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CITY OF EUNICE, LOUISIANA

Financial Report

Year Ended June 30, 1999

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Independent Auditor's Report

The Honorable Mayor Kenneth J. Peart
and Members of the Council
City of Eunice, Louisiana

We have audited the accompanying general purpose financial statements of the City of Eunice, Louisiana, as of and for the year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Eunice, Louisiana's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

Governmental Accounting Standards Board Technical bulletin 98-1, *Disclosures about Year 2000 Issues*, requires disclosure of certain matters regarding the Year 2000 Issue in order for financial statements to be prepared in conformity with generally accepted accounting principles. Such required disclosures include:

- Any significant amount of resources committed to make computer systems and other electronic equipment year 2000 compliant;
- A general description of the Year 2000 Issue, including a description of the stages of work in process or completed as of the end of the reporting period to make computer systems and other electronic equipment critical to conducting operations year 2000 compliant; and
- The additional stages of work necessary for making the computer systems and other electronic equipment year 2000 compliant.

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The City of Eunice, Louisiana, has omitted such disclosures. We do not provide assurance that the City of Eunice, Louisiana, is or will be year 2000 ready, that the year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City of Eunice, Louisiana, does business will be year 2000 ready.

In our opinion, except for the omission of the information discussed in the preceding paragraphs, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Eunice, Louisiana, as of June 30, 1999, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated September 16, 1999, on our consideration of the City of Eunice, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which an unqualified opinion on the primary government financial statements of the City of Eunice, Louisiana was expressed.

Our audit were performed for the purpose of forming an opinion on the general purpose financial statements of the City of Eunice, Louisiana, taken as a whole. The accompanying schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the supplemental information 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. 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.

Dannall, Sikes & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana
September 16, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)**

CITY OF EUNICE, LOUISIANA
 Combined Balance Sheet - All Fund Types and Account Groups
 June 30, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS				
Cash and cash equivalents	\$ 929,701	\$ 730,735	\$ 460,141	\$ 7,395
Investments, at cost	-	517,638	725,675	178,691
Receivables (net of allowance for uncollectibles):				
Accounts	-	-	-	-
Taxes	1,023	210	-	-
Other	-	40,000	-	-
Due from governmental units	26,734	-	-	-
Due from other funds	52,429	185,439	-	-
Prepaid items	47,903	729	-	-
Restricted assets:				
Cash	-	-	-	-
Investments, at cost	-	-	-	-
Land and buildings	-	-	-	-
Industrial facilities	-	-	-	-
Autos, equipment, furniture and fixtures	-	-	-	-
Utility, plant and equipment, at cost	-	-	-	-
Accumulated depreciation	-	-	-	-
Amounts available in debt service funds	-	-	-	-
Amounts to be provided for retirement of general long-term debt	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 1,057,790</u>	<u>\$ 1,474,751</u>	<u>\$ 1,185,816</u>	<u>\$ 186,086</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 94,535	\$ 67,950	\$ -	\$ 1,967
Accrued liabilities	68,944	-	-	-
Deferred grant revenue	-	-	-	-
Due to other funds	103,235	53,855	82,843	796
Payable from restricted assets -				
Customers' deposits	-	-	-	-
General long-term debt	-	-	-	-
General obligation bonds payable	-	-	-	-
Capital leases payable	-	-	-	-
Total liabilities	<u>266,714</u>	<u>121,805</u>	<u>82,843</u>	<u>2,763</u>
Fund equity:				
Contributed capital	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings -				
Unreserved	-	-	-	-
Fund balances:				
Reserved for prepaid items	47,903	729	-	-
Reserved for debt service	-	-	1,102,973	-
Unreserved, undesignated	<u>743,173</u>	<u>1,352,217</u>	<u>-</u>	<u>183,323</u>
Total fund equity	<u>791,076</u>	<u>1,352,946</u>	<u>1,102,973</u>	<u>183,323</u>
Total liabilities and fund equity	<u>\$ 1,057,790</u>	<u>\$ 1,474,751</u>	<u>\$ 1,185,816</u>	<u>\$ 186,086</u>

The accompanying notes are an integral part of this statement.

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Agency	General Fixed Assets	General Long-Term Debt	1999	1998
\$ 233,489	\$ 5,000	\$ 111,630	\$ -	\$ -	\$ 2,478,091	\$ 2,674,561
-	51,292	-	-	-	1,473,296	1,487,273
239,729	-	-	-	-	239,729	251,920
-	-	-	-	-	1,233	1,027
-	-	-	-	-	40,000	5,000
-	-	-	-	-	26,734	35,999
824	-	22,230	-	-	260,922	133,150
14,472	-	-	-	-	63,104	80,442
42,189	-	-	-	-	42,189	36,888
185,469	-	-	-	-	185,469	179,860
-	-	-	5,754,940	-	5,754,940	5,754,940
-	-	-	1,175,184	-	1,175,184	1,175,184
-	-	-	2,052,359	-	2,052,359	2,094,173
13,120,006	-	-	-	-	13,120,006	12,947,460
(4,910,330)	-	-	-	-	(4,910,330)	(4,659,137)
-	-	-	-	1,158,479	1,158,479	1,102,134
-	-	-	-	1,998,645	1,998,645	2,615,185
<u>\$ 8,925,848</u>	<u>\$ 56,292</u>	<u>\$ 133,860</u>	<u>\$ 8,982,483</u>	<u>\$ 3,157,124</u>	<u>\$ 25,160,050</u>	<u>\$ 25,916,059</u>
\$ 47,456	\$ -	\$ -	\$ -	\$ -	\$ 211,908	\$ 188,505
76,911	-	120,555	-	-	266,410	228,676
-	-	-	-	-	-	21,424
6,888	-	13,305	-	-	260,922	133,150
203,215	-	-	-	-	203,215	200,520
-	-	-	-	12,577	12,577	227,234
-	-	-	-	2,830,000	2,830,000	3,335,000
72,410	-	-	-	314,547	386,957	155,085
406,880	-	133,860	-	3,157,124	4,171,989	4,489,594
4,927,524	-	-	-	-	4,927,524	4,927,524
-	-	-	8,982,483	-	8,982,483	9,024,297
3,591,444	56,292	-	-	-	3,647,736	3,862,690
-	-	-	-	-	48,632	62,984
-	-	-	-	-	1,102,973	1,102,134
-	-	-	-	-	2,278,713	2,446,836
8,518,968	56,292	-	8,982,483	-	20,988,061	21,426,465
<u>\$ 8,925,848</u>	<u>\$ 56,292</u>	<u>\$ 133,860</u>	<u>\$ 8,982,483</u>	<u>\$ 3,157,124</u>	<u>\$ 25,160,050</u>	<u>\$ 25,916,059</u>

CITY OF EUNICE, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in
Fund Balances - All Governmental Fund Types
Year Ended June 30, 1999

	Governmental Fund Types				Total	
	General	Special Revenue	Debt Service	Capital Projects	(Memorandum Only)	
					1999	1998
Revenues:						
Taxes	\$ 860,681	\$ 2,948,005	\$ -	\$ -	\$ 3,808,686	\$ 3,845,627
Licenses and permits	373,797	-	-	-	373,797	378,319
Intergovernmental revenues	271,125	262,554	-	301,772	835,451	409,019
Fines, forfeitures and bonds	13,051	4,482	-	-	17,533	27,664
Liberty Cajun Music Show	65,230	-	-	-	65,230	86,006
Interest	226	38,857	47,334	7,610	94,027	97,788
Miscellaneous	<u>156,225</u>	<u>21,351</u>	<u>48,000</u>	<u>-</u>	<u>225,576</u>	<u>254,995</u>
Total revenues	<u>1,740,335</u>	<u>3,275,249</u>	<u>95,334</u>	<u>309,382</u>	<u>5,420,300</u>	<u>5,099,418</u>
Expenditures:						
Current -						
General government	857,485	118,269	-	-	975,754	884,803
Public safety	1,941,000	169,206	-	-	2,110,206	1,918,740
Public works	831,604	69,729	-	-	901,333	838,171
Health and welfare	21,185	41,330	-	-	62,515	83,353
Culture and recreation	494,881	104,319	-	-	599,200	562,981
Other	26,668	-	-	26,020	52,688	61,378
Capital outlay	6,718	949,698	-	335,909	1,292,325	418,800
Debt service:						
Principal retirement	-	30,545	516,484	-	547,029	527,849
Interest and fiscal charges	<u>-</u>	<u>9,630</u>	<u>184,646</u>	<u>-</u>	<u>194,276</u>	<u>228,598</u>
Total expenditures	<u>4,179,541</u>	<u>1,492,726</u>	<u>701,130</u>	<u>361,929</u>	<u>6,735,326</u>	<u>5,524,673</u>
Excess (deficiency) of revenues over expenditures	<u>(2,439,206)</u>	<u>1,782,523</u>	<u>(605,796)</u>	<u>(52,547)</u>	<u>(1,315,026)</u>	<u>(425,255)</u>
Other financing sources (uses):						
Operating transfers in	2,443,512	20,166	613,278	34,000	3,110,956	2,957,730
Operating transfers out	-	(2,170,478)	(6,643)	-	(2,177,121)	(2,055,633)
Proceeds from capital leases	<u>-</u>	<u>233,555</u>	<u>-</u>	<u>-</u>	<u>233,555</u>	<u>-</u>
Total other financing sources (uses)	<u>2,443,512</u>	<u>(1,916,757)</u>	<u>606,635</u>	<u>34,000</u>	<u>1,167,390</u>	<u>902,097</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	4,306	(134,234)	839	(18,547)	(147,636)	476,842
Fund balances, beginning	<u>786,770</u>	<u>1,521,180</u>	<u>1,102,134</u>	<u>201,870</u>	<u>3,611,954</u>	<u>3,135,112</u>
Fund balances, ending	<u>\$ 791,076</u>	<u>\$ 1,386,946</u>	<u>\$ 1,102,973</u>	<u>\$ 183,323</u>	<u>\$ 3,464,318</u>	<u>\$ 3,611,954</u>

The accompanying notes are an integral part of this statement.

CITY OF EUNICE, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in Fund
Balances - Budget (GAAP Basis) and Actual -
All Governmental Fund Types
Year Ended June 30, 1999

	General Fund		Variance - Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes	\$ 854,590	\$ 860,681	\$ 6,091
Licenses and permits	368,000	373,797	5,797
Intergovernmental revenues	275,000	271,125	(3,875)
Fines, forfeitures and bonds	11,000	13,051	2,051
Liberty Cajun Music Show	46,000	65,230	19,230
Interest	-	226	226
Miscellaneous	<u>117,168</u>	<u>156,225</u>	<u>39,057</u>
Total revenues	<u>1,671,758</u>	<u>1,740,335</u>	<u>68,577</u>
Expenditures:			
Current -			
General government	840,134	857,485	(17,351)
Public safety	1,881,300	1,941,000	(59,700)
Public works	783,800	831,604	(47,804)
Health and welfare	19,000	21,185	(2,185)
Culture and recreation	444,400	494,881	(50,481)
Other	23,200	26,668	(3,468)
Capital outlay	28,350	6,718	21,632
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>4,020,184</u>	<u>4,179,541</u>	<u>(159,357)</u>
Excess (deficiency) of revenues over expenditures	<u>(2,348,426)</u>	<u>(2,439,206)</u>	<u>(90,780)</u>
Other financing sources (uses):			
Operating transfers in	2,426,036	2,443,512	17,476
Operating transfers out	(55,200)	-	55,200
Proceeds from capital leases	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>2,370,836</u>	<u>2,443,512</u>	<u>72,676</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	22,410	4,306	(18,104)
Fund balances, beginning	<u>786,770</u>	<u>786,770</u>	<u>-</u>
Fund balances, ending	<u>\$ 809,180</u>	<u>\$ 791,076</u>	<u>\$ (18,104)</u>

