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# CITY OF PATTERSON, LOUISIANA

Financial Report

Year Ended June 30, 1999

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Release Date DEC 22 1999

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## Independent Auditor's Report

The Honorable James L. Bernauer, Mayor  
and Members of the City Council  
City of Patterson, Louisiana

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

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We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 provides 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 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.

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

Member of:  
American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

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

In accordance with Government Auditing Standards, we have also issued a report dated September 30, 1999, on our consideration of the City of Patterson's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the City of Patterson, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole, except that:

- (1) information as to the number of utility customers presented on page 87 is based on unaudited data obtained from the City's records, on which we express no opinion, and
- (2) the insurance coverage data presented on page 90 has not been audited by us and we express no opinion on it.

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

*Darnall, Sikes & Frederick*  
A Corporation of Certified Public Accountants

Morgan City, Louisiana  
September 30, 1999

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

CITY OF PATTERSON, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups  
 June 30, 1999  
 With Comparative Totals for Year Ended June 30, 1998

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>ASSETS AND OTHER DEBITS</b>				
Cash	\$ 343,538	\$ 262,639	\$ 61,275	\$ 12,426
Interest-bearing deposits	1,784,864	486,120	646,844	253,929
Investments, at fair value	-	717,107	-	-
Receivables:				
Taxes	88,675	38,484	-	-
Accounts	-	-	-	-
Property assessments	-	-	32,346	-
Accrued interest	3,274	1,626	1,373	109
Due from other funds	52,169	-	128,802	22,016
Due from other governmental units	43,326	12,891	-	-
Prepaid insurance	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash	-	-	-	-
Interest-bearing deposits	-	-	-	-
Accrued interest receivable	-	-	-	-
Investments	-	-	-	-
Land	-	-	-	-
Buildings	-	-	-	-
Equipment	-	-	-	-
Utility property, plant and equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Construction in progress	-	-	-	-
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-
<b>Total assets and other debits</b>	<b><u>\$ 2,315,846</u></b>	<b><u>\$ 1,518,867</u></b>	<b><u>\$ 870,640</u></b>	<b><u>\$ 288,480</u></b>

Proprietary Fund Types	Fiduciary Fund Types	Account Groups		Totals	
		General	General	(Memorandum Only)	
		Fixed Assets	Long-Term Debt	1999	1998
\$ 122,348	\$ 48,522	\$ -	\$ -	\$ 850,748	\$ 739,105
47,743	-	-	-	3,219,500	2,630,885
255,751	-	-	-	972,858	887,567
-	-	-	-	127,159	155,121
269,018	-	-	-	269,018	301,666
-	-	-	-	32,346	41,140
143	-	-	-	6,525	7,394
220,335	9,714	-	-	433,036	407,124
-	-	-	-	56,217	49,526
1,234	-	-	-	1,234	1,377
125,000	-	-	-	125,000	125,000
176,231	-	-	-	176,231	174,116
1,308,399	-	-	-	1,308,399	605,599
457	-	-	-	457	498
-	-	-	-	-	599,750
-	-	230,244	-	230,244	230,244
-	-	404,888	-	404,888	385,720
-	-	864,232	-	864,232	651,354
10,799,751	-	-	-	10,799,751	10,774,691
(5,307,421)	-	-	-	(5,307,421)	(5,005,864)
6,000	-	-	-	6,000	-
-	-	-	547,427	547,427	557,463
-	-	-	<u>1,151,798</u>	<u>1,151,798</u>	<u>1,368,289</u>
<u>\$ 8,024,989</u>	<u>\$ 58,236</u>	<u>\$ 1,499,364</u>	<u>\$ 1,699,225</u>	<u>\$ 16,275,647</u>	<u>\$15,687,765</u>

(continued)



CITY OF PATTERSON, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups  
 June 30, 1999  
 With Comparative Totals for Year Ended June 30, 1998

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>LIABILITIES AND FUND EQUITY</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 68,098	\$ 1,388	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	176,869	56,917	142,896	2,093
Payable from restricted assets -				
Revenue bonds	-	-	-	-
Accrued interest	-	-	-	-
Customers' deposits	-	-	-	-
Advances from other funds	125,000	-	-	-
Deferred revenues	-	-	32,346	-
General obligation bonds and notes payable	-	-	-	-
Revenue bonds payable	-	-	-	-
Lease obligation payable	-	-	-	-
<b>Total liabilities</b>	<u>369,967</u>	<u>58,305</u>	<u>175,242</u>	<u>2,093</u>
<b>Fund equity:</b>				
Contributed capital (net of accumulated amortization)	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings (deficit) -				
Reserved for revenue bond retirement	-	-	-	-
Unreserved	-	-	-	-
<b>Total retained earnings</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances -				
Reserved for debt service	-	-	547,427	-
Unreserved:				
Designated for subsequent years' expenditures	-	46,331	-	286,387
Undesignated	<u>1,945,879</u>	<u>1,414,231</u>	<u>147,971</u>	<u>-</u>
<b>Total fund balances</b>	<u>1,945,879</u>	<u>1,460,562</u>	<u>695,398</u>	<u>286,387</u>
<b>Total fund equity</b>	<u>1,945,879</u>	<u>1,460,562</u>	<u>695,398</u>	<u>286,387</u>
<b>Total liabilities and fund equity</b>	<u>\$ 2,315,846</u>	<u>\$ 1,518,867</u>	<u>\$ 870,640</u>	<u>\$ 288,480</u>

Proprietary Fund Types	Fiduciary Fund Types	Account Groups		Totals	
		General	General	(Memorandum Only)	
		Fixed Assets	Long-Term Debt	1999	1998
\$ 56,049	\$ -	\$ -	\$ -	\$ 125,535	\$ 116,947
2,061	13,689	-	-	15,750	2,719
9,714	44,547	-	-	433,036	407,124
52,272	-	-	-	52,272	52,272
10,955	-	-	-	10,955	11,597
202,573	-	-	-	202,573	200,458
-	-	-	-	125,000	125,000
-	-	-	-	32,346	41,140
-	-	-	1,684,377	1,684,377	1,906,566
847,718	-	-	-	847,718	899,989
-	-	-	14,848	14,848	19,186
<u>1,181,342</u>	<u>58,236</u>	<u>-</u>	<u>1,699,225</u>	<u>3,544,410</u>	<u>3,782,998</u>
<u>6,830,791</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,830,791</u>	<u>6,897,736</u>
<u>-</u>	<u>-</u>	<u>1,499,364</u>	<u>-</u>	<u>1,499,364</u>	<u>1,267,318</u>
997,130	-	-	-	997,130	897,554
(984,274)	-	-	-	(984,274)	(964,348)
<u>12,856</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,856</u>	<u>(66,794)</u>
-	-	-	-	547,427	557,463
-	-	-	-	332,718	328,145
-	-	-	-	3,508,081	2,920,899
-	-	-	-	4,388,226	3,806,507
<u>6,843,647</u>	<u>-</u>	<u>1,499,364</u>	<u>-</u>	<u>12,731,237</u>	<u>11,904,767</u>
<u>\$ 8,024,989</u>	<u>\$ 58,236</u>	<u>\$ 1,499,364</u>	<u>\$ 1,699,225</u>	<u>\$ 16,275,647</u>	<u>\$ 15,687,765</u>

The accompanying notes are an integral part of this statement.

