,708)	(84,708)	(81,649)
53,443	0	96,882	(36,376)
13,829	0	16,000	(12,749)
7,661	0	7,661	(15,353)
0	0	0	212,632
0	0	(8,472)	1,746
6,696	0	6,696	(131,268)
104,885	0	125,928	318,635
18,838	0	10,838	34,513
0	0	135,688	126,378
(33,056)	0	(33,056)	(49,656)
12,683	(511)	18,767	18,800
<u>1,668,635</u>	<u>(85,219)</u>	<u>1,896,031</u>	<u>2,142,977</u>
<u>(736,703)</u>	<u>15,021</u>	<u>1,590,277</u>	<u>2,078,590</u>
(7,754,363)	0	(8,888,191)	(4,373,669)
138,180	0	138,180	288,594
1,242,476	0	1,242,476	1,823,153
<u>(6,373,707)</u>	<u>0</u>	<u>(6,707,335)</u>	<u>(2,442,632)</u>

(continued on next page)



**CITY OF LAKE CHARLES, LOUISIANA**

Combined Statement of Cash Flows

All Proprietary Fund Types and Similar Trust Funds  
For Fiscal Year Ended September 30, 1997

	<u>Proprietary Internal Services</u>
Cash flow from investing activities:	
Purchase of investment securities	(7,261,031)
Proceeds from sale and maturities of investment securities	3,856,739
Interest on investments	693,193
Net cash provided by (used for) investing activities	<u>(2,711,099)</u>
Cash flow from noncapital financing activities:	
Intragovernmental revenue	0
Operating transfers in	0
Operating transfers out	0
Net cash provided by noncapital financing activities	<u>0</u>
Net increase (decrease) in cash and cash equivalents	143,310
Cash and cash equivalents at beginning of year	<u>846,006</u>
Cash and cash equivalents at end of year	<u>989,316</u>

See accompanying notes to financial statements.

**Schedule of Noncash Activity:**

	<u>Cost</u>	<u>Accum. Depr.</u>	<u>Gain (Loss)</u>
Assets transferred	\$ 1,706	\$ 39,618	\$37,912
Assets retired	733,234	685,817	(47,417)

Customer Dep-Water Main in the amount of \$5,427 was transf. to Const. Cap. related contracts expired.  
Donated Developer Customer water system installations of \$209,315 were recorded as contributed capital.

**Reconciliation of Cash and Cash Equivalents to Combined Balance Sheet:**

Fiduciary fund cash of \$71,462 less funds not reported on cash flow statement for Expendable Trust Fund of \$ 8,431 and Agency Funds of \$2,753 equals Pension Trust Fund cash of \$60,278.

Fund Type	Pension Funding Trust	Totals	
		(Memorandum Only)	
Enterprise		1997	1996
(1,542,879)	(568,251)	(9,973,167)	(24,559,643)
5,101,996	587,791	11,346,097	22,166,710
443,364	65,967	1,181,573	1,296,799
<u>4,004,481</u>	<u>84,497</u>	<u>2,734,859</u>	<u>(1,102,134)</u>
664,257	0	464,257	628,990
1,416,913	70,000	1,486,913	1,557,816
0	(200,000)	(200,000)	(279,000)
<u>1,981,172</u>	<u>(130,000)</u>	<u>1,751,172</u>	<u>1,987,816</u>
(746,253)	(30,482)	(611,227)	521,810
1,994,141	90,800	2,710,967	2,209,127
<u>\$1,247,888</u>	<u>\$60,318</u>	<u>\$2,099,740</u>	<u>\$2,730,967</u>

## CITY OF LAKE CHARLES, LOUISIANA

Combining Balance Sheet - Component Units

September 30, 1997

	Ward Three Marshall- City Court	City Court of Lake Charles	Total
<b>ASSETS AND OTHER DEBITS</b>			
Cash (Note 1-3)	\$161	\$226,555	\$226,716
Receivable			
Accounts (Note 1-4)	7,548	0	7,548
General Fixed assets (Note 5)	113,392	149,431	262,823
Due from other funds	0	2,091	2,091
Restricted cash (Note 1-6)	13,770	212,928	226,698
Amount to be provided for retirement of general- long-term debt	14,820	0	14,820
<b>Total assets and other debits</b>	<b>\$148,683</b>	<b>\$589,995</b>	<b>\$738,678</b>
<b>LIABILITIES</b>			
Accounts payable	\$1,121	\$18,461	\$19,582
Due to other funds	50	\$2,091	2,091
Due to primary government	0	5,483	5,483
Liabilities payable from restricted assets	13,770	212,928	226,698
Other liabilities	14,820	0	14,820
<b>Total liabilities</b>	<b>29,761</b>	<b>238,973</b>	<b>268,734</b>
<b>EQUITY AND OTHER CREDITS</b>			
Investment in general fixed assets	113,392	149,431	262,823
Fund balance:			
Undesignated	6,580	196,681	203,261
<b>Total equity and other credits</b>	<b>119,972</b>	<b>346,112</b>	<b>466,084</b>
<b>Total liabilities, equity and other credits</b>	<b>\$148,683</b>	<b>\$589,995</b>	<b>\$738,678</b>

See accompanying notes to financial statements

**CITY OF LAKE CHARLES, LOUISIANA**  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Component Units  
 For Fiscal Year Ended September 30, 1997

	Ward Three Marshall- City Court	City Court of Lake Charles	Total
<b>Revenues:</b>			
Fees and Refunds	\$133,780	\$150,121	\$283,901
Miscellaneous	14,369	5,547	19,916
Total revenues	<u>148,149</u>	<u>155,668</u>	<u>303,817</u>
<b>Expenditures:</b>			
Current operating:			
General services	132,983	203,154	336,137
Capital outlay	2,878	19,428	22,306
Debt service:			
Principal retirement	14,834	0	14,834
Interest and fiscal charges	2,864	0	2,864
Total expenditures	<u>153,559</u>	<u>222,582</u>	<u>376,141</u>
Excess (deficiency) of revenues over expenditures	<u>\$(5,412)</u>	<u>\$(66,914)</u>	<u>\$(72,326)</u>
<b>Other financing sources (uses):</b>			
Operating transfers in	0	113,283	113,283
Total other financing sources (uses)	<u>0</u>	<u>113,283</u>	<u>113,283</u>
Excess (deficiency) of rev and other over exp and other uses	<u>\$(5,412)</u>	<u>\$46,369</u>	<u>\$40,957</u>
Fund balance at beginning of year	<u>13,293</u>	<u>164,232</u>	<u>177,525</u>
Fund balance at end of year	<u>\$8,881</u>	<u>\$210,601</u>	<u>\$219,482</u>

See accompanying notes to financial statements

CITY OF LAKE CHARLES, LOUISIANA

NOTES TO FINANCIAL STATEMENTS  
September 30, 1987

1. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Lake Charles, Louisiana (the City) was incorporated in 1868, and operates under a home rule charter which became effective in 1981. The City utilizes the Mayor-Council form of government and provides a full range of municipal services under a centralized system of administration.

The accounting and financial reporting policies of the City conform to generally accepted accounting principles as applicable to governments. Such policies also conform to the requirements of Louisiana Revised Statutes 24057 and to the guidelines set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audit of State and Local Governmental Units. Following is a summary of the more significant accounting policies.

Scope of Reporting

This report includes all funds and account groups which are directly controlled by the City, and which constitute the primary government as defined for financial reporting purposes. In accordance with generally accepted accounting principles, this report also includes component units which are legally separate from the City but considered to be financially dependent on the primary government. Component units are discretely presented in this report, are reported for periods and balance sheet dates which differ from the City's, and have been separately audited. Further disclosures concerning such units are provided below.

Discretely Presented Component Units

Financial data of component units is displayed in the Component Unit column of the combined statements, and is segregated for the respective units in Exhibit 8 and 9. The reported component units are as follows:

City Court of Lake Charles:

This entity is created by state statutes which provide for its governance by independently elected officials and has a jurisdictional area extending beyond the corporate limits of the City. Although legally separate, this entity is included as a component unit on the basis of financial interdependency which results from the statutory requirements that the City provide and maintain the physical facilities necessary for its operation. Financial data reported for the City Court component unit are from the separately audited financial statements for the fiscal year ended December 31, 1986. The financial report for the period ended December 31, 1987 has not yet been issued.

The December 31, 1986 report for the City Court was audited by other auditors, whose opinion was qualified with respect to the lack of

sufficient competent evidential matter to support the deposits held for disposition of the civil cases, which are recorded in an agency fund in the component unit's separately issued financial statements. The qualifications of opinion relates to uncollected and inadequately identifiable civil case deposits which have been held by the Court for more than fifteen years, and for which no disposition procedure is provided by existing law. The total amount of such deposits is reflected as a liability in the component unit presentation within the accompanying statements.

#### Ward Three Marshal - City Court:

The office of Ward Three Marshal, which is governed by an independently elected official, is created in the state statutory manner as City Court and has a corresponding area of jurisdiction. Although legally separate, this entity is included as a component unit of the City on the basis of financial interdependency resulting from the statutory requirements that the City provide and maintain the physical facilities necessary for its operations. Financial data reported for this component unit are from its separately audited financial report for the year ended December 31, 1988. A financial report for the year ended December 31, 1987 has not yet been issued.

Complete financial statements of the individual component units are available from the City of Lake Charles at 218 Paje Street, Lake Charles, Louisiana 70601.

#### B. Fund Accounting

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into seven generic fund types and three broad fund categories as follows:

##### GOVERNMENTAL FUNDS

**General Fund** - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

**Debt Service Funds** - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt.

principal, interest, and related costs. Also included is the repayment of special assessment debt and the support provided through special assessment taxes.

**Capital Projects Funds** - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

#### RESERVATION FUNDS

**Internal service funds** - 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 City, or to other governments, on a cost-reimbursement basis.

**Enterprise funds** - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises in which the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or fees where the governmental body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

#### FIDUCIARY FUNDS

**Trust and Agency Funds** - Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include expendable trust, pension trust, and agency funds, as described below. Pension trust funds are accounted for on the accrual basis of accounting; expendable trust funds and agency funds are accounted for on the modified accrual basis.

### C. Fixed Assets and Long-Term Liabilities

The governmental funds and expendable trust funds focus on measurement in terms of "available expendable resources" or net current assets. The fixed assets and long-term liabilities associated with these funds therefore are not accounted for in the governmental funds themselves, but are instead reported in two separate account groups. The two account groups are not "funds." They are concerned only with the measurement of financial position, and are not involved with measurement of results of operations.

The **General Fixed Assets Account Group** accounts for fixed assets such as buildings and equipment which are used in governmental fund type operations. Public domain or infrastructure general fixed assets such as streets, bridges, drainage systems and sanitary sewer lines are not capitalized and are therefore not included in this account group. Fixed assets are valued at historical cost or estimated historical cost if actual cost is unavailable. Donated fixed assets are valued at their

estimated fair market value on the date donated. No depreciation has been provided on general fixed assets.

The General Long-Term Debt Account Group is used to account for long-term liabilities reported to be financed from governmental funds. Because of their spending measurement focus, expenditures recognized for governmental fund types is limited to available amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities, but are instead reported as liabilities in the General Long-Term Debt Account Group.

The above described treatment of non-current assets and liabilities is limited to those associated with governmental type funds. All proprietary and private trust funds are accounted for on a cash of services or capital maintenance measurement focus which means that all assets and liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all depreciable fixed assets used by proprietary funds is reported as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight line method, and the estimated useful lives are as follows:

Buildings	20-40 years
Improvements	10-15 years
Equipment	5-20 years

### 2. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized as current fund liabilities and expenditures when they become due.

Those revenues susceptible to accrual include property taxes, special assessments, charges for services, interest revenue, and intergovernmental grants. Newspaper-assessed sales, gross receipts, and license taxes and



revenue from most forms of fines and penalties are not susceptible to accrual, as they are usually not receivable until actually received.

All proprietary funds and pension trust funds are accounted for using the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized when incurred.

## B. Budgets and Budgetary Accounting

The City annually adopts and implements an operating and capital budget in accordance with requirements of the City Charter and applicable state law for the General Fund, Special Revenue Funds, Proprietary Funds and Pension Trust Funds. The Capital Projects Fund's budget is a project based capital budget. Policies and procedures with respect to budget adoption and budgetary control are as follows:

1. The proposed operating budget for the fiscal year commencing October 1 is submitted to the City Council by the Mayor no later than August 15. This budget includes proposed expenditures and the means of financing them.
2. A summary of the proposed budget and notices of public hearing are published in accordance with statutory requirements.
3. The proposed budget is subject to one or more public hearings before the City Council prior to adoption by ordinance, which must occur no later than September 15. The City Charter requires a two-thirds vote of the City Council to amend the proposed budget submitted by the Mayor.
4. Expenditures are legally restricted to budgetary appropriations at the department level within the General Fund and at the fund level for Special Revenue Funds, which are not departmentalized. Revisions which alter the total expenditures of any such department or fund must be approved by budget amendments ordinance adopted by the City Council at the request of the Mayor. Transfers of budgeted amounts between expenditure objects or programs within the same department and fund are authorized to be made administratively by the Director of Finance.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and the Capital Projects Fund, which is budgeted on a project basis. Formal budgetary integration is not employed in the Debt Service Funds because effective budgetary control is alternatively achieved through the respective bond indentures and provisions.
6. Budgets for the General, Special Revenue, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Comparisons of budgeted and actual results of operations are presented for the General Fund and Special Revenue Funds in the accompanying financial statements. The Capital Projects Fund is not included in this budget and actual comparison, as the capital budget which encompasses that fund is presented on the basis of cumulative as opposed to annual budget amounts.

5. All budgetary appropriations except capital project budgets lapse at the end of each fiscal year.
6. Budgeted amounts are as originally adopted, or as amended by the City Council. The originally adopted General Fund budget was \$18,748,181. Amendments in the amount of \$3,163,378 resulted in the final General Fund budget of \$21,911,559 as presented in the accompanying statements. The originally adopted amount of all Special Revenue Funds was \$20,688,331. Amendments in the amount of \$473,485 resulted in the final total Special Revenue Fund budget of \$21,161,816. Amendments were initiated in response to revenue increases and additions in the General Fund and various Special Revenue Funds, and resulted primarily in the allocation of additional resources for capital projects and major equipment purchases.

#### F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of money are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, and Capital Projects Funds.

In accordance with generally accepted accounting principles, outstanding encumbrances at year end for which goods or services are received are reclassified to expenditures and accounts payable. All other encumbrances in the annual budgeted funds are reversed at year end and are either renewed or are included as reappropriations of fund balances for the subsequent year. Encumbrances at year end in funds which are budgeted on a project basis, including Enterprise Fund construction projects, are carried forward along with their related appropriations and are not subject to an annual cancellation and reappropriation.

#### G. Cash and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet within "cash and investments" or "restricted cash and investments" where applicable. In addition, investments are separately held by several of the City's funds. Legal and contractual provisions with respect to deposits and investments are substantially the same for all funds and fund types, with the exception of the Deferred Compensation Agency Fund in which assets of \$1,981,088 are held by third parties on behalf of plan participants and the City, and which is excluded from balances and carrying amounts shown below.

#### Deposits

Demand deposits of the City are maintained under a banking agreement in which account balances are swept into an automatic overnight repurchase agreement utilizing U.S. Treasury and government agency securities. The agreement provides that the entire balance be collateralized without regard to any deduction for Federal deposit insurance. The bank balances of such deposits at September 30, 1997 was \$4,023,848 (carrying amount

NOTE TO FINANCIAL STATEMENTS

\$7,267,420, which was entirely collateralized by securities held by the City's third party custodial agent in the City's name.

The total includes restricted cash in the amount of \$273,588 from customer deposits in the Water Utility Enterprise Fund. The amounts do not include petty cash of \$83,497 or \$98,857 that is on deposit with a third party for the administration of the City's employee health insurance claims. It also does not include a cash overdraft of \$283,328 reported as accounts payable in the General and Division Special Revenue Fund.

The carrying amounts of cash deposits for component units at their respective balance sheet dates were \$423,483 for City Court and \$12,921 for the Ward Three Marshal. These amounts were fully covered by Federal deposit insurance. Restricted cash included in these amounts was \$112,818 for City Court and \$12,774 for the Ward Three Marshal.

**Investments**

The City's investment program is limited to purchases of securities issued or guaranteed by the U.S. government and its agencies, and participation in the Louisiana Asset Management Pool, Inc., a local government investment pool which invests in short-term U.S. government securities and repurchase agreements collateralized by such securities. Investments are carried at cost or amortized cost, which approximates market. Carrying amounts at September 30, 1997 were as follows:

	Carrying Amount
U.S. Treasury and agency obligations held by the City or the City's agent in the City's name (Category 1)	\$ 82,481,247
Investment in Louisiana Asset Management Pool (Uncategorized)	<u> 7,425,814</u>
Total	<u>\$ 89,907,061</u>

The City had an investment of \$7,425,814 in overnight repurchase agreements at September 30, 1997. This amount, which is included in the demand deposits referenced above, represents deposit account balances swept into overnight investments, and is held entirely under Category 1.

**Credit Risk Categories**

The City's deposits and investments are categorized above in accordance with GAOB Statement No. 3 to give an indication of the level of risk assumed at year end. Category 1, which represents the lowest level of risk, includes investments and deposits that are insured or registered or for which the securities are held by the city or its agent in the City's name. Category 2 includes uninsured and unregistered investments with the securities held by the financial institution's trust department or agent in the City's name. Category 3, which represents the greatest level of risk according to GAOB Statement No. 3, includes uninsured and unregistered investments which are not protected by collateral, or for

which securities are not held in the City's name either by the City, a pledging institution's trust department, or a custodial agent which is independent of the pledging institution.

The investment in Louisiana Asset Management Pool is not classified into any of the three credit risk categories, as the City's shares in the pool are not evidenced by securities which exist in either physical or book entry form. All other investments and deposits were maintained under Category 1, except as otherwise noted above.

#### B. Cash Flow Statement

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. There was no investment expense during the year with respect to the funds reported on the statement of cash flows.

#### C. Allowance for Estimated Uncollectible Receivables and Measurement of Credit Risk

An allowance for estimated uncollectible receivables is established based on historical collection experience and other relevant circumstances. An allowance of \$811,393 in the General Fund is applicable to gross metering lines and lot cleaning receivables. An allowance of \$69,468 in the Waste Water Special Revenue Fund is applicable to the sewer user fee receivables. An allowance of \$24,126 in the Water Utility Enterprise Fund is applicable to the water service receivables as September 30, 1997.

There appears to be concentration of credit risk with regard to general accounts receivable and more specifically accounts receivable for water and sewer user fees in the Water Utility Enterprise Fund and the Water Utility Enterprise Fund. The City's ability to collect the amounts due from the users of the City water and sewer system and others (as reflected on the financial statements) may be affected by significant economic fluctuations, natural disasters or other calamity in this one concentrated geographic location.

#### D. Inventory

Inventory is valued at average cost. Inventory in the General Fund consists of materials and supplies held for consumption, and is accounted for under the consumption method where expenditures are recorded when the goods are used. This inventory is offset by a reservation of fund balance which indicates that although inventories are a component of net current assets, they do not constitute "available spendable resources." Inventories are also held in the Enterprise funds. These consist of concession supplies held for sale to the public and materials held for water system maintenance and improvements.

#### E. Prepaid Items

Payments made to vendors for services that will benefit subsequent periods are recorded as prepaid items. A portion of the affected fund balances

equal to the prepaid income has been reserved to indicate that it is not available for appropriation.

L. Vacation and Sick Pay

Vacation (annual leave) to the amount of \$29,125 is recorded in the governmental funds. This is the amount estimated to be paid during the first quarter of the subsequent fiscal year based on 3 years of history. The unpaid portion relating to governmental funds is recorded in the General Long-Term Debt Account Group, and amounted to \$1,024,877 at September 30, 1997. Vacation is accrued when incurred in the Proprietary Funds. The entire total of \$29,125 is reported as a long-term liability, as any current portions were immaterial.

Vacation is based on the number of years service and is earned as follows:

First four years	10 days
Five to nine years	15 days
Ten to fourteen years	20 days
Fifteen years and over	25 days

Sick pay is based on the number of years service and is carried as follows:

First three years	4 hours per month
Four years and over	12 hours per month

Sick pay is not vested except at retirement, where accumulated sick pay hours up to six hundred (600) are payable to non-civil service retirees. The termination payments liability was calculated by developing a ratio based on historical data of sick leave paid at termination compared with sick leave accumulated and by applying that ratio to the sick leave accumulated by the current employee population as of September 30, 1997. Current sick pay benefits of \$12,382 are recorded in the governmental funds. This is the amount estimated to be paid during the first quarter of the subsequent fiscal year based on three years of history. The unpaid portion relating to governmental funds is recorded in the General Long-Term Debt Account Group, and amounted to \$267,847 at September 30, 1997. The termination payments liability in the Proprietary Funds amounted to \$124,445 at September 30, 1997. The entire amount is recorded as a long term liability within the funds as current portions paid during the first quarter of the subsequent fiscal year were immaterial.

M. Compensatory Time

City employees may receive compensatory time off with pay in lieu of overtime pay for work in excess of regular scheduled hours. Accumulation of unused compensatory time is limited, and any unused or unpaid portions is payable upon separation from employment. Compensatory time is accrued when incurred in the Proprietary Funds. The accrued total recorded in those funds at September 30, 1997 is \$44,120. The current portion of compensatory time relating to governmental funds amounted to \$1,880 at September 30, 1997. The balance of \$42,240 is recorded in the General Long-Term Debt Account Group.

## B. Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative presentation of prior years totals by fund type data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. These items are available through the supplemental data section of this report.

## C. Total Columns on Combined Statements-Overview

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

## D. Property Tax

The City levies taxes on real and business personal property located within its boundaries. Property taxes are levied by the City on property values assessed by the Louisiana Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The distribution of the City's levy (tax rate per \$1,000 assessed value) to its funds was as follows for 1994 and 1995:

Tax	Fiscal Year 1997	Fiscal Year 1998
General fund	6.89	7.23
Special recreation	1.88	2.03
Special street improvement	2.54	2.81
Minimum salary, police	1.26	1.26
Minimum salary, public works	1.26	1.26
Police - 3 phase system	.84	1.00
Minimum salary, firemen	1.41	1.48
Levy services, various bond issues	.14	.04
Additional pay, firemen	1.08	1.26
Totals	14.28	17.43

NOTES TO FINANCIAL STATEMENTS

The City levies the maximum tax allowed by state statute and the Louisiana Constitution for general government services. The City property taxes must be levied by December 1st of each year. Property taxes are due by December 1st and are delinquent by January 1st. Delinquent property taxes are assessed interest at one and one-quarter percent per month for the period of delinquency. Property owners with taxes still delinquent by March 1st are notified by certified mail that they have twenty days to pay delinquent property taxes. The lien date is the date in which the tax assessor files the tax roll with the Clerk of Court, which is the same as the levy date. Sale of delinquent properties is held each year as soon as possible after May 1st. Most taxes are collected in December, January and February.

3. Segment Information

The City maintains four Enterprise Funds. Segment information as of and for the year ended September 30, 1997 is as follows:

	CIVIC CENTER	SOLE COURSE	TRAVEL	WATER UTILITY	TOTAL
Operating revenues	2447,745	21,182,120	2 84,128	24,259,328	28,571,343
Depreciation expense	544,244	44,825	127,218	491,227	1,207,494
Operating income (loss)	(1,071,043)	26,299	(1,121,177)	672,023	(1,495,898)
Other nonoperating revenue (expense)	48,257	12,824	11,742	329,149	402,292
Operating costs - governmental	0	0	522,248	0	522,248
Operating transfer in	711,127	27,268	422,228	224,885	1,415,518
Net income (loss)	(354,663)	41,104	(188,948)	1,176,041	643,741
Property, plant and equipment: Additions	128,228	298,743	0	1,121,428	1,527,727
Deletions	144,222	44,245	229,517	274,222	702,426
Grants contributed capital	1,818,475	0	228,808	171,444	1,450,320
Net working capital	222,222	215,227	222,222	4,222,222	5,179,222
Total assets	21,222,222	1,222,222	722,222	22,222,222	42,222,222
Total equity	21,122,222	1,222,222	712,222	22,222,222	42,222,222

4. Grants from Other Governmental Units

Federal and state governmental units represent an important source of supplemental funding used to finance housing, construction programs, and other activities beneficial to the city. These funds, primarily in the form of grants, are recorded in the General, Special Revenue, and Miscellaneous Funds. A grant obligation is recorded when the City has a right to reimbursement under the related grant. The grants normally specify the purposes for which the funds may be used and are subject to audit by the granting agency or its representative using standards established under the Single Audit Act of 1984 and OMB Circular A-110. The compliance audit report is not included within this report but will be issued as a separate supplementary report.