Special Revenue Funds			Totals (Memorandum Only)		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 3,030,800	\$ 2,948,005	\$ (82,795)	\$ 3,885,390	\$ 3,808,686	\$ (76,704)
-	-	-	368,000	373,797	5,797
220,666	262,554	41,888	495,666	533,679	38,013
4,720	4,482	(238)	15,720	17,533	1,813
-	-	-	46,000	65,230	19,230
39,236	38,857	(379)	39,236	39,083	(153)
1,531	21,351	19,820	118,699	177,576	58,877
<u>3,296,953</u>	<u>3,275,249</u>	<u>(21,704)</u>	<u>4,968,711</u>	<u>5,015,584</u>	<u>46,873</u>
66,500	118,269	(51,769)	906,634	975,754	(69,120)
125,873	169,206	(43,333)	2,007,173	2,110,206	(103,033)
95,500	69,729	25,771	879,300	901,333	(22,033)
63,850	41,330	22,520	82,850	62,515	20,335
105,000	104,319	681	549,400	599,200	(49,800)
-	-	-	23,200	26,668	(3,468)
926,566	949,698	(23,132)	954,916	956,416	(1,500)
32,700	30,545	2,155	32,700	30,545	2,155
10,200	9,630	570	10,200	9,630	570
<u>1,426,189</u>	<u>1,492,726</u>	<u>(66,537)</u>	<u>5,446,373</u>	<u>5,672,267</u>	<u>(225,894)</u>
<u>1,870,764</u>	<u>1,782,523</u>	<u>(88,241)</u>	<u>(477,662)</u>	<u>(656,683)</u>	<u>(179,021)</u>
20,000	20,166	166	2,446,036	2,463,678	17,642
(2,229,936)	(2,170,478)	59,458	(2,285,136)	(2,170,478)	114,658
<u>233,555</u>	<u>233,555</u>	<u>-</u>	<u>233,555</u>	<u>233,555</u>	<u>-</u>
<u>(1,976,381)</u>	<u>(1,916,757)</u>	<u>59,624</u>	<u>394,455</u>	<u>526,755</u>	<u>132,300</u>
(105,617)	(134,234)	(28,617)	(83,207)	(129,928)	(46,721)
<u>1,521,180</u>	<u>1,521,180</u>	<u>-</u>	<u>2,307,950</u>	<u>2,307,950</u>	<u>-</u>
<u>\$ 1,415,563</u>	<u>\$ 1,386,946</u>	<u>\$ (28,617)</u>	<u>\$ 2,224,743</u>	<u>\$ 2,178,022</u>	<u>\$ (46,721)</u>

CITY OF EUNICE, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in
Retained Earnings - All Proprietary Fund Types
Year Ended June 30, 1999

	Enterprise Fund	Internal Service Fund	Totals (Memorandum Only)	
			1999	1998
Operating revenues:				
Charges for services	\$ 2,541,151	\$ 283,415	\$ 2,824,566	\$ 2,911,057
Other billings to customers	<u>45,048</u>	<u>-</u>	<u>45,048</u>	<u>48,117</u>
Total operating revenues	<u>2,586,199</u>	<u>283,415</u>	<u>2,869,614</u>	<u>2,959,174</u>
Operating expenses:				
Payroll and related benefits	395,678	319,018	714,696	610,670
Gas purchases	587,789	-	587,789	639,234
Supplies and materials	88,000	-	88,000	93,399
Repairs and maintenance	105,244	-	105,244	102,046
Office expenses	33,454	-	33,454	30,531
Professional fees	11,324	-	11,324	10,967
Insurance	99,993	-	99,993	99,964
Depreciation	340,842	-	340,842	335,462
Bad debts	5,591	-	5,591	5,504
Permits	9,876	-	9,876	13,633
Utilities and telephone	125,546	-	125,546	134,070
Miscellaneous	<u>37,979</u>	<u>192</u>	<u>38,171</u>	<u>19,163</u>
Total operating expenses	<u>1,841,316</u>	<u>319,210</u>	<u>2,160,526</u>	<u>2,094,643</u>
Operating income (loss)	<u>744,883</u>	<u>(35,795)</u>	<u>709,088</u>	<u>864,531</u>
Nonoperating income:				
Interest earned on investments	17,545	1,711	19,256	18,822
Gain on sale of investments	34,574	-	34,574	-
Other income	<u>4,805</u>	<u>-</u>	<u>4,805</u>	<u>2,851</u>
Total nonoperating income	<u>56,924</u>	<u>1,711</u>	<u>58,635</u>	<u>21,673</u>
Income (loss) before operating transfers	<u>801,807</u>	<u>(34,084)</u>	<u>767,723</u>	<u>886,204</u>
Operating transfers:				
Operating transfers in	10,971	-	10,971	41,063
Operating transfers out	<u>(993,648)</u>	<u>-</u>	<u>(993,648)</u>	<u>(944,524)</u>
Total operating transfers	<u>(982,677)</u>	<u>-</u>	<u>(982,677)</u>	<u>(903,461)</u>
Net loss	(180,870)	(34,084)	(214,954)	(17,257)
Retained earnings, beginning	<u>3,772,314</u>	<u>90,376</u>	<u>3,862,690</u>	<u>3,879,947</u>
Retained earnings, ending	<u>\$ 3,591,444</u>	<u>\$ 56,292</u>	<u>\$ 3,647,736</u>	<u>\$ 3,862,690</u>

The accompanying notes are an integral part of this statement.

CITY OF EUNICE, LOUISIANA

Combined Statement of Cash Flows - All Proprietary Fund Types
Year Ended June 30, 1999

	Enterprise Fund	Internal Service Fund	Total (Memorandum Only)	
			1999	1998
Cash flows from operating activities:				
Operating income (loss)	\$ 744,883	\$ (35,795)	\$ 709,088	\$ 864,531
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	340,842	-	340,842	335,462
Provision for uncollectible accounts	(4,500)	-	(4,500)	(4,500)
(Increase) decrease in current assets:				
Accounts receivable	16,691	-	16,691	(12,630)
Prepaid items	2,986	-	2,986	19,689
Due from other funds	(1)	-	(1)	781
Increase (decrease) in current liabilities:				
Accounts payable	8,519	-	8,519	(24,563)
Accrued liabilities	71,925	-	71,925	(15,653)
Due to other funds	1,818	-	1,818	(230,867)
Other payables	115	-	115	(754)
Customers' deposits	2,695	-	2,695	5,805
Net cash provided (used) by operating activities	<u>1,185,973</u>	<u>(35,795)</u>	<u>1,150,178</u>	<u>937,301</u>
Cash flows from noncapital financing activities:				
Operating transfers in from other funds	10,971	-	10,971	41,063
Operating transfers out to other funds	<u>(993,648)</u>	<u>-</u>	<u>(993,648)</u>	<u>(944,524)</u>
Net cash used by noncapital financing activities	<u>(982,677)</u>	<u>-</u>	<u>(982,677)</u>	<u>(903,461)</u>
Cash flows from capital and related financing activities:				
Acquisition of plant and equipment	(262,538)	-	(262,538)	(133,410)
Disposal of plant and equipment	34,917	-	34,917	-
Proceeds from capital lease	72,410	-	72,410	-
Other	4,805	-	4,805	2,851
Net cash used by capital and related financing activities	<u>(150,406)</u>	<u>-</u>	<u>(150,406)</u>	<u>(130,559)</u>
Cash flows from investing activities:				
Interest on investments	17,545	1,711	19,256	18,822
Purchase of investments	(185,469)	(51,292)	(236,761)	(391,985)
Proceeds from maturities of investments	<u>179,860</u>	<u>65,236</u>	<u>245,096</u>	<u>403,238</u>
Net cash provided by investing activities	<u>11,936</u>	<u>15,655</u>	<u>27,591</u>	<u>30,075</u>
Net increase (decrease) in cash and cash equivalents	64,826	(20,140)	44,686	(66,644)
Cash and cash equivalents, beginning	<u>210,852</u>	<u>25,140</u>	<u>235,992</u>	<u>302,636</u>
Cash and cash equivalents, ending	<u>\$ 275,678</u>	<u>\$ 5,000</u>	<u>\$ 280,678</u>	<u>\$ 235,992</u>

The accompanying notes are an integral part of this statement.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Eunice was incorporated in 1909 under the Lawrason Act, and is administered under the Mayor and Board of Aldermen form of government. The accounting and reporting policies of the City of Eunice conform to generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants.

The following is a summary of the more significant accounting policies:

Reporting Entity

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the City is able to exercise oversight responsibilities.

Based on the foregoing criteria, the following governmental organizations are not considered part of the City and are thus excluded from the accompanying financial statements for the reasons noted:

The Eunice City Court is operated under the directorship of the Eunice City Judge who is an elected public official. Revenues are derived from court costs. The City cannot significantly influence operations nor does it have responsibility for fiscal management.

The Opelousas-Eunice Public Library is a joint venture between the cities of Opelousas and Eunice. The City of Eunice does not exercise significant influence over management or fiscal matters of the Library. A copy of the joint ventures separate financial statements can be obtained from the Opelousas-Eunice Public Library, P.O. Box 249, Opelousas, LA 70570.

Fund Accounting

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

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental Fund Types

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

Proprietary Fund Types

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

Proprietary funds are reported in accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and other Governmental Entities that use Proprietary Fund Accounting. This standard requires that all applicable GASB pronouncements, Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) issued on or before November 30, 1989 be applied to proprietary activities unless they (FASB Statements and Interpretations, ARB Opinions, and ARBs) conflict with or contradict GASB pronouncements.

GASB Statement No. 20 also states that for proprietary activities, management may elect to apply all FASB Statements and Interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements. Proprietary activities *under the control of the City will not elect to apply FASB Statements and Interpretations issued after November 30, 1989, unless they are adopted by GASB.*

Fiduciary Fund Types

Fiduciary fund types are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

fund, a nonexpendable trust fund or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

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.

Account Groups

An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following two account groups are not "funds".

General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased.

General Long-Term Debt

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. The General Long-Term Debt Account Group shows only the measurement of financial position and is not involved with measurement of results of operations. Principal and interest payments on long-term liabilities (bank loans and capital lease obligations) are accounted for in the Debt Service Fund.

Basis of Accounting

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

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All proprietary funds, nonexpendable trust funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases and decreases in net total assets.

The modified accrual basis of accounting is used by all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due.

Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, interest revenue, and intergovernmental revenues.

Fines and permit revenues and sales tax collections are not susceptible to accrual because generally they are not measurable until received in cash.

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

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general and special revenue funds. All annual appropriations lapse at fiscal year end. Project-length financial plans are adopted for all capital project funds, therefore, they are not included in this report.

Encumbrances are not recorded in the financial statements.

The budget presented is as amended by the Board of Aldermen. Expenditures may not legally exceed budgeted appropriations by more than 5% at the individual fund level.

Cash and Investments

Cash includes amounts in demand deposits. Investments include certificates of deposit and time deposits. The bank balance of cash and investments is covered by federal depository insurance or by collateral held by the City's fiscal agent in the City's name.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Short-Term Interfund Receivables/Payables

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 1999, are recorded as prepaid items.

Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost or estimated historical cost. The amounts of estimated costs are immaterial to these financial statements. Donated fixed assets are stated at their fair market value on the date donated.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the government.

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings, equipment and vehicles in the proprietary fund types is computed using the straight-line method. The estimated useful lives are as follows:

Gas system	67 years
Sewerage system	40-67 years
Meters & regulators	25 years
Vehicle & other equipment	25 years

Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. In accordance with the provisions of Statement of Financial Standards No. 43, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations

Long-term debt expected to be financed by governmental fund types is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund type operations are accounted for in those funds.

Fund Equity

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

Interfund Transactions

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

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

Memorandum Only - Total Columns

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

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 government's financial position and operations. However, comparative data has not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

Statement of Cash Flows

For purposes of the statement of cash flows, the Enterprise Fund considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 2 LEGAL COMPLIANCE - BUDGETS

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

The City Clerk prepares a proposed budget and submits same to the Mayor and Council no later than fifteen days prior to the beginning of each fiscal year.

A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.

After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.

Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Council.