CITY OF PATTERSON, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -  
All Governmental Fund Types  
Year Ended June 30, 1999  
With Comparative Totals for Year Ended June 30, 1998

	<i>General</i>	Special Revenue	Debt Service
Revenues:			
Taxes	\$ 900,844	\$ 704,421	\$ -
Licenses and permits	113,220	-	-
Intergovernmental	207,417	40,260	-
Charges for services	255,253	-	-
Fines and forfeits	214,221	-	-
Miscellaneous	<u>116,378</u>	<u>42,643</u>	<u>33,515</u>
Total revenues	<u>1,807,333</u>	<u>787,324</u>	<u>33,515</u>
Expenditures:			
Current -			
General government			
Administrative	291,495	84	-
Mechanic shop	33,408	-	-
Public safety:			
Police	634,958	-	-
Fire	24,113	1,689	-
Streets and drainage	193,763	-	-
Culture and recreation	29,446	-	-
Sanitation and sewer	242,229	-	-
Housing rehabilitation	-	40,260	-
Debt service -			
Principal retirement	4,338	-	222,189
Interest and fiscal charges	1,127	-	89,785
Advance refunding escrow	-	-	-
Capital outlay	<u>235,668</u>	<u>3,690</u>	<u>-</u>
Total expenditures	<u>1,690,545</u>	<u>45,723</u>	<u>311,974</u>
Excess (deficiency) of revenues over expenditures	<u>116,788</u>	<u>741,601</u>	<u>(278,459)</u>
Other financing sources (uses):			
Proceeds from capital lease	-	-	-
Operating transfers in	132,034	-	271,959
Operating transfers out	-	(406,206)	(197)
Proceeds of refunding bonds	-	-	-
Payment to refunded bond escrow agent	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>132,034</u>	<u>(406,206)</u>	<u>271,762</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	248,822	335,395	(6,697)
Fund balances, beginning	<u>1,697,057</u>	<u>1,125,167</u>	<u>702,095</u>
Fund balances, ending	<u>\$ 1,945,879</u>	<u>\$ 1,460,562</u>	<u>\$ 695,398</u>

Capital Projects	Totals (Memorandum Only)	
	1999	1998
\$ -	\$ 1,605,265	\$ 1,713,504
-	113,220	100,234
-	247,677	239,727
-	255,253	219,973
-	214,221	138,389
<u>4,166</u>	<u>196,702</u>	<u>163,483</u>
<u>4,166</u>	<u>2,632,338</u>	<u>2,575,310</u>
-	291,579	303,720
-	33,408	5,010
-	634,958	562,582
-	25,802	30,190
-	193,763	222,559
-	29,446	26,647
-	242,229	199,924
-	40,260	-
-	226,527	196,747
-	90,912	169,534
-	-	45,413
-	<u>239,358</u>	<u>92,035</u>
-	<u>2,048,242</u>	<u>1,854,361</u>
<u>4,166</u>	<u>584,096</u>	<u>720,949</u>
-	-	23,250
-	403,993	397,899
-	(406,403)	(397,899)
-	-	1,760,000
-	-	<u>(1,716,098)</u>
-	<u>(2,410)</u>	<u>67,152</u>
4,166	581,686	788,101
<u>282,221</u>	<u>3,806,540</u>	<u>3,018,439</u>
<u>\$ 286,387</u>	<u>\$ 4,388,226</u>	<u>\$ 3,806,540</u>

The accompanying notes are an integral part of this statement.

CITY OF PATTERSON, 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		
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Taxes	\$ 901,290	\$ 900,844	\$ (446)
Licenses and permits	79,000	113,220	34,220
Intergovernmental	178,870	207,417	28,547
Charges for services	257,400	255,253	(2,147)
Fines and forfeits	198,281	214,221	15,940
Miscellaneous	<u>54,266</u>	<u>116,378</u>	<u>62,112</u>
Total revenues	<u>1,669,107</u>	<u>1,807,333</u>	<u>138,226</u>
Expenditures:			
Current -			
General government			
Administrative	298,268	291,495	6,773
Mechanic shop	32,005	33,408	(1,403)
Public safety:			
Police	592,467	634,958	(42,491)
Fire	45,485	24,113	21,372
Streets and drainage	190,324	193,763	(3,439)
Culture and recreation	27,252	29,446	(2,194)
Sanitation and sewer	255,606	242,229	13,377
Housing rehabilitation	-	-	-
Debt service -			
Principal retirement	4,238	4,338	(100)
Interest and fiscal charges	1,226	1,127	99
Capital outlay	<u>191,583</u>	<u>235,668</u>	<u>(44,085)</u>
Total expenditures	<u>1,638,454</u>	<u>1,690,545</u>	<u>(52,091)</u>
Excess (deficiency) of revenues over expenditures	<u>30,653</u>	<u>116,788</u>	<u>86,135</u>
Other financing sources (uses):			
Operating transfers in	107,556	132,034	24,478
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>107,556</u>	<u>132,034</u>	<u>24,478</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	138,209	248,822	110,613
Fund balances, beginning	<u>1,697,057</u>	<u>1,697,057</u>	<u>-</u>
Fund balances, ending	<u>\$ 1,835,266</u>	<u>\$ 1,945,879</u>	<u>\$ 110,613</u>

Variance - Favorable (Unfavorable)	Special Revenue Funds			Debt Service Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ (446)	\$ 692,195	\$ 704,421	\$ 12,226	\$ -	\$ -	\$ -
34,220	-	-	-	-	-	-
28,547	55,260	40,260	(15,000)	-	-	-
(2,147)	-	-	-	-	-	-
15,940	-	-	-	-	-	-
<u>62,112</u>	<u>23,371</u>	<u>42,643</u>	<u>19,272</u>	<u>30,561</u>	<u>33,515</u>	<u>2,954</u>
<u>138,226</u>	<u>770,826</u>	<u>787,324</u>	<u>16,498</u>	<u>30,561</u>	<u>33,515</u>	<u>2,954</u>
6,773	84	84	-	-	-	-
(1,403)	-	-	-	-	-	-
(42,491)	-	-	-	-	-	-
21,372	-	1,689	(1,689)	-	-	-
(3,439)	-	-	-	-	-	-
(2,194)	-	-	-	-	-	-
13,377	-	-	-	-	-	-
-	40,260	40,260	-	-	-	-
(100)	-	-	-	222,189	222,189	-
99	-	-	-	101,572	89,785	11,787
<u>(44,085)</u>	<u>9,689</u>	<u>3,690</u>	<u>5,999</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(52,091)</u>	<u>50,033</u>	<u>45,723</u>	<u>4,310</u>	<u>323,761</u>	<u>311,974</u>	<u>11,787</u>
<u>86,135</u>	<u>720,793</u>	<u>741,601</u>	<u>20,808</u>	<u>(293,200)</u>	<u>(278,459)</u>	<u>14,741</u>
24,478	-	-	-	277,918	271,959	(5,959)
-	(385,474)	(406,206)	(20,732)	-	(197)	(197)
<u>24,478</u>	<u>(385,474)</u>	<u>(406,206)</u>	<u>(20,732)</u>	<u>277,918</u>	<u>271,762</u>	<u>(6,156)</u>
110,613	335,319	335,395	76	(15,282)	(6,697)	8,585
-	<u>1,125,167</u>	<u>1,125,167</u>	-	<u>702,095</u>	<u>702,095</u>	-
<u>\$ 110,613</u>	<u>\$ 1,460,486</u>	<u>\$ 1,460,562</u>	<u>\$ 76</u>	<u>\$ 686,813</u>	<u>\$ 695,398</u>	<u>\$ 8,585</u>

(continued)

CITY OF PATTERSON, LOUISIANA

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

	Capital Projects Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeits	-	-	-
Miscellaneous	4,300	4,166	(134)
Total revenues	<u>4,300</u>	<u>4,166</u>	<u>(134)</u>
Expenditures:			
Current -			
General government			
Administrative	-	-	-
Mechanic shop	-	-	-
Public safety:			
Police	-	-	-
Fire	-	-	-
Streets and drainage	-	-	-
Culture and recreation	-	-	-
Sanitation and sewer	-	-	-
Housing rehabilitation	-	-	-
Debt service -			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>4,300</u>	<u>4,166</u>	<u>(134)</u>
Other financing sources (uses):			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	4,300	4,166	(134)
Fund balances, beginning	<u>282,221</u>	<u>282,221</u>	<u>-</u>
Fund balances, ending	<u>\$ 286,521</u>	<u>\$ 286,387</u>	<u>\$ (134)</u>

The accompanying notes are an integral part of this statement.