During 1996-1997 and 1998-1999, the following amounts under various grants and entitlements are recorded in the accompanying financial statements:

Fund	1996-97	1998-99
General Fund	\$1,448,894	98
Community Development	499,555	7,174,448
Grants and Donations Fund	442,448	535,843
Finance Enterprise Fund	100,188	432,517

5. Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

Asset	Balance 12-31-98	ADDITIONS	Transfer Adjustments Retirements	Balance 2-28-99
Land	\$ 8,899,844	\$ 312,304	\$ 8,408	\$ 9,413,740
Buildings	5,948,854	5,848,848	(98,832)	11,708,870
Improvements	54,842,344	5,885,424	(2,754)	60,724,814
Equipment	58,512,224	5,827,421	(21,271,822)	43,067,823
Total	\$48,163,266	\$12,874,007	\$(22,467,318)	\$38,570,955



NOTES TO FINANCIAL STATEMENTS

A summary of proprietary fund type property and equipment at September 30, 1997 is as follows:

**INTERNAL SERVICE FUNDS  
BUS. MANAGEMENT**

Description	Life in Years	Costs	Accumulated Depreciation	Net	Current Year Depreciation
office equipment	5	\$18,708	\$17,878	\$18,838	\$3,708
vehicles	3-5	\$8,413	\$1,988	\$6,425	1,425
<b>Totals</b>		<b>\$27,121</b>	<b>\$19,866</b>	<b>\$27,263</b>	<b>\$5,133</b>
<b>Changes during year:</b>					
Balance, beginning of year		\$23,487	\$20,525	\$22,962	
Additions		3,634	0	3,634	
Retirements		(\$19,793)	(\$19,499)	(\$200)	
Depreciation		0	3,439	(\$3,439)	
contributions from (to) other funds		2,793	174	2,619	
Balance, end of year		<b>\$27,121</b>	<b>\$19,866</b>	<b>\$27,263</b>	

**VEHICLE REPLACEMENT**

Description	Life in Years	Costs	Accumulated Depreciation	Net	Current Year Depreciation
Vehicles	3-5	\$1,100,474	\$826,488	\$273,987	\$187,328
<b>Changes during year:</b>					
Balance, beginning of year		\$778,873	\$539,747	\$239,126	
Additions		\$321,601	0	\$321,601	
Retirements		0	0	0	
Depreciation		0	\$287,241	(\$287,241)	
contributions from (to) other funds		0	0	0	
Balance, end of year		<b>\$1,100,474</b>	<b>\$826,488</b>	<b>\$273,987</b>	

\* Assets in the Internal Service Funds are depreciated using the straight-line basis.

## NOTES TO FINANCIAL STATEMENTS

## EXTRINSIC FUNDS

## CIVIC CENTER:

Description	Life in Years	Costs	Accumulated Depreciation	Net	Current Year Depreciation
Buildings and structures	40	\$17,744,829	\$11,645,535	\$6,099,294	\$474,361
Equipment: Auto and trucks	5-7	38,455	19,484	18,971	3,724
construction in progress		2,940,843	0	2,940,843	0
Furniture and fixtures	3-39	2,218,343	2,576,371	1,791,972	118,389
<b>Totals</b>		<b>\$23,942,470</b>	<b>\$14,841,390</b>	<b>\$9,101,080</b>	<b>\$605,474</b>
<b>Changes during year:</b>					
Balance, beginning of year		\$21,349,816	\$12,371,258	\$8,978,558	
Additions		2,388,773	0	2,388,773	
Retirements		(104,322)	(202,481)	(118,159)	
Depreciation		0	594,394	(594,394)	
Contributions from CCA other funds		18,763	(491)	18,272	
Balance, end of year		<b>\$23,643,227</b>	<b>\$12,863,160</b>	<b>\$10,780,067</b>	

## NOTES TO FINANCIAL STATEMENTS

## SELF-CARE:

Description	Life In Years	COGCA	Accumulated Depreciation	Net	Current Year Depreciation
Land		\$1,045,400	0	\$1,045,400	0
Buildings and structures	33	582,893	387,121	195,772	38,114
Equipment	3-4	508,479	217,422	291,057	29,322
<b>Totals</b>		<b>\$1,117,609</b>	<b>\$504,523</b>	<b>\$613,086</b>	<b>67,436</b>
Changes during year:					
Balance, beginning of year		\$1,716,604	\$504,442	\$1,212,162	
Additions		242,749	0	242,749	
Retirements		(248,241)	(14,527)	(233,714)	
Depreciation		0	44,528	(44,528)	
Contributions from (to) other funds		508	445	13	
Balance, end of year		\$1,677,608	\$544,523	\$1,133,085	

## PUBLIC TRUST:

Description	Life In Years	Costs	Accumulated Depreciation	Net	Current Year Depreciation
Buildings	33	\$1,528,272	174,421	1,353,851	694,042
Equipment	4-8	18,888	20,528	(1,640)	1,148
<b>Totals</b>		<b>\$1,547,160</b>	<b>\$194,949</b>	<b>\$1,352,211</b>	<b>695,190</b>
Changes during year:					
Balance, beginning of year		\$1,522,982	\$ 192,187	\$1,330,795	
Additions		0	0	0	
Retirements		(208,817)	(124,144)	(84,673)	
Depreciation		0	127,328	(127,328)	
Contributions from (to) other funds		2,990	(262)	2,728	
Balance, end of year		\$1,314,165	\$294,449	\$1,019,716	

NOTES TO FINANCIAL STATEMENTS

ASSETS OFFSETS

Description	Life in Years	Costs	Accumulated Depreciation	Net	Current Year Depreciation
Land		\$121,948	\$0	212,988	\$0
Buildings and structures	48	877,812	308,728	279,484	12,482
Improvements other than buildings	48	38,384,888	8,488,712	29,896,176	628,712
Construction in progress		8,288,328	0	8,288,328	0
Equipment: Tools and trucks	5-7	2,827,128	888,288	448,820	161,882
Furniture and fixtures	3-12	487,188	382,882	104,288	27,882
<b>Total</b>		<b>\$48,888,888</b>	<b>\$12,884,728</b>	<b>\$36,004,160</b>	<b>\$881,882</b>
<b>Changes during year:</b>					
Balance, beginning of year		\$18,888,810	\$18,888,810	\$0	
Additions		8,488,380	0	8,488,380	
Retirements		(878,882)	(282,280)	(596,602)	
Depreciation		0	481,882	(481,882)	
Contributions from (to) other funds		11,488	(18,482)	69,486	
Balance, end of year		<b>\$28,488,888</b>	<b>\$18,884,728</b>	<b>\$9,604,160</b>	

\* Assets in the Enterprise Funds are depreciated using the straight-line basis

## 4. Changes in Long-Term Debt

The following is a summary of changes in various types of long-term debt for the year ended September 30, 1997:

	Balance 10-1-96	Additions	Retirements	Balance 9-30-97
General obligation bonds	\$ 80,000	\$	\$ 80,000	\$
Special assessment bonds	289,178	\$	24,442	264,736
Accrued leave benefits	3,488,495	\$58,948	127,208	3,419,235
Merger agreement payable - policemen	3,782,728	\$	72,818	3,709,910
Lake Charles police pension liability	844,277	\$	338,272	506,005
Accrued insurance claims	66,485	\$	2,283	64,202
Merger agreement payable - firemen	5,887,024	\$	238,242	5,648,782
<b>Totals</b>	<b>\$18,887,927</b>	<b>\$158,948</b>	<b>\$834,242</b>	<b>\$18,202,633</b>

Bonds payable as of September 30, 1997 are comprised of the following individual issues:

**Special Assessment Bonds:**

\$87,840	1982-88	Saving Certificates due in annual installments of \$3,480 through 1988; interest rate at an average of 12.50%	\$7,887
\$84,248	1989-96	Saving Certificates due in annual installments of \$4,400 through 1996; interest rate at an average of 7.75%	\$9,268
\$288,888	1981-82	Saving Certificates due in annual installments of \$18,760 through 1988; interest rate at 7.25%	\$8,284
\$122,830	1987-88	Saving Certificates due in annual installments of \$12,283 through 1988; interest rate at 8.24%	24,738
\$21,921	1987-88	Saving Certificates due in annual installments of \$2,280 through 1988; interest rate at 8.25%	4,282
\$147,298	1988-91	Saving Certificates due in annual installments of \$18,740 through 1988; interest rate at 8.25%	\$9,477

## NOTES TO FINANCIAL STATEMENTS

\$48,000	1988-2007	Home Certificates due in annual installments of \$8,000 through 2008; interest rate at 8.00	58,000
\$120,000	1980-00	Saving Certificates due in annual installments of \$12,000 through 2001; interest rate at 7.2500	142,000
			<u>200,000</u>

**Other Long-Term Debt:**

		Accrued leave payable (Note 3-L and 3-M)	2,880,380
		Accrued Unemployment Claims (Note 3)	63,140
\$6,818,711		Merger Agreement - Municipal Police Employees Retirement System, October 15, 1989. It is payable in quarterly payments of \$78,378 through 2018; interest rate at 7.84 (Note 11)	8,708,384
\$11,148,195		Merger Agreement - Firefighters' Retirement System, July 1, 1987. It is payable in annual installments of \$784,947 through 2018; interest rate at 7.99 (Note 11)	8,848,470
\$1,258,800		Lake Charles police pension estimated liability for local benefits of police officers under age 65 years who retire with twenty years of creditable service (Note 11)	808,180
			<u>14,805,414</u>
		<b>Total long-term debt</b>	<u>\$25,805,414</u>

The annual requirements to amortize all debt outstanding as of September 30, 1997, including interest payments of \$18,603,448 are as follows:

Annual Requirements to Amortize Long-Term Debt  
September 30, 1997

Year Ending September 30,	Special Revenue/C	Other long - Term Debt	Total
1998	\$ 99,217	\$ 2,808,470	2,907,687
1999-2000	118,200	2,750,370	2,868,570
2001-2005	18,834	4,818,591	5,017,425
2006-2010	0	2,698,493	2,698,493
2011-2015	0	2,608,384	2,608,384
2016-2020	0	878,647	878,647
<b>Totals</b>	<b>236,151</b>	<b>23,687,310</b>	<b>23,923,461</b>

The amount available in the Debt Service Fund to service the special assessment bonds is \$921,490. There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

### 7. Deferred compensation

Employees of the City of Lake Charles may participate in deferred compensation plans adopted under the provisions of Internal Code Section 457. One such plan is generally available to all employees of the City, and is administered by Public Employees Benefit Services Corporation under an agreement with the City and the U.S. Conference of Mayors. A second plan originally adopted by the former Greater Lake Charles Water Company was continued by the City as the Company's ownership successor beginning January 1, 1981. This plan is available only to the former water company participants, and is administered by Transamerica Pension Services under an agreement originally made by the Company. The City continued this plan and agreement for the sole purpose of avoiding forced plan termination and early withdrawal penalties on participants' assets.

Under the provisions of Section 457, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. Deferred compensation is not available for withdrawal until termination, retirement, death, or unforeseeable emergency. The City is not liable for losses in the existing plans, the assets of which are subject to varying degrees of market risk among investment options available to participants.

Under the provisions of Section 457 in effect prior to 1987, deferred compensation assets were legally the property of the employee, and have therefore been recorded in the city's financial statements as an agency fund. Pursuant to recent amendments of Section 457, the City's existing plans are currently being modified to place their assets in trust for the participants. As a result, the City will be neither a legal owner nor a custodian of such assets, which will thereafter no longer be recorded in the city's financial statements.

The combined balances of both deferred compensation plans are recorded at market value in the Deferred Compensation Agency Fund. The respective beginning and ending balances and effective dates of valuation for each plan recorded in that fund are as follows for the year ended September 30, 1987:

#### Citywide plan:

Beginning balance at October 1, 1986	\$1,643,698
Ending balance at September 30, 1987	1,794,754

#### Water Company plan:

Beginning balance at July 1, 1986	178,407
Ending balance at June 30, 1987	185,314

NOTES TO FINANCIAL STATEMENTS

- A. Deficits retained earnings balances of Enterprise Funds as of September 30, 1987 were \$3,488,228 for the Civic Center and \$1,484,388 for Public Transit. These retained earnings deficits consist entirely of accumulated depreciation, as operating transfers to these funds are limited by management policy to the amount of net loss exclusive of depreciation.
- B. Individual fund interfund receivable and payable balances. Such balances as September 30, 1987 were:

Fund	Interfund Receivable	Interfund Payable
<b>Primary Government:</b>		
General Fund	\$251,951	\$185,800
Special Revenue Funds:		
Water Sales	3,947	3,318
Blindfold Caring Fund	0	259,800
Community Development Fund	0	28,268
Branch and Donations Fund	51,178	3,753
Depreciation Fund	72,828	3,838
San Year Sales Tax Fund	0	1,180
Central School Sales Tax Fund	0	138
Employee's Pay Sales Tax Fund	0	648
Capital Expenditure Fund	388,170	3,834
Internal Services Funds:		
Risk Management Fund	0	0
Vehicle Replacement Fund	43,881	0
Employee Insurance Fund	0	3,804
Enterprise Funds:		
Civic Center	0	3,488
Gold Quarry	0	80,728
Water Utility	0	80,728
Public Transit	0	11,387
Trust and Agency Funds:		
Expendable Trust Memorial Fund	0	0
<b>Total primary government</b>	<b>\$848,827</b>	<b>\$888,827</b>



## NOTES TO FINANCIAL STATEMENTS

Discretely Presented Component Units.

As stated in Note 1, the City of Lake Charles has presented the financial statements of two component units. These component units have fiscal years that are different from the City's year end. As a result, one of the component units reflects an amount due to the primary government in the amount of \$5,400 as of December 31, 1998. This amount has been collected by the primary government as of September 30, 1997.

C. Amounts due from other governmental units consisted of the following:

Primary Government:	
Mass Transit Operating Assistance Grant ended September 30, 1997	\$148,270
Calcasieu Parish Police Jury - Ward 1 Fire Protection Rebate	481,878
U.S. Customs Department	1,150
LA Department of Revenue & Taxation	32,518
U.S. Department of Military Affairs	452,537
Community Development Grant for year ended September 30, 1997	128,274
LA Commission on Law Enforcement and Admin. of Criminal Justice Grant for year ended September 30, 1997	38,110
Housing & Urban Development Emergency Grants	48,440
U.S. Department of Justice	201,367
LA Department of Treasury	55,500
<b>Total primary government</b>	<b>\$1,318,507</b>

D. The amount of termination benefits recorded as expenditures in the governmental type funds at September 30, 1997 are as follows:

General	Basic Water	Recreation
\$188,713	\$0,400	\$17,304

## NOTES TO FINANCIAL STATEMENTS

8. As of September 30, 1997 the City had the following significant commitments with respect to construction and other unfunded capital projects:

Description	Remaining Commitment
<b>Governmental Funds:</b>	
McNees Street Paving	\$ 218,000
Third Avenue repair and reconstruction	300,000
Rapha's overlay program	1,380,000
Alamo Street reconstruction	810,000
Said Street reconstruction and sewer	940,000
Jahn and Cassford Street paving	810,000
Bathurst and San Street paving	630,000
Bank Street Paving	600,000
Second Avenue repair and reconstruction	1,120,000
Comode Street drainage and widening	90,000
Bank drive widening	600,000
Support Barracks Center Improvements	20,000
Bank Park Concrete Building	80,000
Storm collection system rehabilitation	20,000
Fire ladder truck acquisition	500,000
Public safety automation project	80,000
Police station renovations	80,000
City Hall renovations	300,000
Lakefront Improvements - Phase II	120,000
<b>Proprietary Funds:</b>	
Civic Center Renovations	900,000
Water main replacement	500,000
New water wells - existing plants	180,000
Water plant renovations	120,000
Water main extensions	400,000
New Northwest Water Plant	110,000
<b>Total</b>	<b>\$18,940,400</b>

F. The following is a listing of the excesses of expenditures over appropriations in individual funds for the fiscal year ended September 30, 1987. The operating transfers out in the Two Year Sales Tax and the Employees' Pay Rates Tax Special Revenue Funds exceeded its original budget amounts; however, the adopted budget specifically required that all receipts and balances of this fund be transferred out, without limitation to the estimated amounts shown in the budget. Capital expenditures in the Grants and Donations Special Revenue Fund exceeded the budgeted amount by \$123.

#### G. Miscellaneous Activity

The city, in connection with the operation of the Police Department vehicles room, holds certain assets, including cash. Such assets are not reported on the balance sheet since they are not City property until forfeited to the City by adjudication.

#### H. Co-Insurance Obligations

Workman's compensation, auto liability and general liability insurance were included in a co-insurance type program through June 30, 1986. Under this program, deposits were made into an insurance trust fund administered by a third party, and claims were paid from this fund with respect to retained risk which generally amounted to \$100,000 per claim. On September 30, 1987, the City had a deficit balance in deposits with the insurance trust fund and has therefore recorded an accounts payable of \$1,000 in General Fund to provide for future deposits. An additional non-current liability of \$48,128 is recorded in the General Long-Term Debt Account Group.

#### I. Risk Management Obligations

As of July 1, 1986 the City became self-insured with regard to workman's compensation, auto liability, general liability, and a portion of police professional liability risk. The Risk Management Fund was established as an internal service fund at that date to account for all claims, expenses and administrative costs related to those self-insured and retained risks. The fund employs a claims adjuster to service and estimate claim losses, and uses both in-house legal staff and outside counsel for defense of self-insured claims. Excess risk or stop-loss coverages are used to limit retained risk where feasible, and the cost of such coverages is also paid through the Risk Management Fund.

As an internal service activity, the Risk Management Fund is a proprietary fund in which both current and long-term liabilities for claims and losses are recognized and reported when the liability is incurred. Financial resources are provided to the fund primarily through internal service charges which are distributed among other departments and funds in proportion to estimated risk and prior loss experience. A portion of the fund's accumulated resources is designated for catastrophic losses as provided by authorizing ordinances. All remaining fund equity is reserved for subsequent workman's compensation and liability claims on an aggregate basis.

NOTES TO FINANCIAL STATEMENTS

Total fund equity at September 30, 1997 was \$8,420,488, of which \$3,080,000 is designated for catastrophic losses. Specific ordinance authorization is required for payment of any claim in excess of \$100,000, or for any reduction or use of the amount designated for catastrophic losses. However, all reasonable claims are covered on current or long-term liabilities when incurred, without regard to the level of authorization required for payment.

The City's risk management effort also includes the maintenance of insurance coverage for certain risk exposures, such as bonded insurance, which are not within the scope of the Internal Service Fund. The cost of such coverage is apportioned directly among affected departments and funds.

The City established a self-insurance program for employee health benefits as of January 1, 1993 and accounts for this program through a separate Internal Service Fund. Retained earnings of that fund at September 30, 1997 were \$1,884,349. The amount of risk retained by the fund during 1997 was limited to \$75,000 per claimant through use of purchased stop-loss coverage.

Changes in the balances of claims liabilities during the past year are as follows:

	Risk Management	Employee Insurance	Totals
Unpaid claims, beginning of fiscal year:			
Current claims	\$3,481,887	\$608,000	\$4,089,887
Long-term claims	714,471	0	714,471
Incurred but not reported	180,000	100,000	\$280,000
Total unpaid claims, beginning of fiscal year	4,376,358	708,000	5,084,358
Incurred claims	2,218,000	1,461,818	3,679,818
Claims payments	12,200,487	(1,411,818)	10,788,669
Unpaid claims, end of fiscal year:			
Current claims	5,454,358	488,000	5,942,358
Long-term claims	898,713	0	898,713
Incurred but not reported	180,000	100,000	280,000
Total unpaid claims, end of fiscal year	\$6,533,071	\$588,000	\$7,121,071

## 13. Retirement Commitments

The City participates in three state-administered cost-sharing multiple-employer retirement systems, which together cover substantially all of the City's full-time employees: Municipal Employees' Retirement System, Municipal Police Employees' Retirement System and Firefighters' Retirement System of the State of Louisiana. Standardized disclosures for these three systems and the City's participation therein are provided below. The City also maintains two local pension trust funds which accumulated for police and fire retirement benefits prior to the mergers of their membership into state-administered systems in 1983 and 1987. These funds have relatively limited remaining liabilities and activity, as separately described below.

The three cost-sharing multiple-employer retirement systems in which the City participates are each subject to annual actuarial valuation in which the pension benefit obligation of each system is determined according to the standardized disclosure measure established by the Governmental Accounting Standards Board. This measure is the actuarial present value of credited projected benefits, which represents the present value of estimated pension benefits that will be paid in future years as a result of employee services performed to date, and is adjusted for the effects of projected salary increases. The purpose of this standardized measure is to enable users of financial reports to compare retirement systems' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among retirement systems and employers. The pension benefit obligations of each system at the most recent valuation date are reported below according to this standardized measure. However, the actuarially determined contribution rates for each system are differently determined, and a portion of each system's actuarially required contributions are provided by state-dedicated tax revenues which supplement actual payroll contributions.

**Municipal Employees' Retirement System**

This system was created by Act 184 of the 1984 Louisiana Legislature and provides benefits to employees not covered by other retirement plans in participating municipalities. Membership is generally mandatory for such employees who are on a permanent full-time basis, and includes substantially all full-time City personnel other than police and firefighters.

The City of Lake Charles participates in "Plan B" of the Municipal Employees' Retirement System, in which employees are subject to social security coverage, as distinguished from "Plan A" which provides larger benefits in lieu of social security coverage for municipalities which previously opted for such plan. The two plans are independently valued and funded, and the following information therefore pertains solely to Plan B and the City's participation therein.

A member of Plan B may retire at age 55 with 30 years of creditable service or at age 60 with 18 years of service. Benefits vest after 18 years of service, and are generally equal to two percent of the member's final three-year average salary times the number of years of creditable service. The Plan also includes provisions for survivor and disability benefits. For the year ended September 30, 1993, the City's covered payroll for members of this plan was \$18,448,173, which represents 84.3 percent of the total City payroll of \$21,873,284 for all employees during that year. Covered payroll consists of active members'

regular variable compensation, which includes all forms of overtime and supplemental pay. Employee payroll contributions are fixed by statute at 5 percent of covered earnings. The employer contribution rate is adjusted annually in response to actuarial valuation as required by statute.

The total pension benefit obligation of Plan B was \$74,548,228 as of June 30, 1997, the most recent actuarial valuation date. Net assets available for benefits of Plan B at that date were valued at \$74,248,708, which represents 99.6 percent of the total pension benefit obligation. During the year ended June 30, 1997, the total pension benefit obligation of Plan B increased by \$9,854,793.

The City of Lake Charles contributed a total of \$838,621 to Plan B for the year ended September 30, 1997. Employees contributed \$548,214 of this total at a rate of 5 percent of covered payroll. The City paid the remaining \$290,407 at rates of 1.25 percent of covered payroll through June 30, 1997 and 2.25 percent of covered payroll thereafter. The actuarially determined total contribution rate for Plan B was 3.25 percent for the year ended June 30, 1997. At this rate, the actuarially required total contribution for covered payroll of the City of Lake Charles during the year ended September 30, 1997 is \$914,808.

The City's total actuarially required contribution to Plan B represents approximately 28.8 percent of the total of such contributions for all employers participating in that Plan. The City of Lake Charles is the largest single employer contributing to Plan B, which has a much smaller membership than the separately funded Plan A.

#### **Municipal Police Employees' Retirement System**

This system was created by Act 149 of the 1975 Louisiana Legislature, and serves full-time police officers of 149 participating municipalities. All sworn police personnel of the City of Lake Charles are members of this system.

Members of this system are eligible for normal retirement at age 55 with 15 years of service, at age 53 with 20 years of service, or at any age with 25 years of service. The pension benefit is generally equal to three and one-third percent of the member's final 6000-year average salary for each year of service up to a maximum of 30 years. The system also provides for survivor and disability benefits. The City's covered payroll for members of this system was \$5,895,164 for the year ended September 30, 1997, which represents 21.8 percent of the City's total payroll for all employees for that year. Payroll contribution rates for this system are currently fixed by statute at 7.5 percent for employees and 3 percent for employers, and are payable on supplemental pay received directly from the State of Louisiana, as well as on covered City payroll.

The total pension benefit obligation of the Municipal Police Employees' Retirement System was \$818,282,180 as of June 30, 1997, the most recent actuarial valuation date. The total amount of net assets available for benefits at that date was \$454,674,078, which represents 55 percent of the system's pension benefit obligation. During the year ended June 30, 1997, the system's total pension benefit obligation increased by \$182,484,614.

For the year ended September 30, 1997, the total payroll contributions to this plan for the City of Lake Charles were \$764,188, of which \$374,274 was paid by

employees at a rate of 7.5 percent of covered payroll. The remaining \$408,497 was paid by the City at rates of 9 percent of covered payroll. An additional \$173,118 was paid by the City pursuant to the 1983 agreement which merged the City's public pension fund membership into the Municipal Police Employees' Retirement System. The system's actuarially determined contribution rate as of June 30, 1987 was 14.94 percent of covered payroll, which would represent an actuarially required total contribution of \$585,195 for the City's current year covered payroll. The difference between actual payroll contributions and the actuarially determined requirement is funded by state revenue deductions. The City's actuarial contribution requirements represents 1.3 percent of the required total for all employees in this retirement system.

#### Firefighters' Retirement System of the State of Louisiana

This system was established by statute as of January 1, 1980 to serve full-time municipal, parish and special district firefighting personnel not covered by other retirement systems, and currently has a total of 78 participating employees. All active and retired members of the former Firemen's Pension and Relief Fund of Lake Charles were merged into this system on July 1, 1987, and the system now covers all eligible personnel within the Fire Department.

The benefit, service credit, and retirement eligibility provisions of the Firefighters' Retirement System are virtually identical to those of the Municipal Police Employees' System. The two systems also have the same maximum statutory payroll contribution rates, which are similarly applicable to members' state supplemental pay, as well as covered City payroll. For the year ended September 30, 1987, the city's covered payroll for members of Firefighters' Retirement System was \$1,248,389, which represents 17.3 percent of the total City payroll for all employees for that year.

The total pension benefit obligation of the Firefighters' Retirement System was \$494,088,898 as of June 30, 1987, the most recent actuarial valuation date. The total amount of net assets available for benefits at that date was \$478,344,783, which represents 96.8 percent of the system's pension benefit obligation. The total pension benefit obligation increased by \$12,494,509 during the preceding year.