NOTE 3 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 1999, the City has cash and interest-bearing deposits (book balances) totaling \$4,179,045 as follows:

Demand deposits	\$ 185,264
Time deposits	<u>3,993,781</u>
Total	<u>\$4,179,045</u>

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 3 CASH AND INTEREST-BEARING DEPOSITS (Continued)

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 1999, are secured as follows:

Bank balances	<u>\$ 4,282,951</u>
Federal deposit insurance	\$ 737,651
Pledged securities (Category 3)	<u>4,241,714</u>
Total	<u>4,979,365</u>
Excess	<u>\$ 696,414</u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the City's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 RECEIVABLES

Receivables at June 30, 1999, consist of the following:

	<u>General</u>	<u>Special Revenue</u>	<u>Enterprise</u>	<u>Total</u>
Taxes	\$ 1,279	\$ 262	\$ -	\$ 1,541
Accounts	-	-	262,729	262,729
Other	-	<u>40,000</u>	-	<u>40,000</u>
Gross receivables	<u>1,279</u>	<u>40,262</u>	<u>262,729</u>	<u>304,270</u>
Less: allowance for uncollectibles	<u>256</u>	<u>52</u>	<u>23,000</u>	<u>23,308</u>
Net total receivables	<u>\$ 1,023</u>	<u>\$ 40,210</u>	<u>\$ 239,729</u>	<u>\$ 280,962</u>

Accounts receivable in the Enterprise Fund consists of billed and unbilled receivables relating to gas and sewerage services. Accounts receivable are divided into two billing cycles. Cycle 1 is billed on the first day of the month for the period ending on the 15th of the prior month. Cycle 2 is billed on the 10th day of the month for the period ending on the 23rd of the prior month. Billed receivables at June 30, 1999 were \$145,543 and unbilled receivables were \$117,186.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 4 RECEIVABLES (CONTINUED)

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in September or October and are actually billed to the taxpayer in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The City bills and collects its own property taxes using the assessed values determined by the tax assessors of St. Landry Parish and Acadia Parish.

For the year ended June 30, 1999, taxes of 13.29 mills were levied on property with an assessed valuation totaling \$34,312,250 and were dedicated as follows:

General corporate tax	6.17 mills
Street maintenance	4.86 mills
Sewer maintenance	2.26 mills

Total taxes levied were \$456,010. Taxes receivable at June 30, 1999, were \$1,541.

NOTE 5 FIXED ASSETS

The following is a summary of changes in the general fixed assets account group during the fiscal year:

	Balance June 30, 1998	Additions	Deletions	Balance June 30, 1999
Land and buildings	\$ 5,754,940	\$ -	\$ -	\$ 5,754,940
Industrial facilities	1,175,184	-	-	1,175,184
Autos and equipment	<u>2,094,173</u>	<u>247,292</u>	<u>289,106</u>	<u>2,052,359</u>
	<u>\$ 9,024,297</u>	<u>\$ 247,292</u>	<u>\$ 289,106</u>	<u>\$ 8,982,483</u>

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 5 FIXED ASSETS (Continued)

The following is a summary of proprietary fund type fixed assets at June 30, 1999:

	<u>Cost</u>
Gas system	\$ 4,636,973
Sewage system	7,620,960
Autos and trucks	81,454
Equipment	333,754
Meters and regulators	<u>446,865</u>
	13,120,006
Accumulated depreciation	<u>(4,910,330)</u>
 Total	 <u>\$ 8,209,676</u>

NOTE 6 LONG-TERM DEBT

The following is a summary of debt transactions of the City of Eunice for the year ended June 30, 1999:

	<u>June 30,</u> <u>1998</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30,</u> <u>1999</u>
State loan	\$ 134,042	\$ -	\$ 11,483	\$ 122,559
General obligations bonds	3,335,000	-	505,000	2,830,000
Capital leases, sales tax fund	155,085	152,909	116,006	191,988
Other - liability insurance claims payable	<u>44,277</u>	<u>-</u>	<u>31,700</u>	<u>12,577</u>
	<u>\$ 3,668,404</u>	<u>\$ 152,909</u>	<u>\$ 664,189</u>	<u>\$ 3,157,124</u>

State loan:

The City of Eunice received a loan from the Louisiana Economic Development Corporation for \$200,000. The mortgage is to be paid out of the \$4,000 per month rent the City should receive from Quality Manufacturing of Eunice, Inc. The City will pay \$1,736 per month to LEDC and deposit the remaining in an escrow fund

\$ 122,559

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 6 LONG-TERM DEBT (CONTINUED)

Bonds payable at June 30, 1999, is comprised of the following individuals issues:

General Obligation Bonds (secured by proceeds of a 2.2% sales and use tax):

Public Improvements Bonds, Series ST-1978 refunded as Series St-1992, dated 1/1/78, original issue of \$3,000,000, reitred annually invarious installment amounts, bearing interest at 5.6% to 6.0% per annum, final maturity at 1/1/03	\$ 900,000
Public Improvements Bonds, Series ST-1992, dated 9/1/92, original issue of \$2,190,000, retired annually in various installment amounts, bearing interest at 4.75% to 6% per annum, final maturity at 1/1/03	<u>1,190,000</u>
Total Public Improvements Bonds, Series, ST-1992	<u>2,090,000</u>
Public Improvements Bonds, Series ST-1997, dated 5/1/97, original issue of \$810,000, retired annually in various installment amounts, bearing interest at 4.10% to 5.40% per annu, final maturity at 7/1/08	<u>740,000</u>
	<u>\$ 2,830,000</u>
Capital leases:	
Purchase of equipment under capital lease in the amount of \$109,750 payable in 60 monthly installments of \$1,800, including interest and one final installment of \$29,131, payable from the Sales Tax Fund	\$ 50,589
Purchase of equipment under capital lease in the amount of \$152,909 payable with a downpayment of \$2,197 and 60 monthly installments of \$2,841, including interest, payable from the Sales Tax Fund	<u>141,399</u>
	<u>\$ 191,988</u>
Other Long-Term Debt:	
Liability insurance claims payable to be repaid from excess revenues in monthly installments of \$2,000, noninterest bearing, for outstanding deductibles on insurance claims	<u>\$ 20,277</u>

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 6 LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize all debt outstanding at June 30, 1999, including interest payments of \$492,454 are as follows:

Year Ending <u>June 30,</u>	<u>General Obligation</u>	<u>State Loan</u>	<u>Capital Leases</u>	<u>Other</u>	<u>Total</u>
2000	\$ 686,995	\$ 20,828	\$ 55,692	\$ 20,277	\$ 783,792
2001	695,183	112,659	66,823	-	874,665
2002	691,056	-	34,092	-	725,148
2003	689,495	-	34,092	-	723,587
2004	103,720	-	19,887	-	123,607
Thereafter	<u>426,479</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>426,479</u>
	<u>\$ 3,292,928</u>	<u>\$ 133,487</u>	<u>\$ 210,586</u>	<u>\$ 20,277</u>	<u>\$ 3,657,278</u>

The Debt Service Fund has \$1,158,479 available as of June 30, 1999 to service these debts.

NOTE 7 FLOW OF FUNDS - RESTRICTIONS ON USE - SALES TAX REVENUES

The City of Eunice levies a 2.2% sales and use tax dedicated as follows:

Proceeds of the 1% sales and use tax levied in 1978, are dedicated as follows:

Under the terms of the bond indentures, all monies collected are deposited into a separate account.

After payment of collection expenses, monies must be transferred to a sinking fund established for retirement of these bonds.

A reserve fund is established by monthly transfers from the sales tax fund until such time as the reserve fund has accumulated sufficient funds to equal the highest combined interest and bond payments due for any succeeding fiscal year.

Monies remaining in the sales tax fund may be used for providing additional general fund revenues and for the construction, operations and maintenance of capital improvements.

Proceeds of the 1% sales and use levied in 1962 are dedicated as follows:

Under the terms of the bond indentures, all monies collected are deposited into a separate account.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 7 FLOW OF FUNDS - RESTRICTIONS ON USE - SALES TAX REVENUES (Continued)

After payment of collection expenses, monies must be transferred to a sinking fund established for retirement of these bonds.

A reserve fund is established by monthly transfers from the sales tax fund until such time as the reserve fund has accumulated sufficient funds to equal the highest combined interest and bond payments due for any succeeding fiscal year.

Monies remaining in the sales tax fund may be used for:

Opening, constructing, paving, resurfacing and improving streets, sidewalks and bridges; constructing and purchasing street lighting facilities; constructing and improving drains, drainage canals and subsurface drainage; constructing and purchasing fire department stations and equipment; constructing and purchasing police department stations and equipment; constructing and purchasing garbage disposal and health and sanitation equipment and abilities; constructing public buildings; purchasing, constructing and improving public parks and recreational facilities and acquiring the necessary equipment and furnishings therefore; purchasing equipment for civil defense; constructing, acquiring or improving any work of permanent public improvement; and purchasing and acquiring all equipment and furnishing for the public works, buildings, improvements and facilities.

Providing funds, not to exceed ten percent (10%) of the proceeds of said tax for such year, to defray costs of operating and maintaining a public library.

Providing funds, not to exceed ten percent (10%) of the proceeds of said tax for such year, for the payment of salaries of municipal employees.

Providing funds for the Homestead Exemption Fund.

Proceeds of the .2% sales and use tax levied in 1988 are dedicated as follows:

Under the terms of the Bond Indenture for the Public Improvement Bond, ST-1988, all monies collected are deposited into a sales tax fund account.

After payment of collection expenses, monies must be transferred to a sinking fund established for retirement of these bonds, in amounts equal to one-sixth of the interest and one-twelfth of the bonds becoming due in the next maturity.

A reserve fund is established by monthly transfers from the sales tax fund of \$1,000 until such time as the reserve fund has accumulated sufficient funds to equal the highest combined interest and bond payments due for any succeeding fiscal year.

Monies remaining in the sales tax fund may be used for constructing, acquiring, extending, improving, operating and maintaining sewers and sewerage disposal facilities.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 8 PENSION COST

Municipal Employees' Retirement System

Membership in the retirement system is mandatory for all employees who are employed on a permanent basis working at least 35 hours per week. However, new employees over 60 years of age and employees covered by another retirement system are not eligible. Employees are eligible to retire at any age with thirty or more years of creditable service or age 55 with twenty-five years of creditable service. Creditable service means all periods of time for which credit is allowed towards any benefits. Upon retirement, members are entitled to a retirement benefit, payable monthly in an amount equal to three percent of the member's final compensation multiplied by years of creditable service, provided however, that: (1) any member who has held an elective office in a municipality which is a participating employer shall be paid an additional annuity equal to one-half of one percent for each year of such elected service, (2) for any employee who was a member only of the supplemental plan prior to the revision date, the benefit earned for service credited prior to the revision date shall be determined on the basis of one percent of final compensation plus two dollars per month for each year of service credited prior to the revision date, and three percent of final compensation of each year of service credited after the revision date; and (3) the benefit of the Section shall not exceed one hundred percent of a member's final salary.

Final compensation means the average monthly earnings during the highest thirty-six months or joined months if service has interrupted. Final salary means the average monthly earnings of a member during the twelve month period immediately preceding his death or the establishment of Plan A. The System also provides death and disability benefits which require five years of creditable service for eligibility.

The City has several pension plans covering substantially all of its employees, as follows:

- Municipal Employees' Retirement System of Louisiana
- State of Louisiana - Municipal Police Employees' Retirement System
- State of Louisiana - Firefighters' Retirement System
- Louisiana State Employees' Retirement System

Substantially all employees are covered under the Municipal Employees' Retirement System of Louisiana except for firemen, policemen, and judges which are covered under the Firefighters' Retirement System, Municipal Police Employees' Retirement System, and Louisiana State Employees' Retirement System, respectively. Details concerning these plans follow:

Municipal Employees' Retirement System of Louisiana

Plan description:

The Municipal Employees' Retirement System of Louisiana (the System) is a cost-sharing multiple-employer public employee retirement system (PERS) as established and provided for by R.S. 11:1731 of the Louisiana Revised Statutes (LRS). The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the City are members of Plan A.

CITY OF FUNICE, LOUISIANA

Notes to Financial Statements

NOTE 8 PENSION COST (Continued)

The Municipal Employees' Retirement System of Louisiana issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Municipal Employees' Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, LA 70809.

Funding policy:

Plan members are required to contribute 9.25% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 5.75% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by the System's Board of Trustees. The City's contributions to the System for the year ended June 30, 1999 was \$68,106, equal to the required contributions for the year.