CITY OF PATTERSON, LOUISIANA

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings -  
 Proprietary Fund Type  
 Year Ended June 30, 1999  
 With Comparative Totals for Year Ended June 30, 1998

	Enterprise	
	1999	1998
Operating revenues:		
Charges for services -		
Gas sales and services	\$ 736,632	\$ 954,708
Water sales and services	435,286	418,405
Sewerage service	335,500	332,315
Delinquent charges	36,807	37,269
Commissions, transfers and reconnections	11,321	9,881
Miscellaneous	<u>10,055</u>	<u>12,366</u>
Total operating revenues	<u>1,565,601</u>	<u>1,764,944</u>
Operating expenses:		
Administrative	218,025	228,339
Gas department	584,307	707,399
Water department	246,563	234,667
Sewerage department	188,260	172,069
Depreciation	<u>301,557</u>	<u>297,839</u>
Total operating expenses	<u>1,538,712</u>	<u>1,640,313</u>
Operating income	<u>26,889</u>	<u>124,631</u>
Nonoperating revenues (expenses):		
Interest income	55,073	45,423
Interest and fiscal charges	<u>(71,667)</u>	<u>(75,546)</u>
Total nonoperating revenues (expenses)	<u>(16,594)</u>	<u>(30,123)</u>
Income before operating transfers	10,295	94,508
Operating transfers in (out)	<u>2,410</u>	<u>-</u>
Net income	12,705	94,508
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>66,945</u>	<u>65,807</u>
Increase in retained earnings	79,650	160,315
Retained earnings (deficit), beginning	<u>(66,794)</u>	<u>(227,109)</u>
Retained earnings (deficit), ending	<u>\$ 12,856</u>	<u>\$ (66,794)</u>

The accompanying notes are an integral part of this statement.



CITY OF PATTERSON, LOUISIANA  
 Comparative Statement of Cash Flows  
 Proprietary Fund Type  
 Year Ended June 30, 1999  
 With Comparative Totals for Year Ended June 30, 1998

	Enterprise	
	1999	1998
Cash flows from operating activities:		
Operating income	<u>\$ 26,889</u>	<u>\$ 124,631</u>
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	301,557	297,839
Changes in current assets and liabilities:		
(Increase) decrease in accounts receivable	32,648	(41,867)
Decrease in prepaid insurance	143	71
Decrease in accounts payable	(3,735)	(59,863)
Decrease in accrued liabilities	<u>(658)</u>	<u>(247)</u>
Total adjustments	<u>329,955</u>	<u>195,933</u>
Net cash provided by operating activities	<u>356,844</u>	<u>320,564</u>
Cash flows from noncapital financing activities:		
Operating transfers in from other funds	2,410	-
Cash paid to other funds	(2,710)	(5,042)
Cash received from other funds	<u>1,457</u>	<u>-</u>
Net cash provided (used) by noncapital financing activities	<u>1,157</u>	<u>(5,042)</u>
Cash flows from capital and related financing activities:		
Acquisition of plant and equipment	(31,060)	(197,507)
Principal paid on revenue bond maturities	(55,000)	(50,000)
Interest paid on revenue bonds	(69,580)	(73,393)
Capital contributed from federal grant	-	40,000
Increase in customers' meter deposits	<u>2,115</u>	<u>8,298</u>
Net cash used by capital and related financing activities	<u>(153,525)</u>	<u>(272,602)</u>

(continued)

CITY OF PATTERSON, LOUISIANA

Comparative Statement of Cash Flows (Continued)  
 Proprietary Fund Type  
 Year Ended June 30, 1999  
 With Comparative Totals for Year Ended June 30, 1998

	Enterprise	
	<u>1999</u>	<u>1998</u>
Cash flows from investing activities:		
Purchase of interest-bearing deposits	(177,125)	(175,623)
Purchase of investments	(255,751)	(1,178,381)
Proceeds from the sale and maturities of interest-bearing deposits	175,623	174,183
Proceeds from maturities of investments	599,750	578,631
Interest on interest-bearing deposits	<u>55,133</u>	<u>45,383</u>
Net cash provided (used) by investing activities	<u>397,630</u>	<u>(555,807)</u>
Net increase (decrease) in cash and cash equivalents	602,106	(512,887)
Cash and cash equivalents, beginning of period	<u>875,490</u>	<u>1,388,377</u>
Cash and cash equivalents, end of period	<u>\$ 1,477,596</u>	<u>\$ 875,490</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet -		
Cash and cash equivalents beginning of period -		
Cash - unrestricted	\$ 136,280	\$ 131,486
Interest-bearing deposits - unrestricted	135,118	13,908
Cash - restricted	174,116	168,353
Interest-bearing deposits - restricted	605,599	1,248,813
Less: Interest-bearing deposits with a maturity over three months	<u>(175,623)</u>	<u>(174,183)</u>
Total cash and cash equivalents	<u>875,490</u>	<u>1,388,377</u>
Cash and cash equivalents, end of period -		
Cash - unrestricted	122,348	136,280
Interest-bearing deposits - unrestricted	47,743	135,118
Cash - restricted	176,231	174,116
Interest-bearing deposits - restricted	1,308,399	605,599
Less: Interest-bearing deposits with a maturity over three months	<u>(177,125)</u>	<u>(175,623)</u>
Total cash and cash equivalents	<u>1,477,596</u>	<u>875,490</u>
Net increase (decrease)	<u>\$ 602,106</u>	<u>\$ (512,887)</u>

The accompanying notes are an integral part of this statement.

## CITY OF PATTERSON, LOUISIANA

### Notes to Financial Statements

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Patterson was incorporated March 11, 1907, under the provisions of the Lawrason Act. The City operated under a Mayor-Board of Aldermen form of government until December 31, 1992 at which time the City adopted a Home Rule Charter and now operates under an elected Mayor-Council, administrative-legislative form of government. The City's operations include police and fire protection, streets and drainage, parks and recreation, residential waste collection services, *certain social services and general administration services*. The City owns and operates an enterprise fund which provides gas, water, and sewer services.

The accounting and reporting policies of the City of Patterson conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517, the Louisiana Governmental Audit Guide and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

##### A. Financial Reporting Entity

The City's combined financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City

Based on the aforementioned criteria, the City of Patterson has no component units.