For the year ended September 30, 1987, total payroll contributions to this plan for the City of Lake Charles were \$234,898, of which \$189,349 was paid by employees and \$45,549 by the City at the respective statutory rates of 8 and 9 percent. These contributions include amounts attributable to state supplemental pay. In addition, the City paid \$176,997 to the Firefighters' Retirement System for amortization of Local Firemen's pension liabilities transferred to that system by the 1987 merger agreement.

The actuarially determined total contribution rate for this system was 20.8 percent of covered payroll for the year ended June 30, 1987. This rate is inclusive of contributions provided by dedicated state taxes and other non-payroll sources. The portion of this actuarially determined contribution attributable to the City of Lake Charles was \$104,118 for the year ended September 30, 1987, based on the city's covered payroll for that year. The City's actuarial contribution requirements represents 4.48 percent of the required total for all employees in this retirement system.

Historical Fund Information

Historical FUND INFORMATION for the above described multiple-employer retirement systems is included in the respective separately issued reports for the Municipal Employees' Retirement System, Municipal Police Employees' Retirement System, and Firefighters' Retirement System for the period ended June 30, 1997. These reports indicate the progress of each system in accumulating sufficient assets to pay benefits when due.

Police Pension and Relief Fund of the City of Lake Charles

This City-administered pension plan originally provided benefits to local police personnel, who were eligible to retire at any age with 10 years of creditable service. This plan was closed to new membership after 1977, and its remaining membership was merged into the state-administered Municipal Police Employees' Retirement System as of October 1, 1983. However, limited local benefit rights were continued as a condition of the merger with respect to members who elect to retire under the local plan before qualifying for normal retirement from the state-administered system. Fixed local benefits are payable only until the member's attainment of age 64, at which time the normal retirement benefits of the state-administered system are commenced.

As of September 30, 1997 the local plan was paying benefits to 4 retirees and had a remaining active membership of 4 employees, including those already eligible for normal retirement benefits from the Municipal Police Employees' system. The Police Pension and Relief Fund is maintained as a pension trust fund to account for local benefit payments, which are funded primarily by annual General Fund transfers. The Police Pension and Relief Fund receives no payroll contributions, and the City is not legally obligated to provide resources until benefit payments become due. Future local benefit liability is largely a function of the incidence and timing of early retirement among the handful of active members, as opposed to being actuarially predictable, and it is therefore projected on the basis of past local experience and estimates by management.

As of September 30, 1997, the City had a maximum possible liability of \$1,548,784 for future benefits to members of the local plan. Of this total, \$412,488 was available from net assets of the Police Pension and Relief Fund at September 30, 1997, and the remaining \$1,136,296 is recorded in the General Long-Term Debt Account Group. The potential liability extends over a remaining term of 23 years, with 87 percent of the total being payable within five years.

During the year ended September 30, 1997, the Police Pension and Relief Fund made benefit payments of \$284,787 and received \$70,043 from General Fund transfers and \$28,579 from interest earnings.

As noted above, the local plan's remaining members were merged as of October 1, 1983 into the Municipal Police Employees' Retirement System, which absorbed those members' transferable accrued liabilities in exchange for merger liability payments by the City under a thirty-year amortization schedule as authorized by statute. The City's outstanding merger liability debt at September 30, 1997 was \$1,758,174, which is recorded in the General Long-Term Debt Account Group and amortized by General Fund payments totaling \$275,112 annually through 2013.



**Fireman's Pension Repeal**

The former Fireman's Pension and Relief Fund of Lake Charles was legally dissolved by merger of its entire membership into the state-administered Firefighters' Retirement System on July 1, 1997, and subsequent legislation vested the City with title to that fund's remaining assets. The merger agreement transferred substantially all Fireman's pension liabilities to the state-administered system in exchange for the City's payment of the merger liability over a thirty-year amortization period. The City's outstanding liability at September 30, 1997 was \$3,868,679, which is reported in the General Long-Term Debt Account Group and amortized through annual General Fund payments of \$376,497 through 2018.

The City has continued to account for remaining assets of the former Fireman's Pension and Relief Fund in a separate pension trust, from which annual transfers are made to cover a portion of the merger liability payments made through the General Fund. The pension trust also accounts for incidental burial and survivor benefits which were not included in the merger with respect to previous retirees. As of September 30, 1997, the local pension trust had a fund balance of \$468,181, which is restricted by City policy as noted above. During the year the fund made benefit payments of \$738 and provided a transfer of \$282,000 to the General Fund, while receiving interest earnings of \$82,128 and intergovernmental shared revenues of \$128,858.

**12. Contingencies and Commitments**

As noted above, liabilities for self-insured claims and losses incurred on and after July 1, 1988 are recorded in the Risk Management Fund, and remaining reinsurance liabilities for claims incurred prior to that date are recorded in the General Fund and General Long-Term Debt Account Group.

The City has outstanding a number of contracts, the breach of any of which would result in a liability to the City. The amount of the liability to the City as September 30, 1997, if any, is not ascertainable.

**13. Federally Assisted Grant Programs**

The City participates in a number of federally assisted grant programs, with the principal grantor agencies being the U.S. Department of Transportation and the Department of Housing and Urban Development. These programs are subject to compliance audits by the grantors or their representatives and the City's compliance with applicable grant requirements for the year ended September 30, 1997 will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

**14. Dedication of Revenues and Flow of Funds - Tax Excess Sales and Gas Tax****Tax Excess Sales and Gas Tax**

Proceeds of the one percent sales tax levied by the City of Lake Charles (1997 collections \$11,571,817; 1996 collections \$11,286,868) are collected by the General Fund and may be used for virtually any capital or operating needs of the City of Lake Charles. This tax levy was originally authorized in 1983, and has been re-authorized for an additional 20 years from March 1, 2003.

Additional Dedicated One Percent Sales Tax

In November, 1988, a sales tax election was held and the City of Lake Charles was authorized to collect an additional dedicated one percent sales tax levy for a period of five years commencing January 1, 1987. This tax has since been reauthorized for periods of five years extending through 1994 and ten years through 2005. Portions of this additional one percent sales tax levied by the City of Lake Charles (1987 collections \$21,871,828; 1988 collections \$21,884,848) are collected by the Ten Year Sales Tax Special Revenue Fund and are dedicated on a percentage basis as follows:

Public safety purposes	30%
Waste water or sanitary sewerage services or facilities	10%
Recreation	8%
Certain types of capital improvements and public works services	52%

The taxes collected are distributed through interfund transfers to the respective funds and departmental operating budgets from which expenditures are made for purposes authorized.

Additional One-Quarter Percent Sales Tax

An additional sales tax levy of one-quarter of one percent was approved by the voters in January 1988 for the purpose of increasing the pay and starting salaries of City employees. This tax levy is authorized for a period of ten years from the effective date of April 1, 1988, and is received by the Employee Pay Sales Tax Special Revenue Fund, from which transfers are made to other funds in proportion to increased payroll costs resulting from amendments of the City's employee pay plans. Collections for September 30, 1987 totaled \$2,487,788; 1988 collections were \$2,748,028.

## 19. Contributed Capital

Source	Risk Management	Vehicle Replacement	Civil Trusts	Bold Company	Francis	Water Division
Municipality - Fixed assets	80	80	2,884,474	80	2,184,000	80
Developers	0	0	24,000	0	0	224,800
Total additions	0	0	2,908,474	0	2184,000	224,800
Depreciation on contributed assets	0	0	0	0	0	(81,000)
Contributed capital end of year	710	278,000	28,848,880	1,848,870	2,404,001	2,850,400
Contributed Capital end of year	470	8178,000	428,848,880	81,848,870	18,232,001	28,804,800

Total contributed capital from municipality agrees with the total residual equity transfers from the Governmental Fund Types.

## 18. Reconciliation of Total Proprietary Equity

	Internal Service Funds	Enterprise Funds	Total
Proprietary Fund Equity - Beginning	\$9,518,944	\$48,823,070	\$58,342,014
Net Income	2,234,849	489,039	2,723,888
Contributed Capital	0	1,451,000	1,451,000
Proprietary Fund Equity-Ending	\$11,753,793	\$50,763,109	\$62,516,902

\* Enterprise Fund Net Income total includes \$1,518 added back to net income for depreciation on contributed assets.

## 19. Subsequent Events

Sales Tax Increase Financing Agreement

In connection with the expansion and renovation of Prime Lake Mall Shopping Center, the City has entered into an agreement which provides for a portion of future sales tax collections from establishments located at the project site to be reimbursed to the mall developer, contingent upon completion and occupancy of the project. The reimbursement obligation, which is limited to a maximum total of \$4,000,000, is payable without interest solely from a 92 percent portion of the incremental increase in sales tax collections generated from the project site within a maximum period of ten years from completion of construction. Upon such completion, which is projected to occur in late 1994, the maximum reimbursement obligation will be recognized as general long-term debt.

Civic Center Ice Hockey Leases

Under an agreement for use of the Civic Center facilities for professional minor league ice hockey beginning in October, 1991, the City will have a contingent liability for reimbursement of capital expenditures made by the hockey team for facility modifications and certain equipment acquisitions through April 30, 1994. The reimbursement obligation, which has not yet been determined, is payable solely from specified portions of civic center operating revenues received directly from hockey events during a maximum term of five years. Reimbursed amounts for 1992 and subsequent periods, as applicable, will be classified as City contributed capital.

Riverboat Casino Payments

A pending agreement with the riverboat casino operator replaces the previous levy of per-person riverboat admission taxes on such operations located within the City, retroactive to March 1, 1990. This agreement generally provides for operator payments to the City on a gaming revenue percentage basis, subject to a minimum annual payment guarantee to the City of \$2,878,800. (Revenues from the previous admission tax levy were \$2,158,870 for the 1991 fiscal year and \$4,304,918 for 1992.) In settlement of claims related to previous payments, the agreement also provides for additional "development payments" to the City of \$202,754 annually for ten years commencing April 1, 1992.



CITY OF LAKE CHARLES, LOUISIANA

## GENERAL FUND

The General Fund is the principal fund of the City and is used to account for all activities of the City not included in other specified funds. The General Fund accounts for the normal recurring activities of the City (i.e. public safety, public works, general government, etc.)

## CITY OF LAKE CHARLES, LOUISIANA

## General Fund

## Comparative Balance Sheet

September 30, 1997 and 1996

	1997	1996
<b>ASSETS</b>		
Cash	\$2,697,790	\$2,144,654
Investments, at cost	12,433,541	13,113,641
Receivable (net of allowances for estimated uncollectible):		
Accounts	190,630	166,850
Accrued interest	264,671	226,787
Intergovernmental	920,898	439,414
Due from other funds	131,312	158,982
Inventory, at cost	266,527	284,368
Prepaid items	186,942	191,913
<b>Total assets</b>	<b><u>\$17,116,151</u></b>	<b><u>\$16,768,731</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$879,189	\$508,604
Due to other funds	185,901	61,749
Reserve	68,108	64,285
Accrued wages and benefits	27,519	23,784
Accrued insurance claims	3,000	12,090
Other liabilities	34,898	287,872
<b>Total liabilities</b>	<b><u>1,228,546</u></b>	<b><u>959,285</u></b>
<b>Fund balance:</b>		
Reserved for inventory	266,527	284,368
Reserved for prepaid items	186,942	191,913
Unreserved:		
Designated for subsequent year's expenditures	770,846	1,078,427
Undesignated	14,683,288	13,649,716
<b>Total fund balance</b>	<b><u>15,907,655</u></b>	<b><u>15,809,446</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$17,116,151</u></b>	<b><u>\$16,768,731</u></b>

## CITY OF LAKE CHARLES, LOUISIANA

## General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>Revenues:</b>				
Taxes	\$17,850,800	\$17,733,283	(\$117,517)	\$17,484,274
Licenses and permits	4,075,000	4,425,188	349,688	4,339,682
Intra-governmental	1,838,434	2,584,973	746,539	1,084,323
Charges for services	958,150	992,544	34,394	1,060,361
Fees and forfeitures	435,000	425,329	(\$9,671)	484,426
Miscellaneous	850,800	1,485,543	635,543	1,510,779
<b>Total revenues</b>	<u>25,981,384</u>	<u>27,656,860</u>	<u>1,675,476</u>	<u>25,887,245</u>
<b>Expenditures:</b>				
Current:				
General government	1,860,835	1,778,283	82,552	1,725,013
Finance	1,018,906	974,320	44,586	987,761
Public safety	14,965,825	14,460,619	504,786	13,596,227
Personnel	210,247	304,187	89,940	188,710
Public works	11,099,599	10,690,317	409,192	8,890,487
Planting	1,202,354	1,324,036	121,682	1,125,172
General services	2,691,590	1,813,773	877,817	1,752,380
<b>Total expenditures</b>	<u>32,951,456</u>	<u>31,047,793</u>	<u>1,253,663</u>	<u>28,203,850</u>
<b>Excess (deficiency) of rev over exp</b>	<u>(6,320,132)</u>	<u>(3,391,200)</u>	<u>2,928,932</u>	<u>(2,316,605)</u>
<b>Other financing sources (uses):</b>				
Operating transfers in	8,234,400	8,108,599	(\$125,801)	7,859,775
Operating transfers out	(4,482,478)	(4,428,363)	54,115	(2,478,741)
<b>Total other financing sources (uses)</b>	<u>3,751,922</u>	<u>3,680,236</u>	<u>(\$71,586)</u>	<u>3,381,034</u>
<b>Excess (deficiency) of rev and other sources over exp</b>	<u>(2,568,210)</u>	<u>287,035</u>	<u>2,855,245</u>	<u>3,064,629</u>
<b>Fund balance at beginning of year</b>	<u>13,804,446</u>	<u>13,804,446</u>	<u>0</u>	<u>13,189,817</u>
<b>Residual equity transfer out</b>	<u>(184,473)</u>	<u>(184,473)</u>	<u>0</u>	<u>(650,800)</u>
<b>Fund balance at end of year</b>	<u>\$13,620,748</u>	<u>\$13,907,008</u>	<u>\$286,260</u>	<u>\$12,539,017</u>

# CITY OF LAKE CHARLES, LOUISIANA

## General Fund

Schedule of Revenues Compared to Budget (GAAP Basis)

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

REVENUES		1997		Variance Favorable (Unfavorable)	1996
		Budget	Actual		Actual
<b>TAXES</b>					
Ad valorem property tax	8.89	\$1,702,500	\$1,737,437	\$34,937	\$1,695,874
Street improvement taxes	2.54	704,600	716,342	11,742	705,029
LCPD minimum salary					
guaranty taxes	1.28	351,100	359,360	4,260	351,343
LCPAD minimum salary					
guaranty taxes	1.05	292,600	296,136	3,536	292,786
LCPD 1-ply/ton					
system taxes	.84	234,100	234,909	2,809	234,229
LCPD minimum salary					
guaranty taxes	1.41	393,300	397,659	4,359	390,364
LCPD additional salary					
guaranty taxes	1.65	292,600	286,134	(3,516)	292,780
Sales tax-excess		11,280,000	11,271,527	(18,473)	11,280,542
Occupational licenses		2,140,000	2,125,724	(25,724)	2,152,181
		<u>17,830,800</u>	<u>17,775,282</u>	<u>(55,517)</u>	<u>17,464,274</u>
<b>LICENSES AND PERMITS</b>					
Gas franchise		250,000	289,121	349,121	248,811
Electric franchise		3,000,000	3,007,878	7,878	3,173,886
Cable TV franchise		480,000	480,584	(49,416)	474,811
Wrecker fees		1,800	1,991	191	1,860
Taxi permits		800	623	(167)	880
Building permits		130,000	132,123	2,123	189,213
Electric permits and licenses		40,300	25,192	(14,682)	42,902
Street cutting permits		600	1,325	925	1,745
Plumbing permits and licenses		28,400	35,140	5,740	25,079
Whiskey permits		94,000	95,550	1,550	99,036
Beer permits		17,200	18,150	950	18,583
Mechanical permits and licenses		22,000	26,122	4,122	34,235
Hinge permits		8,000	11,456	3,456	8,180
Other		4,800	9,643	4,843	9,668
		<u>4,079,300</u>	<u>4,425,188</u>	<u>345,088</u>	<u>4,179,682</u>



## CITY OF LAKE CHARLES, LOUISIANA

## General Fund

Schedule of Revenues Compared to Budget (GAAP Basis)

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

REVENUES	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>INTERGOVERNMENTAL AGENCIES</b>				
State revenue:				
Beer taxes	135,000	130,008	(4,992)	148,414
Tobacco taxes	315,000	313,158	(1,842)	313,359
Department of Transportation	78,500	78,579	79	78,579
Department of Military Affairs	1,215,000	1,460,516	245,516	0
Local revenue:				
Payment in lieu of taxes-				
Housing Authority	26,000	32,867	6,867	31,213
Caldesia Parish Police Jury	62,754	62,754	0	62,754
Ward 3, Caldesia Parish fire protection rebate		481,078	481,078	438,592
Other governmental revenue	6,280	13,990	7,710	8,612
	<u>1,838,434</u>	<u>2,582,973</u>	<u>744,539</u>	<u>1,684,323</u>
<b>CHARGES FOR SERVICES</b>				
Zoning fees	21,990	20,377	(1,613)	25,028
Accident report sales	35,680	36,077	1,077	36,524
Inspection fees	500	1,780	1,280	0
Grass cutting and lot clearing	86,800	118,373	31,573	100,862
Demolition charges	16,800	3,777	(8,023)	41,164
Overhead from Transit system	216,800	201,071	(8,829)	208,512
Overhead from Summer Food	6,800	0	(6,800)	3,180
Overhead from Community Development	12,000	18,294	7,294	12,432
Overhead from Drug Enforcement	3,600	0	(3,600)	4,273
Overhead from Water Division	376,800	398,777	21,977	414,273
Overhead from Civic Center	42,000	41,177	(823)	46,586
Overhead from Golf Course	70,800	72,304	1,504	68,686
Incinerator fees	15,000	17,404	2,404	18,142
Other charges for services	48,750	72,613	23,863	82,887
	<u>938,130</u>	<u>992,544</u>	<u>54,414</u>	<u>1,063,761</u>

(continued on next page)

**CITY OF LAKE CHARLES, LOUISIANA**  
**General Fund**

Schedule of Revenues Compared to Budget (GAAP Basis)  
 Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

REVENUES (continued)	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>FINES AND FORFEITURES</b>				
City court fines	343,900	313,820	(31,880)	337,479
City court costs	37,000	37,685	685	41,631
Driving while intoxicated fines	23,000	16,425	(6,575)	23,386
Parking fines	24,300	40,610	16,310	28,239
Forfeitures	3,300	16,596	11,796	23,701
	<u>431,500</u>	<u>425,336</u>	<u>(5,671)</u>	<u>484,426</u>
<b>MISCELLANEOUS</b>				
Interest on investments	400,000	796,277	396,277	703,255
Interest on property taxes	9,000	13,244	4,244	12,721
Interest and penalties on occupational licenses	20,000	36,340	16,340	18,884
Interest and penalties on sales tax	140,000	166,433	26,433	175,167
Interest on Demand deposits	100,000	136,956	36,956	130,506
Oil and gas lease royalties	100,000	73,032	(27,078)	165,948
Rentals-Finney Building	22,500	23,683	1,183	24,908
Loans	30,000	48,650	18,650	44,175
Parking meter collections	0	0	0	857
Telephone commissions	1,500	3,028	1,528	1,357
Insurance claims and rebates	15,000	81,957	66,957	33,793
Commissions on property taxes	2,000	2,180	180	4,902
Miscellaneous	14,300	108,377	92,877	23,637
Sale of property and equipment	5,500	8,195	2,695	3,720
	<u>899,800</u>	<u>1,669,345</u>	<u>673,545</u>	<u>1,310,779</u>
<b>Total revenues</b>	<u>\$25,983,304</u>	<u>\$27,686,882</u>	<u>\$1,675,238</u>	<u>\$25,887,345</u>

## CITY OF LAKE CHARLES, LOUISIANA

## General Fund

Schedule of Expenditures Compared to Budget (GAAP Basis)

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

EXPENDITURES	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>GENERAL GOVERNMENT</b>				
Personal services	\$1,360,775	\$1,378,350	\$17,575	\$1,297,091
Materials and supplies	48,509	48,344	165	50,437
Other services and charges	366,551	358,789	7,762	391,382
Capital outlay	0	0	0	4,135
	<u>1,805,835</u>	<u>1,775,483</u>	<u>30,352</u>	<u>1,723,045</u>
	0			
<b>FINANCE</b>				
Personal services	654,148	622,500	31,648	644,269
Materials and supplies	17,317	15,718	1,599	14,325
Other services and charges	340,049	333,973	6,076	304,706
Capital outlay	7,806	5,435	2,371	4,375
	<u>1,019,320</u>	<u>977,626</u>	<u>41,694</u>	<u>967,675</u>
<b>PUBLIC SAFETY</b>				
<b>Fire Department:</b>				
Personal services	4,996,159	4,734,865	261,294	4,708,734
Materials and supplies	343,073	383,484	40,411	377,584
Other services and charges	644,655	623,989	20,666	588,143
Capital outlay	343,672	311,222	32,450	369,239
Debt service	876,648	876,647	1	876,647
	<u>6,874,207</u>	<u>6,330,207</u>	<u>544,000</u>	<u>6,374,366</u>
<b>Police Department:</b>				
Personal services	5,458,276	5,399,144	59,132	4,898,099
Materials and supplies	518,807	476,776	42,031	398,221
Other services and charges	1,148,858	1,120,390	28,468	857,977
Capital outlay	603,903	566,784	37,119	354,437
Debt service	373,116	373,116	0	373,116
	<u>8,093,160</u>	<u>7,936,412</u>	<u>156,748</u>	<u>7,221,866</u>
<b>Total public safety</b>	<u>14,967,405</u>	<u>14,466,619</u>	<u>500,786</u>	<u>13,996,232</u>

(continued on next page)

## CITY OF LAKE CHARLES, LOUISIANA

## General Fund

Schedule of Expenditures - Compared to Budget (GAAP Basis)

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

EXPENDITURES (continued)	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>PERSONNEL</b>				
Personal services	192,827	191,881	956	187,506
Materials and supplies	4,500	932	3,568	1,446
Other services and charges	12,000	11,384	1,526	6,758
Capital outlay	0	0	0	0
	<u>210,327</u>	<u>204,197</u>	<u>6,026</u>	<u>196,710</u>
<b>PUBLIC WORKS</b>				
Personal services	4,735,264	4,642,776	92,488	4,216,977
Materials and supplies	1,101,215	1,042,174	59,041	834,970
Other services and charges	4,660,642	4,350,949	109,693	3,028,856
Capital outlay	602,085	482,418	122,670	787,284
	<u>11,099,206</u>	<u>10,698,317</u>	<u>400,192</u>	<u>8,868,187</u>
<b>PLANNING</b>				
Personal services	891,227	816,827	74,400	806,701
Materials and supplies	51,276	43,428	7,848	34,900
Other services and charges	318,721	283,823	34,938	234,827
Capital outlay	1,000	0	1,000	48,344
	<u>1,262,224</u>	<u>1,144,078</u>	<u>118,146</u>	<u>1,124,772</u>
<b>GENERAL SERVICES</b>				
Personal services	799,793	784,768	15,025	768,128
Materials and supplies	88,245	72,096	16,149	69,414
Other services and charges	1,806,737	901,742	904,995	740,983
Capital outlay	106,325	27,173	79,152	122,793
	<u>2,801,100</u>	<u>1,805,779</u>	<u>995,321</u>	<u>1,701,318</u>
<b>Total expenditures</b>	<u>532,391,456</u>	<u>531,647,780</u>	<u>743,676</u>	<u>528,260,686</u>

## CITY OF LAKE CHARLES, LOUISIANA

## General Fund

Schedule of Operating Transfers In and Out Compared to Budget (GAAP Basis)

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September (30), 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>Operating transfers in:</b>				
Ten-Year Sales Tax Fund	\$3,654,400	\$3,571,500	(\$82,899)	\$3,423,310
Employee's Pay Sales Tax Fund	2,170,000	2,338,894	(16,894)	2,242,697
Other	200,000	200,000	0	200,000
Total operating transfer in	<u>6,024,400</u>	<u>6,110,394</u>	<u>(122,201)</u>	<u>5,866,007</u>
<b>Operating transfers (out):</b>				
Special Revenue Fund	(1,236,214)	(1,211,933)	24,281	(726,118)
Personnel Fund	(70,000)	(70,000)	0	(219,562)
Capital Projects	(2,033,000)	(2,033,000)	0	(190,000)
Miscellaneous	(1,123,256)	(1,114,400)	8,856	(982,821)
Total operating transfer (out)	<u>(4,462,470)</u>	<u>(4,429,333)</u>	<u>33,137</u>	<u>(2,478,741)</u>
<b>Net operating transfers in (out)</b>	<u>\$1,561,930</u>	<u>\$1,679,061</u>	<u>(189,994)</u>	<u>\$3,387,266</u>

## CITY OF LAKE CHARLES, LOUISIANA

## General Fund

## Charts of Revenues and Expenditures

Fiscal Year Ended September 30, 1997

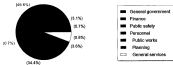
## Revenues



Taxes	\$13,733,283
Licenses and permits	4,425,168
Intergovernmental	2,384,973

Charges for services	\$993,544
Fines and forfeitures	425,129
Miscellaneous	1,493,345

## Expenditures



General government	\$1,778,283
Finance	974,539
Public safety	14,468,819
Personnel	284,197

Public works	\$18,890,317
Planning	1,324,038
General services	1,815,771



CITY OF LAKE CHARLES, LOUISIANA

## SPECIAL REVENUE FUNDS

**Drug Enforcement Fund.** To account for receipt and subsequent expenditure of funds donated or transferred to the City for drug enforcement work by the Police Department. Receipts from property seizures resulting from drug enforcement activity are recorded in this fund and dedicated for such activity as provided by law.