State of Louisiana - Municipal Police Employees' Retirement System

Plan description:

The Municipal Police Employees' Retirement System (the System) is a cost-sharing multiple-employer public employee retirement system (PERS).

Membership is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrest, providing they do not have to pay social security and providing they meet the statutory criteria. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 3-1/3 percent of their average final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

The Municipal Police Employee's Retirement System issues a publicly available report that includes financial statements and required supplemental information. That report may be obtained by writing to Municipal Police Employee's Retirement System, P.O. Box 94095, Capital Station, Baton Rouge, LA 70809-9095.

Funding policy:

Plan members are required to contribute 9.0% of their annual covered salary and the City is required to contribute 7.5% as established by the state statute. The City's contributions to the System for the year ended June 30, 1999 was \$64,403, equal to the required contributions for the year.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 8 PENSION COST (Continued)

State of Louisiana - Firefighters' Retirement System

Plan description:

The Firefighters' Retirement System (the System) is a cost-sharing multiple-employer public employee retirement system (PERS), as established and provided for by R.S. 11:2251 through 2269 of the Louisiana Revised Statutes (LRS).

Membership is mandatory as a condition of employment beginning on date employed if the employee is on a permanent basis as a firefighter, not participating in another public funded retirement system and under age fifty (50) at date of employment. Employees who retire at or after age 50 with at least 20 years of credit service, or at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 3-1/3 percent of their average final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

The Firefighter's Retirement System issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Firefighter's Retirement System, P.O. Box 94095, Capitol Station, Baton Rouge, LA 70804-9095.

Funding policy:

Plan members are required to contribute 9.0% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 8.0% of annual covered payroll. The contribution requirements of Plan members are established and may be amended by the System's Board of Trustees. The City's contributions to the System for the year ended June 30, 1999 was \$32,721, equal to the required contributions for each year.

Louisiana State Employees' Retirement System

The City Judge is a member of the Louisiana State Employees' Retirement System. Under the plan, the Judge contributes 11.5% and the City contributes 13.0% of the Judge's compensation. The City's contribution for the current year amounted to \$3,202.

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 9 INTERFUND RECEIVABLES, PAYABLES

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 52,429	\$ 103,235
Special Revenue Funds -		
Sales Tax Fund	185,213	38,122
Court Witness Fees Fund	226	-
Summer Food Program Fund	-	1,476
Criminal Task Force Grant	-	14,257
Enterprise Fund -		
Utility Fund	824	6,888
Fiduciary Fund -		
Payroll Fund	22,230	13,305
Capital Projects Fund -		
LCDBG Street Project	-	796
Debt Service -		
Public Improvement Bonds (ST-1978) Fund	-	82,843
	<u>\$ 260,922</u>	<u>\$ 260,922</u>

NOTE 10 RESTRICTED ASSETS - PROPRIETARY FUND TYPE

Restricted assets applicable to customers' deposits at June 30, 1999 and 1998 are as follows:

	<u>1999</u>	<u>1998</u>
Customers' deposits:		
Cash	\$ 42,189	\$ 36,888
Investments, at cost	<u>185,469</u>	<u>179,860</u>
	<u>\$ 227,658</u>	<u>\$ 216,748</u>

NOTE 11 OPERATING LEASE

The City is committed under various two year and three year leases for vehicles. The leases are considered for accounting purposes to be operating leases. Total lease expenditures for the year ended June 30, 1999 and 1998, amounted to \$30,140 and \$21,785, respectively. Future minimum lease payments under these leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2000	\$ 17,883
2001	15,234
2002	<u>6,714</u>
	<u>\$ 39,831</u>

CITY OF EUNICE, LOUISIANA

Notes to Financial Statements

NOTE 12 ENTERPRISE FUND OPERATIONS

Operations of the City of Eunice Utility System consist of a gas distribution system and sewer utility system. Operating results of the individual utilities for the years ended June 30, 1999 and 1998 were as follows:

	Gas Department		Sewer Department	
	1999	1998	1999	1998
Operating Revenues	\$ 1,411,673	\$ 1,582,643	\$ 1,174,526	\$ 1,159,875
Operating Expenses	<u>1,125,993</u>	<u>1,171,274</u>	<u>715,323</u>	<u>683,930</u>
Operating Income	<u>\$ 285,680</u>	<u>\$ 411,369</u>	<u>\$ 459,203</u>	<u>\$ 475,945</u>

Operating expenses above include costs which cannot be directly associated with a single department; thus these expenses have been allocated on the basis of gross utility sales. For the fiscal year ended June 30, 1999, the Gas and Sewer Utilities provided services to 4,480 and 4,498 customers, respectively.

NOTE 13 SELF INSURANCE FUND

The City has established a risk management program for its group health and life insurance coverage and accounts for its in the Group Insurance Fund, an Internal Service Fund. This program provides employees and their dependents health benefits up to \$2,500,000 in a lifetime maximum. The City purchases commercial insurance for claims in excess of \$10,000 per individual per year of coverage provided by the program.

The City adopted the provisions of GASB Statement Number 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues." Funds of the City participate in the program and make payments to the Group Insurance Fund based on premiums needed to pay prior and current year claims, administrative cost, and commercial insurance premiums. GASB Statement Number 10 requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The net claims liability at June 30, 1999 is \$-0-.

NOTE 14 LEASE AGREEMENT

The City of Eunice has renewed a lease agreement with Louisiana Sewn Products, Inc. for the lease of the Jantzen building at \$4,000 per month.

NOTE 15 FUND BALANCE DEFICIT

The Summer Food Program Fund and the LCDBG Fund have fund balance deficits of \$794 and \$796, respectively, for the year ended June 30, 1999.

SCHEDULES OF INDIVIDUAL FUNDS AND ACCOUNT GROUPS

GENERAL FUND

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

CITY OF EUNICE, LOUISIANA
General Fund

Comparative Balance Sheets
June 30, 1999 and 1998

ASSETS

	1999	1998
Cash	\$ 929,701	\$ 998,631
Ad valorem taxes receivable (net of allowance for uncollectible taxes of \$256 at 1999 and \$213 at 1998)	1,023	852
Other receivables	-	3,500
Due from other funds	52,429	6,363
Due from other governmental units	26,734	26,310
Prepaid items	47,903	60,579
Total assets	\$ 1,057,790	\$ 1,096,235

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts payable	\$ 94,535	\$ 90,383
Accrued liabilities	68,944	87,367
Insurance payable	-	9,069
Deferred revenue	-	1,200
Due to other funds	103,235	121,446
Total liabilities	266,714	309,465
Fund balance:		
Reserved for prepaid items	47,903	60,579
Unreserved, undesignated	743,173	726,191
	791,076	786,770
Total liabilities and fund balance	\$ 1,057,790	\$ 1,096,235

CITY OF EUNICE, LOUISIANA
General Fund

Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Revenues:				
Taxes	\$ 854,590	\$ 860,681	\$ 6,091	\$ 828,644
Licenses and permits	368,000	373,797	5,797	378,319
Intergovernmental revenues	275,000	271,125	(3,875)	252,404
Fines and forfeitures	11,000	13,051	2,051	23,190
Liberty Cajun Music Show	46,000	65,230	19,230	86,006
Interest	-	226	226	-
Miscellaneous	117,168	156,225	39,057	199,388
Total revenues	<u>1,671,758</u>	<u>1,740,335</u>	<u>68,577</u>	<u>1,767,951</u>
Expenditures:				
Current -				
General government	840,134	857,485	(17,351)	794,627
Public safety	1,881,300	1,941,000	(59,700)	1,798,690
Public works	783,800	831,604	(47,804)	788,061
Health and welfare	19,000	21,185	(2,185)	19,119
Culture and recreation	444,400	494,881	(50,481)	459,899
Other	23,200	26,668	(3,468)	23,756
Capital outlay	28,350	6,718	21,632	48,054
Total expenditures	<u>4,020,184</u>	<u>4,179,541</u>	<u>(159,357)</u>	<u>3,932,206</u>
Deficiency of revenues over expenditures	<u>(2,348,426)</u>	<u>(2,439,206)</u>	<u>(90,780)</u>	<u>(2,164,255)</u>
Other financing sources (uses):				
Operating transfers in	2,426,036	2,443,512	17,476	2,217,930
Operating transfers out	(55,200)	-	55,200	(34,500)
Total other financing sources	<u>2,370,836</u>	<u>2,443,512</u>	<u>72,676</u>	<u>2,183,430</u>
Excess of revenues and other sources over expenditures and other uses	22,410	4,306	(18,104)	19,175
Fund balance, beginning	<u>786,770</u>	<u>786,770</u>	<u>-</u>	<u>767,595</u>
Fund balance, ending	<u>\$ 809,180</u>	<u>\$ 791,076</u>	<u>\$ (18,104)</u>	<u>\$ 786,770</u>

CITY OF EUNICE, LOUISIANA
General Fund

Statement of Revenues and Other Sources
Compared to Budget (GAAP Basis)
Year Ended June 30, 1999

With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Revenues:				
Taxes -				
Property taxes	\$ 375,000	\$ 379,562	\$ 4,562	\$ 366,033
Interest and penalty	18,590	13,858	(4,732)	14,011
Franchise fees	461,000	467,261	6,261	448,600
Licenses and permits -				
Occupational licenses	328,000	335,941	7,941	337,358
Liquor licenses	20,000	19,650	(350)	21,899
Building permit fees	20,000	18,206	(1,794)	19,062
Intergovernmental revenues -				
Grant revenue	53,000	2,250	(50,750)	5,684
Video poker	85,000	111,672	26,672	106,381
Tobacco tax	55,000	54,412	(588)	54,412
Beer tax	25,000	26,594	1,594	21,135
Correction receipts	30,700	48,972	18,272	38,262
Housing authority payment in lieu of tax	7,300	7,600	300	7,590
Fire insurance tax	19,000	19,625	625	18,940
Fines and forfeits -				
Court fines	11,000	13,051	2,051	23,190
Liberty Cajun Music Show	46,000	65,230	19,230	86,006
Interest and penalty	-	226	226	-
Miscellaneous	<u>117,168</u>	<u>156,225</u>	<u>39,057</u>	<u>199,388</u>
Total revenues	<u>1,671,758</u>	<u>1,740,335</u>	<u>68,577</u>	<u>1,767,951</u>
Other financing sources:				
Transfers from -				
Operating transfer in	<u>2,426,036</u>	<u>2,443,512</u>	<u>17,476</u>	<u>2,217,930</u>
Total revenues and other sources	<u>\$ 4,097,794</u>	<u>\$ 4,183,847</u>	<u>\$ 86,053</u>	<u>\$ 3,985,881</u>

CITY OF EUNICE, LOUISIANA
General Fund

Statement of Expenditures and Other Uses
Compared to Budget (GAAP Basis)
Year Ended June 30, 1999

With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
General government:				
Salaries	\$ 280,500	\$ 287,186	\$ (6,686)	\$ 281,339
Payroll taxes	27,400	23,524	3,876	31,274
Group insurance	54,500	56,902	(2,402)	41,830
Professional fees	19,000	25,143	(6,143)	16,039
Tax roll preparation	6,000	6,741	(741)	10,660
Advertising	16,000	16,914	(914)	13,601
Utilities and telephone	62,000	63,229	(1,229)	56,652
Street lighting	96,000	94,794	1,206	95,637
City Hall maintenance	46,000	54,160	(8,160)	25,937
Office expenses	12,000	20,208	(8,208)	20,543
Dues	6,000	5,971	29	5,556
Travel and meetings	13,000	12,889	111	9,873
General insurance	49,700	33,261	16,439	34,008
City Court	82,968	74,569	8,399	73,696
Civil Service Board	1,800	1,800	-	1,800
Drug testing	1,000	545	455	1,338
Industrial inducement	8,600	8,781	(181)	5,956
Zoning Board	800	761	39	768
Coroner	5,300	3,922	1,378	9,496
Materials and supplies	14,000	13,972	28	15,692
Elections	2,000	2,072	(72)	12,087
Litigation claims	-	6,552	(6,552)	-
Other	<u>35,566</u>	<u>43,589</u>	<u>(8,023)</u>	<u>30,845</u>
Total government	<u>840,134</u>	<u>857,485</u>	<u>(17,351)</u>	<u>794,627</u>
Public safety:				
Police -				
Salaries	808,600	852,315	(43,715)	703,569
Payroll taxes	10,000	8,633	1,367	7,660
Retirement and pension	134,600	133,172	1,428	130,092
Jail expense	87,400	36,287	51,113	82,502
Telephone and utilities	9,500	10,175	(675)	10,665
Supplies and materials	42,500	31,891	10,609	28,955
General insurance	96,000	119,311	(23,311)	127,336
Group insurance	69,000	67,603	1,397	54,174
Contract labor	1,000	1,000	-	1,249
Transportation	57,000	60,879	(3,879)	65,964
Drug testing	1,000	703	297	434
Other	<u>35,100</u>	<u>46,172</u>	<u>(11,072)</u>	<u>49,147</u>
Total police	<u>1,351,700</u>	<u>1,368,141</u>	<u>(16,441)</u>	<u>1,261,747</u>