##### B. Related Organizations

The City's officials are responsible for appointing the members of the board of the Patterson Housing Authority, but the City's accountability for the public housing authority does not extend beyond making the appointments. Also, the City provides facilities and some financing to the Patterson Volunteer Department but the City does not appoint the governing board nor does it have any additional financial accountability to the volunteer fire department.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Presentation

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

Governmental Funds -

General Fund

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

Special revenue funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Debt service funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital projects funds

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

Proprietary Fund -

Enterprise fund

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City of Patterson's enterprise fund is the Utility Fund.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Fiduciary Funds -*

*Agency funds*

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations, but are used to account for assets held for other funds.

D. Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus, and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased. The City has elected not to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. Estimated amounts are immaterial in relation to total fixed assets.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

The proprietary fund is accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and all liabilities (whether current or noncurrent) associated with its activity are included on its balance sheet.

Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against its operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	20 - 30 years
Improvements	10 - 30 years
Equipment	4 - 20 years

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The Governmental Fund Types (General, Special Revenue, Debt Service and Capital Project Funds), and Expendable Trust Funds use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Agency Funds also use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Sales taxes are considered measurable when in the hands of intermediary collecting governments and are recognized as revenue at that time. The City considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for recognition of all other Governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments to be made early in the following year, and accrued vacation and sick leave which is recorded when payable from current available financial resources.

The revenues susceptible to accrual are property taxes, charges for service, interest income and intergovernmental revenues. All other Governmental Fund Type revenues are recognized when received.

The Proprietary Fund Types are accounted for on an economic resources measurement focus using the accrual basis of accounting. Revenues are recorded when they are earned, including unbilled water and sewer services which are accrued. Expenses are recorded at the time liabilities are incurred.

F. Budgets and Budgetary Accounting

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

1. The City Clerk prepares a proposed budget and submits it to the Mayor and City Council for the fiscal year no later than forty five days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfers 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 City Council.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the City Council. Such amendments were not material in relation to the original appropriations.

G. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City as an extension of formal budgetary integration in the funds.

H. Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

I. Statement of Cash Flows

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

J. Advances To/From Other Funds

Noncurrent portions of long-term interfund loans receivable and payable are reported as "Advances to other funds" and "Advances from other funds". Advances to other funds in governmental funds are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Bad Debts

Uncollectible amounts due for ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible taxes receivable was made due to immateriality at June 30, 1999. An allowance for uncollectible utility receivables has been provided at June 30, 1999.

L. Vacation and Sick Leave

Vacation and sick leave are recorded as expenditures of the period in which paid. Sick leave does not accumulate and is not payable at termination of employment. Vacation must be taken in the year accrued and cannot be carried over. Any liability the City might have in this regard at June 30, 1999 is considered immaterial; therefore, no liability has been recorded in the accounts.

M. Capitalization of Interest Expense

It is the policy of the City of Patterson to capitalize material amounts of interest resulting from borrowings in the course of the construction of fixed assets. For the year ended June 30, 1999, no capitalized interest expense was recorded on the books.

N. Capital Lease

A capital lease is generally defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases" as one which transfers benefits and risks of ownership to the lessee. Leases meeting the criteria of a capital lease as defined are recorded at inception as expenditures and other financial sources in governmental fund types and as assets and liabilities in the General Fixed Assets and General Long-Term Debt account groups, respectively, at the present value of the future minimum lease payments, using the interest rates stated in the leases.

O. Comparative Data

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

P. Total Columns on Combined Statements - Overview

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



CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Use of Estimates

The City's management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures or expenses, as appropriate. Actual results may differ from these estimates.

NOTE 2 CASH

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 \$5,554,878, as follows:

Demand deposits	\$ 1,026,979
Money market accounts and time deposits	<u>4,527,899</u>
Total	<u>\$ 5,554,878</u>

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>\$ 5,589,058</u>
Federal deposit insurance	\$ 400,000
Pledged securities (Category 3)	<u>6,193,893</u>
Total federal deposit insurance and pledged securities	<u>6,593,893</u>
Excess	<u>\$ 1,004,835</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.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 3 INVESTMENTS

The City of Patterson's investments are categorized below to give an indication of the level of risk assumed by it at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the City of Patterson or its agent in the City's name. Category 2 includes uninsured and unregistered investments with securities held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty, or by its trust department or agent, but not in the City's name.

	Category 1	
	Market Value/ Carrying Amount	Cost
U. S. Government Securities	<u>\$ 972,858</u>	<u>\$ 971,000</u>

NOTE 4 AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in September or October and are actually billed to taxpayers in November or December. Billed taxes become delinquent on January 1 of the following year. The City bills and collects its own property taxes using the assessed values determined by the tax assessor of St. Mary Parish. City property tax revenues are budgeted in the year billed.

For the year ended June 30, 1999, taxes of 22.48 mills were levied on property with assessed valuations totaling \$11,163,565 and were dedicated as follows:

General corporate purposes	10.37 mills
Debt service	12.11 mills

Total taxes levied were \$250,957. The total amount of taxes receivable at June 30, 1999 was \$7,772.

NOTE 5 INTERFUND RECEIVABLES/PAYABLES

	Interfund Receivables	Interfund Payables
Due to/from other funds:		
General Fund	\$ 52,169	\$ 176,869
Special revenue funds -		
Ad Valorem Tax Collection Fund	-	32,778
Sewerage and Solid Waste Sales Tax Fund	-	24,139
Debt service funds -		
Public Improvement Bonds Fund	116,667	40,397

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 5 INTERFUND RECEIVABLES/PAYABLES (CONTINUED)

	Interfund Receivables	Interfund Payables
1990 Paving Assessment Fund	392	98,073
Sales Tax Refunding Bonds, Series 1990 Fund	11,743	4,426
Capital projects funds -		
Drainage and Relocation Fund	21,443	1,701
Regional Sewerage Facility Project Fund	573	-
Murphy St. Paving Fund	-	392
Utility Fund	220,335	9,714
Agency Funds -		
Disbursement Fund	9,714	18,759
Payroll Fund	-	25,788
Total due to/from other funds	\$ 433,036	\$ 433,036
 Advances to/from other funds:		
General Fund	\$ -	\$ 125,000
Utility Fund	125,000	-
Total advances to/from other funds	\$ 125,000	\$ 125,000

NOTE 6 DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at June 30, 1999 consisted of the following:

Payment in lieu of taxes due from the Patterson Housing Authority	\$ 11,789
Fire insurance rebate due from the St. Mary Parish Council	12,891
Beer and Tobacco taxes due from the State of Louisiana	7,814
Video poker receipts due from the State of Louisiana	10,908
Indian Gaming Revenue due from the State of Louisiana	12,815
	\$ 56,217

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 7 RESTRICTED ASSETS - PROPRIETARY FUND TYPE

Restricted assets consisted of the following at June 30:

	<u>1999</u>	<u>1998</u>
Revenue bond and interest sinking fund	\$ 90,071	\$ 98,571
Revenue bond reserve fund	128,388	128,388
Revenue bond capital additons and contingencies fund	841,898	734,464
Revenue bond construction fund	222,157	218,082
Customers' deposits	<u>202,573</u>	<u>200,458</u>
	<u>\$1,485,087</u>	<u>\$1,379,963</u>

NOTE 8 CHANGES IN FIXED ASSETS

	<u>Balance July 1, 1998</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1999</u>
Land	\$ 230,244	\$ -	\$ -	\$ 230,244
Buildings	385,720	19,168	-	404,888
Equipment	<u>651,354</u>	<u>220,190</u>	<u>7,312</u>	<u>864,232</u>
Total general fixed assets	<u>\$ 1,267,318</u>	<u>\$ 239,358</u>	<u>\$ 7,312</u>	<u>\$ 1,499,364</u>

A summary of proprietary fund type property, plant and equipment at June 30, 1999 follows:

Land	\$ 107,200
Administrative equipment	126,766
Gas utility:	
System	1,651,420
Equipment	275,099
Water utility:	
System	2,124,858
Tank	303,842
Equipment	129,546
Sewerage utility:	
System	6,014,305
Equipment	<u>66,715</u>
	10,799,751
Less: Accumulated depreciation	<u>5,307,421</u>
Net proprietary fund type property, plant and equipment	<u>\$5,492,330</u>

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 9 CAPITAL LEASE

In July 1997, the City entered into an agreement for the lease of equipment. The lease is paid in monthly installments, final payment is due in June 2002. The book value of the equipment under capital lease at June 30, 1999 as capitalized in the General Fixed Assets Account Group is \$23,250.