**Waste Water.** To account for the receipt and subsequent expenditure of sewer use charges, dedicated taxes, and other current charges dedicated for operation, maintenance, and improvement of the City's sanitary sewerage system.

**Riverboat Gambling Fund.** Accounts for receipt and subsequent expenditure or transfer of revenues from casino riverboat admission taxes, development contributions, and related City-owned parking facilities.

**Community Development Fund.** To account for the receipt and subsequent expenditure of federal funds received from the Department of Housing and Urban Development for housing and community development purposes, including related revenues which are restricted to such purposes by grant agreements. The principal revenue source accounted for within this fund is the Community Development Block Grant Program.

**Grants and Donations Fund.** Accounts for funds received and expended for various categorical grant programs, including tax enhancement grants and summer food service program. Also accounts for donations received for restricted purposes or special programs not reported in other funds.

**Recreation.** To account for the operation and maintenance of recreational programs and facilities other than the Civic Center and Golf Course, and for the receipt and subsequent expenditure of dedicated taxes, user fees and other funds received for recreational services.

**Ten Year Sales Tax Fund.** To account for the receipt and distribution of proceeds from a one percent sales tax levy which commenced in 1987 and has been reauthorized for a ten year period extending through 2005. Revenues from this tax are dedicated on a percentage basis for public safety purposes (20 percent), waste water or sanitary sewerage services and facilities (15 percent), recreation (8 percent), and certain types of capital improvements and Public Works Department services (56 percent), and are distributed through interfund transfers to the respective funds and departmental operating budgets from which expenditures are made for the purposes authorized.

**Central School Fund.** Accounts for receipt and subsequent expenditure of funds for operation, maintenance and improvement of the Central School Arts and Humanities Center.

**Employee Pay Sales Tax.** To account for the receipt and distribution of revenue from a one quarter percent sales tax dedicated for City employee pay increases. This tax is authorized for a period of ten years beginning April 1, 1995, and is distributed through interfund transfers to those operating funds from which the related increases in personnel costs are paid.

**Facility Renewal Fund.** Accounts for funds transferred from other sources to provide for long-term accumulation of funds for future facility maintenance and repair needs.



**CITY OF LAKE CHARLES, LOUISIANA**

*Special Revenue Funds*

*Combining Balance Sheet*

September 30, 1997

With Comparative Totals for September 30, 1996

<b>ASSETS</b>	<b>Drug Enforcement</b>	<b>Waste Water</b>	<b>Riverboat Gaming</b>	<b>Community Development</b>
Cash	\$53,709	\$207,665	\$142,912	\$58,793
Investments, at cost	0	691,160	249,648	108,151
Accounts receivable (net of allowance for estimated uncollectible):				
Accounts	0	131,872	182,966	1,389
Assessed interest receivable	0	11,052	5,930	885
Intergovernmental	0	0	0	166,737
Due from other funds	0	2,847	0	0
Prepaid items	0	6,357	0	47
Deferred notes receivable-rehabilitation loans	0	0	0	48,941
<b>Total assets</b>	<b><u>\$53,709</u></b>	<b><u>\$1,618,586</u></b>	<b><u>\$392,267</u></b>	<b><u>\$375,123</u></b>
 <b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities:</b>				
Accounts payable	\$12,279	\$201,645	\$32,161	\$63,388
Due to other funds	0	2,318	250,000	28,264
Encrow	0	0	0	13,700
Contracts payable	0	0	0	13,425
Assessed wages and benefits	0	1,710	0	0
Deferred assessed-rehabilitation loans	0	0	0	48,941
<b>Total liabilities</b>	<b><u>12,279</u></b>	<b><u>186,673</u></b>	<b><u>282,161</u></b>	<b><u>171,718</u></b>
 <b>Fund balance:</b>				
Reserved for prepaid items	0	6,357	0	47
Unreserved:				
Designated for subsequent year's expenditures	0	515,878	0	203,360
Undesignated	41,430	982,478	310,106	0
<b>Total fund balance</b>	<b><u>41,430</u></b>	<b><u>1,503,913</u></b>	<b><u>310,106</u></b>	<b><u>203,407</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$53,709</u></b>	<b><u>\$1,618,586</u></b>	<b><u>\$392,267</u></b>	<b><u>\$375,123</u></b>

Grants & Donations	Recreation	Ten Year Sales Tax	Central School Sales Tax	Employer's Pay Sales Tax	Facility Renewal	Totals	
						1997	1998
\$0	\$85,010	\$1,191	\$123,399	\$444	\$4,122	\$98,275	\$1,482,208
170,345	131,645	0	350,340	0	1,648,879	3,613,221	3,612,826
0	0	0	0	0	0	328,427	381,351
0	689	0	4,116	0	21,320	44,872	38,824
241,878	0	0	0	0	0	408,615	128,833
91,378	72,828	0	0	0	0	164,853	32,621
0	3,103	0	1,313	0	0	10,804	7,250
0	0	0	0	0	0	48,941	59,087
<u>\$688,621</u>	<u>\$315,297</u>	<u>\$1,191</u>	<u>\$479,378</u>	<u>\$444</u>	<u>\$1,667,221</u>	<u>\$5,699,029</u>	<u>\$5,743,599</u>
\$172,491	\$82,341	\$0	\$6,413	\$0	\$0	\$270,637	\$242,367
9,733	3,426	1,191	198	444	0	298,782	34,348
0	0	0	0	0	0	13,780	680
0	0	0	0	0	0	13,428	49,172
0	4,118	0	0	0	0	3,828	3,347
0	0	0	0	0	0	48,941	59,087
<u>182,224</u>	<u>91,865</u>	<u>1,191</u>	<u>6,611</u>	<u>444</u>	<u>0</u>	<u>355,321</u>	<u>381,121</u>
0	3,185	0	1,313	0	0	10,804	7,250
218,421	100,466	0	127,206	0	0	1,194,325	2,120,442
3,136	129,741	0	344,317	0	1,667,221	3,478,359	3,234,777
<u>221,557</u>	<u>239,312</u>	<u>0</u>	<u>471,742</u>	<u>0</u>	<u>1,667,221</u>	<u>4,653,708</u>	<u>3,362,469</u>
<u>\$583,818</u>	<u>\$325,297</u>	<u>\$1,191</u>	<u>\$479,378</u>	<u>\$444</u>	<u>\$1,667,221</u>	<u>\$5,699,029</u>	<u>\$5,743,599</u>

**CITY OF LAKE CHARLES, LOUISIANA**

**Special Revenue Fund**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Fiscal Year Ended September 30, 1997

With Comparative Totals for Fiscal Year Ended September 30, 1996

	<b>Drug Enforcement</b>	<b>Waste Water</b>	<b>Riverboat Gaming</b>	<b>Community Development</b>
<b>Revenues:</b>				
Taxes	90	90	34,715,672	90
Intergovernmental	0	0	0	809,888
Charges for services	0	1,844,011	0	0
Miscellaneous	44,470	96,117	348,642	21,353
<b>Total revenues</b>	<b>44,470</b>	<b>1,940,128</b>	<b>35,064,314</b>	<b>831,231</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	295,168	0	0	0
Public works	0	3,037,884	0	0
Planning and development	0	0	0	153,768
Community services	0	0	203,141	0
Capital outlay	0	0	0	672,972
<b>Total expenditures</b>	<b>295,168</b>	<b>3,037,884</b>	<b>203,141</b>	<b>826,740</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(250,698)</b>	<b>(1,097,756)</b>	<b>4,861,173</b>	<b>1,642</b>
<b>Other financing sources (uses)</b>				
Opening transfers in	251,000	2,088,159	0	0
Opening transfers out	0	(1,125,000)	(6,800,000)	0
<b>Total other financing sources (uses)</b>	<b>251,000</b>	<b>963,159</b>	<b>(6,800,000)</b>	<b>0</b>
<b>Excess (deficiency) of revenues and other sources over expenditures</b>	<b>100</b>	<b>(214,597)</b>	<b>(1,938,827)</b>	<b>1,642</b>
<b>Fund balance at beginning of year</b>	<b>41,128</b>	<b>1,718,312</b>	<b>2,463,733</b>	<b>199,763</b>
<b>Residual equity transfer out</b>	<b>0</b>	<b>0</b>	<b>(218,908)</b>	<b>0</b>
<b>Fund balance at end of year</b>	<b>\$41,128</b>	<b>\$1,503,715</b>	<b>\$2,244,825</b>	<b>\$201,405</b>

Grants & Donations	Recreation	Ten Year Sales Tax	Central School Sales Tax	Employee's Pay Sales Tax	Facility Renewal	Totals	
						1997	1998
\$0	\$332,800	\$11,571,156	\$105	\$2,887,750	\$0	\$19,794,692	\$20,595,249
962,849	0	0	0	0	0	1,771,879	1,771,879
0	45,061	0	0	0	0	1,899,072	1,973,951
3,905	22,277	34,861	35,280	8,737	97,221	685,877	1,284,885
<u>966,754</u>	<u>680,138</u>	<u>11,606,017</u>	<u>35,285</u>	<u>2,896,487</u>	<u>97,221</u>	<u>24,074,689</u>	<u>25,977,184</u>
543,298	0	0	0	0	0	838,199	680,136
0	0	0	0	0	0	3,077,886	2,889,345
0	0	0	0	0	0	151,768	181,270
313,702	2,276,087	0	45,857	0	0	2,838,187	2,817,787
17,701	283,064	0	0	0	0	976,740	988,076
<u>894,704</u>	<u>2,559,151</u>	<u>0</u>	<u>45,857</u>	<u>0</u>	<u>0</u>	<u>3,862,543</u>	<u>3,888,854</u>
73,968	(1,973,041)	11,606,187	(10,282)	2,896,316	97,221	16,532,140	18,618,250
126,417	1,899,036	0	0	0	1,680,080	5,404,802	3,754,098
0	0	(11,606,187)	(110,080)	(2,896,316)	0	(22,512,963)	(20,618,407)
<u>126,417</u>	<u>1,899,036</u>	<u>(11,606,187)</u>	<u>(110,080)</u>	<u>(2,896,316)</u>	<u>1,680,080</u>	<u>(16,683,181)</u>	<u>(16,634,309)</u>
380,377	(98,917)	0	(120,282)	0	1,687,221	(498,761)	1,760,941
21,300	313,327	0	283,064	0	0	5,142,469	4,088,528
0	0	0	0	0	0	(218,000)	(300,000)
<u>821,977</u>	<u>1244,312</u>	<u>0</u>	<u>5471,742</u>	<u>0</u>	<u>11,667,221</u>	<u>24,653,768</u>	<u>25,262,469</u>

**CITY OF LAKE CHARLES, LOUISIANA**  
**Drug Enforcement Fund**  
**Comparative Balance Sheet**  
**September 30, 1997 and 1996**

<b>ASSETS</b>	<b>1997</b>	<b>1996</b>
Cash	\$53,709	\$56,613
Due from other governmental agencies	0	500
<b>Total assets</b>	<b>\$53,709</b>	<b>\$57,113</b>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable	\$12,279	\$18,078
<b>Total liabilities</b>	<b>12,279</b>	<b>18,078</b>
Fund balance:		
Undesignated	41,430	41,128
<b>Total liabilities and fund balance</b>	<b>\$53,709</b>	<b>\$57,206</b>

## CITY OF LAKE CHARLES, LOUISIANA

## Drug Enforcement Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>Revenues:</b>				
Intergovernmental Revenues:				
U.S. Treasury - Drug Forfeitures	\$0	\$0	\$0	\$17,398
Solemn and Miscellaneous	60,000	44,470	(15,530)	84,001
Total revenues	<u>60,000</u>	<u>44,470</u>	<u>(15,530)</u>	<u>102,399</u>
<b>Expenditures:</b>				
Personal services	273,213	303,305	30,092	302,344
Other services and charges	30,290	28,904	1,386	17,471
Materials and supplies	52,154	41,799	10,355	32,379
Total expenditures	<u>355,657</u>	<u>285,168</u>	<u>58,489</u>	<u>352,244</u>
Excess (deficiency) of rev over exp	<u>(291,657)</u>	<u>(240,698)</u>	<u>48,959</u>	<u>(249,845)</u>
<b>Other financing sources:</b>				
Operating transfers in	281,657	231,000	(48,657)	178,268
Excess (deficiency) of rev and other sources over exp	0	302	302	(71,648)
Fund balance at beginning of year	41,128	41,128	0	113,797
Fund balance at end of year	<u>\$41,128</u>	<u>\$41,430</u>	<u>\$302</u>	<u>\$41,128</u>

**CITY OF LAKE CHARLES, LOUISIANA**  
**Waste Water Fund**  
**Comparative Balance Sheet**  
**September 30, 1997 and 1996**

<b>ASSETS</b>	<b>1997</b>	<b>1996</b>
Cash	\$307,465	\$452,785
Investments, at cost	551,159	1,151,947
Accounts receivable (net of allowances for estimated uncollectible)	151,872	142,685
Accrued interest receivable	11,052	13,687
Due from other funds	2,647	0
Prepaid items	6,357	4,342
<b>Total assets</b>	<b>\$1,610,586</b>	<b>\$1,795,354</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	\$181,645	\$67,681
Due to other funds	3,318	7,333
Accrued wages and benefits	1,710	2,108
<b>Total liabilities</b>	<b>186,673</b>	<b>77,042</b>
<b>Fund balance:</b>		
Reserved for prepaid items	6,357	4,342
Unreserved:		
Designated for subsequent year's expenditures	515,078	0
Undesignated	982,478	1,713,965
<b>Total fund balance</b>	<b>1,569,913</b>	<b>1,718,312</b>
<b>Total liabilities and fund balance</b>	<b>\$1,610,586</b>	<b>\$1,795,354</b>

## CITY OF LAKE CHARLES, LOUISIANA

## Waste Water Fund

## Statement of Revenues, Expenditures, and Changes in Fund Balance

## Budget (GAAP Basis) and Actual

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>Revenues:</b>				
Charges for services	\$1,850,500	\$1,844,811	(\$5,689)	\$1,903,758
Miscellaneous	45,500	96,117	50,617	78,794
Total revenues	<u>1,896,000</u>	<u>1,940,928</u>	<u>44,928</u>	<u>1,982,552</u>
<b>Expenditures:</b>				
Personal services	1,026,026	1,518,903	492,877	1,474,818
Contractual and operational	1,335,835	1,318,879	23,956	1,262,303
Capital outlay	367,788	218,104	157,685	152,424
Total expenditures	<u>2,729,649</u>	<u>3,055,886</u>	<u>326,237</u>	<u>2,889,545</u>
Excess (deficiency) of rev over exp	<u>(833,649)</u>	<u>(1,094,958)</u>	<u>261,309</u>	<u>(896,993)</u>
<b>Other financing sources (uses)</b>				
Operating transfers in	2,009,244	2,008,359	(\$885)	1,971,068
Operating transfers out	(1,125,088)	(1,125,008)	0	(1,012,088)
Total other financing sources (uses)	<u>884,156</u>	<u>883,351</u>	<u>(\$885)</u>	<u>1,149,680</u>
Excess (deficiency) of rev and other sources over exp	<u>(749,493)</u>	<u>(211,607)</u>	<u>537,832</u>	<u>432,079</u>
Fund balance at beginning of year	<u>1,718,912</u>	<u>1,718,912</u>	<u>0</u>	<u>1,266,235</u>
Fund balance at end of year	<u>\$979,419</u>	<u>\$1,507,305</u>	<u>\$228,887</u>	<u>\$1,718,912</u>



**CITY OF LAKE CHARLES, LOUISIANA**  
**Riverboat Gaming Fund**  
 Comparative Balance Sheet  
 September 30, 1997 and 1996

<b>ASSETS</b>	<b>1997</b>	<b>1996</b>
Cash	\$142,932	\$47,162
Investments, at cost	349,449	1,810,272
Accounts receivable	192,966	237,297
Accrued interest receivable	6,739	17,839
<b>Total assets</b>	<b>\$692,086</b>	<b>\$2,512,570</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	\$32,161	\$36,837
Due to other funds	250,000	-
<b>Total liabilities</b>	<b>282,161</b>	<b>36,837</b>
<b>Fund balance:</b>		
Unreserved-designated	0	1,400,000
Unreserved-undesignated	310,106	885,733
<b>Total fund balance</b>	<b>310,106</b>	<b>2,445,733</b>
<b>Total liabilities and fund balance</b>	<b>\$592,267</b>	<b>\$2,482,570</b>

## CITY OF LAKE CHARLES, LOUISIANA

## Riverboat Gaming Fund

## Statement of Revenues, Expenditures, and Changes in Fund Balance

## Budget (GAAP Basis) and Actual

## Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>Revenues:</b>				
Taxes	\$4,800,000	\$4,735,872	\$75,872	\$4,334,990
Miscellaneous	363,000	349,642	(13,358)	807,344
Total revenues	5,043,000	5,025,514	80,514	5,142,334
<b>Expenditures:</b>				
Other services and charges	213,000	203,141	11,839	211,833
Total expenditures	213,000	203,141	11,839	211,833
Excess of revenues over expenditures	4,830,000	4,902,373	72,373	4,930,501
<b>Other financing sources (uses):</b>				
Operating transfers out	(5,800,000)	(5,800,000)	0	(5,800,000)
Total other financing sources (uses)	(5,800,000)	(5,800,000)	0	(5,800,000)
Excess (deficiency) of rev and other sources over exp	(1,070,000)	(1,897,627)	72,373	1,131,501
Fund balance at beginning of year	2,465,733	2,465,733	0	1,834,382
Residual equity transfer out	(258,000)	(258,000)	0	(500,000)
<b>Fund balance at end of year</b>	<b>\$217,733</b>	<b>\$218,106</b>	<b>\$71,373</b>	<b>\$2,468,733</b>

## CITY OF LAKE CHARLES, LOUISIANA

## Community Development Fund

## Comparative Balance Sheet

September 30, 1997 and 1996

ASSETS	1997	1996
Cash	\$54,793	\$73,439
Investments	168,151	160,007
Accounts receivable	1,389	1,388
Accrued interest receivable	865	849
Due from other governmental agencies	166,737	105,154
Deferred notes receivable-rehabilitation loans	48,941	55,887
Prepaid items	47	0
<b>Total assets</b>	<b><u>\$728,123</u></b>	<b><u>\$548,124</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	\$83,388	\$71,489
Due to other funds	28,264	0
Expense	15,768	680
Contracts payable	15,433	49,173
Deferred revenue-rehabilitation loans	48,941	55,083
<b>Total liabilities</b>	<b><u>171,716</u></b>	<b><u>146,365</u></b>
<b>Fund balance:</b>		
Reserved for prepaid items	47	0
Reserved for encumbrances	200,360	157,504
Unreserved-undesignated	0	2,255
<b>Total fund balance</b>	<b><u>200,407</u></b>	<b><u>169,759</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$372,123</u></b>	<b><u>\$316,124</u></b>

## CITY OF LAKE CHARLES, LOUISIANA

## Community Development Fund

## Statement of Revenues, Expenditures, and Changes in Fund Balance

## Budget (GAAP Basis) and Actual

## Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>Revenues:</b>				
Intra-governmental:				
Grants - Community Development	34,109,349	3764,444	(31,404,829)	897,230
Grants - Emergency Shelter	75,188	44,584	(30,522)	239,410
Programs income	11,868	11,906	38	11,537
Miscellaneous	482	3,449	3,048	152,124
Total revenues	<u>4,256,745</u>	<u>830,385</u>	<u>(3,426,360)</u>	<u>1,340,321</u>
<b>Expenditures:</b>				
Current:				
Personal services	48,422	48,419	3	53,486
Contract and operational	38,433	38,430	3	25,177
Material and supplies	1,270	1,268	2	758
Special current	114,453	82,851	30,882	183,879
Capital outlay	1,708,794	672,905	1,035,819	588,076
Total expenditures	<u>1,891,372</u>	<u>828,743</u>	<u>1,066,629</u>	<u>1,181,346</u>
Excess (deficiency) of rev and other sources over exp	2,365,373	3,642	(2,358,751)	158,975
Fund balance at beginning of year	199,765	199,765	0	40,799
Fund balance at end of year	<u>\$2,565,138</u>	<u>\$189,407</u>	<u>(132,959,751)</u>	<u>\$199,765</u>

## CITY OF LAKE CHARLES, LOUISIANA

## Grants &amp; Donations Fund

## Comparative Balance Sheet

September 30, 1997 and 1996

	1997	1996
<b>ASSETS</b>		
Cash	\$0	\$0
Investments, at cost	170,560	0
Due from other governmental agencies	341,878	23,779
Due from other funds	91,378	32,000
<b>Total assets</b>	<b>\$503,816</b>	<b>\$55,779</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts Payable	\$272,491	\$34,018
Due to other funds	9,753	500
<b>Total Liabilities</b>	<b>282,244</b>	<b>34,518</b>
<b>Fund balance:</b>		
Unreserved-designated for subsequent year's expenditures	218,421	18,044
Unreserved-undesignated	3,156	3,156
<b>Total fund balance</b>	<b>221,577</b>	<b>21,200</b>
<b>Total liabilities and fund balance</b>	<b>\$503,821</b>	<b>\$55,718</b>

## CITY OF LAKE CHARLES, LOUISIANA

## Grants &amp; Donations Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>Revenues:</b>				
Intergovernmental:				
Shared grants:				
Federal	\$472,618	\$448,629	(\$23,989)	\$84,509
State	679,362	509,803	(169,559)	437,189
Local	0	13,215	13,215	11,347
Miscellaneous	0	3,895	3,895	32,474
Total revenues	<u>1,151,972</u>	<u>968,754</u>	<u>(183,218)</u>	<u>565,515</u>
<b>Expenditures:</b>				
Current:				
Public safety	895,799	843,391	262,404	247,932
Community services	369,898	333,702	36,156	368,640
Capital outlay	17,498	17,701	(203)	0
Total expenditures	<u>1,283,131</u>	<u>894,793</u>	<u>208,338</u>	<u>616,572</u>
Excess of revenues over expenditures	<u>(\$1,179)</u>	<u>73,961</u>	<u>195,140</u>	<u>(51,057)</u>
<b>Other financing sources/(uses):</b>				
Operating transfers in	<u>81,179</u>	<u>126,417</u>	<u>45,238</u>	<u>48,519</u>
Excess (deficiency) of rev and other sources over exp	<u>0</u>	<u>280,377</u>	<u>280,377</u>	<u>(2,538)</u>
Fund balance at beginning of year	<u>21,280</u>	<u>21,280</u>	<u>(0)</u>	<u>23,738</u>
<b>Fund balance at end of year</b>	<u>\$21,280</u>	<u>\$221,377</u>	<u>\$280,377</u>	<u>\$21,200</u>

## CITY OF LAKE CHARLES, LOUISIANA

## Recreation Fund

Comparative Balance Sheet  
September 30, 1997 and 1996

ASSETS	1997	1996
Cash	\$95,000	\$296,453
Investments, at cost	153,645	100,000
Accounts receivable - accrued interest	689	164
Due from other funds	72,828	0
Prepaid items	3,005	2,603
<b>Total assets</b>	<b><u>\$319,207</u></b>	<b><u>\$699,620</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	\$82,341	\$30,348
Due to other funds	5,628	15,408
Accrued wages and benefits	4,118	3,438
<b>Total liabilities</b>	<b><u>\$92,087</u></b>	<b><u>\$49,204</u></b>
<b>Fund balance</b>		
Reserved for prepaid items	3,109	2,963
Unreserved:		
Designated for subsequent year's expenditures	100,498	181,896
Undesignated	129,741	138,157
<b>Total fund balance</b>	<b><u>\$227,117</u></b>	<b><u>\$350,327</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$325,207</u></b>	<b><u>\$699,620</u></b>

## CITY OF LAKE CHARLES, LOUISIANA

## Recreation Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>Revenues:</b>				
Taxes	\$513,200	\$513,830	\$630	\$512,647
Charges for services	64,900	43,861	(19,039)	62,193
Miscellaneous	7,900	22,219	14,319	40,578
Total revenues	585,200	600,110	4,919	625,418
<b>Expenditures:</b>				
Personnel services	1,483,415	1,483,418	?	1,393,772
Contractual and operational	612,984	608,858	6,146	578,230
Materials and supplies	219,230	189,811	21,289	174,594
Capital outlay	357,917	283,864	74,053	136,267
Total expenditures	2,681,586	2,599,151	102,435	2,294,913
Excess (deficiency) of rev over exp	(2,096,386)	(1,999,041)	107,345	(1,669,495)
<b>Other financing sources (uses):</b>				
Operating transfers in	1,884,482	1,889,028	(13,466)	1,798,245
Operating transfers out	0	0	0	(130,068)
Total other financing sources (uses)	1,884,482	1,889,028	(13,466)	1,678,177
Excess (deficiency) of rev and other sources over exp	(181,854)	(90,013)	91,879	68,750
Fund balance at beginning of year	323,327	323,327	0	254,337
Fund balance at end of year	\$141,433	\$233,312	\$91,879	\$333,227