(Continued)

CITY OF EUNICE, LOUISIANA
General Fund

Statement of Expenditures and Other Uses
Compared to Budget (GAAP Basis) (Continued)
Year Ended June 30, 1999

With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Fire -				
Salaries	339,400	378,376	(38,976)	345,958
Volunteer firemen	16,000	14,845	1,155	12,264
Payroll taxes	28,100	28,288	(188)	29,269
Telephone and utilities	13,000	10,803	2,197	11,182
Repairs and maintenance	20,000	21,152	(1,152)	19,632
Travel and meetings	500	142	358	39
Transportation	3,800	2,575	1,225	3,076
Supplies and materials	13,000	13,326	(326)	14,885
Drug testing	200	244	(44)	207
General insurance	63,500	69,909	(6,409)	72,566
Group insurance	30,600	30,947	(347)	27,096
Other	1,500	2,252	(752)	769
Total fire	<u>529,600</u>	<u>572,859</u>	<u>(43,259)</u>	<u>536,943</u>
Total public safety	<u>1,881,300</u>	<u>1,941,000</u>	<u>(59,700)</u>	<u>1,798,690</u>
Public works:				
Streets -				
Salaries	412,800	436,143	(23,343)	385,368
Payroll taxes	26,600	28,838	(2,238)	25,044
Repairs and maintenance	118,500	118,911	(411)	106,235
Signs and materials	53,000	56,640	(3,640)	48,557
General and insurance	88,700	105,756	(17,056)	96,871
Group insurance	21,000	20,154	846	15,084
Drug testing	800	813	(13)	746
Other	52,400	55,623	(3,223)	63,970
Total streets	<u>773,800</u>	<u>822,878</u>	<u>(49,078)</u>	<u>741,875</u>
Sanitation -				
Salaries	-	-	-	8,519
Vehicles and equipment maintenance	10,000	8,616	1,384	37,617
Other	-	110	(110)	50
Total sanitation	<u>10,000</u>	<u>8,726</u>	<u>1,274</u>	<u>46,186</u>
Total public works	<u>783,800</u>	<u>831,604</u>	<u>(47,804)</u>	<u>788,061</u>
Health and welfare:				
Animal control	<u>19,000</u>	<u>21,185</u>	<u>(2,185)</u>	<u>19,119</u>

(Continued)

CITY OF EUNICE, LOUISIANA
General Fund

Statement of Expenditures and Other Uses
Compared to Budget (GAAP Basis) (Continued)
Year Ended June 30, 1999

With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Culture and recreation:				
Salaries and payroll taxes	24,700	24,974	(274)	27,443
Telephone and utilities	18,000	17,376	624	18,585
Supplies	10,000	11,191	(1,191)	9,777
General insurance	9,400	4,406	4,994	7,874
Group insurance	2,800	2,814	(14)	2,380
Maintenance	23,000	34,534	(11,534)	32,333
Library maintenance	11,900	14,263	(2,363)	13,361
Neighborhood centers	114,000	134,758	(20,758)	109,988
Contract labor	55,000	75,667	(20,667)	63,801
Liberty Cajun Music Show and Liberty Cultural Association	94,000	116,647	(22,647)	93,925
Other	33,300	38,036	(4,736)	32,957
Museum	23,300	19,400	3,900	22,690
Festival expenses	<u>25,000</u>	<u>815</u>	<u>24,185</u>	<u>24,785</u>
Total culture and recreation	<u>444,400</u>	<u>494,881</u>	<u>(50,481)</u>	<u>459,899</u>
Other:				
Airport expenditures	<u>23,200</u>	<u>26,668</u>	<u>(3,468)</u>	<u>23,756</u>
Capital outlay	<u>28,350</u>	<u>6,718</u>	<u>21,632</u>	<u>48,054</u>
Total expenditures	4,020,184	4,179,541	(159,357)	3,932,206
Other financing uses:				
Operating transfers out	<u>55,200</u>	<u>-</u>	<u>55,200</u>	<u>34,500</u>
Total expenditures and other uses	<u>\$ 4,075,384</u>	<u>\$ 4,179,541</u>	<u>\$ (104,157)</u>	<u>\$ 3,966,706</u>

SPECIAL REVENUE FUNDS

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

SALES TAX FUND

To account for the receipt and use of proceeds of the City's 2.2% sales and use tax.

SEWER MAINTENANCE FUND

To account for the receipt and use of proceeds of a 2.26 mill ad valorem tax.

ST. LANDRY & ACADIA PARISH FIRE DISTRICT

To account for receipt and expenditures associated with the joint fire fighting effort.

SUMMER FOOD PROGRAM

To account for funds received under Federal grants and expenditures associated with providing meals to school age children during the summer.

DEDICATED ESCROW FUND

To account for the payment of small liability claims of the City.

PUBLIC SAFETY TESTING FUND

To account for the receipt and expenditures associated with court fees collected in connection with drug and alcohol related driving offenses.

COURT APPEARANCE BOND FUND

To account for the receipt and expenditures associated with the receipt of appearance bonds collected on arrests and traffic citations.

WITNESS FEES FUND

To account for the receipt and expenditures associated with witness fees collected by City Court.

CRIMINAL TASK FORCE GRANT

To account for the receipts and expenditures associated with funds received from the United States Department of Justice for the purchase of police equipment and payment of overtime for police officers.

CITY OF EUNICE, LOUISIANA
All Special Revenue Funds

Combining Balance Sheet
June 30, 1999
With Comparative Actual Totals for June 30, 1998

	Sales Tax Fund	Sewer Maintenance Fund	St. Landry & Acadia Parish Fire District	Summer Food Program	Dedicated Escrow Fund
ASSETS					
Cash	\$ 613,735	\$ 46,876	\$ 17,979	\$ 14,424	\$ 18,342
Investments, at cost	517,638	-	-	-	-
Ad valorem taxes receivable (net of allowance for uncollectible taxes of \$52)	-	210	-	-	-
Other receivables	40,000	-	-	-	-
Due from other governmental units	-	-	-	-	-
Due from other funds	185,213	-	-	-	-
Prepaid items	-	-	729	-	-
Total assets	<u>\$ 1,356,586</u>	<u>\$ 47,086</u>	<u>\$ 18,708</u>	<u>\$ 14,424</u>	<u>\$ 18,342</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 46,509	\$ 7,455	\$ -	\$ 13,742	\$ -
Accrued liabilities	-	-	-	-	-
Deferred grant revenue	-	-	-	-	-
Due to other funds	38,122	-	-	1,476	-
Total liabilities	<u>84,631</u>	<u>7,455</u>	<u>-</u>	<u>15,218</u>	<u>-</u>
Fund balances (deficits):					
Reserved for prepaid items	-	-	729	-	-
Unreserved, undesignated	1,271,955	39,631	17,979	(794)	18,342
Total fund balances (deficits)	<u>1,271,955</u>	<u>39,631</u>	<u>18,708</u>	<u>(794)</u>	<u>18,342</u>
Total liabilities and fund balances	<u>\$ 1,356,586</u>	<u>\$ 47,086</u>	<u>\$ 18,708</u>	<u>\$ 14,424</u>	<u>\$ 18,342</u>

Public Safety Testing Fund	Court Appearance Bond Fund	Witness Fees Fund	Criminal Task Force Grant	Totals	
				1999	1998
\$ 2,865	\$ 1,458	\$ 799	\$ 14,257	\$ 730,735	\$ 1,006,450
-	-	-	-	517,638	504,082
-	-	-	-	210	175
-	-	-	-	40,000	1,500
-	-	-	-	-	9,689
-	-	226	-	185,439	87,781
-	-	-	-	729	2,405
<u>\$ 2,865</u>	<u>\$ 1,458</u>	<u>\$ 1,025</u>	<u>\$ 14,257</u>	<u>\$ 1,474,751</u>	<u>\$ 1,612,082</u>
\$ -	\$ 244	\$ -	\$ -	67,950	\$ 56,248
-	-	-	-	-	8,455
-	-	-	-	-	20,224
-	-	-	14,257	53,855	5,975
-	244	-	14,257	121,805	90,902
-	-	-	-	729	2,405
<u>2,865</u>	<u>1,214</u>	<u>1,025</u>	<u>-</u>	<u>1,352,217</u>	<u>1,518,775</u>
<u>2,865</u>	<u>1,214</u>	<u>1,025</u>	<u>-</u>	<u>1,352,946</u>	<u>1,521,180</u>
<u>\$ 2,865</u>	<u>\$ 1,458</u>	<u>\$ 1,025</u>	<u>\$ 14,257</u>	<u>\$ 1,474,751</u>	<u>\$ 1,612,082</u>

CITY OF EUNICE, LOUISIANA
All Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 1999
With Comparative Actual Totals for June 30, 1998

	Sales Tax Fund	Sewer Maintenance Fund	St. Landry & Acadia Parish Fire District	Summer Food Program
Revenues:				
Taxes	\$ 2,868,995	\$ 79,010	\$ -	\$ -
Intergovernmental revenues	55,000	-	83,752	41,446
Fines and bonds	-	-	-	-
Interest	35,476	1,049	572	-
Miscellaneous	<u>21,320</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>2,980,791</u>	<u>80,059</u>	<u>84,324</u>	<u>41,446</u>
Expenditures:				
Current -				
General government	84,264	-	-	-
Public safety	-	-	93,461	-
Public works	-	69,729	-	-
Health and welfare	-	-	-	41,330
Culture and recreation	104,319	-	-	-
Capital outlay	949,698	-	-	-
Debt service -				
Principal retirement	30,545	-	-	-
Interest charges	<u>9,630</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,178,456</u>	<u>69,729</u>	<u>93,461</u>	<u>41,330</u>
Excess (deficiency) of revenues over expenditures	<u>1,802,335</u>	<u>10,330</u>	<u>(9,137)</u>	<u>116</u>
Other financing sources (uses):				
Operating transfers in	14,257	-	-	-
Operating transfers out	(2,156,221)	-	-	-
Proceeds from capital leases	<u>233,555</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing uses	<u>(1,908,409)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(106,074)	10,330	(9,137)	116
Fund balances (deficits), beginning	<u>1,412,029</u>	<u>29,301</u>	<u>27,845</u>	<u>(910)</u>
Fund balances (deficits), ending	<u>\$ 1,305,955</u>	<u>\$ 39,631</u>	<u>\$ 18,708</u>	<u>\$ (794)</u>