The following is a schedule of future minimum lease payments under the capital lease:

	<u>Equipment</u>
2000	\$ 5,464
2001	5,464
2002	<u>5,464</u>
	16,392
Less: Amount representing interest	<u>1,544</u>
Present value of minimum lease payments	<u>\$ 14,848</u>

NOTE 10 CHANGES IN LONG-TERM DEBT

The following is a summary of bonds and certificates of indebtedness transactions of the City of Patterson for the year ended June 30, 1999:

	<u>General Obligation</u>	<u>Revenue</u>	<u>Total</u>
Bonds and certificates, payable July 1, 1998	\$ 1,906,566	\$ 985,000	\$ 2,891,566
Bonds and certificates, issued	-	-	-
Bonds and certificates, retired	<u>(222,189)</u>	<u>(55,000)</u>	<u>(277,189)</u>
Bonds and certificates, payable June 30, 1999	<u>\$ 1,684,377</u>	<u>\$ 930,000</u>	<u>\$ 2,614,377</u>

Bonds and certificates payable at June 30, 1999 are comprised of the following individual issues:

General obligation bonds and certificates:

\$221,885 1990 Paving certificates due in annual installments of \$22,189 through December 1, 2000; interest at 7.50 percent; payable from paving assessment revenues.	\$ 44,377
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CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 10 CHANGES IN LONG-TERM DEBT (CONTINUED)

\$830,000 1997 Public Improvement Sewer Refunding Bonds, due in annual installments of \$105,000 to \$125,000 through December 1, 2005; interest at 5 percent; secured by levy and collection of 3/4 percent sales tax revenue	810,000
\$930,000 1998 General Obligation Refunding Bonds, due in annual installments of \$45,000 to \$100,000 through March 1, 2010, interest at 4.45 to 5.20 percent; secured by levy and collection of ad valorem taxes	<u>830,000</u>
Total general obligation bonds and certificates payable	<u>\$ 1,684,377</u>
Revenue bonds:	
\$1,290,000 Utilities Revenue Bonds, Series 1990, due in annual installments of \$55,000 to \$120,000 through May 1, 2010; interest at 6.50	\$ 930,000
Less: Unamortized bond discount	<u>30,010</u>
Net utility revenue bonds	<u>\$ 899,990</u>

The annual requirements to amortize all debt outstanding as of June 30, 1999, including interest payments of \$857,673 are as follows:

<u>Year Ending June, 30</u>	<u>General Obligation</u>	<u>Revenue</u>	<u>Total</u>
2000	\$ 308,849	\$ 120,730	\$ 429,579
2001	242,485	121,880	364,365
2002	226,210	122,680	348,890
2003	233,028	123,130	356,158
2004	238,940	123,160	362,100
2005-2009	749,145	634,073	1,383,218
2010	<u>99,940</u>	<u>127,800</u>	<u>227,740</u>
	<u>\$ 2,098,597</u>	<u>\$ 1,373,453</u>	<u>\$ 3,472,050</u>

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 10 CHANGES IN LONG-TERM DEBT (CONTINUED)

Covenants/Restrictions:

Property assessment bonds:

The City of Patterson has a contingent liability against its full faith and credit on property assessment certificates recorded in the general long-term debt group. The general credit of the government is obligated only to the extent that liens foreclosed against properties involved in the property assessment program are insufficient to retire outstanding certificates.

*Assets remaining in these funds after the retirement of the outstanding obligations may be used only for the repair and maintenance of the streets improved from the proceeds of the original certificate issue.*

Utility revenue bonds:

The various bond indentures contain significant limitations and restrictions as to the annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverage (see Note 11). The City is in compliance with all such significant limitations and restrictions.

Sales tax sewer public improvement bonds:

The resolution concerning the dedication of the proceeds of the 3/4 of 1% sewerage and solid waste sales tax specifies restrictions as to how the funds must be expended (see Note 12). The City is in compliance with all such significant limitations.

NOTE 11 FLOW OF FUNDS; RESTRICTIONS ON USE - UTILITIES REVENUES

Under the terms of the bond indenture on outstanding Utilities Revenue Bonds dated May 1, 1990, all income and revenues (hereinafter referred to as revenue) of every nature, earned or derived from operations of the Utilities System are pledged and dedicated to the retirement of said bonds and are to be set aside into the following special funds:

*Each month, there will be set aside into a fund called the Revenue Bond Sinking Fund an amount constituting 1/12 of the next maturing installment of principal and 1/6 of the next maturing installment of interest on the outstanding bonds. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments.*

There shall also be set aside into a Revenue Bond Reserve Fund an initial deposit of \$129,000, thus accumulating in the reserve account an amount equal to the lesser of the highest combined principal and interest requirements in any succeeding fiscal year or 10 percent of bond proceeds. Such amounts may be used only for the payment of maturing bonds and interest on the aforesaid bonds for which sufficient funds are not on deposit in the Revenue Bond Sinking Fund and as to which there would otherwise be default.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 11 FLOW OF FUNDS; RESTRICTIONS ON USE - UTILITIES REVENUES (CONTINUED)

Funds will also be set aside into a Capital Additions and Contingencies Fund monthly in the amount of five percent (5%) of the gross revenues of the System for the preceding month, provided that such sum is available after provision is made for all reasonable expenses of administration, operation and maintenance of the System as well as payments into the above required funds. In addition to caring for extensions, additions, improvements, renewals and replacements necessary to properly operate the System, money in this fund shall also be used to pay the principal of and the interest on these bonds for the payment of which there is not sufficient money in the Revenue Bond Sinking Fund or the Revenue Bond Reserve Fund. This money, however, shall never be used for the making of improvements and extensions to the System or for payment of principal and interest on bonds if such use of said money will leave in the Capital Additions and Contingencies Fund for the making of emergency repairs or replacements less than the sum of \$10,000.