## CITY OF LAKE CHARLES, LOUISIANA

Ten Year Sales Tax Fund

Comparative Balance Sheet

September 30, 1997 and 1996

	1997	1996
<b>ASSETS</b>		
Cash	\$1,191	\$0
<b>Total Assets</b>	<b>\$1,191</b>	<b>\$0</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Due to other funds	\$1,191	\$0
<b>Total liabilities</b>	<b>1,191</b>	<b>0</b>
<b>Fund balance</b>	<b>0</b>	<b>0</b>
<b>Total liabilities and fund balance</b>	<b>\$1,191</b>	<b>\$0</b>

## CITY OF LAKE CHARLES, LOUISIANA

## Ten Year Sales Tax Fund

## Statement of Revenues, Expenditures, and Changes in Fund Balance

## Budget (GAAP Basis) and Actual

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>Revenues:</b>				
Taxes	\$11,768,000	\$11,571,536	(\$196,464)	\$11,286,540
Miscellaneous	20,000	34,861	14,861	21,207
Total revenues	<u>11,788,000</u>	<u>11,606,397</u>	<u>(171,603)</u>	<u>11,307,747</u>
<b>Expenditures:</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues over expenditures	11,788,000	11,606,397	(171,603)	11,307,747
<b>Other financing sources (uses):</b>				
Operating transfer out	<u>(11,788,000)</u>	<u>(11,606,397)</u>	<u>171,603</u>	<u>(11,307,747)</u>
Excess (deficiency) of rev and other sources over exp	0	0	0	0
Fund balance at beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance at end of year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

## CITY OF LAKE CHARLES, LOUISIANA

## Central School Fund

## Comparative Balance Sheet

September 30, 1997 and 1996

	1997	1996
<b>ASSETS</b>		
Cash	\$123,589	\$135,839
Investments, at cost	350,340	445,800
Accrued interest receivable	4,114	
Prepaid items	1,313	7,143
<b>Total assets</b>	<b>\$479,378</b>	<b>\$593,684</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	\$6,432	\$0
Due to other funds	196	0
<b>Total liabilities</b>	<b>6,628</b>	<b>0</b>
<b>Fund balance:</b>		
Reserved for prepaid items	1,313	0
Unreserved:		
Designated for subsequent year's expenditures	127,269	0
Undesignated	344,327	593,684
<b>Total fund balance</b>	<b>472,742</b>	<b>593,684</b>
<b>Total liabilities and fund balance</b>	<b>\$479,378</b>	<b>\$593,684</b>

## CITY OF LAKE CHARLES, LOUISIANA

## Central School Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>Revenues:</b>				
Taxes	\$0	\$145	\$145	\$0
Miscellaneous	15,000	15,290	290	15,198
Total revenues	15,000	15,435	435	15,198
<b>Expenditures:</b>				
Materials and supplies	4,280	4,279	1	543
Other services and charges	43,718	41,378	2,340	2,618
Total expenditures	48,000	45,657	2,343	3,204
Excess of revenues over expenditures	(13,000)	(10,222)	2,778	26,997
<b>Other financing sources/(uses):</b>				
Operating transfer out	(110,000)	(110,000)	0	0
Excess (deficiency) of rev and other sources over exp	(123,000)	(120,262)	2,738	26,997
Fund balance at beginning of year	593,804	593,804	0	566,807
<b>Fund balance at end of year</b>	<b>\$470,804</b>	<b>\$473,542</b>	<b>\$2,738</b>	<b>\$593,804</b>

**CITY OF LAKE CHARLES, LOUISIANA**  
**Employee's Pay Sales Tax Fund**  
**Comparative Balance Sheet**  
**September 30, 1997 and 1996**

<b>ASSETS</b>	<b>1997</b>	<b>1996</b>
Cash	<u>\$444</u>	<u>50</u>
<b>Total assets</b>	<u><b>\$444</b></u>	<u><b>50</b></u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Due to other funds	<u>\$444</u>	<u>50</u>
<b>Total liabilities</b>	<u><b>444</b></u>	<u><b>0</b></u>
<b>Fund balance</b>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Total fund balance</b>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Total liabilities and fund balance</b>	<u><b>\$444</b></u>	<u><b>50</b></u>

## CITY OF LAKE CHARLES, LOUISIANA

## Employee's Pay Sales Tax Fund

## Statement of Revenues, Expenditures, and Changes in Fund Balance

## Budget(GAAP Basis) and Actual

Fiscal Year Ended September 30, 1997

With Comparative Actual Amounts for Fiscal Year Ended September 30, 1996

	1997		Variance Favorable (Unfavorable)	1996
	Budget	Actual		Actual
<b>Revenues:</b>				
Taxes	\$2,940,000	\$2,887,799	(\$52,241)	\$2,795,972
Interest on investments	5,000	8,757	3,757	5,998
Total revenues	<u>2,945,000</u>	<u>2,896,556</u>	<u>(48,484)</u>	<u>2,801,970</u>
<b>Expenditures:</b>	0	0	0	0
Excess of revenues over expenditures	<u>2,945,000</u>	<u>2,896,556</u>	<u>(48,484)</u>	<u>2,801,970</u>
<b>Other financing sources/(uses):</b>				
Operating transfers out	<u>(2,945,000)</u>	<u>(2,896,556)</u>	<u>48,484</u>	<u>(2,801,970)</u>
Excess (deficiency) of rev and other sources over exp	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance at beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund balance at end of year</b>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>

**CITY OF LAKE CHARLES, LOUISIANA**  
**Facility Removal Fund**  
**Balance Sheet**  
**September 30, 1997**

	1997
<b>ASSETS</b>	
Cash	\$4,122
Investments, at cost	1,641,879
Accrued interest receivable	21,220
<b>Total assets</b>	<b>\$1,667,221</b>
<b>LIABILITIES AND FUND BALANCE</b>	
Fund Balance: Unreserved, undesignated	\$1,667,221
<b>Total fund balance</b>	<b>1,667,221</b>
<b>Total liabilities and fund balance</b>	<b>\$1,667,221</b>

**CITY OF LAKE CHARLES, LOUISIANA**  
**Facility Renewal Fund**  
**Statement of Revenues, Expenditures, and Fund Balance**  
**Budget(GAAP Basis) and Actual**  
**Fiscal Year Ended September 30, 1997**

	1997		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>Revenues:</b>			
Interest on investments	\$45,000	\$67,221	\$22,221
Total revenues	<u>45,000</u>	<u>67,221</u>	<u>22,221</u>
<b>Expenditures:</b>	0	0	0
Excess of revenues over expenditures	<u>45,000</u>	<u>67,221</u>	<u>22,221</u>
<b>Other financing sources:</b>			
Operating transfers in	1,600,000	1,600,000	0
Excess (deficiency) of rev and other sources over exp	<u>1,645,000</u>	<u>1,667,221</u>	<u>22,221</u>
<b>Fund balance at end of year</b>	<u>\$1,645,000</u>	<u>\$1,667,221</u>	<u>\$22,221</u>





CITY OF LAKE CHARLES, LOUISIANA

**CITY OF LAKE CHARLES, LOUISIANA**  
**Capital Projects Fund**

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Fiscal Year Ended September 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
<b>Revenues:</b>		
Interest on investments	\$1,301,786	\$1,238,137
Intergovernmental	1,037,388	821,975
Miscellaneous	<u>955,800</u>	<u>800,000</u>
<b>Total revenues</b>	<u>3,294,974</u>	<u>2,860,112</u>
<b>Expenditures:</b>		
Capital projects	<u>12,736,404</u>	<u>12,982,029</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>____(9,541,430)</u>	<u>____(10,121,917)</u>
<b>Other financing sources (uses):</b>		
Opening transfer in	<u>11,717,150</u>	<u>10,118,650</u>
<b>Excess (deficiency) of revenues and other sources over expenditures</b>	<u>2,215,020</u>	<u>(1,748)</u>
Fund balance at beginning of year	21,698,179	22,402,087
Residual equity transfer out	<u>____(800,000)</u>	<u>____(700,000)</u>
<b>Fund balance at end of year</b>	<u>23,113,359</u>	<u>21,698,087</u>

## CAPITAL PROJECTS FUND

The Capital Projects Fund accounts for financial resources used by the City for the acquisition or construction of major capital facilities, excluding those financed through Enterprise Funds.

**CITY OF LAKE CHARLES, LOUISIANA**  
**Capital Projects Fund**  
**Comparative Balance Sheet**  
**September 30, 1997 and 1996**

<b>ASSETS</b>	<b>1997</b>	<b>1996</b>
Cash	\$1,720,689	\$1,684,329
Accounts receivable - Intergovernmental	55,523	0
Investments, at cost	22,294,764	21,218,255
Accrued interest receivable	381,481	333,828
Due from other funds	288,179	0
<b>Total assets</b>	<b><u>\$14,840,487</u></b>	<b><u>\$23,333,512</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts Payable	\$1,134,364	\$996,550
Contracts payable	286,873	699,023
Due to other funds	5,891	0
<b>Total liabilities</b>	<b><u>1,727,128</u></b>	<b><u>1,695,573</u></b>
<b>Fund balance:</b>		
Reserved for encumbrances	4,911,348	7,913,437
Unreserved:		
Designated for capital projects	18,042,040	8,810,637
Undesignated	138,571	3,674,265
<b>Total fund balance</b>	<b><u>23,113,359</u></b>	<b><u>21,698,339</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$24,840,487</u></b>	<b><u>\$23,333,512</u></b>



CITY OF LAKE CHARLES, LOUISIANA

## CITY OF LAKE CHARLES, LOUISIANA

## Debt Service Fund

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance  
 Fiscal Years Ended September 30, 1997 and 1996

	1997	1996
<b>Revenues:</b>		
Taxes	\$43,417	\$98,433
Special assessments	124,653	363,415
Interest on investments	46,150	13,355
<b>Total revenues</b>	<u>214,220</u>	<u>475,203</u>
<b>Expenditures:</b>		
Principal retirement	144,442	221,804
Interest and fiscal charges	32,584	50,091
<b>Total expenditures</b>	<u>177,026</u>	<u>271,895</u>
 Excess (deficiency) of revenues over expenditures	 <u>36,194</u>	 <u>203,308</u>
 Fund balance at beginning of year	 <u>473,082</u>	 <u>745,833</u>
 Fund balance at end of year	 <u>\$509,276</u>	 <u>\$949,141</u>

## DEBT SERVICE FUNDS

The Debt Service Fund accounts for the payment of interest and principal on all general obligation debt and accounts for the repayment of special assessment debt and the revenue provided through special assessment taxes.

**CITY OF LAKE CHARLES, LOUISIANA**  
**Debt Service Fund**  
 Comparative Balance Sheet  
 September 30, 1997 and 1996

ASSETS	1997	1996
Cash	\$67,700	\$121,665
Investments, at cost	696,994	600,179
Receivables (net of allowance for estimated uncollectibles):		
Assessed interest receivable	8,187	7,983
Special assessments receivable-current	17,613	23,308
Special assessments receivable-delinquent	78,883	79,792
Special assessments receivable-deferred	633,693	723,194
Interest receivable - special assessments	71,426	74,579
<b>Total assets</b>	<b><u>\$1,588,769</u></b>	<b><u>\$1,632,698</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts Payable	\$0	\$314
Escrow deposits	30,889	34,171
Deferred revenues	650,693	723,193
<b>Total liabilities</b>	<b><u>681,482</u></b>	<b><u>757,678</u></b>
<b>Fund balance:</b>		
Reserved for debt service	5,186	11,288
Reserved for special assessments debt service	781,699	855,184
<b>Total fund balance</b>	<b><u>967,276</u></b>	<b><u>873,682</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$1,588,769</u></b>	<b><u>\$1,632,698</u></b>





CITY OF LAKE CHARLES, LOUISIANA

## CITY OF LAKE CHARLES, LOUISIANA

## Internal Service Funds

## Combining Balance Sheet

September 30, 1997

With Comparative Totals for September 30, 1996

ASSETS	Risk	Vehicle	Employee	Totals	
	Management	Replacement	Insurance	1997	1996
<b>Current assets:</b>					
Cash	\$201,384	\$93,641	\$476,311	\$771,336	\$646,626
Investments, at cost	12,415,095	50,000	1,638,838	14,103,896	12,895,871
Receivables:					
Accounts	9,788	0	0	9,788	48,342
Accrued interest	221,120	250	28,334	250,709	138,321
Due from other funds	0	62,892	0	62,892	34,428
Prepaid expenses	31	0	0	31	211
Total current assets	<u>12,908,298</u>	<u>156,788</u>	<u>2,143,683</u>	<u>15,211,797</u>	<u>12,973,799</u>
<b>Fixed assets (at cost):</b>					
Office equipment	53,313	0	0	53,313	37,487
Vehicles	0	1,161,072	0	1,161,072	735,872
	<u>53,313</u>	<u>1,161,072</u>	<u>0</u>	<u>1,214,385</u>	<u>813,359</u>
Less accumulated depreciation	29,826	328,983	0	358,811	369,667
Net fixed assets	<u>23,487</u>	<u>832,089</u>	<u>0</u>	<u>855,574</u>	<u>443,692</u>
Total assets	<u>\$12,931,785</u>	<u>\$748,877</u>	<u>\$2,143,683</u>	<u>\$15,818,143</u>	<u>\$13,417,491</u>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities:</b>					
Accounts payable	\$27,857	\$0	\$5,334	\$32,991	\$13,628
Due to other funds	3,094	0	0	3,094	236
Accrued insurance claims	3,348,890	0	480,080	3,796,081	3,881,557
Incurred-not reported claims	158,808	0	189,080	230,080	230,080
Total current liabilities	<u>3,538,749</u>	<u>0</u>	<u>674,494</u>	<u>4,083,286</u>	<u>4,155,711</u>
<b>Long-term liabilities:</b>					
Accrued wages and benefits	29,799	0	0	29,799	23,484
Accrued insurance claims- noncurrent	949,545	0	0	949,545	718,471
Total long-term liabilities	<u>979,344</u>	<u>0</u>	<u>0</u>	<u>979,344</u>	<u>741,955</u>
Total liabilities	<u>4,518,093</u>	<u>0</u>	<u>674,494</u>	<u>5,061,410</u>	<u>4,897,666</u>
<b>Fund equity:</b>					
Contributed capital-municipality	710	375,000	0	375,710	375,310
Retained earnings:					
Reserved-insurance claims	5,424,779	0	0	5,424,779	4,943,879
Unreserved	3,080,080	363,877	1,588,349	4,954,224	3,199,808
Total retained earnings	<u>8,424,779</u>	<u>363,877</u>	<u>1,588,349</u>	<u>10,371,832</u>	<u>8,143,687</u>
Total fund equity	<u>8,425,489</u>	<u>748,877</u>	<u>1,588,349</u>	<u>10,754,713</u>	<u>8,218,024</u>
Total liabilities and fund equity	<u>\$13,931,582</u>	<u>\$748,877</u>	<u>\$2,143,683</u>	<u>\$15,818,143</u>	<u>\$13,417,491</u>

## INTERNAL SERVICE FUNDS

The Risk Management Fund includes coverage for general liability, auto liability and worker's compensation. This fund is used to account for the financing of services provided by the risk management division to other departments of the City.

The Vehicle Replacement Fund provides for replacement costs for vehicles used by the municipality. This fund is used to account for the cost of services relating to the purchase and replacement of City vehicles.

The Employee Insurance Fund provides a self-insurance program for employee health benefits. This fund is used to account for the financing of services provided to other departments of the City.

**CITY OF LAKE CHARLES, LOUISIANA**

**Internal Service Fund**

**Combining Statement of Cash Flows**

**Fiscal Year Ended September 30, 1997**

**With Comparative Totals for the Fiscal Year-ended September 30, 1996**

	<u>Risk Management</u>
<b>Cash flows from operating activities:</b>	
Operating income (loss)	5893,499
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>	
Depreciation	9,438
<b>Changes in assets and liabilities:</b>	
(Increase) decrease in accounts receivable	39,429
(Increase) decrease in prepaid expenses	187
(Increase) decrease in due from other funds - operating reimbursement transfer	0
(Increase) decrease in interfund charge vehicle use	0
Increase (decrease) in accounts payable	23,810
Increase (decrease) in accrued insurance claims	83,638
Increase (decrease) in accrued wages and benefits	6,325
Total adjustments	<u>163,812</u>
Net cash provided by operating activities	<u>572,311</u>
<b>Cash flows from capital and related financial activities:</b>	
Capital expenditures	<u>19,859</u>
Net cash provided by (used for) capital and related financial activities	<u>19,859</u>
<b>Cash flow from investing activities:</b>	
Purchase of investment securities	(6,297,116)
Proceeds from sale and maturities of investment securities	4,849,079
Interest on investments	393,438
Net cash provided by (used for) investing activities	<u>(877,615)</u>
<b>Cash flow from noncapital financing activities:</b>	
Operating transfer in	<u>0</u>
Net increase (decrease) in cash and cash equivalents	78,085
Cash and cash equivalents at beginning of year	<u>183,319</u>
Cash and cash equivalents at end of year	<u>261,404</u>

**Schedule of Noncash Activity:**

Assets transferred out in cost \$2,870 and had accumulated depreciation of \$0. Net gain equaled \$2,870.  
 Assets retired cost \$13,798, and had accumulated depreciation of \$13,438. Net loss equaled \$360.

## CITY OF LAKE CHARLES, LOUISIANA

## Internal Service Funds

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings

Fiscal Year Ended September 30, 1997

With Comparative Totals for Fiscal Year Ended September 30, 1996

	Risk	Vehicle	Employee	Totals	
	Management	Replacement	Insurance	1997	1996
<b>Operating revenues:</b>					
Charges for services	\$2,370,511	\$227,399	\$2,701,712	\$5,499,624	\$5,281,712
Subrogation	60,385	0	0	60,385	35,387
Total operating revenues	<u>2,630,896</u>	<u>227,399</u>	<u>2,701,712</u>	<u>5,560,009</u>	<u>5,417,109</u>
<b>Operating expenses:</b>					
Personnel services	291,702	0	0	291,362	259,216
Materials and supplies	5,434	0	0	5,434	5,611
General and administration	192,719	0	449,706	645,416	648,753
Depreciation	9,439	162,238	0	176,677	162,290
Claims and losses paid	1,319,853	0	1,663,818	2,989,673	3,178,388
Total operating expenses	<u>1,829,403</u>	<u>162,238</u>	<u>2,113,324</u>	<u>4,106,362</u>	<u>4,246,058</u>
Operating income (loss)	<u>809,493</u>	<u>60,152</u>	<u>588,388</u>	<u>1,459,644</u>	<u>1,171,062</u>
<b>Nonoperating revenues:</b>					
Interest	669,730	10,169	94,396	774,295	627,897
Other	2,290	0	0	2,290	0
Total nonoperating revenues	<u>672,020</u>	<u>10,169</u>	<u>94,396</u>	<u>776,585</u>	<u>627,897</u>
Net income	<u>1,481,733</u>	<u>70,321</u>	<u>684,585</u>	<u>2,236,229</u>	<u>1,798,959</u>
<b>Retained earnings at beginning of year</b>	<u>6,243,028</u>	<u>295,514</u>	<u>983,734</u>	<u>8,142,314</u>	<u>6,343,373</u>
<b>Retained earnings at end of year</b>	<u>\$8,424,779</u>	<u>\$365,875</u>	<u>\$1,588,349</u>	<u>\$10,379,003</u>	<u>\$8,142,334</u>

## CITY OF LAKE CHARLES, LOUISIANA

## Risk Management Internal Service Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
 Fiscal Years Ended September 30, 1997 and 1996

	1997	1996
<b>Operating revenues:</b>		
Charges for services	\$2,770,311	\$2,548,556
Subsidies	60,182	32,587
Total operating revenues	<u>2,830,493</u>	<u>2,581,143</u>
<b>Operating expenses:</b>		
Personnel services	291,565	293,218
Materials and supplies	3,434	5,611
General and administration	155,710	228,043
Depreciation	3,439	6,142
Claims and losses paid	1,329,655	1,087,674
Total operating expenses	<u>1,824,403</u>	<u>1,777,483</u>
Operating income (loss)	<u>1,006,090</u>	<u>803,660</u>
<b>Nonoperating revenues (expenses):</b>		
Interest revenue	660,739	592,817
Other	2,139	0
Total nonoperating revenues	<u>662,878</u>	<u>592,817</u>
Net income (loss)	<u>1,468,968</u>	<u>1,396,477</u>
Retained earnings at beginning of year	<u>5,943,026</u>	<u>5,191,569</u>
Retained earnings at end of year	<u>\$7,411,936</u>	<u>\$6,588,046</u>

Vehicle Replacement	Employee Insurance	Totals	
		1997	1996
<u>360,152</u>	<u>8,090,199</u>	<u>81,459,844</u>	<u>51,171,082</u>
162,238	0	176,677	162,299
0	0	38,439	(9,216)
0	0	187	(131)
0	0	0	212,283
(8,472)	0	(8,472)	1,748
0	31	21,841	5,087
0	50,000	135,688	126,878
0	0	6,322	3,948
<u>158,768</u>	<u>50,031</u>	<u>371,615</u>	<u>783,262</u>
<u>218,918</u>	<u>640,230</u>	<u>1,821,492</u>	<u>1,874,327</u>
<u>(123,200)</u>	<u>0</u>	<u>(131,838)</u>	<u>(113,470)</u>
<u>(123,200)</u>	<u>0</u>	<u>(131,838)</u>	<u>(113,470)</u>
(50,000)	(1,212,915)	(7,861,891)	(14,123,689)
49,281	658,369	3,856,720	11,156,424
10,011	79,731	826,732	616,886
<u>9,292</u>	<u>(435,765)</u>	<u>(1,354,339)</u>	<u>(2,339,469)</u>
0	0	0	80,000
<u>(96,990)</u>	<u>164,493</u>	<u>145,518</u>	<u>(579,809)</u>
<u>130,631</u>	<u>312,876</u>	<u>640,028</u>	<u>1,223,613</u>
<u>533,641</u>	<u>9476,811</u>	<u>8791,516</u>	<u>5648,826</u>

## CITY OF LAKE CHARLES, LOUISIANA

## Vehicle Replacement Internal Service Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
Fiscal Years Ended September 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
<b>Operating revenues:</b>		
Charges for services	\$227,996	\$223,923
<b>Operating expenses:</b>		
Depreciation	167,218	136,143
Operating income	60,778	87,780
<b>Nonoperating revenues (expenses):</b>		
Interest	10,189	7,824
Other	0	0
Total nonoperating revenues (expenses)	10,189	7,824
Net income (loss)	70,967	95,604
Retained earnings at beginning of year	293,354	220,713
<b>Retained earnings at end of year</b>	<u>\$364,324</u>	<u>\$316,317</u>



**CITY OF LAKE CHARLES, LOUISIANA**  
**Risk Management Internal Service Fund**  
**Comparative Statement of Cash Flows**  
**Fiscal Years Ended September 30, 1997 and 1996**

	1997	1996
<b>Cash flows from operating activities:</b>		
Operating income (loss)	\$809,693	\$968,660
<i>Adjustments to reconcile operating income to net cash provided by operating activities:</i>		
Depreciation	9,439	8,142
<i>Changes in assets and liabilities:</i>		
(Increase) decrease in accounts receivable	39,439	(9,516)
(Increase) decrease in prepaid expenses	187	(131)
(Increase) decrease in due from other funds - operating transfer reimbursement	0	(239)
Increase (decrease) in accounts payable	21,810	1,098
Increase (decrease) in accrued insurance claims	83,688	298,478
Increase (decrease) in accrued wages and benefits	6,335	3,948
Total adjustments	182,838	298,788
Net cash provided by (used for) operating activities	992,531	1,268,268
<b>Cash flows from capital and related financial activities:</b>		
Capital expenditures	(8,630)	(24,611)
<b>Cash flow from investing activities:</b>		
Purchase of investment securities	(5,297,116)	(12,391,268)
Proceeds from sale and maturity of investment securities	4,848,870	16,196,424
Interest on investments	966,490	392,082
Miscellaneous expenditure	0	0
Net cash provided (used for) investing activities	(887,856)	(2,842,744)
<b>Cash flow from noncapital financing activities:</b>		
Operating transfer in	0	30,083
Net increase (decrease) in cash and cash equivalents	78,025	(338,907)
Cash and cash equivalents at beginning of year	183,319	522,226
<b>Cash and cash equivalents at end of year</b>	<b>261,344</b>	<b>183,319</b>

**Schedule of Noncash Activity:**

Assets transferred in cost \$2,879 and had accumulated depreciation of \$0. Net gain equaled \$ 2,870.

Assets retired cost \$13,798 and had accumulated depreciation of \$13,458. Net loss equaled \$ 340.