Dedicated Escrow Fund	Public Safety Testing Fund	Court Appearance Bond Fund	Witness Fees Fund	Criminal Task Force Grant	Totals	
					1999	1998
\$ -	\$ -	\$ -	\$ -	\$ -	2,948,005	\$ 3,016,983
-	3,866	-	5,089	73,401	262,554	156,615
-	-	4,482	-	-	4,482	4,474
917	65	-	30	748	38,857	35,459
-	-	31	-	-	21,351	7,607
<u>917</u>	<u>3,931</u>	<u>4,513</u>	<u>5,119</u>	<u>74,149</u>	<u>3,275,249</u>	<u>3,221,138</u>
28,375	-	-	5,630	-	118,269	90,176
-	4,607	5,337	-	65,801	169,206	120,050
-	-	-	-	-	69,729	50,110
-	-	-	-	-	41,330	64,234
-	-	-	-	-	104,319	103,082
-	-	-	-	-	949,698	370,746
-	-	-	-	-	-	-
-	-	-	-	-	30,545	36,069
-	-	-	-	-	9,630	12,806
<u>28,375</u>	<u>4,607</u>	<u>5,337</u>	<u>5,630</u>	<u>65,801</u>	<u>1,492,726</u>	<u>847,273</u>
<u>(27,458)</u>	<u>(676)</u>	<u>(824)</u>	<u>(511)</u>	<u>8,348</u>	<u>1,782,523</u>	<u>2,373,865</u>
-	-	-	-	5,909	20,166	51,394
-	-	-	-	(14,257)	(2,170,478)	(1,959,321)
-	-	-	-	-	233,555	-
-	-	-	-	(8,348)	(1,916,757)	(1,907,927)
(27,458)	(676)	(824)	(511)	-	(134,234)	465,938
<u>45,800</u>	<u>3,541</u>	<u>2,038</u>	<u>1,536</u>	<u>-</u>	<u>1,521,180</u>	<u>1,055,242</u>
<u>\$ 18,342</u>	<u>\$ 2,865</u>	<u>\$ 1,214</u>	<u>\$ 1,025</u>	<u>\$ -</u>	<u>\$ 1,386,946</u>	<u>\$ 1,521,180</u>

CITY OF EUNICE, LOUISIANA
Special Revenue Funds
Sales Tax Fund

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Revenues:				
Taxes -				
Sales taxes collected	\$ 2,952,300	\$ 2,868,995	\$ (83,305)	\$ 2,856,273
Intergovernmental revenues	10,000	55,000	45,000	46,000
Interest	36,300	35,476	(824)	33,104
Miscellaneous	<u>1,500</u>	<u>21,320</u>	<u>19,820</u>	<u>6,507</u>
Total revenues	<u>3,000,100</u>	<u>2,980,791</u>	<u>(19,309)</u>	<u>2,941,884</u>
Expenditures:				
Current -				
General government:				
Collection and administrative expenses	46,300	84,264	(37,964)	68,162
Culture and recreation:				
Library appropriation	105,000	104,319	681	103,082
Capital outlay -				
Public works projects	692,844	673,819	19,025	115,124
Recreation projects	77,682	112,546	(34,864)	82,782
Airport	56,040	56,540	(500)	7,355
Small tools and equipment	-	8,602	(8,602)	7,409
Other	100,000	98,191	1,809	135,389
Debt service -				
Principal retirement	32,700	30,545	2,155	36,069
Interest charges	<u>10,200</u>	<u>9,630</u>	<u>570</u>	<u>12,806</u>
Total expenditures	<u>1,120,766</u>	<u>1,178,456</u>	<u>(57,690)</u>	<u>568,178</u>
Excess of revenues over expenditures	<u>1,879,334</u>	<u>1,802,335</u>	<u>(76,999)</u>	<u>2,373,706</u>
Other financing sources (uses):				
Transfers from (to) other funds -				
Operating transfers out	(2,229,936)	(2,141,964)	87,972	(1,959,321)
Proceeds from capital leases	<u>233,555</u>	<u>233,555</u>	<u>-</u>	<u>-</u>
Total other financing uses	<u>(1,996,381)</u>	<u>(1,908,409)</u>	<u>87,972</u>	<u>(1,959,321)</u>
Excess of revenues and other sources over expenditures and other uses	(117,047)	(106,074)	10,973	414,385
Fund balance, beginning	<u>1,412,029</u>	<u>1,412,029</u>	<u>-</u>	<u>997,644</u>
Fund balance, ending	<u>\$ 1,294,982</u>	<u>\$ 1,305,955</u>	<u>\$ 10,973</u>	<u>\$ 1,412,029</u>

CITY OF EUNICE, LOUISIANA
Special Revenue Funds
Sewer Maintenance Fund

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 1999

With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Revenues:				
Taxes -				
Ad valorem taxes	\$ 78,500	\$ 79,010	\$ 510	\$ 73,673
Interest	-	1,049	1,049	33
Total revenues	<u>78,500</u>	<u>80,059</u>	<u>1,559</u>	<u>73,706</u>
Expenditures:				
Current -				
Public works:				
Materials and supplies	<u>95,500</u>	<u>69,729</u>	<u>(25,771)</u>	<u>50,110</u>
Excess (deficiency) of revenues over expenditures	(17,000)	10,330	27,330	23,596
Fund balance, beginning	<u>29,301</u>	<u>29,301</u>	-	<u>5,705</u>
Fund balance, ending	<u>\$ 12,301</u>	<u>\$ 39,631</u>	<u>\$ 27,330</u>	<u>\$ 29,301</u>

CITY OF EUNICE, LOUISIANA
Special Revenue Funds
St. Landry & Acadia Parish Fire District

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Revenues:				
Intergovernmental revenue	\$ 83,000	\$ 83,752	\$ 752	\$ 87,037
Interest	<u>385</u>	<u>572</u>	<u>187</u>	<u>864</u>
Total revenues	<u>83,385</u>	<u>84,324</u>	<u>939</u>	<u>87,901</u>
Expenditures:				
Current -				
Public safety:				
Salaries	46,000	64,325	18,325	64,160
Insurance	8,427	16,153	7,726	16,174
Payroll taxes	900	1,173	273	1,869
Utilities	-	2,000	2,000	2,000
Retirement	4,584	5,424	840	5,449
Fuel	-	1,000	1,000	1,000
Repairs	-	1,271	1,271	299
Miscellaneous	584	515	(69)	748
Professional fees	<u>600</u>	<u>1,600</u>	<u>1,000</u>	<u>600</u>
Total expenditures	<u>61,095</u>	<u>93,461</u>	<u>32,366</u>	<u>92,299</u>
Excess (deficiency) of revenues over expenditures	22,290	(9,137)	(31,427)	(4,398)
Fund balance, beginning	<u>27,845</u>	<u>27,845</u>	<u>-</u>	<u>32,243</u>
Fund balance, ending	<u>\$ 50,135</u>	<u>\$ 18,708</u>	<u>\$ (31,427)</u>	<u>\$ 27,845</u>

CITY OF EUNICE, LOUISIANA
Special Revenue Funds
Summer Food Program

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 1999

With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Revenue:				
Intergovernmental revenue - Grant	\$ 64,000	\$ 41,446	\$ (22,554)	\$ 63,920
Expenditures:				
Current -				
Health and welfare:				
Food	32,000	18,883	13,117	30,252
Salaries	23,000	15,977	7,023	22,401
Payroll taxes	-	1,056	(1,056)	1,425
Insurance	1,700	1,197	503	1,671
Utilities	3,000	1,090	1,910	3,123
Supplies	1,000	1,021	(21)	1,947
Professional fees	600	300	300	1,300
Rental	2,500	1,665	835	2,100
Miscellaneous	50	141	(91)	15
Total expenditures	<u>63,850</u>	<u>41,330</u>	<u>22,520</u>	<u>64,234</u>
Excess (deficiency) of revenues over expenditures	150	116	(34)	(314)
Fund balance (deficit), beginning	<u>(910)</u>	<u>(910)</u>	<u>-</u>	<u>(596)</u>
Fund balance (deficit), ending	<u>\$ (760)</u>	<u>\$ (794)</u>	<u>\$ (34)</u>	<u>\$ (910)</u>

CITY OF EUNICE, LOUISIANA
Special Revenue Funds
Dedicated Escrow Fund

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Revenue:				
Interest earned	\$ 1,500	\$ 917	(583)	\$ 1,293
Expenditures:				
Current -				
General government:				
Claims	<u>15,000</u>	<u>28,375</u>	<u>(13,375)</u>	<u>15,850</u>
Deficiency of revenues over expenditures	(13,500)	(27,458)	(13,958)	(14,557)
Other financing sources:				
Operating transfers in	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>	<u>46,000</u>
Excess (deficiency) of revenues and other sources over expenditures	6,500	(27,458)	(33,958)	31,443
Fund balance, beginning	<u>45,800</u>	<u>45,800</u>	<u>-</u>	<u>14,357</u>
Fund balance, ending	<u>\$ 52,300</u>	<u>\$ 18,342</u>	<u>\$ (33,958)</u>	<u>\$ 45,800</u>

CITY OF EUNICE, LOUISIANA
Special Revenue Funds
Public Safety Testing Fund

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Revenues:				
Intergovernmental revenue -				
Drug testing receipts	\$ 4,500	\$ 3,866	\$ (634)	\$ 4,235
Interest	75	65	(10)	82
Miscellaneous	-	-	-	500
Total revenues	<u>4,575</u>	<u>3,931</u>	<u>(644)</u>	<u>4,817</u>
Expenditures:				
Current -				
Public safety:				
Undercover fees	-	-	-	1,100
Miscellaneous	<u>4,515</u>	<u>4,607</u>	<u>(92)</u>	<u>3,100</u>
Total expenditures	<u>4,515</u>	<u>4,607</u>	<u>(92)</u>	<u>4,200</u>
Excess (deficiency) of revenues over expenditures	60	(676)	(736)	617
Fund balance, beginning	<u>3,541</u>	<u>3,541</u>	<u>-</u>	<u>2,924</u>
Fund balance, ending	<u>\$ 3,601</u>	<u>\$ 2,865</u>	<u>\$ (736)</u>	<u>\$ 3,541</u>

CITY OF EUNICE, LOUISIANA
Special Revenue Funds
Court Appearance Bond Fund

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Revenues:				
Fines and bonds -				
Appearance Bond receipts	\$ 4,720	\$ 4,482	\$ (238)	\$ 4,474
Miscellaneous	<u>31</u>	<u>31</u>	<u>-</u>	<u>91</u>
Total revenues	<u>4,751</u>	<u>4,513</u>	<u>(238)</u>	<u>4,565</u>
Expenditures:				
Current -				
Public safety:				
Miscellaneous	<u>5,363</u>	<u>5,337</u>	<u>26</u>	<u>3,887</u>
Excess (deficiency) of revenues over expenditures	(612)	(824)	(212)	678
Fund balance, beginning	<u>2,038</u>	<u>2,038</u>	<u>-</u>	<u>1,360</u>
Fund balance, ending	<u>\$ 1,426</u>	<u>\$ 1,214</u>	<u>\$ (212)</u>	<u>\$ 2,038</u>

CITY OF EUNICE, LOUISIANA
Special Revenue Funds
Witness Fees Fund

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended June 30, 1999

With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Revenues:				
Intergovernmental revenues -				
Court witness fees	\$ 5,166	\$ 5,089	\$ (77)	\$ 6,225
Interest	76	30	(46)	32
Total revenue	<u>5,242</u>	<u>5,119</u>	<u>(123)</u>	<u>6,257</u>
Expenditures:				
Current -				
General government:				
Witness fees	5,200	5,625	(425)	6,150
Miscellaneous	<u>-</u>	<u>5</u>	<u>(5)</u>	<u>14</u>
Total expenditures	<u>5,200</u>	<u>5,630</u>	<u>(430)</u>	<u>6,164</u>
Excess (deficiency) of revenues over expenditures	42	(511)	(553)	93
Fund balance, beginning	<u>1,536</u>	<u>1,536</u>	<u>-</u>	<u>1,443</u>
Fund balance, ending	<u>\$ 1,578</u>	<u>\$ 1,025</u>	<u>\$ (553)</u>	<u>\$ 1,536</u>

CITY OF EUNICE, LOUISIANA
Special Revenue Funds
Criminal Task Force Grant

Statement of Revenues, Expenditures and Changes
In Fund Balance – Budget (GAAP Basis) and Actual
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998
	Budget	Actual		
Revenues:				
Intergovernmental revenue	\$ 54,000	\$ 73,401	\$ 19,401	\$ 28,320
Interest	900	748	(152)	-
Miscellaneous	-	-	-	509
Total revenues	<u>54,900</u>	<u>74,149</u>	<u>19,249</u>	<u>28,829</u>
Expenditures:				
Current -				
Public safety:				
Salaries	-	-	-	-
Payroll taxes	-	-	-	-
Repairs	54,900	65,801	(10,901)	11,536
Miscellaneous	-	-	-	-
Capital outlay	-	-	-	22,687
Total expenditures	<u>54,900</u>	<u>65,801</u>	<u>(10,901)</u>	<u>34,223</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>8,348</u>	<u>8,348</u>	<u>(5,394)</u>
Other financing sources (uses):				
Operating transfers in	-	5,909	5,909	5,394
Operating transfers out	-	(14,257)	(14,257)	-
Total other financing sources (uses)	<u>-</u>	<u>(8,348)</u>	<u>(8,348)</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources and payment of principal and interest on general obligation bonds.