NOTE 12 DEDICATION OF PROCEEDS AND FLOW OF FUNDS - SALES AND USE TAXES

The City of Patterson collects sales taxes under four sales tax levies as follows:

- A. Proceeds of a 1% parish wide sales and use tax levied in 1966 (1999 collections \$443,772; 1998 \$537,198). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is remitted to each participating municipality on a monthly basis. The City of Patterson's allocation is 4.7818% of the first \$1,500,000 of net taxes collected. Fifty percent of any collection in excess of \$1,500,000 is divided proportionately among the participating municipalities according to their respective populations as reflected by the most recent federal census or most recent special census. Proceeds of this tax shall be used for the following purposes: construction, acquisition, improvement, maintenance and repairs of streets, capital improvements, public works and buildings (including the acquisition of sites and necessary fixtures, equipment, furnishings and appurtenances, and the payment of obligations and refunding obligations which have been or may be issued for the purpose of acquiring and improving public works and buildings); for payment or supplementing salaries of all municipal employees; for the operation of recreational facilities; for the acquisition, maintenance, repairs and payment of operating expenses of equipment, vehicles, and other machinery owned by the municipality; and for any other public purpose authorized by state law.
- B. Proceeds of a 3/4 of 1% sales and use tax levied in 1974 (1999 collections \$441,533; 1998 \$527,102). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is allocated and distributed monthly as above. Proceeds are to be used for the construction, acquisition, extension, improvement, operation and maintenance of solid waste collection and disposal facilities, sewers and sewerage disposal works, and other facilities for pollution control and abatement; and to pay debt service requirements on bonds issued for any of the above-mentioned purposes. This tax is to be collected until all bonds payable shall have been paid in full in principal and interest or 1/1/99, whichever is later.



CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 12 DEDICATION OF PROCEEDS AND FLOW OF FUNDS - SALES AND USE TAXES  
(CONTINUED)

- C. Proceeds of a 3/10 of 1% sales and use tax levied in 1982 (1999 collections \$170,351; 1998 \$206,098) Tax is collected by the St. Mary Parish Sales and Use Tax Department and is allocated and distributed monthly as above. Proceeds are dedicated to the following purposes: operating and maintaining the police department, including the acquisition and maintenance of equipment and supplies; paying or supplementing the salaries of municipal employees; and purchasing, constructing, acquiring, extending and/or improving all or any portion of public works or capital improvements, including but not limited to the construction, improvement and maintenance of drainage, water, and flood control extensions and improvements and the acquisition, construction, improvement, maintenance and repair of streets, roads, and bridges.
- D. Proceeds of a 1/2% parish wide sales and use tax levied in 1998 (1999 collections \$140,700; 1998 \$67,249). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is remitted to the St. Mary Parish Sheriff, the Parish of St. Mary and each participating municipality on a monthly basis. Proceeds of this tax may be used by the municipalities for any lawful law enforcement purpose.

NOTE 13 PENSION PLAN

Eligible employees of the City participate in one of two multiple-employer public employee retirement systems (PERS), which are controlled and administered by a separate board of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to each plan follows:

A. Municipal Employees' Retirement System

Plan members are required to contribute 5.0 percent of their annual covered salary to the system while the City is required to contribute the statutory rate of 2.75 percent of the total annual covered salary. The City's contributions to the system for the years ended June 30, 1999, 1998 and 1997 were \$12,916, \$12,980, and \$13,992, respectively, equal to the required contribution for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Employees' Retirement System, 7937 Office Park Bldg., Baton Rouge, Louisiana 70809.

B. Municipal and State Police Retirement System of Louisiana

Plan members are required to contribute 7.5 percent of their annual covered salary to the system while the City is required to contribute the statutory rate of 9.0 percent of the total annual covered salary. The City's contributions to the system for the years ended June 30, 1999, 1998 and 1997 were \$10,469, \$7,106, and \$6,863, respectively, equal to the required contribution for each year.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 13 PENSION PLAN (CONTINUED)

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Police Employees' Retirement System, P. O. Box 94095 - Capital Station, Baton Rouge, Louisiana 70804-9095.

NOTE 14 SOCIAL SECURITY SYSTEM

All employees of the City of Patterson participate in the Social Security System. The City and its employees contribute a percentage of each employee's salary to the System (7.65% contributed by the City and 7.65% by the employee). The City's contribution during the year ended June 30, 1999 amounted to \$77,255.

NOTE 15 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss. The City is insured up to policy limits for each of the above risks. There were no significant changes in coverages, retentions, or limits during the year ended June 30, 1999. Settled claims have not exceeded the commercial coverages in any of the previous three fiscal years.

NOTE 16 PENDING LITIGATION

The City is not presently involved in any lawsuits which could materially affect the financial condition of the City.

NOTE 17 SEGMENT INFORMATION FOR THE ENTERPRISE FUND

The City of Patterson maintains one enterprise fund with three departments which provide gas, water and sewerage services. Segment information for the year ended June 30, 1999 was as follows:

	Gas Department	Water Department	Sewerage Department	Total Enterprise Fund
Operating revenues	\$ 754,986	\$ 452,398	\$ 358,217	\$ 1,565,601
Operating expenses	<u>(725,118)</u>	<u>(416,011)</u>	<u>(397,583)</u>	<u>(1,538,712)</u>
Operating income (loss)	<u>\$ 29,868</u>	<u>\$ 36,387</u>	<u>\$ (39,366)</u>	<u>\$ 26,889</u>

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 18 CONTRIBUTED CAPITAL

Amounts contributed to the enterprise fund for acquisition or construction of fixed assets is recognized as contributed capital. Contributed capital generated through grants externally restricted for capital acquisitions is amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such grants. This depreciation is closed to the appropriate contributed capital account and is reflected as an adjustment to net income on the Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings.

The sources of contributed capital used to acquire and construct facilities of the Enterprise Fund are as follows:

	<u>Municipality</u>	<u>Federal Grants</u>	<u>State Grants</u>	<u>Customers</u>	<u>Total</u>
Total contributed capital	\$ 5,440,367	\$ 880,125	\$ 1,254,320	\$ 87,281	\$ 7,662,093
Less: Accumulated amortization	-	(475,889)	(355,413)	-	(831,302)
Net contributed capital	<u>\$ 5,440,367</u>	<u>\$ 404,236</u>	<u>\$ 898,907</u>	<u>\$ 87,281</u>	<u>\$ 6,830,791</u>

NOTE 19 COMPENSATION OF CITY OFFICIALS

A detail of compensation paid to the Mayor and City Council for the year ended June 30, 1999 follows:

Mayor:

James L. Bernauer \$ 20,261

Council:

Michael Accardo	3,420
David Bourdier	3,420
Lazarus Grogan, Jr.	1,710
Leroy Johnson	1,710
Larry Mendoza	3,420
C. A. "Gus" Lipari	1,710
Peg Rentrop	<u>1,710</u>
	<u>\$ 37,361</u>

**SUPPLEMENTAL INFORMATION**

**SCHEDULE OF INDIVIDUAL FUNDS  
AND ACCOUNT GROUPS**

## GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

CITY OF PATTERSON, LOUISIANA  
General Fund

Comparative Balance Sheet  
June 30, 1999 and 1998

	1999	1998
<b>ASSETS</b>		
Cash	\$ 343,538	\$ 324,862
Interest-bearing deposits	1,784,864	1,117,270
Investments	-	399,885
Receivables:		
Sales tax receivable	55,677	75,157
Utility franchise taxes receivable	32,998	33,124
Accrued interest receivable	3,274	3,374
Due from other funds	52,169	68,000
Due from other governmental units	<u>43,326</u>	<u>37,260</u>
 Total assets	 <u>\$ 2,315,846</u>	 <u>\$ 2,058,932</u>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable	\$ 68,098	\$ 54,300
Due to other funds	176,869	182,575
Advances from other funds	<u>125,000</u>	<u>125,000</u>
Total liabilities	369,967	361,875
 Fund balances - unreserved, undesignated	 <u>1,945,879</u>	 <u>1,697,057</u>
 Total liabilities and fund balances	 <u>\$ 2,315,846</u>	 <u>\$ 2,058,932</u>