**CITY OF LAKE CHARLES, LOUISIANA**  
**Employee Insurance Internal Service Fund**  
 Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
 Fiscal Years Ended September 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
<b>Operating revenues</b>		
Charges for services	\$2,700,723	\$2,617,212
<b>Operating expenses:</b>		
General and administration	449,706	420,713
Claims and losses paid	<u>1,681,818</u>	<u>1,691,664</u>
Total operating expenses	<u>2,131,524</u>	<u>2,312,487</u>
Operating income	<u>569,199</u>	<u>304,725</u>
<b>Nonoperating revenues:</b>		
Interest revenue	<u>94,396</u>	<u>68,896</u>
Net income	663,595	373,621
Retained earnings at beginning of year	<u>903,754</u>	<u>739,873</u>
<b>Retained earnings at end of year</b>	<u>\$1,567,349</u>	<u>\$1,113,494</u>

**CITY OF LAKE CHARLES, LOUISIANA**  
**Vehicle Replacement Internal Service Fund**  
 Comparative Statement of Cash Flows  
 Fiscal Year Ended September 30, 1997 and 1996

	1997	1996
<b>Cash flows from operating activities:</b>		
Operating income	\$60,152	\$67,737
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	167,238	156,148
Changes in assets and liabilities:		
(Increase) decrease in interfund charge for vehicle usage	(8,472)	1,746
Total adjustments	158,766	157,894
Net cash provided by operating activities	218,918	226,671
<b>Cash flows from capital and related financial activities:</b>		
Capital expenditures	(323,200)	(309,030)
Net cash provided by (used for) capital and related financing activities	(323,200)	(309,030)
<b>Cash flow from investing activities:</b>		
Purchase of investment securities	(74,900)	(49,140)
Proceeds from sale and maturities of investment securities	49,280	0
Interest on investments	33,911	6,785
Net cash provided (used for) investing activities	8,291	(42,355)
Net increase (decrease) in cash and cash equivalents	(96,990)	74,286
Cash and cash equivalents at beginning of year	139,631	76,375
Cash and cash equivalents at end of year	\$42,641	\$150,661

**Schedule of Noncash Activity:**

There were no assets transferred, traded or retired during fiscal year 1997.

**CITY OF LAKE CHARLES, LOUISIANA**  
**Employee Insurance Internal Service Fund**  
**Comparative Statement of Cash Flows**  
**Fiscal Years Ended September 30, 1997 and 1996**

	1997	1996
<b>Cash flow from operating activities:</b>		
Operating income (loss)	\$790,179	\$104,823
<b>Changes in assets and liabilities:</b>		
(Increase) decrease in due from other funds-		
operating reimbursement transfer	0	202,822
Increase (decrease) in accounts payable	31	4,861
Increase (decrease) in accrued insurance claims	50,000	27,900
Total adjustments	50,031	265,583
Net cash provided by (used for) operating activities	640,210	190,008
<b>Cash flow from investing activities:</b>		
Purchase of investment securities	(1,513,913)	(1,323,286)
Proceeds from sale of maturities of investment securities	938,389	1,000,069
Interest on investments	78,351	57,028
Net cash provided (used for) operating activities	(477,163)	(466,180)
Net increase (decrease) in cash and cash equivalents	163,047	(114,960)
Cash and cash equivalents at beginning of year	302,076	427,036
<b>Cash and cash equivalents at end of year</b>	<b>465,123</b>	<b>312,076</b>



CITY OF LAKE CHARLES, LOUISIANA

**CITY OF LAKE CHARLES, LOUISIANA**

**Enterprise Funds**

**Combining Balance Sheet**

September 30, 1997

With Comparative Totals for September 30, 1996

<b>ASSETS</b>	<b>Civic Center</b>
<b>Current assets:</b>	
Cash	\$438,724
Accounts receivable (net of allowance for uncollectible)	28,232
Accrued interest receivable	0
Investments, at cost which approximates market	404,709
Due from other governmental agencies	0
Inventories	24,867
Prepaid items	<u>22,763</u>
<b>Total current assets</b>	<u>1,119,305</u>
<b>Restricted assets:</b>	
Customer deposits	<u>0</u>
<b>Total restricted assets</b>	<u>0</u>
<b>Property, plant and equipment:</b>	
Land	0
Buses	0
Buildings and structures	17,366,239
Improvements other than buildings	0
Construction in Progress	2,261,841
Equipment, furniture and fixtures	<u>2,254,398</u>
	22,682,478
Less accumulated depreciation	<u>12,661,262</u>
<b>Net property, plant and equipment</b>	<u>10,021,216</u>
<b>Total assets</b>	<u>\$11,958,281</u>

## ENTERPRISE FUNDS

Enterprise Funds are used to account for the acquisition, operation and maintenance of governmental facilities and services which are entirely or predominately self-supporting by user charges. The operations of Enterprise Funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises.

The following activities of the city are reported in this section: Civic Center  
Golf Course  
Public Transit  
Water Utility

**CITY OF LAKE CHARLES, LOUISIANA**

Enterprise Funds  
 Combining Balance Sheet  
 September 30, 1997

With Comparative Totals for September 30, 1996

	<u>Civic Center</u>
<b>LIABILITIES AND FUND EQUITY</b>	
Current liabilities :	
Accounts payable	2541,417
Contracts payable	118,918
Payroll	42,892
Due to other funds	3,456
Total current liabilities	<u>2706,683</u>
	-
Current liabilities payable from restricted assets:	
Customer deposits payable	<u>0</u>
Total current liabilities payable from restricted assets	<u>0</u>
Long-term liabilities:	
Accrued wages and benefits payable	<u>63,898</u>
Total long-term liabilities	<u>63,898</u>
Fund equity:	
Contributed capital:	
Municipality	17,893,800
State government	0
Federal government	1,303,181
Customers and developers and others	470,288
Total contributed capital	<u>19,667,269</u>
Retained earnings (deficit):	
Unreserved	<u>(9,680,922)</u>
Total retained earnings	<u>(9,680,922)</u>
Total fund equity	<u>11,086,347</u>
<b>Total liabilities and fund equity</b>	<u><b>511,958,281</b></u>



Golf Course	Public Transit	Water Utility	Totals	
			1997	1996
595,151	\$179,994	\$240,257	\$974,326	\$1,696,859
119	2,974	407,286	434,211	493,654
3,400	0	34,485	37,886	61,438
390,914	0	4,447,993	5,153,866	8,709,582
0	148,271	0	148,271	19,139
48,320	0	116,295	167,482	195,149
502	4,676	37,153	64,436	80,325
<u>447,808</u>	<u>231,215</u>	<u>5,285,611</u>	<u>7,908,740</u>	<u>11,248,124</u>
0	0	273,560	273,560	307,288
0	0	273,560	273,560	307,288
1,863,488	0	231,985	1,297,683	1,297,682
0	1,238,371	0	1,238,371	1,486,352
989,262	0	377,212	18,932,713	18,308,139
36,799	0	18,104,994	30,141,794	28,269,090
0	0	8,288,330	10,838,171	4,294,988
285,888	23,853	1,494,279	5,168,250	5,169,642
1,277,638	1,204,856	48,696,889	67,626,972	60,222,073
544,333	804,640	10,554,728	24,867,163	24,131,596
1,473,169	498,416	28,742,072	42,633,809	35,630,673
<u>\$1,888,114</u>	<u>\$796,731</u>	<u>\$58,189,663</u>	<u>\$48,928,189</u>	<u>\$47,525,919</u>

(continued on next page)

**CITY OF LAKE CHARLES, LOUISIANA**  
**Enterprise Funds**

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings  
 Fiscal Year Ended September 30, 1997  
 With Comparative Totals for Fiscal Year Ended September 30, 1996

	<u>City Center</u>
<b>Operating revenues:</b>	
Charges for services	\$298,219
Parking fees	17,152
Other	34,168
Total operating revenues	<u>349,539</u>
<b>Operating expenses:</b>	
Personnel services	677,314
Materials and supplies	184,135
Maintenance	42,969
Heat, light and power	291,184
Transportation	0
General and administration	227,737
Depreciation	304,986
Total operating expenses	<u>2,028,325</u>
Operating income (loss)	<u>(1,678,786)</u>
<b>Nonoperating revenues (expenses):</b>	
Operating grants from governmental agencies	0
Interest	32,108
Other	(7,051)
Total nonoperating revenues	<u>25,057</u>
Income (loss) before operating transfers	<u>(1,653,729)</u>
<b>Operating transfers:</b>	
Operating transfers in	<u>381,177</u>
Net income (loss)	<u>(127,552)</u>
Add depreciation on contributed assets acquired from governmental grants/developers	0
Retained earnings (deficit) at beginning of year	<u>(9,083,871)</u>
Retained earnings (deficit) at end of year	<u>(9,211,423)</u>

Golf Course	Public Transit	Water Utility	Totals	
			1997	1996
\$99,260	\$23,326	\$242,337	\$966,360	\$742,255
0	0	435,529	554,447	310,522
21,337	0	0	63,428	52,791
90,715	11,327	60,756	168,234	159,538
<u>131,322</u>	<u>34,653</u>	<u>798,592</u>	<u>1,628,459</u>	<u>1,264,906</u>
0	0	273,528	273,520	286,576
0	0	273,528	273,520	286,576
25,995	37,532	318,902	448,117	431,434
<u>25,995</u>	<u>37,532</u>	<u>318,902</u>	<u>448,117</u>	<u>431,434</u>
1,647,094	1,487,408	0	21,628,303	20,382,826
0	0	708,200	708,200	723,348
918,785	835,493	0	2,699,439	2,699,439
0	0	2,296,651	2,767,349	2,342,697
<u>1,565,879</u>	<u>1,322,901</u>	<u>2,004,851</u>	<u>27,763,190</u>	<u>26,311,270</u>
136,928	(1,604,355)	30,995,198	19,816,832	19,211,733
<u>136,928</u>	<u>(1,604,355)</u>	<u>30,995,198</u>	<u>19,816,832</u>	<u>19,211,733</u>
1,702,807	718,546	33,600,049	47,580,022	45,425,003
<u>31,888,114</u>	<u>3780,731</u>	<u>338,189,063</u>	<u>548,828,189</u>	<u>547,535,919</u>

**CITY OF LAKE CHARLES, LOUISIANA**

**Enterprise Funds**

**Combining Statement of Cash Flows**

**Fiscal Year Ended September 30, 1997**

**With Comparative Totals for the Fiscal Year ended September 30, 1996**

	<u>Civic Center</u>
Cash flows from operating activities:	
Operating income (loss)	<u>(\$1,371,160)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	194,966
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	1,219
(Increase) decrease in prepaid expenses	10,569
(Increase) decrease in inventory	938
(Increase) decrease in due from other funds operating reimbursements	0
Increase (decrease) in due to other funds operating reimbursements	(117,648)
Increase (decrease) in accounts payable	349,814
Increase (decrease) in miscellaneous payable	7,547
Increase (decrease) in customer deposit accounts	0
Increase (decrease) in accrued wages and benefits	1,497
Total adjustments	<u>348,932</u>
Net cash provided by operating activities	<u>(622,348)</u>
Cash flows from capital and related financial activities:	
Capital expenditures	(2,248,597)
Proceeds from sale of assets	0
Contracts payable	0
Miscellaneous income	0
Contributed capital	984,476
Net cash provided by (used for) capital and related financing activities	<u>(1,264,121)</u>
Cash flow from investing activities:	
Purchase of investment securities	(253,272)
Proceeds from sale and maturities of investments securities	397,241
Interest on investments	52,188
Net cash provided (used for) investing activities	<u>36,057</u>
Cash flow from noncapital financing activities:	
Intergovernmental revenue	0
Operating transfers in	751,137
Net cash provided by noncapital financing activities	<u>751,137</u>
Net increase (decrease) in cash and cash equivalents	<u>(788,154)</u>
Cash and cash equivalents at beginning of year	<u>1,247,479</u>
Cash and cash equivalents at end of year	<u>\$459,324</u>

**Schedule of Noncash Activity:**

Customer Dep-Water Main in the amount of \$9,427 was transf. to Contr Cap. related contracts expired.  
 Dedicated Developer Customer water system extensions of \$209,375 were recorded as contributed capital.  
 Assets transferred infor cost\$4,576, had accumulated depreciation of \$39,418. Net gain equaled\$4,134.  
 Assets retired cost \$769,416 and had accumulated depreciation of \$672,479. Net loss equaled \$96,937.

Golf Course	Public Transit	Water Utility	Totals	
			1997	1996
\$1,379,622	\$83,948	\$6,842,151	\$7,905,721	\$7,677,625
0	0	0	17,152	15,519
2,531	3,972	113,174	123,177	663,246
<u>1,382,153</u>	<u>88,120</u>	<u>6,955,325</u>	<u>8,071,343</u>	<u>8,356,390</u>
518,852	428,889	2,423,038	4,047,519	3,885,788
363,168	108,886	756,778	1,417,529	1,235,758
12,617	59,895	316,753	432,234	478,819
43,192	0	472,583	807,139	899,579
0	28,788	0	38,788	38,202
162,329	434,231	902,409	1,766,732	1,758,696
44,622	187,218	681,237	1,427,456	1,381,348
<u>1,148,189</u>	<u>1,217,297</u>	<u>5,352,790</u>	<u>9,277,201</u>	<u>9,688,619</u>
33,964	(1,121,177)	402,335	(1,863,838)	(1,754,635)
0	596,369	0	596,369	632,567
23,482	0	348,828	424,418	583,423
(2,648)	(1,742)	19,318	(2,122)	(7,914)
<u>18,834</u>	<u>588,627</u>	<u>398,146</u>	<u>1,012,664</u>	<u>1,208,076</u>
93,798	(542,150)	961,680	(85,174)	(124,558)
97,168	423,599	214,880	1,415,915	1,283,396
91,186	(188,968)	1,178,561	563,761	1,158,547
0	0	41,358	41,358	97,172
45,822	(1,493,395)	28,347,279	19,211,733	18,816,034
<u>\$136,818</u>	<u>(\$1,604,355)</u>	<u>\$29,985,159</u>	<u>\$19,816,836</u>	<u>\$19,241,730</u>

## CITY OF LAKE CHARLES, LOUISIANA

## Civic Center Enterprise Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
 Fiscal Years Ended September 30, 1997 and 1996

	1997	1996
<b>Operating revenues:</b>		
Charges for services:		
Rentals and leases	\$908,170	\$517,470
Concessions and sales	288,699	369,873
Parking fees	17,152	15,513
Other	34,398	57,126
Total operating revenues	<u>647,319</u>	<u>728,982</u>
<b>Operating expenses:</b>		
Personnel services	677,314	644,570
Materials and supplies	184,555	171,410
Maintenance	42,869	26,549
Heat, light and power	391,684	352,547
General and administration	227,797	226,897
Depreciation	354,866	373,694
Total operating expenses	<u>2,035,025</u>	<u>2,015,467</u>
Operating income (loss)	<u>(1,377,660)</u>	<u>(1,285,485)</u>
<b>Nonoperating revenues (expenses):</b>		
Interest	32,108	41,786
Other	(7,051)	237
Total nonoperating revenues	<u>45,057</u>	<u>42,023</u>
Income (loss) before operating transfers	<u>(1,326,100)</u>	<u>(1,240,282)</u>
<b>Operating transfers in:</b>		
General Fund	682,137	397,660
Special Revenue Fund	48,066	48,236
Total operating transfer	<u>730,203</u>	<u>445,896</u>
Net income (loss)	<u>(595,897)</u>	<u>(794,386)</u>
Retained earnings (deficit) at beginning of year	<u>(3,285,975)</u>	<u>(3,488,557)</u>
Retained earnings (deficit) at end of year	<u>\$(3,880,999)</u>	<u>\$(4,282,973)</u>

Golf Course	Transit	Water Utility	Totals	
			1997	1998
811,964	(51,131,177)	9601,515	(51,865,838)	(51,334,613)
44,835	107,218	681,237	1,477,456	1,381,148
2,485	2,521	51,202	57,443	(26,860)
574	468	4,286	15,829	(12,618)
2,649	0	4,852	7,661	(13,333)
0	0	0	0	39
35,363	(7,651)	56,632	8,896	(111,368)
(2,181)	(2,168)	(141,390)	104,881	385,678
3,291	0	0	18,818	34,213
0	0	(81,656)	(33,856)	(49,697)
1,432	(7,877)	17,571	12,683	14,341
127,968	92,491	640,564	1,609,615	1,219,878
161,642	(1,038,686)	1,241,099	(256,283)	183,212
(566,169)	0	(5,247,019)	(7,156,361)	(4,448,329)
0	0	0	0	0
0	0	138,180	138,180	208,394
0	0	0	0	0
0	258,000	0	1,242,476	1,923,152
1280,749	258,000	(5,108,832)	(6,375,703)	(2,908,982)
(330,314)	0	(888,283)	(1,242,879)	(8,750,997)
149,281	0	4,385,474	5,108,396	9,351,455
22,518	0	370,928	487,364	616,348
(128,569)	0	3,587,197	4,334,481	1,218,844
0	464,257	0	464,257	629,958
37,308	431,590	214,880	1,416,593	1,437,826
37,308	897,847	214,880	1,881,172	2,087,804
(190,512)	117,181	116,251	(746,255)	1,182,325
286,883	62,773	167,566	1,594,141	811,216
896,291	879,484	851,817	81,247,894	81,994,241

## CITY OF LAKE CHARLES, LOUISIANA

## Golf Course Enterprise Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
 Fiscal Years Ended September 30, 1997 and 1996

	1997	1996
<b>Operating revenues:</b>		
Charges for services:		
Gross and membership fees	\$496,266	\$476,138
Rentals	328,615	327,790
Concessions and sales	200,278	165,656
Sale of golf accessories	166,963	145,776
Other	2,721	2,529
Total operating revenues	<u>1,182,153</u>	<u>1,147,899</u>
<b>Operating expenses:</b>		
Personal services	518,852	507,455
Materials and supplies	567,668	519,124
Maintenance	12,617	10,249
Heat, light and power	43,792	48,241
General and administration	162,325	167,872
Depreciation	44,625	42,615
Total operating expenses	<u>1,448,129</u>	<u>1,094,856</u>
Operating income	<u>33,964</u>	<u>33,074</u>
<b>Nonoperating revenues (expenses):</b>		
Interest	25,482	15,180
Other	(3,688)	(532)
Total nonoperating revenues	<u>15,834</u>	<u>14,648</u>
Income (loss) before operating transfers	<u>53,798</u>	<u>67,672</u>
<b>Operating transfers in:</b>		
Special Revenue Fund	37,308	37,268
Total operating transfers	<u>37,308</u>	<u>37,268</u>
Net income	<u>91,106</u>	<u>104,940</u>
Retained earnings (deficit) at beginning of year	<u>45,822</u>	<u>(78,118)</u>
Retained earnings (deficit) at end of year	<u>\$136,928</u>	<u>\$46,822</u>



**CITY OF LAKE CHARLES, LOUISIANA**  
**Civic Center Enterprise Fund**  
**Comparative Statement of Cash Flows**  
**Fiscal Year Ended September 30, 1997 and 1996**

	1997	1996
<b>Cash flows from operating activities:</b>		
Operating income	\$(1,971,660)	\$(1,385,485)
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>		
Depreciation and amortization	294,960	353,694
<b>Changes in assets and liabilities:</b>		
(Increase) decrease in accounts receivable	1,283	(7,319)
(Increase) decrease in prepaid expenses	10,369	(8,848)
(Increase) decrease in inventory	930	773
Increase (decrease) in operating transfers reimbursements	(117,648)	(9,483)
Increase (decrease) in accounts payable	249,816	237,072
Increase (decrease) in miscellaneous payable	7,347	34,519
Increase (decrease) in accrued wages and benefits	1,497	(5,803)
Total adjustments	748,512	638,107
<b>Net cash provided by operating activities</b>	<b>(622,248)</b>	<b>(416,378)</b>
<b>Cash flows from capital and related financial activities:</b>		
Capital expenditures	(2,248,397)	(437,513)
Contributed capital	884,478	1,823,153
<b>Net cash provided (used for) capital and related financing activities</b>	<b>(1,363,919)</b>	<b>1,385,640</b>
<b>Cash flow from investing activities:</b>		
Purchase of investment securities	(253,273)	(1,618,768)
Proceeds from sale and maturities of investment securities	367,241	955,800
Interest on investments	52,168	42,853
<b>Net cash provided (used for) investing activities</b>	<b>(23,864)</b>	<b>(620,115)</b>
<b>Cash flows from noncapital financial activities:</b>		
Operating transfers in	731,137	788,259
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(789,155)</b>	<b>1,128,404</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>1,247,478</b>	<b>127,074</b>
<b>Cash and cash equivalents at end of year</b>	<b>458,323</b>	<b>1,255,478</b>

**Schedule of Noncash Activity:**

Assets transferred out cost \$5,351 and had accumulated depreciation of \$472. Net loss equaled \$5,279.

Assets retired cost \$104,222 and had accumulated depreciation of \$182,458. Net loss equaled \$1,772.

Developers contributed \$36,000 toward the purchase of a porta-potty for the ice rink.

## CITY OF LAKE CHARLES, LOUISIANA

## Public Transit Enterprise Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
 Fiscal Years Ended September 30, 1997 and 1996

	1997	1996
<b>Operating revenues:</b>		
Charges for services	\$81,048	\$79,983
Other	3,077	8,248
Total operating revenues	<u>84,125</u>	<u>88,231</u>
<b>Operating expenses:</b>		
Personnel services	428,309	445,153
Materials and supplies	108,836	104,170
Maintenance	38,893	83,012
Transportation	38,788	38,202
General and administration	474,251	481,333
Depreciation	187,218	187,948
Total operating expenses	<u>1,217,297</u>	<u>1,299,868</u>
Operating income (loss)	<u>(1,133,172)</u>	<u>(1,189,577)</u>
<b>Nonoperating revenues:</b>		
Operating grants from governmental agencies	590,368	622,567
Interest	0	667
Other	(1,742)	(2,271)
Total nonoperating revenues	<u>588,626</u>	<u>620,963</u>
Income (loss) before operating transfers	(544,546)	(568,614)
<b>Operating transfers in:</b>		
General Fund	395,312	389,222
Special Revenue Funds	38,278	36,512
Total operating transfers	<u>433,590</u>	<u>425,734</u>
Net income (loss)	(108,956)	(107,940)
Retained earnings (deficit) at beginning of year	<u>(1,495,389)</u>	<u>(1,387,455)</u>
Retained earnings (deficit) at end of year	<u>(\$1,604,345)</u>	<u>(\$1,495,395)</u>

**CITY OF LAKE CHARLES, LOUISIANA**  
**Golf Course Enterprise Fund**  
 Comparative Statement of Cash Flows  
 Fiscal Years Ended September 30, 1997 and 1996

	1997	1996
<b>Cash flows from operating activities:</b>		
Opening income	\$13,564	\$15,024
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>		
Depreciation and amortization	44,853	42,613
<b>Changes in assets and liabilities:</b>		
(Increase) decrease in accounts receivable	2,485	0
(Increase) decrease in prepaid expenses	374	(78)
(Increase) decrease in inventory	3,499	(8,528)
(Increase) decrease in due from other funds operating reimbursements	0	18
Increase (decrease) in due to other funds operating reimbursements	73,363	(6,637)
Increase (decrease) in accounts payable	(2,181)	4,053
Increase (decrease) in gift certificates payable	3,281	(8)
Increase (decrease) in accrued wages and benefits	1,452	(4,182)
Total adjustments	127,698	27,344
Net cash provided by operating activities	161,652	80,168
<b>Cash flows from capital and related financial activities:</b>		
Capital expenditures	(168,749)	(78,721)
Contributed capital	0	180,088
Net cash provided (used) for capital and related financing activities	(268,749)	71,279
<b>Cash flow from investing activities:</b>		
Purchase of investment securities	(189,314)	(249,140)
Proceeds from sale and maturities of investment securities	149,285	200,080
Interest on investments	22,338	13,049
Net cash provided (used) for investing activities	(128,703)	(36,011)
<b>Cash flows from noncapital financial activities:</b>		
Operating transfers in	37,308	37,289
Net increase (decrease) in cash and cash equivalents	(190,512)	152,825
Cash and cash equivalents at beginning of year	284,863	134,038
Cash and cash equivalents at end of year	\$94,351	\$286,863

**Schedule of Noncash Activity:**

Net assets transferred in cost \$314 and had accumulated depreciation of \$404. Net gain equaled \$130.  
 Assets retired cost \$68,345 and had accumulated depreciation of \$64,347. Net loss equaled 3,738.

**CITY OF LAKE CHARLES, LOUISIANA**

**Water Utility Enterprise Fund**

**Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings  
Fiscal Years Ended September 30, 1997 and 1996**

	1997	1996
<b>Operating revenues:</b>		
Charges for services:		
Water sales	\$6,042,151	\$5,992,454
Other	113,174	402,857
Total operating revenues	<u>6,155,325</u>	<u>6,395,311</u>
<b>Operating expenses:</b>		
Personnel services	2,423,038	2,298,603
Materials and supplies	756,778	641,054
Maintenance	316,733	379,045
Heat, light and power	472,583	498,891
General and administration	602,469	883,396
Depreciation	681,217	636,899
Total operating expenses	<u>5,252,796</u>	<u>5,337,888</u>
Operating income	<u>902,529</u>	<u>1,057,423</u>
<b>Nonoperating revenues (expenses):</b>		
Interest	148,828	325,650
Gain (loss) on fixed assets	10,318	(5,348)
Total nonoperating revenues (expenses)	<u>159,146</u>	<u>320,302</u>
Income (loss) before operating transfers	1,061,675	1,377,725
<b>Operating transfers in:</b>		
General Fund	35,960	0
Special Revenue Funds	178,919	180,258
Total operating transfers	<u>214,879</u>	<u>180,258</u>
Net income	1,276,554	1,557,983
Add depreciation on contributed assets received from governmental grants, developers and customers	40,158	37,172
Retained earnings at beginning of year	<u>29,747,279</u>	<u>29,691,144</u>
Retained earnings at end of year	<u>\$30,063,798</u>	<u>\$29,747,279</u>

**CITY OF LAKE CHARLES, LOUISIANA**  
**Public Transit Enterprise Fund**  
**Comparative Statement of Cash Flows**  
**Fiscal Years Ended September 30, 1997 and 1996**

	1997	1996
<b>Cash flows from operating activities:</b>		
Operating income (loss)	\$(1,131,177)	\$(1,168,777)
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>		
Depreciation and amortization	107,218	107,940
<b>Changes in assets and liabilities:</b>		
(Increase) decrease in accounts receivable	2,421	947
(Increase) decrease in prepaid expenses	400	(4,450)
(Increase) decrease in due from other funds-operating reimbursement	0	23
Increase (decrease) in due to other funds-operating reimbursement	(7,651)	(52,799)
Increase (decrease) in accounts payable	(2,160)	1,361
Increase (decrease) in accrued wages and benefits	(7,837)	(3,545)
Total adjustments	82,491	49,681
Net cash provided by (used for) operating activities	(1,048,686)	(1,119,096)
<b>Cash flow from capital and related financial activities:</b>		
Contributed capital	258,000	0
<b>Cash flow from investing activities:</b>		
Interest on investments	0	607
<b>Cash flows from noncapital financial activities:</b>		
Intragovernmental revenue	484,247	628,990
Operating transfers in	433,599	450,550
Net cash provided by (used for) noncapital financial activities	917,846	1,079,540
Net increase (decrease) in cash and cash equivalents	117,160	(30,349)
Cash and cash equivalents at beginning of year	62,233	92,582
<b>Cash and cash equivalents at end of year</b>	<b>\$179,393</b>	<b>\$62,233</b>

**Schedule of Noncash Activities:**

Assets transferred in cost \$2,940 and had accumulated depreciation of \$17. Net gain equaled \$2,923.