PUBLIC IMPROVEMENT BONDS

To accumulate monies for the retirement of \$7,070,000 of bonds due in various installments and interest rates for various public improvements and financed by proceeds of sales and use taxes.

STATE LOAN

To accumulate monies for the payment of \$200,000 loan from Louisiana Economic Development Corporation used to purchase a manufacturing facility located in the City for lease.

CITY OF EUNICE, LOUISIANA
Debt Service Funds

Combining Balance Sheet
June 30, 1999

With Comparative Actual Amounts for the Year Ended June 30, 1998

	Public		State Loan	Totals	
	Improvement Bonds Series ST-1997	Series ST-1992		1999	1998
ASSETS					
Bond and interest redemption funds:					
Cash and cash equivalents	\$ 14,990	\$ 295,256	\$ 149,895	\$ 460,141	\$ 385,449
Bond reserve funds:					
Investments, at cost	<u>113,084</u>	<u>612,590</u>	<u>-</u>	<u>725,674</u>	<u>716,685</u>
Total assets	<u>\$ 128,074</u>	<u>\$ 907,846</u>	<u>\$ 149,895</u>	<u>\$ 1,185,815</u>	<u>\$ 1,102,134</u>
LIABILITIES AND FUND BALANCES					
Due to other funds	\$ 82,843	\$ -	\$ -	\$ 82,843	\$ -
Fund balances:					
Reserved for debt service	<u>45,232</u>	<u>907,846</u>	<u>149,895</u>	<u>1,102,973</u>	<u>1,102,134</u>
Total liabilities and fund balances	<u>\$ 128,075</u>	<u>\$ 907,846</u>	<u>\$ 149,895</u>	<u>\$ 1,185,816</u>	<u>\$ 1,102,134</u>

CITY OF EUNICE, LOUISIANA
Debt Service Funds

Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	Public		State Loan	Totals	
	Improvement Bonds			1999	1998
	Series ST-1977	Series ST-1992			
Revenues:					
Interest	\$ 6,911	\$ 37,019	\$ 3,404	\$ 47,334	\$ 53,453
Miscellaneous -					
Industrial lease payments	-	-	48,000	48,000	48,000
Total revenues	<u>6,911</u>	<u>37,019</u>	<u>51,404</u>	<u>95,334</u>	<u>101,453</u>
Expenditures -					
Debt service:					
Principal retirement	60,000	445,000	11,484	516,484	491,780
Interest paid	39,805	136,545	7,608	183,958	214,520
Paying agent fees	100	588	-	688	1,272
Total expenditures	<u>99,905</u>	<u>582,133</u>	<u>19,092</u>	<u>701,130</u>	<u>707,572</u>
Excess (deficiency) of revenues over expenditures	<u>(92,994)</u>	<u>(545,114)</u>	<u>32,312</u>	<u>(605,796)</u>	<u>(606,119)</u>
Other financing sources (uses):					
Operating transfers in	16,546	596,732	-	613,278	688,406
Operating transfers out	-	(6,643)	-	(6,643)	(61,812)
Total other financing sources (uses)	<u>16,546</u>	<u>590,089</u>	<u>-</u>	<u>606,635</u>	<u>626,594</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(76,448)</u>	<u>44,975</u>	<u>32,312</u>	<u>839</u>	<u>20,475</u>
Fund balances, beginning	<u>121,680</u>	<u>862,871</u>	<u>117,583</u>	<u>1,102,134</u>	<u>1,081,659</u>
Fund balances, ending	<u>\$ 45,232</u>	<u>\$ 907,846</u>	<u>\$ 149,895</u>	<u>\$ 1,102,973</u>	<u>\$ 1,102,134</u>

CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for the acquisition and construction of major facilities other than those financed by proprietary funds and trust funds.

CITY HALL CONSTRUCTION FUND

This fund is used to account for expenditures associated with the maintenance of the Eunice Municipal Complex.

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT FUND (LCDBG)

This fund is used to account for expenditures associated with street improvements financed by a grant from HUD.

CITY OF EUNICE, LOUISIANA
Capital Project Funds

Combining Balance Sheet
June 30, 1999
With Comparative Totals for the Year Ended June 30, 1998

	City Hall Construction Fund	LCDBG Fund	Totals	
			1999	1998
ASSETS				
Cash	\$ 7,395	\$ -	\$ 7,395	\$ 3,219
Investments, at cost	<u>178,691</u>	<u>-</u>	<u>178,691</u>	<u>201,270</u>
Total assets	<u>\$ 186,086</u>	<u>\$ -</u>	<u>\$ 186,086</u>	<u>\$ 204,489</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ 1,967	\$ -	\$ 1,967	\$ 1,960
Due to other funds	<u>-</u>	<u>796</u>	<u>796</u>	<u>659</u>
Total liabilities	<u>1,967</u>	<u>796</u>	<u>2,763</u>	<u>2,619</u>
Fund balances (deficit):				
Unreserved, undesignated	<u>184,119</u>	<u>(796)</u>	<u>183,323</u>	<u>201,870</u>
Total liabilities and fund balances	<u>\$ 186,086</u>	<u>\$ -</u>	<u>\$ 186,086</u>	<u>\$ 204,489</u>

CITY OF EUNICE, LOUISIANA
Capital Project Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
June 30, 1999
With Comparative Totals for the Year Ended June 30, 1998

	City Hall Construction Fund	LCDBG Fund	Totals	
			1999	1998
Revenues:				
Intergovernmental revenues -				
Grant revenue	\$ -	\$ 301,772	\$ 301,772	\$ -
Interest	<u>7,610</u>	<u>-</u>	<u>7,610</u>	<u>8,876</u>
Total revenues	<u>7,610</u>	<u>301,772</u>	<u>309,382</u>	<u>8,876</u>
Expenditures:				
Current -			-	
Other	26,020	-	26,020	37,622
Capital outlay	<u>-</u>	<u>335,909</u>	<u>335,909</u>	<u>-</u>
Total expenditures	<u>26,020</u>	<u>335,909</u>	<u>361,929</u>	<u>37,622</u>
Deficiency of revenues over expenditures	(18,410)	(34,137)	(52,547)	(28,746)
Other financing sources:				
Operating transfers in	<u>-</u>	<u>34,000</u>	<u>34,000</u>	<u>-</u>
Deficiency of revenue and other sources over expenditures	(18,410)	(137)	(18,547)	(28,746)
Fund balances (deficits), beginning	<u>202,529</u>	<u>(659)</u>	<u>201,870</u>	<u>230,616</u>
Fund balances (deficits), ending	<u>\$ 184,119</u>	<u>\$ (796)</u>	<u>\$ 183,323</u>	<u>\$ 201,870</u>

ENTERPRISE FUND

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to provide business enterprises - where the intent of the government's council is that the cost of providing goods or service to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

UTILITY FUND

To account for the provision of gas and sewer services to residents of the City of Eunice.

CITY OF EUNICE, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Balance Sheets
June 30, 1999 and 1998

	1999	1998
ASSETS		
Current assets:		
Cash	\$ 233,489	\$ 173,964
Accounts receivable, (net of allowance for uncollectible accounts of \$23,000 for 1999 and \$27,500 for 1998)	239,729	251,920
Due from other funds	824	823
Prepaid expenses	<u>14,472</u>	<u>17,458</u>
Total current assets	<u>488,514</u>	<u>444,165</u>
Restricted assets - customers' deposits:		
Cash	42,189	36,888
Investments, at cost	<u>185,469</u>	<u>179,860</u>
Total restricted assets	<u>227,658</u>	<u>216,748</u>
Plant and equipment, at cost (net of accumulated depreciation 1999 -\$4,910,330; 1998 -\$4,659,137)	<u>8,209,676</u>	<u>8,288,323</u>
Total assets	<u><u>\$ 8,925,848</u></u>	<u><u>\$ 8,949,236</u></u>
LIABILITIES AND FUND EQUITY		
Current liabilities (payable from current assets)		
Accounts payable	\$ 37,641	\$ 29,122
Compensated absences payable	7,895	5,964
Insurance payable	-	3,023
Other payables	1,920	1,805
Accrued liabilities	76,911	3,894
Due to other funds	6,888	5,070
Capital lease payable	<u>16,576</u>	<u>-</u>
Total current liabilities	<u>147,831</u>	<u>48,878</u>
Current liabilities (payable from restricted assets)		
Customers' deposits	<u>203,215</u>	<u>200,520</u>
Noncurrent liabilities		
Capital lease payable	<u>55,834</u>	<u>-</u>
Total liabilities	<u>406,880</u>	<u>249,398</u>
Fund equity:		
Contributed equity -		
Contributions from municipality	4,691,860	4,691,860
Contributions from grants	<u>235,664</u>	<u>235,664</u>
Total contributed equity	<u>4,927,524</u>	<u>4,927,524</u>
Retained earnings	<u>3,591,444</u>	<u>3,772,314</u>
Total fund equity	<u>8,518,968</u>	<u>8,699,838</u>
Total liabilities and fund equity	<u><u>\$ 8,925,848</u></u>	<u><u>\$ 8,949,236</u></u>

CITY OF EUNICE, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Schedule of Revenues, Expenses and
Changes in Retained Earnings
Years Ended June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Operating revenues:		
Charges for services	\$ 2,541,151	\$ 2,694,401
Other billings to customers	<u>45,048</u>	<u>48,117</u>
Total operating revenues	<u>2,586,199</u>	<u>2,742,518</u>
 Operating expenses:		
Payroll and related benefits	395,678	371,231
Gas purchases	587,789	639,234
Supplies and materials	88,000	93,399
Repairs and maintenance	105,244	102,046
Office expenses	33,454	30,531
Professional fees	11,324	10,967
Insurance - general	67,576	77,243
Depreciation	340,842	335,462
Group insurance	32,417	22,721
Bad debts	5,591	5,504
Permits	9,876	13,633
Utilities and telephone	125,546	134,070
Miscellaneous	<u>37,979</u>	<u>19,163</u>
Total operating expenses	<u>1,841,316</u>	<u>1,855,204</u>
 Operating income	<u>744,883</u>	<u>887,314</u>
 Nonoperating income:		
Interest earned on investments	17,545	16,607
Gain on sale of investments	34,574	-
Other revenue	<u>4,805</u>	<u>2,851</u>
Total nonoperating income	<u>56,924</u>	<u>19,458</u>
 Income before operating transfers	<u>801,807</u>	<u>906,772</u>
 Operating transfers:		
Operating transfers in	10,971	41,063
Operating transfers out	<u>(993,648)</u>	<u>(925,148)</u>
Total operating transfers	<u>(982,677)</u>	<u>(884,085)</u>
 Net income (loss)	(180,870)	22,687
 Retained earnings, beginning	<u>3,772,314</u>	<u>3,749,627</u>
 Retained earnings, ending	<u>\$ 3,591,444</u>	<u>\$ 3,772,314</u>

Gas Department		Sewer Department	
1999	1998	1999	1998
\$ 1,378,840	\$ 1,546,351	\$ 1,162,311	\$ 1,148,050
<u>32,833</u>	<u>36,292</u>	<u>12,215</u>	<u>11,825</u>
<u>1,411,673</u>	<u>1,582,643</u>	<u>1,174,526</u>	<u>1,159,875</u>
253,237	238,436	142,441	132,795
587,789	639,234	-	-
33,470	38,181	54,530	55,218
46,230	60,906	59,014	41,140
28,106	25,190	5,348	5,341
9,200	7,010	2,124	3,957
24,553	28,785	43,023	48,458
96,637	102,035	244,205	233,427
22,124	16,929	10,293	5,792
5,591	5,504	-	-
-	-	9,876	13,633
1,821	2,226	123,725	131,844
<u>17,235</u>	<u>6,838</u>	<u>20,744</u>	<u>12,325</u>
<u>1,125,993</u>	<u>1,171,274</u>	<u>715,323</u>	<u>683,930</u>
<u>\$ 285,680</u>	<u>\$ 411,369</u>	<u>\$ 459,203</u>	<u>\$ 475,945</u>

INTERNAL SERVICE FUND

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

GROUP INSURANCE FUND

To account for the accumulation of funds for the City's self-insurance against health care claims.