CITY OF PATTERSON, 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 Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<b>Revenues:</b>				
Taxes	\$ 901,290	\$ 900,844	\$ (446)	\$ 949,345
Licenses and permits	79,000	113,220	34,220	100,234
Intergovernmental	178,870	207,417	28,547	225,193
Charges for services	257,400	255,253	(2,147)	219,973
Fines and forfeits	198,281	214,221	15,940	138,389
Miscellaneous	<u>54,266</u>	<u>116,378</u>	<u>62,112</u>	<u>100,122</u>
Total revenues	<u>1,669,107</u>	<u>1,807,333</u>	<u>138,226</u>	<u>1,733,256</u>
<b>Expenditures:</b>				
Current -				
General government:				
Administrative	298,268	291,495	6,773	303,720
Mechanic shop	32,005	33,408	(1,403)	5,010
Public safety:				
Police	592,467	634,958	(42,491)	562,582
Fire	45,485	24,113	21,372	23,003
Streets and drainage	190,324	193,763	(3,439)	222,559
Culture and recreation	27,252	29,446	(2,194)	26,647
Sanitation	255,606	242,229	13,377	199,924
Capital outlay	191,583	235,668	(44,085)	77,681
Debt service	<u>5,464</u>	<u>5,465</u>	<u>(1)</u>	<u>12,251</u>
Total expenditures	<u>1,638,454</u>	<u>1,690,545</u>	<u>(52,091)</u>	<u>1,433,377</u>
Excess of revenues over expenditures	<u>30,653</u>	<u>116,788</u>	<u>86,135</u>	<u>299,879</u>

(continued)



CITY OF PATTERSON, LOUISIANA  
General Fund

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

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<i>Other financing sources (uses):</i>				
Proceeds from capital lease	\$ -	\$ -	\$ -	\$ 23,250
Operating transfers in	<u>107,556</u>	<u>132,034</u>	<u>24,478</u>	<u>117,406</u>
Total other financing sources (uses)	<u>107,556</u>	<u>132,034</u>	<u>24,478</u>	<u>140,656</u>
 Excess of revenues and other financing sources over expenditures and other financing uses	 138,209	 248,822	 110,613	 440,535
 <i>Fund balance, beginning</i>	 <u>1,697,057</u>	 <u>1,697,057</u>	 <u>-</u>	 <u>1,256,522</u>
 <i>Fund balance, ending</i>	 <u>\$ 1,835,266</u>	 <u>\$ 1,945,879</u>	 <u>\$ 110,613</u>	 <u>\$ 1,697,057</u>

CITY OF PATTERSON, LOUISIANA  
General Fund

Statement of Revenues Compared to Budget (GAAP Basis)  
Year Ended June 30, 1999  
With Comparative Actual Amounts for Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Taxes -				
Sales	\$ 756,691	\$ 754,823	\$ (1,868)	\$ 810,545
Utility franchise	144,599	140,950	(3,649)	131,394
Housing authority payment in lieu of taxes	-	5,071	5,071	7,406
	<u>901,290</u>	<u>900,844</u>	<u>(446)</u>	<u>949,345</u>
Licenses and permits -				
Occupational licenses	<u>79,000</u>	<u>113,220</u>	<u>34,220</u>	<u>100,234</u>
Intergovernmental -				
Federal government -				
Police grant	-	-	-	6,309
State of Louisiana -				
Beer taxes	6,711	6,619	(92)	6,518
Tobacco taxes	22,241	26,241	4,000	26,241
Video Poker	43,284	46,140	2,856	42,449
Indian gaming revenue	41,193	44,706	3,513	50,963
Patterson Housing Authority	-	3,270	3,270	-
St. Mary Parish Council	<u>65,441</u>	<u>80,441</u>	<u>15,000</u>	<u>92,713</u>
	<u>178,870</u>	<u>207,417</u>	<u>28,547</u>	<u>225,193</u>
Charges for services:				
Garbage fees	222,507	221,249	(1,258)	214,734
Summer recreation fees	341	598	257	230
Mechanic shop fees	<u>34,552</u>	<u>33,406</u>	<u>(1,146)</u>	<u>5,009</u>
	<u>257,400</u>	<u>255,253</u>	<u>(2,147)</u>	<u>219,973</u>
Fines and forfeits	<u>198,281</u>	<u>214,221</u>	<u>15,940</u>	<u>138,389</u>
Miscellaneous:				
Interest	41,260	59,911	18,651	42,867
Oil and gas royalties	141	138	(3)	141
Other sources	<u>12,865</u>	<u>56,329</u>	<u>43,464</u>	<u>57,114</u>
	<u>54,266</u>	<u>116,378</u>	<u>62,112</u>	<u>100,122</u>
Total revenues	<u>\$1,669,107</u>	<u>\$1,807,333</u>	<u>\$ 138,226</u>	<u>\$1,733,256</u>

CITY OF PATTERSON, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis)  
Year Ended June 30, 1999  
With Comparative Actual Amounts for Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
General government:				
Administrative -				
Salaries:				
Office	\$ 72,880	\$ 65,652	\$ 7,228	\$ 74,327
Mayor	20,261	20,261	-	20,261
Council	17,100	17,100	-	17,100
Payroll taxes	11,321	7,998	3,323	8,576
Retirement contributions	3,502	2,112	1,390	4,191
Group insurance	1,700	2,662	(962)	1,232
Magistrate fees	4,200	4,200	-	4,200
Travel and employee expense	2,035	1,911	124	2,035
Telephone	1,900	2,346	(446)	1,846
Utilities	250	90	160	210
Office supplies	4,600	5,039	(439)	4,551
Operating supplies	4,800	4,630	170	1,199
Office equipment maintenance	800	1,569	(769)	3,266
City Hall maintenance	400	1,054	(654)	-
Training and seminars	-	45	(45)	-
Professional fees	16,125	14,049	2,076	15,598
Research and surveys	1,786	2,026	(240)	3,020
Employee physicals	75	69	6	-
Planning Commission	300	301	(1)	211
Small animal control	5,935	6,031	(96)	2,756
Dues and subscriptions	1,767	2,582	(815)	1,941
Council on Aging grants	3,500	3,500	-	-
Indigent Defenders Board	42,683	50,347	(7,664)	29,294
Donations and grants	-	359	(359)	-
Advertising and publishing	5,300	5,622	(322)	5,941
General insurance	59,993	57,847	2,146	89,212
Public activities and awards	6,255	6,427	(172)	6,525
Miscellaneous	<u>8,800</u>	<u>5,666</u>	<u>3,134</u>	<u>6,228</u>
Total administrative	<u>298,268</u>	<u>291,495</u>	<u>6,773</u>	<u>303,720</u>

(continued)