Assets transferred out cost \$850 and had accumulated depreciation of \$338. Net loss equaled \$512.

Assets retired cost \$218,217 and had accumulated depreciation of \$ 254,184. Net loss equaled \$4,967.

**CITY OF LAKE CHARLES, LOUISIANA**  
**Water Utility Enterprise Fund**  
**Comparative Statement of Cash Flows**  
**Fiscal Years Ended September 30, 1997 and 1996**

	1997	1996
<b>Cash flows from operating activities</b>		
Operating income	\$682,515	\$1,058,403
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	681,237	636,898
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	91,203	(20,488)
(Increase) decrease in prepaid expenses	4,288	756
(Increase) decrease in inventory	4,082	(7,606)
Increase (decrease) in operating transaction reimbursements	56,632	(42,453)
Increase (decrease) in accounts payable	(141,390)	43,190
Increase (decrease) in customer deposit account	(31,156)	(49,650)
Increase (decrease) in accrued wages and benefits	17,371	22,692
Total adjustments	640,564	588,338
Net cash provided by operating activities	1,243,079	1,646,741
<b>Cash flows from capital and related financial activities</b>		
Capital expenditures	(5,247,813)	(3,974,493)
Contracts payable	138,180	208,394
Proceeds from sale of assets	0	0
Miscellaneous income (expense)	0	0
Contributed capital	0	0
Net cash provided by (used for) capital and related financing activities	(5,109,633)	(3,766,099)
<b>Cash flow from investing activities</b>		
Purchase of investment securities	(988,203)	(6,883,049)
Proceeds from sale and maturities of investment securities	4,385,474	8,202,455
Interest on investments	370,826	558,739
Net cash provided (used for) investing activities	3,767,097	(1,879,145)
<b>Cash flows from noncapital financial activities:</b>		
Operating transfers in	214,880	180,258
Net income (decrease) in cash and cash equivalents	116,251	(99,955)
Cash and cash equivalents at beginning of year	327,566	457,521
<b>Cash and cash equivalents at end of year</b>	<b>\$443,817</b>	<b>\$357,566</b>

**Schedule of Non-cash Activity:**

Customer Day-Water Meter amount of \$5,427 was transf. to Contr. Cap when the related contract expired.

Donated Developer-Constructed water system excursions of \$289,375 were recorded as contributed capital.

Assets transf. from one cash: \$1,449 and had accumulated depreciation of \$18,841. Net gain equaled \$17,392.

Assets retired cost: \$278,152 and had accumulated depreciation of \$251,378. Net loss equaled \$27,036.



CITY OF LAKE CHARLES, LOUISIANA



CITY OF LAKE CHARLES, LOUISIANA





CITY OF LAKE CHARLES, LOUISIANA



CITY OF LAKE CHARLES, LOUISIANA

**CITY OF LAKE CHARLES, LOUISIANA**

**Trust and Agency Funds**

**Combining Balance Sheet**

September 30, 1997

With Comparative Totals for September 30, 1996

	Expendable		Pension	
	Trust		Trust	
	Memorial		Pension	Pension
	Park	Retirement	Retirement	
<b>ASSETS</b>				
Cash	38,411	38,297	551,021	
Investments	38,847	325,834	502,773	
Accrued interest receivable	0	10,200	7,100	
<b>Total assets</b>	<b>77,258</b>	<b>674,331</b>	<b>1,060,894</b>	
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities:</b>				
Accounts payable	31	30	30	
Due to other funds	0	0	0	
Deferred compensation benefits payable	0	0	0	
Accrued pension payroll tax liabilities	0	0	0	
Excess	0	0	0	
<b>Total liabilities</b>	<b>31</b>	<b>30</b>	<b>30</b>	
<b>Fund balance:</b>				
Reserved for employees retirement system	0	913,131	361,096	
Unreserved, undesignated	77,227	0	0	
<b>Total fund balance</b>	<b>77,227</b>	<b>913,131</b>	<b>361,096</b>	
<b>Total liabilities and fund balance</b>	<b>77,258</b>	<b>913,131</b>	<b>1,060,894</b>	

## TRUST AND AGENCY FUNDS

The Trust and Agency Funds are used to account for assets held by the City in a fiduciary capacity. Such funds are operated by carrying out specific terms of statutes, ordinances, and other governing regulations, and include the following expendable trust, pension trusts, and agency funds which are reported in this section:

**The Veterans Memorial Park Expendable Trust Fund** accounts for the receipt and use of private donations made for development of a permanent veterans memorial on City owned lakeshore property.

**The Firemen's Pension Trust Fund** accounts for the remaining assets of the former Lake Charles Firemen's Pension and Relief Fund, which is now used to finance a portion of the City's cost for merging its former members into a statewide retirement system.

**The Policemen's Pension Trust Fund** accounts for retirement benefits paid to certain eligible policemen under age 60, as required by a merger agreement.

**The Waterside Agency Fund** accounts for funds held by the City to secure performance of a concession agreement.

**The Deferred Compensation Agency Fund** accounts for funds invested in employees' deferred compensation plans.

**CITY OF LAKE CHARLES, LOUISIANA**  
**Veteran's Memorial Park Expendable Trust Fund**  
**Comparative Balance Sheet**  
**September 30, 1997 and 1996**

ASSETS	1997	1996
Cash	\$5,411	\$30,119
Investments	<u>88,807</u>	<u>54,965</u>
<b>Total assets</b>	<u><b>\$94,218</b></u>	<u><b>\$85,084</b></u>
<b>FUND BALANCE</b>		
<b>LIABILITIES AND FUND BALANCE</b>		
<i>Liabilities:</i>		
Accounts payable	\$1	\$1
Due to other funds	<u>5</u>	<u>72</u>
<b>Total liabilities</b>	<u><b>6</b></u>	<u><b>73</b></u>
<i>Fund balance:</i>		
Unreserved, undesignated	<u>97,212</u>	<u>84,061</u>
<b>Total fund balance</b>	<u><b>97,212</b></u>	<u><b>84,061</b></u>
<b>Total liabilities and fund balance</b>	<u><b>\$97,218</b></u>	<u><b>\$85,084</b></u>

Agency		Totals	
Waterside	Deferred Compensation	1997	1998
\$2,751	\$0	\$71,482	\$123,571
0	1,982,058	3,489,334	3,173,868
0	0	17,902	16,781
<u>\$2,751</u>	<u>\$1,982,058</u>	<u>\$3,558,716</u>	<u>\$3,316,148</u>

\$0	\$0	\$1	\$1
0	0	9	72
0	1,982,058	1,982,058	1,732,866
0	0	0	311
2,751	0	2,751	2,612
<u>2,751</u>	<u>1,982,058</u>	<u>1,984,817</u>	<u>1,733,262</u>

0	0	1,476,227	1,313,987
0	0	97,272	84,991
0	0	1,373,499	1,398,978
<u>\$2,751</u>	<u>\$1,982,058</u>	<u>\$3,558,318</u>	<u>\$3,316,248</u>

## CITY OF LAKE CHARLES, LOUISIANA

## Pension Trust Funds

## Combining Balance Sheet

September 30, 1997

With Comparative Totals for September 30, 1996

	Pension Trust Funds		Totals	
	Firemen Retirement	Policemen Retirement	1997	1996
<b>ASSETS</b>				
Cash	\$9,297	\$51,821	\$60,318	\$60,800
Investments, at cost	\$95,614	502,775	1,348,609	1,398,597
Accrued interest receivable	10,208	3,800	17,508	16,731
<b>Total assets</b>	<b>\$115,119</b>	<b>\$558,396</b>	<b>\$1,426,435</b>	<b>\$1,476,128</b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities:</b>				
Accrued pension payroll tax liabilities	\$0	\$0	\$0	\$511
<b>Fund balance:</b>				
Reserved for employees retirement system	915,131	561,096	1,476,227	1,505,587
<b>Total liabilities and fund balance</b>	<b>\$915,131</b>	<b>\$561,096</b>	<b>\$1,476,227</b>	<b>\$1,506,198</b>

**CITY OF LAKE CHARLES, LOUISIANA**  
**Veteran's Memorial Park Expendable Trust Fund**  
 Comparative Statement of Revenues, Expenditures and Changes in Fund Balance  
 Fiscal Year Ended September 30, 1997 and 1996

	1997	1996
<b>Revenues:</b>		
Interest	\$2,383	\$3,197
Donations	24,980	17,500
Total revenues	<u>27,363</u>	<u>20,697</u>
<b>Expenditures:</b>		
Community services	<u>20,084</u>	<u>10,243</u>
Excess of revenues over expenditures	12,281	12,854
Fund balance at beginning of year	<u>84,991</u>	<u>72,137</u>
Fund balance at end of year	<u>97,272</u>	<u>84,991</u>



## CITY OF LAKE CHARLES, LOUISIANA

## Pension Trust Funds

## Combining Statement of Cash Flows

Fiscal Year Ended September 30, 1997

With Comparative Totals for Fiscal Year Ended September 30, 1996

	Pension Trust Funds		Totals	
	Firemen Retirement	Policemen Retirement	1997	1996
<b>Cash flows from operating activities:</b>				
Operating income (loss)	5172,287	(571,147)	5001,140	599,568
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>				
Interest income	(32,138)	(32,570)	(64,708)	(81,649)
<b>Changes in assets and liabilities:</b>				
Increase (decrease) in accrued wages and benefits	0	(311)	(311)	311
Total adjustments	(32,138)	(33,881)	(66,019)	(81,338)
Net cash provided by (used for) operating activities	120,249	(145,218)	15,031	18,230
<b>Cash flow from investing activities:</b>				
Purchase of investment securities	(250,000)	(319,233)	(569,233)	(1,684,900)
Proceeds from sale and maturities of investment securities	291,537	296,244	587,781	1,690,831
Interest on investments	40,222	24,743	64,965	83,643
Net cash provided by investing activities	81,759	1,754	83,513	29,484
<b>Cash flows from noncapital financial activities:</b>				
Operating transfer in	0	70,000	70,000	70,000
Operating transfer out	(200,000)	0	(200,000)	(200,000)
Net cash flows provided by (used for) noncapital financial activities	(200,000)	70,000	(130,000)	(130,000)
Net increase (decrease) in cash and cash equivalents	2,992	(33,474)	(30,482)	(81,486)
Cash and cash equivalents at beginning of year	6,305	84,693	90,998	172,286
Cash and cash equivalents at end of year	9,297	51,219	59,516	90,800

## CITY OF LAKE CHARLES, LOUISIANA

## Pension Trust Funds

Combining Statement of Revenues, Expenses, and Changes in Fund Balance  
 Fiscal Year Ended September 30, 1997  
 With Comparative Totals For Fiscal Year Ended September 30, 1996

	Pension Trust Funds		Totals	
	Firemen Retirement	Policemen Retirement	1997	1996
<b>Operating revenues:</b>				
Interest	152,138	322,570	584,708	581,649
Intragovernmental:				
2% fire insurance tax	120,999	0	120,999	120,338
Total operating revenues	173,137	322,570	705,707	701,987
<b>Operating expenses:</b>				
Benefits payments	750	104,717	105,467	101,841
Miscellaneous	0	0	0	0
Total operating expenses	750	104,717	105,467	101,841
Income (loss) before operating transfers	172,387	(72,147)	100,240	99,566
<b>Operating transfers in (out):</b>				
General Fund	(200,000)	91,000	(134,000)	(135,000)
Net income	(27,613)	(2,147)	(29,760)	(30,434)
Fund balance at beginning of year	942,764	563,241	1,505,987	1,335,421
<b>Fund balance at end of year</b>	<b>915,151</b>	<b>561,094</b>	<b>914,766</b>	<b>51,985,987</b>

## CITY OF LAKE CHARLES, LOUISIANA

## Agency Funds

Combining Statement of Changes in Assets and Liabilities  
For the Fiscal Year Ended September 30, 1997

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>ASSETS</b>				
Cash in Waterside Agency Fund	32,612	3141	30	32,753
Investments in Deferred Compensation Agency Fund	<u>1,722,066</u>	<u>410,839</u>	<u>193,847</u>	<u>1,982,058</u>
<b>Total assets</b>	<u>\$1,754,678</u>	<u>\$413,980</u>	<u>\$193,847</u>	<u>\$1,984,811</u>
<b>LIABILITIES</b>				
Benefits payable in Deferred Compensation Agency Fund	<u>\$1,722,066</u>	<u>\$410,839</u>	<u>\$193,847</u>	<u>\$1,982,058</u>
Encrow in Waterside Agency Fund	<u>3,612</u>	<u>141</u>	<u>0</u>	<u>2,753</u>
<b>Total liabilities</b>	<u>\$1,724,678</u>	<u>\$410,980</u>	<u>\$193,847</u>	<u>\$1,984,811</u>

## GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is used to record fixed assets used in governmental fund type operations. There is no depreciation taken on general fixed assets.

**CITY OF LAKE CHARLES, LOUISIANA**

Comparative Schedules of General Fixed Assets

By Source

September 30, 1997 and 1996

	<u>1997</u>	<u>1996</u>
<b>General fixed assets:</b>		
Land	\$8,411,314	\$8,293,946
Buildings	10,251,487	7,789,804
Improvements	17,621,014	14,642,344
Equipment	<u>14,909,032</u>	<u>15,313,124</u>
<b>Total general fixed assets</b>	<b><u>51,192,847</u></b>	<b><u>46,039,218</u></b>
Property acquired prior to October 1, 1985	\$26,644,368	\$26,644,368
Property acquired after September 30, 1985 from:		
Federal grants	516,988	516,988
State grants	170,000	170,000
General fund revenues	21,931,794	16,912,295
Donations	<u>1,979,677</u>	<u>1,979,677</u>
<b>Total investments in general fixed assets</b>	<b><u>23,492,827</u></b>	<b><u>20,583,260</u></b>

## CITY OF LAKE CHARLES, LOUISIANA

## Schedule of General Fixed Assets

By Function and Activity

September 30, 1997

Function and Activity	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Total
<b>GENERAL GOVERNMENT</b>					
Legislative	\$0	\$529,171	\$0	\$14,965	\$544,136
Executive	0	0	0	62,409	62,409
Judicial	0	0	0	102,791	102,791
Total general government	0	529,171	0	180,165	711,336
<b>STAFF AGENCIES</b>					
Finance	0	0	0	225,964	225,964
Planning and development	0	0	0	145,337	145,337
Personnel	0	0	0	16,573	16,573
Public works	214,790	901,195	0	808,998	2,024,983
Data processing	0	0	0	572,318	572,318
General government buildings	1,291,547	1,858,084	127,052	182,259	3,358,942
Total staff agencies	1,496,337	2,759,279	127,052	2,081,444	6,414,112
<b>PUBLIC SAFETY</b>					
Police	64,985	987,181	648,648	2,682,832	3,983,646
Fire	182,059	2,464,619	131,211	3,996,073	7,133,962
Animal control	0	4,512	0	0	4,512
Farmis Center	0	0	0	96,811	96,811
Total public safety	447,044	3,656,312	879,859	6,775,716	11,218,931
<b>Streets</b>	0	9,899	0	2,033,745	2,043,644
Recreation	6,469,507	1,429,279	5,588,911	499,679	13,937,366
Community service	5,000	2,215,416	0	0	2,220,416
Sanitation and waste	49,529	231,323	10,947,192	3,473,292	14,701,344
	6,534,035	3,985,717	16,536,103	5,973,717	32,929,572
<b>Total general fixed assets allocated to functions</b>	<b>\$8,411,314</b>	<b>\$10,231,467</b>	<b>\$17,621,814</b>	<b>\$14,975,152</b>	<b>\$31,240,647</b>

## CITY OF LAKE CHARLES, LOUISIANA

## Schedule of Changes in General Fixed Assets

## By Function and Activity

For the Fiscal Year Ended September 30, 1997

Function and Activity	General Fixed Assets 9/30/96	Additions	Deletions	General Fixed Assets 9/30/97
<b>GENERAL GOVERNMENT</b>				
Legislative	\$559,623		(93,487)	\$466,136
Executive	102,198		(39,789)	62,409
Judicial	126,333	35,286	(52,748)	108,791
Total general government	787,154	35,286	(185,024)	637,416
<b>STAFF AGENCIES</b>				
Finance	287,448	28,634	(93,098)	223,984
Planning and development	179,383	13,036	(40,084)	152,335
Personnel	32,911	4,088	(19,948)	17,051
Public works	2,223,251	46,978	(215,336)	2,054,893
Data processing	568,324	79,229	(67,345)	579,208
General government buildings	3,248,583	187,484	(38,114)	3,397,953
Total staff agencies	6,537,900	369,359	(473,827)	6,433,432
<b>PUBLIC SAFETY</b>				
Police	3,921,823	614,928	(351,135)	4,185,616
Fire	6,668,574	636,868	(172,199)	7,133,943
Animal control	4,512	0	0	4,512
Permit Center	144,857	6,710	(54,758)	96,811
Total public safety	10,739,766	1,258,506	(578,092)	11,419,180
Streets	1,848,403	404,575	(259,548)	1,993,430
Recreation	11,226,182	2,963,897	(243,736)	13,946,343
	0	2,231,416	0	2,231,416
Sanitation and waste	16,913,291	534,395	(746,422)	16,701,264
	27,988,846	6,134,403	(1,249,686)	32,873,563
<b>Total general fixed assets allocated to functions</b>	<b>\$46,023,268</b>	<b>\$7,816,584</b>	<b>(\$2,697,025)</b>	<b>\$51,242,827</b>

**CITY OF LAKE CHARLES, LOUISIANA**

Statement of General Long-Term Debt

September 30, 1997

FUNDS	Amount Available and to be Provided for Payment of			
	Amount Available in Debt Service Fund for Debt Retirement	Total of Amount Available	Amount to be	
			Ad Valorem Taxes	Sales Taxes and Ad Valorem Taxes
Special assessment debt with government commitment	\$901,690	\$901,690	\$0	\$0
Accrued leave benefits	0	0	0	1,588,390
Merger agreement payable-police/men	0	0	0	3,759,194
Lake Charles police pension liability	0	0	0	609,306
Accrued insurance claims	0	0	0	43,382
Merger agreement payable-firemen	0	0	0	9,664,671
<b>Total funds</b>	<b>\$901,690</b>	<b>\$901,690</b>	<b>\$0</b>	<b>\$14,995,494</b>



## GENERAL LONG-TERM DEBT ACCOUNT GROUP

The General Long-Term Debt Account Group records long-term liabilities expected to be financed from governmental type funds.

<u>General Long-Term Debt</u>		<u>Total Amount Available and to be Provided</u>	<u>General Long-Term Debt Payable</u>		
<u>Provided From</u>	<u>Totals to be Provided</u>		<u>Bonds Payable</u>	<u>Other General Long-Term Debt</u>	<u>Total General Long-Term Debt Payable</u>
(5097,954)	(5097,954)	\$109,736	\$203,736	90	\$203,736
0	1,580,360	1,580,360	0	1,580,360	1,580,360
0	3,709,194	3,709,194	0	3,709,194	3,709,194
0	605,106	605,106	0	605,106	605,106
0	43,162	43,162	0	43,162	43,162
0	9,060,672	9,060,672	0	9,060,672	9,060,672
<u>(5097,954)</u>	<u>\$14,366,548</u>	<u>\$15,202,230</u>	<u>\$203,736</u>	<u>\$14,999,494</u>	<u>\$15,202,230</u>

## STATISTICAL SECTION

(Unaudited)

The City of Lake Charles has no revenue bonds payable at this time. All of the long-term capital debt consists of general obligations financed through dedicated property tax assessments or by the usage of general tax revenues if necessary. All special assessments are financed through property assessments to the owner and in some instance are supplemented by City funds.

**CITY OF LAKE CHARLES, LOUISIANA**  
**General Governmental Expenditures and Other Uses by Function**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal Years Ended</b>	<b>General Government (Personnel- Planning)</b>	<b>Finance</b>	<b>Fire and Police</b>	<b>Public Works</b>
1988	\$1,992,326	\$686,979	\$8,798,482	\$11,880,646
1989	2,024,313	731,058	9,257,636	12,012,817
1990	2,082,940	788,615	9,533,668	12,978,918
1991	2,134,198	811,665	10,249,814	13,208,599
1992	2,144,326	794,181	10,298,817	13,484,794
1993	2,288,328	839,664	10,557,358	14,435,944
1994	2,668,151	874,345	11,294,353	17,065,210
1995	3,834,434	918,321	12,642,352	18,399,133
1996	3,048,899	967,781	14,194,403	23,482,060
1997	3,168,356	974,320	15,299,178	26,444,600

**Note:**

Includes General, Special Revenue, Debt Service and Capital Projects Funds

<b>Community Services</b>	<b>General Services</b>	<b>Community Development</b>	<b>Debt Service</b>	<b>Net Operating Transfers</b>	<b>Total</b>
\$1,513,804	\$1,386,736	\$1,351,130	\$1,532,551	\$961,815	\$10,188,587
1,443,219	1,356,312	998,850	1,434,976	832,506	10,827,483
1,564,562	1,039,565	938,149	1,283,235	943,782	11,134,572
1,656,942	1,244,838	1,237,345	1,020,742	1,015,248	11,669,687
1,743,638	1,381,463	878,683	738,425	525,325	11,879,154
2,011,335	1,463,821	1,068,867	586,136	1,148,629	14,334,232
2,488,183	1,478,335	948,884	501,149	991,632	18,242,774
2,678,811	1,594,832	1,886,603	490,347	1,124,430	42,877,683
2,817,787	1,702,349	1,181,348	271,996	1,135,108	30,801,635
2,858,587	1,813,771	1,127,508	177,626	1,286,919	32,116,668

**CITY OF LAKE CHARLES, LOUISIANA**  
**General Governmental Revenues and Other Sources by Source**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<u>Fiscal Years Ended</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Inter- Governmental</u>	<u>Charges for Services</u>
1988	\$19,672,790	\$3,054,002	\$3,425,983	\$2,163,301
1989	20,734,153	3,236,599	3,199,887	2,093,725
1990	21,582,111	3,493,038	3,314,223	2,319,499
1991	23,151,514	3,810,793	3,367,889	2,381,860
1992	23,371,768	3,382,232	3,571,647	2,747,431
1993	26,412,099	3,493,826	2,727,596	2,794,507
1994	30,824,830	3,820,624	2,788,838	2,811,989
1995	32,984,440	3,807,796	3,883,253	3,199,203
1996	38,441,976	4,339,682	3,613,997	3,009,712
1997	37,526,792	4,422,388	5,184,140	2,881,616

Note:

Includes General, Special Revenue, Debt Service and Capital Projects Funds

<u>Fees and Furniture</u>	<u>Use of Money and Property</u>	<u>Miscellaneous</u>	<u>Net Operating Transfers</u>	<u>Total</u>
5460,689	5758,887	\$1,248,908	0	\$30,798,812
684,323	794,117	1,506,134	0	23,863,688
695,330	907,793	1,360,117	0	25,737,432
614,687	1,021,644	1,289,821	0	28,675,420
491,971	845,533	1,266,964	0	37,834,149
481,872	946,906	1,014,948	0	43,443,537
552,280	921,693	6,781,478	0	53,158,282
423,274	1,138,468	3,603,712	0	55,053,684
484,426	1,510,778	3,658,426	0	55,196,756
423,329	1,485,343			

**CITY OF LAKE CHARLES, LOUISIANA**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<u>Fiscal Year</u> <u>Ended</u>	<u>Tax Year</u>	<u>Total Tax</u> <u>Levy</u>	<u>Less</u> <u>Cancellations</u> <u>and</u> <u>Refuctions</u>	<u>Net Tax</u> <u>Levy</u>
1988	1987	\$4,054,216	\$42,168	\$3,971,908
1989	1988	3,941,695	64,665	3,857,030
1990	1989	3,971,661	24,382	3,947,279
1991	1990	3,952,673	22,728	3,929,945
1992	1991	3,924,188	78,744	3,845,442
1993	1992	4,212,640	13,257	4,179,383
1994	1993	4,312,385	43,486	4,267,873
1995	1994	4,487,451	4,553	4,482,898
1996	1995	4,604,277	13,102	4,560,135
1997	1996	4,739,814	139,853	4,599,963



<b>Less Outstanding Delinquent Taxes</b>	<b>Net Total Taxes Collected</b>	<b>Percent of Net Taxes Collected</b>	<b>Percent of Delinquent Taxes to Net Levy</b>
516,839	32,253,078	99.58 %	0.62 %
27,569	3,869,481	99.29	0.71
20,902	3,936,640	99.47	0.53
14,686	3,912,239	99.63	0.37
17,203	3,828,239	99.55	0.45
20,479	4,159,408	99.31	0.49
28,321	4,238,352	99.31	0.69
8,119	4,434,962	99.82	0.18
25,820	4,571,931	99.46	0.54
14,380	4,583,464	99.68	0.38

**CITY OF LAKE CHARLES, LOUISIANA**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(Unaudited)**

Fiscal Year Ended	Tax Year	Real Property and Mobile		Personal, Business Industry	
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1988	1987	\$156,672,780	\$1,435,279,666	\$27,038,130	\$246,887,530
1989	1988	157,718,620	1,446,048,533	34,458,400	329,668,333
1990	1989	156,990,380	1,398,619,700	38,142,540	340,958,600
1991	1990	156,690,140	1,441,458,253	38,442,960	356,284,800
1992	1991	158,173,810	1,434,125,167	37,803,290	352,315,267
1993	1992	153,517,110	1,535,170,000	40,885,210	369,234,750
1994	1993	154,336,450	1,547,694,500	44,019,280	393,462,330
1995	1994	158,160,680	1,581,938,800	48,125,800	377,508,800
1996	1995	162,739,810	1,627,281,100	54,037,810	380,252,067
1997	1996	204,016,810	2,040,168,100	69,057,100	460,181,267

Note:

- (1) Ratios of assessed valuation to actual value are established by state law. Assessment ratios currently applicable to various classes of property are as follows:
- 10% - Land and residential improvements
  - 15% - Commercial improvements
  - 15% - Personal property
  - 25% - Public Utilities
- (2) All property assessments are made by the Calcasieu Parish assessor or the Louisiana Tax Commission. required measurements of all properties were made in 1986, 1988, 1992 and 1996.