CITY OF EUNICE, LOUISIANA
Internal Service Fund
Group Insurance Fund

Comparative Balance Sheets
June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
Current assets:		
Cash	\$ 5,000	\$ 25,140
Investments	<u>51,292</u>	<u>65,236</u>
Total assets	<u>\$ 56,292</u>	<u>\$ 90,376</u>
LIABILITIES AND FUND EQUITY		
Retained earnings	<u>\$ 56,292</u>	<u>\$ 90,376</u>
Total liabilities and fund equity	<u>\$ 56,292</u>	<u>\$ 90,376</u>

CITY OF EUNICE, LOUISIANA
Internal Service Fund
Group Insurance Fund

Comparative Schedule of Revenues, Expenses and
Changes in Retained Earnings
Years Ended June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Operating revenues:		
Charge for services - Group insurance	<u>\$ 283,415</u>	<u>\$ 216,656</u>
Operating expenses:		
Insurance premiums	144,265	99,012
Claims (net)	174,753	140,427
Miscellaneous expense	<u>192</u>	<u>-</u>
Total operating expenses	<u>319,210</u>	<u>239,439</u>
Operating loss	(35,795)	(22,783)
Nonoperating income:		
Interest income	<u>1,711</u>	<u>2,215</u>
Loss before operating transfers	(34,084)	(20,568)
Operating transfers:		
Operating transfers out	<u>-</u>	<u>(19,376)</u>
Net loss	(34,084)	(39,944)
Retained earnings, beginning	<u>90,376</u>	<u>130,320</u>
Retained earnings, ending	<u>\$ 56,292</u>	<u>\$ 90,376</u>

FIDUCIARY FUND TYPES

Fiduciary Fund Types are used to account for assets held by governments in a fiduciary capacity.

PAYROLL FUND

This fund is used to account for the payroll of the City employees.

CITY OF EUNICE, LOUISIANA
Fiduciary Fund Type
Payroll Fund

Comparative Balance Sheets
June 30, 1999 and 1998

	1999	1998
ASSETS		
Cash	\$ 111,630	\$ 81,708
Due from other funds	<u>22,230</u>	<u>38,183</u>
Total assets	<u>\$ 133,860</u>	<u>\$ 119,891</u>
LIABILITIES		
Accrued liabilities	\$ 120,555	\$ 119,891
Due to other funds	<u>13,305</u>	<u>-</u>
Total liabilities	<u>\$ 133,860</u>	<u>\$ 119,891</u>

EDULE OF CHANGES IN ASSETS AND LIABILITIES

	Balance 7/1/98	Additions	Deletions	Balance 6/30/99
ASSETS				
Cash	\$ 81,708	\$ 3,384,020	\$ 3,354,098	\$ 111,630
Due from other funds	<u>38,183</u>	<u>3,313,620</u>	<u>3,329,573</u>	<u>22,230</u>
	<u>\$ 119,891</u>	<u>\$ 6,697,640</u>	<u>\$ 6,683,671</u>	<u>\$ 133,860</u>
LIABILITIES				
Accrued liabilities	\$ 119,891	\$ 1,129,301	\$ 1,128,637	\$ 120,555
Due to other funds	<u>-</u>	<u>13,305</u>	<u>-</u>	<u>13,305</u>
	<u>\$ 119,891</u>	<u>\$ 1,142,606</u>	<u>\$ 1,128,637</u>	<u>\$ 133,860</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operations.

CITY OF EUNICE, LOUISIANA
General Fixed Assets Account Group

Schedule of Changes in General Fixed Assets
Year Ended June 30, 1999

	Balance 7/1/98	Additions	Deletions	Balance 6/30/99
Land and buildings	\$ 5,754,940	\$ -	\$ -	\$ 5,754,940
Industrial facilities	1,175,184			1,175,184
Autos, equipment, furniture and fixtures	<u>2,094,173</u>	<u>247,292</u>	<u>289,106</u>	<u>2,052,359</u>
Total	<u>\$ 9,024,297</u>	<u>\$ 247,292</u>	<u>\$ 289,106</u>	<u>\$ 8,982,483</u>

GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds.

CITY OF EUNICE, LOUISIANA
General Long-Term Debt Account Group

Combining Schedule of General Long-Term Debt
June 30, 1999
With Comparative Totals for June 30, 1998

	Public Improvement Bonds		State Loan	Sales Tax Fund Installment Purchase Contract	Liability Insurance Claims Payable	Totals	
	Series ST-1997	Series ST-1992				1999	1998
Amount Available and to be Provided for the Payment of General Long-Term Debt							
Amount available in Debt Service Funds for debt retirement							
	\$ 128,074	\$ 907,846	\$ 122,559	\$ -	\$ -	\$ 1,158,479	\$ 1,102,134
Amount to be provided from -							
Sale and use taxes	611,926	1,182,154	-	-	-	1,794,080	2,350,449
Industrial lease payments	-	-	-	-	-	-	16,459
Excess annual revenue	-	-	-	191,988	12,577	204,565	248,277
	<u>\$ 740,000</u>	<u>\$ 2,090,000</u>	<u>\$ 122,559</u>	<u>\$ 191,988</u>	<u>\$ 12,577</u>	<u>\$ 3,157,124</u>	<u>\$ 3,717,319</u>
General Long-Term Debt Payable							
Bonds payable	\$ 740,000	\$ 2,090,000	\$ -	\$ -	\$ -	\$ 2,830,000	\$ 3,335,000
Estimated liability for claims and judgments	-	-	-	-	12,577	12,577	48,915
General long-term debt	-	-	122,559	191,988	-	314,547	333,404
Total general long-term debt payable	<u>\$ 740,000</u>	<u>\$ 2,090,000</u>	<u>\$ 122,559</u>	<u>\$ 191,988</u>	<u>\$ 12,577</u>	<u>\$ 3,157,124</u>	<u>\$ 3,717,319</u>

INTERNAL CONTROL, COMPLIANCE
AND
OTHER GRANT INFORMATION



Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable Mayor Kenneth J. Peart
and Members of the Council
City of Eunice, Louisiana

We have audited the general purpose financial statements of the City of Eunice, Louisiana, as of and for the year ended June 30, 1999, and have issued our report thereon dated September 16, 1999. We have conducted our audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations".

Compliance

As part of obtaining reasonable assurance about whether the City of Eunice, Louisiana's general purpose 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 instance of noncompliance.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Eunice, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the City of Eunice, Louisiana's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 99-1.

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Eugene H. Darnall, III, CPA
Paula D. Bihm, CPA
Stephanie M. Higginbotham, CPA

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John P. Armato, CPA

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A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control structure over financial reporting would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described in the schedule of findings and questioned costs as item 99-1 is a material weakness.

This report is intended solely for the information of the City Council, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Dannall, Sikes & Frederick
A Corporation of Certified Public Accountants

Eunice, Louisiana
September 16, 1999



Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133

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The Honorable Mayor Kenneth J. Peart
and Members of the Council
City of Eunice, Louisiana

Compliance

We have audited the compliance of the City of Eunice, 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 its major federal program for the year ended June 30, 1999. The City of Eunice, Louisiana's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City of Eunice, Louisiana's management. Our responsibility is to express an opinion on the City of Eunice, 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, "Audits of States, Local Governments, and Non-Profit Organizations". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Eunice, Louisiana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Eunice, Louisiana's compliance with those requirements.

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

Internal Control Over Compliance

The management of the City of Eunice, Louisiana is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants

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applicable to federal programs. In planning and performing our audit, we considered the City of Eunice, Louisiana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order determine our auditing procedures for the purpose of expressing an opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

This report is intended solely for the information of the City Council, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Dannall, Sikes & Frederick
A Corporation of Certified Public Accountants

Eunice, Louisiana
September 16, 1999

CITY OF EUNICE, LOUISIANA

Summary Schedule of Prior Year Findings
Year Ended June 30, 1999

- 98-1 Finding: Inadequate Segregation of Accounting Functions
Status: This finding is unresolved. See current year finding 99-1.
- 98-2 Finding: Budget Compliance
Status: This finding was resolved.
- 98-3 Finding Budgets
Status: This finding was resolved.

CITY OF EUNICE, LOUISIANA
Schedule of Findings and Questioned Costs
Year Ended June 30, 1999

Part 1 Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report

A qualified opinion has been issued on the City of Eunice, Louisiana's general purpose financial statements as of and for the year ended June 30, 1999.

Reportable Conditions – Financial Reporting

One reportable condition in internal control over financial reporting was disclosed during the audit of the financial statements and is shown as items 99-1 in Part 2 and is considered a material weakness.

Material Noncompliance – Financial Reporting

There were no instances of noncompliance material to the financial statements.

FEDERAL AWARDS

Major Program Identification

The City of Eunice, Louisiana at June 30, 1999, had one major program: Community Development Block Grant, which received funds from the Department Housing and Urban Development "passed through" the Louisiana Division of Administration Office of Community Development.

Low-Risk Auditee

The City of Eunice, Louisiana is not considered a low-risk auditee for the year ended June 30, 1999.

Major Program – Threshold

The dollar threshold to distinguish Type A and Type B programs is \$300,000 for the year ended June 30, 1999.

Auditor's Report – Major Program

An unqualified opinion has been issued on the City of Eunice, Louisiana's compliance for its major program as of and for the year ended June 30, 1999.

CITY OF EUNICE, LOUISIANA

Schedule of Findings and Questioned Costs
Year Ended June 30, 1999

Part 1 Summary of Auditor's Results (Continued)

Compliance Finding Related to Major Program

The audit did not disclose any material noncompliance or questioned costs relative to the City's federal program.

Part 2 Findings Relating to an Audit in Accordance with Government Auditing Standards

99-1 Individual Segregation of Accounting Functions

Finding:

Due to the small number of accounting personnel, the City did not have adequate segregation of functions within the accounting system.

Recommendation:

Based on the size of the operation and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.

Part 3 Federal Award Findings and Questioned Costs

There were no instances of material noncompliance or questioned costs related to federal programs disclosed during the audit of the financial statements.

CITY OF EUNICE, LOUISIANA

Management's Corrective Action Plan for Current Year Findings
Year Ended June 30, 1999

Response to finding 99-1:

A complete segregation of duties is not feasible due to the cost-benefit of hiring additional personnel and the size of the City.

CITY OF EUNICE, LOUISIANA

Schedule of Expenditures of Federal Awards
Year Ended June 30, 1999

<u>Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Disbursements/ Expenditures</u>	<u>Amounts to Subrecipients</u>
Passed through Louisiana Department of Agriculture: Nature Trail	N/A	45,000	
Passed through Louisiana Department of Education: Summer Food Program	10.559	41,086	-
<u>U.S. Department of Housing and Urban Development:</u>			
Passed through Louisiana Division of Administration Office of Community Development: Community Development Block Grant	14.228	301,772	-
<u>U.S. Department of Interior National Park Service:</u>			
Liberty Theater Programs	N/A	2,250	-
<u>U.S. Department of Justice</u>			
Local Law Enforcement Block Grant Program	16.592	<u>53,177</u>	<u>-</u>
Total expenditures of federal awards		<u>\$ 443,285</u>	<u>\$ -</u>

OTHER SUPPLEMENTARY INFORMATION

CITY OF EUNICE, LOUISIANA

Schedule of Per Diem Paid to Members of the Council
Year Ended June 30, 1999

Kenneth J. Peart, Mayor	\$ 29,010
Nolton Anderson	6,620
Louis Pavur	6,620
I. Jackson Burson	13,200
Chawana Fontenot	3,560
Charles Atchison	3,560
Harry Summerlin	3,060
Dale Soileau	<u>3,060</u>
	<u>\$ 68,690</u>