<b>Public Utilities</b>		<b>Total all Property</b>		<b>Ratio of Total Assessed to Total Estimated Actual Value</b>
<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	
\$19,346,370	\$78,549,506	\$213,049,280	\$1,761,096,372	0.27 to 1
18,989,408	75,877,600	211,408,400	1,751,587,466	0.28 to 1
19,785,148	79,090,560	212,889,460	1,829,823,960	0.28 to 1
19,893,020	79,582,480	213,028,720	1,777,328,310	0.27 to 1
20,074,850	80,299,440	214,084,060	1,766,699,874	0.27 to 1
18,782,340	75,133,860	212,685,060	1,879,326,790	0.29 to 1
18,407,910	73,031,040	217,166,740	1,914,488,670	0.32 to 1
18,544,830	74,179,320	225,863,520	1,983,616,220	0.78 to 1
18,497,330	73,988,400	235,264,020	2,061,331,567	0.76 to 1
17,913,050	71,672,200	290,983,850	2,372,281,567	0.84 to 1

## CITY OF LAKE CHARLES, LOUISIANA

Assessed Value of All Taxable Property by Source

Fiscal Year Ended September 30, 1987 through September 30, 1997

(Unaudited)

Tax Year	Real and Mobile Property Assessed Value	Personal Property Assessed Value	Public Service Assessed Value	Total Assessed Value
1987	\$156,672,780	\$97,000,130	\$19,346,370	\$273,019,280
1988	157,718,820	94,490,400	18,989,400	271,198,620
1989	156,980,380	96,343,940	19,785,140	273,109,460
1990	156,690,140	98,442,060	19,895,630	275,027,830
1991	156,175,910	97,835,290	20,034,860	274,046,060
1992	153,337,130	90,385,210	18,782,740	262,505,080
1993	154,739,630	94,819,380	17,407,930	266,966,940
1994	158,193,660	99,123,030	18,544,830	275,861,520
1995	162,729,130	94,897,830	18,497,130	276,124,090
1996	204,816,830	69,857,130	13,813,090	288,487,050

## Note:

Assessed value is determined as noted in Table 4.

**CITY OF LAKE CHARLES, LOUISIANA**  
 Reconciliation of 1996 Tax Roll  
 Fiscal Year Ended September 30, 1997  
 (Unaudited)

Assessed valuation of \$250,987,090 at 16.28 mills	\$4,719,814
Additions	20,281
Less:	(139,851)
Cancellations and reductions	
Unpaid taxes (includes bankruptcies, adjudications, and paid under protest)	(34,780)
Total to account for (current year collections only)	<u>4,585,464</u>
Contribution of all valuations taxes collected during fiscal year ended September 30, 1997:	
General Fund:	
General advisory - 6.09 mill	\$1,717,582
Special street improvements - 1.34 mills	718,363
Minimum salary, police - 1.25 mills	355,363
Minimum salary, public works - 1.05 mills	296,136
Minimum salary, firemen - 1.41 mills	397,669
Police three planes system - .84 mills	256,009
Additional salary, firemen - 1.05 mills	296,136
Special recreation - 1.88 mills	530,222
General bonded debt for various bonds issued - 0.16 mills	<u>48,417</u>
Total accounts for	<u>4,590,797</u>
Total amount ever collected*	<u><u>(39,533)</u></u>

\* Includes collections for prior year.

**CITY OF LAKE CHARLES, LOUISIANA**  
**Principal Taxpayers**  
 Tax Year December 31, 1996  
 for Fiscal Year Ended September 30, 1997  
 (Unaudited)

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation 1996</u>	<u>Percentage of Total Valuation</u>
Playon Lake Charles	Riverboat casino	\$14,113,350	4.85 %
Dell South Telecommunications	Telephone	10,780,860	3.71
Hibernia National Bank	Bank	5,613,210	1.93
First National Bank	Bank	4,488,550	1.54
Energy	Electric utility	4,170,920	1.43
Wal-Mart Stores	Retail	3,661,470	1.26
Showboat Star Partnership	Riverboat casino	3,643,920	1.25
Bank One	Bank	2,962,010	1.02
Siman, Melvin, & Associates	Land and project developer	2,332,500	0.87
Weingarten Realty Investors	Land and project developer	1,382,620	0.47
Carloline Company	Manufacturer	<u>1,189,920</u>	0.41
		<u>\$54,942,350</u>	18.74

Total city valuation: \$290,587,000

**CITY OF LAKE CHARLES, LOUISIANA**  
**Property Tax Rates (Millage) - Per \$1,000 Assessment**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<u>Calendar Year Ended</u>	<u>Fiscal Year</u>	<u>General and Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Total</u>
1987	1987-88	16.81	2.86	19.67
1988	1988-89	16.81	2.00	18.81
1989	1989-90	17.43	1.32	18.75
1990	1990-91	17.43	0.89	18.32
1991	1991-92	17.43	0.81	18.24
1992	1992-93	19.15	0.54	19.69
1993	1993-94	19.15	0.59	19.74
1994	1994-95	19.15	0.54	19.69
1995	1995-96	19.15	0.42	19.57
1996	1996-97	16.12	0.16	16.28

**Note:**

All property taxes levied by the City of Lake Charles are retained in the City budget and some are collected for distribution to other governmental units.

**CITY OF LAKE CHARLES, LOUISIANA**  
**Ratio of Net General Obligation Bonded Debt**  
**To Assessed Value and Net General Obligation Bonded Debt Per Capita**  
**Fiscal Year Ended September 30, 1988 through 1996**  
**(Unaudited)**

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<u>Fiscal Year Ended</u>	<u>Population</u>	<u>Assessed Value (in Thousands)</u>
1988	70,000	\$213,000
1989	70,500	213,138
1990	70,500	213,800
1991	70,808	213,029
1992	70,822	214,084
1993	71,705	212,085
1994	72,112	217,167
1995	73,742	225,864
1996	73,424	233,264
1997	No General Obligation Debt	

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**Note:**

- (1) Gross bonded debt amount does not include special assessment bonds.
- (2) Debt service money available is for the repayment of general obligation bonds.
- (3) Population figures used for 1989 through 1991 are official 1990 census results. Other population figures are annual estimates.
- (4) All bonded debt was paid in full in fiscal year 1997.



<b>Gross Bonded Debt</b>	<b>Debt Service Money Available</b>	<b>Net Bonded Debt</b>	<b>Percent Ratio of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt Per Capita</b>
\$1,952,000	\$108,866	\$1,843,134	0.87 %	825
1,419,000	88,877	1,330,123	0.63	59
983,000	49,711	933,289	0.44	43
595,000	42,608	552,392	0.26	8
443,000	15,748	427,252	0.20	6
343,000	4,215	340,785	0.16	5
245,000	9,630	235,370	0.11	3
145,000	18,076	126,924	0.06	2
50,000	13,888	36,112	0.02	1

**CITY OF LAKE CHARLES, LOUISIANA**  
 Computation of Legal Debt Margin  
 September 30, 1997  
 (Unaudited)

Net assessed value (real property)		\$204,016,810
Plus exempt property		<u>80,553,130</u>
Total assessed value		<u>\$284,569,940</u>
Debt limit - 10 percent of total assessed value		\$28,456,994
Amount of debt applicable to debt limit		
Total bonded debt (including special assessments)	\$203,796	
Less:		
Assets in Debt Service Funds available for payment of principal and interest	\$5,588	
(Other deductions allowed by law:		
Special assessment bonds	<u>981,690</u>	
Total deductions		<u>987,278</u>
Total amount of debt applicable to debt limit		<u>(981,690)</u>
Legal debt margin		<u>\$27,475,304</u>

**CITY OF LAKE CHARLES, LOUISIANA**  
 Computation of Direct and Overlapping  
 General Obligations Bonded Debt  
 September 30, 1993  
 (Unaudited)

<u>Jurisdiction</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to City of Lake Charles</u>	<u>Amount Applicable to Lake Charles</u>
City of Lake Charles	\$0	100%	\$0
Calcasieu Parish School Board	70,343,080	28.792%	20,044,694
Calcasieu Parish Library Improvement Bonds	<u>8,710,680</u>	28.792%	<u>2,492,860</u>
Total Direct and Overlapping General Obligations Bonded Debt	<u>\$79,053,760</u>	28.792%	<u>\$22,537,554</u>

**CITY OF LAKE CHARLES, LOUISIANA**  
 Ratio of Annual Debt Service Expenditures for  
 General Debted Debt to Total General Expenditures  
 Last Ten Fiscal Years  
 (Unaudited)

<u>Fiscal Year Ended</u>	<u>Principal Retirement</u>	<u>Interest Paid</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Ratio of Debt Service to General Expenditures</u>
1988	\$1,095,364	\$436,987	\$1,532,351	\$34,108,583	5.09 %
1989	1,847,416	357,560	2,204,976	39,827,480	4.59
1990	961,480	901,790	1,263,250	31,134,572	4.06
1991	791,019	229,720	1,020,742	31,969,687	3.19
1992	552,011	186,414	738,425	31,979,154	2.31
1993	419,600	146,733	566,336	34,356,212	1.65
1994	387,820	133,542	501,363	38,242,774	1.31
1995	378,297	82,150	460,447	42,677,689	1.08
1996	221,804	98,193	321,996	50,861,633	0.64
1997	144,442	32,984	177,426	51,110,668	0.35

Note:

- (1) Total General Expenditures includes General, Special Revenue, and Debt Service Funds.
- (2) Years 1987 and thereafter include principal and interest payments of special assessments.

**CITY OF LAKE CHARLES, LOUISIANA**  
**Special Assessment Billing and Collections**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal Year Ended</b>	<b>Special Assessments Billings</b>	<b>Special Assessments Collected</b>	<b>Ratio of Collections To Amount Due</b>	<b>Total Outstanding Assessments</b>
1988	\$821,458	\$485,544	59.1 %	\$2,824,618
1989	864,060	566,267	65.5	2,392,386
1990	919,075	376,162	40.9	2,118,012
1991	910,198	323,289	35.5	1,955,635
1992	951,135	262,347	27.5	1,680,624
1993	943,449	247,852	26.1	1,439,891
1994	946,748	196,202	20.7	1,252,325
1995	953,381	108,618	11.3	1,082,883
1996	899,970	108,288	11.2	880,548
1997	791,612	42,669	5.4	768,881

**Note:**

The amount reported as Special Assessments Billings is the total amount actually billed, including current and delinquent principal and interest, in November of each year. The amount reported as Special Assessments Collected is the total amount actually collected during the fiscal year.

**CITY OF LAKE CHARLES, LOUISIANA**  
**Sales Tax, License Tax and Utility Franchise Tax Collections**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<u>Fiscal Year Ended</u>	<u>One Percent Sales Tax (1985)</u>	<u>Additional One Percent Sales Tax (1987)</u>	<u>Employee's Pay Sales Tax (1995)</u>
1988	\$7,037,091	\$7,040,791	\$0
1989	7,598,058	7,596,037	0
1990	8,140,075	8,140,076	0
1991	8,716,687	8,716,686	0
1992	8,879,225	8,879,224	0
1993	9,097,403	9,097,402	0
1994	10,299,941	10,299,960	0
1995	10,671,339	10,673,228	1,127,829
1996	11,286,942	11,286,548	2,785,072
1997	11,571,527	11,571,526	2,887,758

**Notes:**

- (1) Additional one percent sales tax was collected during the last eight months of fiscal year 1987.
- (2) Revised rates and expanded coverage of occupational license tax became effective in 1988.
- (3) One-quarter cent sales tax collections levied for an employee pay raise began May, 1995.

<b>Occupational License and Insurance Taxes</b>	<b>Electric Utility Franchise</b>	<b>Gas Utility Franchise</b>	<b>Cable Television Franchise</b>
\$1,625,557	\$2,052,762	\$334,588	\$161,333
1,642,718	2,227,133	338,803	182,270
1,660,680	2,419,419	350,372	212,817
1,788,130	2,540,497	350,379	250,404
1,768,155	2,461,601	368,714	255,209
1,868,475	2,586,166	345,913	332,463
1,940,457	2,648,582	361,731	372,216
2,008,807	2,778,707	283,768	485,568
2,152,181	3,175,088	348,011	476,811
2,125,724	3,087,878	595,121	490,584

**CITY OF LAKE CHARLES, LOUISIANA**  
 Property Value, Construction and Bank Deposits  
 Last Tax Calendar Year  
 (Unaudited)

<b>Calendar Year Ended</b>	<b>Commercial Construction</b>	
	<b>Permits Issued</b>	<b>Value</b>
1988	312	\$28,527,514
1989	330	21,243,479
1990	380	28,622,542
1991	381	32,218,186
1992	379	27,884,991
1993	283	55,234,530
1994	218	21,848,579
1995	283	47,431,871
1996	311	87,633,110
1997	329	62,691,854

Source: Construction data from City of Lake Charles Inspection Division; bank deposits from individual banks; property value (assessed valuation) from Calcasieu Parish Tax Assessor's Office.



Residential Construction		Property Value		
Permits		Bank Deposits	Taxable	Non-Taxable
Issued	Value			
1,221	\$10,990,902	\$1,133,480,378	\$213,049,280	\$26,824,900
962	3,713,449	1,395,144,800	231,138,420	38,677,660
741	3,794,740	1,338,328,000	212,888,480	39,013,300
831	3,825,399	1,493,823,000	218,028,320	39,377,270
681	4,446,627	1,485,328,880	214,084,860	39,329,390
713	4,128,425	1,331,842,000	212,685,860	41,851,890
622	4,887,188	1,397,811,000	217,168,780	41,380,180
352	4,336,337	1,393,149,000	225,863,520	43,971,260
784	6,806,564	1,647,834,000	235,264,020	48,553,130
726	6,708,882	1,619,879,000	230,947,020	48,553,130

**CITY OF LAKE CHARLES, LOUISIANA**  
 Demographic Statistics  
 Last Ten Calendar Years  
 (Unaudited)

<u>Calendar Year Ended</u>	<u>Population</u>	<u>Median Household Income (1)</u>	<u>Median Age</u>
1987	71,568	\$24,782	27.5
1988	71,068	25,228	27.5
1989	70,588	25,258	27.5
1990	70,588	25,228	27.5
1991	70,808	25,228	27.5
1992	71,822	25,228	27.6
1993	71,705	25,225	28.1
1994	72,112	25,225	28.2
1995	73,342	25,225	28.1
1996	73,424	25,225	28.1

**Notes:**

(1) Estimates by BOCAL.

(2) School enrollment includes public and state approved private schools only.

**CITY OF LAKE CHARLES, LOUISIANA**  
**Enterprise Fund Operating Revenue**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Year Ended</b>	<b>Civic Center</b>	<b>Golf Course</b>	<b>Public Transit</b>	<b>Water Utility</b>
1988	\$624,524	\$160,428	\$113,713	\$0
1989	728,269	571,298	100,448	0
1990	892,809	682,833	116,518	0
1991	749,639	830,853	124,889	4,670,264
1992	775,842	988,988	126,796	5,917,699
1993	714,148	846,747	136,599	5,740,744
1994	743,996	990,626	130,588	5,745,312
1995	666,793	1,887,382	137,512	6,813,162
1996	729,982	1,847,880	79,231	6,196,291
1997	647,765	1,182,153	86,139	6,153,325

**Note:**

The 1991 Water Utility revenues are for a nine month period beginning January 1, 1991.

Table 16

<b>Public City School Enrollment (K-12 Grades)</b>	<b>Private City School Enrollment (K-12 Grades)</b>	<b>Total City School Enrollment (K-12 Grades)</b>	<b>Unemployment Percentage Rate</b>
13,610	2,660	16,279	12.4 %
15,850	2,506	18,356	11.3
15,126	2,372	17,498	9.1
16,182	2,159	18,342	7.6
15,846	2,548	18,394	8.8
16,008	2,787	18,795	6.3
16,332	2,614	18,946	7.3
16,662	2,713	19,375	5.1
14,291	2,713	17,004	6.3
14,777	2,819	17,592	6.0

## CITY OF LAKE CHARLES, LOUISIANA

Miscellaneous Statistics

September 30, 1987

(Unaudited)

Date of incorporation	1867
Form of government	Mayor-Council
Area	25.22 square miles
Miles of streets (estimate)	400
Fire protection:	
Number of stations	7
Total authorized personnel	122
Police protection:	
Number of stations	4
Total authorized personnel	171
Water system:	
Number of customers	26,721
Average daily consumption	9,916 million gallons
Sewers:	
Sanitary sewers	600 miles
Storm sewers	425 miles
Recreation and culture:	
Number of parks and acreage	29-561 acres
Number of libraries	1 central - 13 branches
Number of volunteers	284,669
Employees - City of Lake Charles	853
Telephones	82,816
Electric meters	38,104
Gas meters	21,150
Building permits issued	1,319
Schools	31 public
	18 non-public
	17,592 enrollment
	1 technical institute
	1,200 + enrollment
	1 college
	8,444 enrollment
Industry	141 establishments
	10,800 workers
	\$13,780,000 annual wages

Source: Lake Charles city directory and local city sources.

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CITY OF LAKE CHARLES, LOUISIANA  
OMB CIRCULAR A-113  
SUPPLEMENTARY REPORT  
SEPTEMBER 30, 1997

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

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

## C O N T E N T S

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#### Internal Control Over Compliance

The management of the City of Lake Charles, 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 Lake Charles, 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 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.

#### Schedule of Expenditures of Federal Awards

We have audited the general purpose financial statements of the City of Lake Charles, Louisiana as of and for the year ended September 30, 1997, and have issued our report thereon dated February 13, 1998. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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

*Raymond Williams, III, CPA, LLC*

February 13, 1998





DEEPA LANGLEY, LL  
DANIEL J. WILLIAMS  
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### REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable Willie L. Mount, Mayor  
and Members of the City Council  
Lake Charles, Louisiana

#### Compliance

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

We conducted our audit of compliance in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Auditing States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Lake Charles, Louisiana's compliance with those requirements and performing such other procedures as we consider 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 Lake Charles, Louisiana's compliance with those requirements.

In our opinion, the City of Lake Charles, Louisiana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 1997.

Honorable Willie L. Minet, Mayor  
and Members of the City Council  
Page 2

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

*Roy Jay Williams, Sr., L.L.*

February 13, 1998



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## REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Willie L. Mount, Mayor  
and Members of the City Council  
Lake Charles, Louisiana

We have audited the financial statements of the City of Lake Charles, Louisiana as of and for the year ended September 30, 1997, and have issued our report thereon dated February 13, 1998. 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 of Lake Charles, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Lake Charles, 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

CITY OF LAKE CHARLES, LOUISIANA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the Grant Period October 1, 1996 to September 30, 1997

<u>Grant Type</u>	<u>Federal CFDA Number</u>	<u>Mont/Cong Number</u>
<b>Federal Assistance:</b>		
<b>Department of Housing and Urban Development:</b>		
Community Development Block Grant	14.218	18-94-MC-23-0804
<b>LA Department of Administration: (Pass Thru Agency)</b>		
HUD/Emergency Shelter Grant	14.231	6462-378-6099
HUD/Emergency Shelter Grant	14.231	512545-378-708203
HUD/HOME Grant	14.239	94-94-MC-22-8288
<b>Department of Transportation: Federal Transit Administration</b>		
	28.587	LA-99-X184
<b>Department of Agriculture: Louisiana Department of Education: (Pass Thru Agency)</b>		
Child Nutrition Summer Food Program	16.109	
<b>Department of Justice:</b>		
COFS Abuse		95-CC-WIS-0344
COFS 1996 Hiring Grant		95-CC-WIS-0344
COFS Formula Grant		94-VS-3338
<b>Louisiana Commission on Law Enforcement: (Pass Thru Agency)</b>		
PLACE Program		896-D-84-0871
DARE		897-6-807
Criminal Records Improvements		84-D-13-0154
<b>Federal Emergency Management Agency (Pass Thru Agency): Louisiana Military Department: Office of Emergency Preparedness</b>		
		1189 DB-LA PAED 813-4135
<b>Total Federal Assistance:</b>		

<u>RECEIPTS</u>	<u>EXPENDITURES</u>	<u>TYPE</u>	<u>MAJOR NONMAJOR</u>	<u>CASH NONCASH</u>
\$ 443,038	\$ 422,814	A	MAJOR	CASH
5,487	5,487	B	NONMAJOR	CASH
39,099	38,099	B	NONMAJOR	CASH
320,186	328,586	A	MAJOR	CASH
915,818	915,096	A	MAJOR	CASH
323,548	323,548	A	MAJOR	CASH
74,184	74,184	B	NONMAJOR	CASH
189,247	189,247	B	NONMAJOR	CASH
187,058	1,153	B	NONMAJOR	CASH
88,834	88,834	B	NONMAJOR	CASH
81,684	81,684	B	NONMAJOR	CASH
12,917	12,917	B	NONMAJOR	CASH
<u>1,321,681</u>	<u>1,321,601</u>	A	MAJOR	CASH
<u>\$1,468,281</u>	<u>\$1,301,392</u>			

CITY OF LAKE CHARLES, LOUISIANA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 NOTES TO THE SCHEDULE  
 For the Grant Period October 1, 1996 to September 30, 1997

Note A:

The following is a reconciliation of each activity to amounts reported in the general purpose financial statements:

	City Account	9-30-96 A/R	9-30-97 A/R	Revenue Recognized
CDAG	\$ 364,101	\$(28,317)	\$ 118,274	\$ 443,058
Emergency Shelter	\$ 41,868	\$( 8,179)	\$ 18,802	\$ 64,586
Home Grant	\$ 241,488	\$(58,462)	\$ 37,568	\$ 320,586
Transit	\$ 388,984	\$(18,159)	\$ 145,271	\$ 513,016
Cops Abroad	\$ 23,789	\$( 3,364)	\$ 55,779	\$ 74,184
COPT 96	\$ 43,269	\$ -	\$ 155,978	\$ 199,247
PEACE	\$ 87,996	\$( 7,392)	\$ 8,632	\$ 88,854
DARE	\$ 75,132	\$ -	\$ 8,552	\$ 83,684
Criminal Records	\$ -	\$ -	\$ 12,917	\$ 12,917
IRMA	\$ 906,608	\$ -	\$ 284,892	\$ 1,221,681

City of Lake Charles, Louisiana

AUDIT FINDINGS AND QUESTIONED COSTS

Year ended September 30, 1997

1. Summary of auditors' results:

- (i) Auditor issued an unqualified opinion of the financial statements.
- (ii) No reportable conditions in internal control were disclosed by the audit of the financial statements.
- (iii) No noncompliance was disclosed by the audit of the financial statements.
- (iv) No reportable conditions on internal control over major programs were disclosed by the audit of the financial statements.
- (v) Auditor issued an unqualified opinion on compliance for major programs.
- (vi) The audit disclosed no findings that are required to be disclosed under Section 310(a).
- (vii) Major programs consist of the following:

a) Community Development Block Grant	14,218
b) HUD/HHS Home Grant	14,239
c) Federal Transit Administration Grant	20,507
d) Child Nutrition Summer Food Program Grant	10,539
- (viii) \$180,000 was used to distinguish between Type A and Type B programs.
- (ix) Auditors qualified as low-risk.

2. There were no findings which were required to be reported in accordance with GAO/GAS.

3. There were no findings and questioned costs that relate to both the financial statements and Federal awards in the current or prior year financial statements.

City of Lake Charles, Louisiana

CORRECTIVE ACTION PLAN

For the Year Ended September 30, 1997

There were no findings or questioned costs in the current or prior year financial statements.