CITY OF PATTERSON, LOUISIANA  
General Fund

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

With Comparative Actual Amounts for Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Mechanic shop -				
Salaries	\$ 16,660	\$ 17,309	\$ (649)	\$ -
Payroll taxes	1,278	1,316	(38)	-
Retirement contribution	625	643	(18)	-
Group insurance	4,353	4,353	-	-
Casual labor	-	-	-	171
Vehicle oil, gas and parts	8,289	6,846	1,443	3,747
Vehicle maintenance	800	2,941	(2,141)	1,092
Total mechanic	<u>32,005</u>	<u>33,408</u>	<u>(1,403)</u>	<u>5,010</u>
Total general government	<u>330,273</u>	<u>324,903</u>	<u>5,370</u>	<u>308,730</u>
Public safety:				
Police -				
Salaries	366,037	374,117	(8,080)	325,672
Payroll taxes	32,966	33,516	(550)	30,904
Retirement contributions	10,378	10,464	(86)	7,106
Group insurance	55,912	63,382	(7,470)	50,215
Uniform allowances	7,146	5,695	1,451	4,759
Prisoner expense	-	978	(978)	2,624
Telephone	2,725	2,920	(195)	2,559
Utilities	12,279	10,485	1,794	12,583
Office supplies	5,966	3,627	2,339	8,554
Operating supplies	8,177	13,680	(5,503)	12,175
Police station maintenance & improvements	640	1,633	(993)	5,373
Equipment maintenance	895	8,720	(7,825)	7,882
Equipment rentals	6,862	-	6,862	-
Vehicle oil and gas	22,727	24,529	(1,802)	24,537
Vehicle maintenance	23,567	36,697	(13,130)	30,440
Crime lab	24,382	21,822	2,560	13,097
Training seminars	700	800	(100)	2,830
Travel and employeec expense	3,336	4,073	(737)	5,970
Narcotics expenses	6,682	11,357	(4,675)	8,682
Miscellaneous	1,090	6,463	(5,373)	6,620
Total police	<u>592,467</u>	<u>634,958</u>	<u>(42,491)</u>	<u>562,582</u>

(continued)

CITY OF PATTERSON, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)  
Year Ended June 30, 1999  
With Comparative Actual Amounts for Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Fire -				
Salaries	\$ 2,625	\$ 2,730	\$ (105)	\$ 1,260
Payroll taxes	202	211	(9)	97
Telephone	2,171	2,099	72	1,929
Utilities	2,570	2,482	88	2,397
Operating supplies	5,872	3,291	2,581	2,415
Equipment maintenance	700	2,586	(1,886)	-
Fire station maintenance	20,784	2,346	18,438	4,791
Fire station improvements	1,690	-	1,690	-
Fire hydrant rentals	6,000	6,000	-	6,000
Vehicle oil and gas	520	340	180	443
Vehicle maintenance	1,057	907	150	2,260
Miscellaneous	1,294	1,121	173	1,411
Total fire	<u>45,485</u>	<u>24,113</u>	<u>21,372</u>	<u>23,003</u>
Total public safety	<u>637,952</u>	<u>659,071</u>	<u>(21,119)</u>	<u>585,585</u>
Streets and drainage:				
Salaries	38,282	39,383	(1,101)	48,559
Payroll taxes	3,003	3,048	(45)	3,800
Retirement contributions	905	1,231	(326)	863
Group insurance	3,655	3,917	(262)	3,412
Casual labor	1,584	1,348	236	3,397
Uniform allowance	2,537	2,534	3	1,488
Utilities	33,755	31,404	2,351	35,812
Operating supplies	8,087	7,720	367	8,564
Surfacing materials	79,956	57,691	22,265	79,396
Equipment maintenance	6,848	10,459	(3,611)	17,540
Vehicle oil and gas	4,126	6,156	(2,030)	3,950
Vehicle maintenance	3,062	18,030	(14,968)	6,370
Railroad rental/maintenance	2,495	2,550	(55)	2,495
Employee physicals	270	-	270	-
Drainage maintenance	-	5,380	(5,380)	2,566
Miscellaneous	1,759	2,912	(1,153)	4,347
Total streets and drainage	<u>190,324</u>	<u>193,763</u>	<u>(3,439)</u>	<u>222,559</u>

(continued)

CITY OF PATTERSON, LOUISIANA  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)  
Year Ended June 30, 1999  
With Comparative Actual Amounts for Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<b>Culture and recreation:</b>				
Referee and umpire fees	\$ 7,610	\$ 8,156	(546)	\$ 4,575
Insurance	2,350	1,389	961	3,618
Utilities	110	3,418	(3,308)	260
Activities and awards	500	-	500	500
Operating supplies	240	3	237	210
Facilities maintenance	500	423	77	1,031
Rental fee	3,002	3,002	-	3,092
Appropriation to Civic Center	12,500	12,500	-	12,500
Miscellaneous	440	555	(115)	861
Total culture and recreation	<u>27,252</u>	<u>29,446</u>	<u>(2,194)</u>	<u>26,647</u>
<b>Sanitation:</b>				
Salaries	13,193	13,721	(528)	13,336
Payroll taxes	1,012	1,063	(51)	1,045
Retirement contributions	363	515	(152)	383
Group insurance	3,370	3,604	(234)	3,140
Garbage services rendered	237,668	207,622	30,046	169,082
Regional facility fee	-	15,554	(15,554)	10,489
Miscellaneous	-	150	(150)	2,449
Total sanitation	<u>255,606</u>	<u>242,229</u>	<u>13,377</u>	<u>199,924</u>
<b>Capital outlay:</b>				
Mechanic shop equipment	2,547	-	2,547	2,000
Police equipment	33,857	36,672	(2,815)	22,552
Street equipment	87,018	87,018	-	46,717
Recreation Equipment	-	3,420	(3,420)	-
Administrative equipment	40,000	49,876	(9,876)	-
Fire department equipment	28,161	58,682	(30,521)	6,412
Total capital outlay	<u>191,583</u>	<u>235,668</u>	<u>(44,085)</u>	<u>77,681</u>
<b>Debt service:</b>				
Principal paid	4,238	4,338	(100)	9,558
Interest and fiscal charges	1,226	1,127	99	2,693
Total debt service	<u>5,464</u>	<u>5,465</u>	<u>(1)</u>	<u>12,251</u>
Total expenditures	<u>\$ 1,638,454</u>	<u>\$ 1,690,545</u>	<u>\$ (52,091)</u>	<u>\$ 1,433,377</u>

CITY OF PATTERSON, LOUISIANA  
General Fund

Statement of Other Financing Sources (Uses) -  
Compared to Budget (GAAP Basis)  
Year Ended June 30, 1999  
With Comparative Actual Amounts for Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Other financing sources:				
Proceeds from capital lease	\$ -	\$ -	\$ -	\$ 23,250
Transfers from other funds -				
Ad Valorem Tax Collection Fund	107,556	112,096	4,540	101,492
Sewerage and Solid Waste Fund	-	19,741	19,741	13,055
Public Improvement Fund of 1964	-	197	197	2,859
Total transfers from other funds	<u>107,556</u>	<u>132,034</u>	<u>24,478</u>	<u>117,406</u>
Total other financing sources	<u>\$ 107,556</u>	<u>\$ 132,034</u>	<u>\$ 24,478</u>	<u>\$ 140,656</u>

## SPECIAL REVENUE FUNDS

**Sewerage and Solid Waste Sales Tax Fund** - To account for the receipt and use of proceeds of the City's 3/4% sales and use tax. These taxes are dedicated to the construction, acquisition, extension, improvement, operation and maintenance of solid waste collection and disposal facilities.

**Ad Valorem Tax Collection Fund** - To account for the collection and distribution of the City's 22.48 mill ad valorem tax. Of the total tax, 10.37 mills is transferred to the General Fund and 12.11 mills is transferred to the Public Improvement Bond Fund.

**Fire Department Equipment Fund** - To account for the receipt of funds and the acquisition of equipment for the fire department.

**Emergency Management Fund** - To account for the federal and state monies as well as insurance proceeds received and expended for damages sustained as a result of Hurricane Andrew.

**LCDBG Grant Fund** - To account for the receipt of federal monies to be expended for housing rehabilitation in target areas.



CITY OF PATTERSON, LOUISIANA  
Special Revenue Funds

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

	Sewerage and Solid Waste Sales Tax	Ad Valorem Tax Collection	Fire Department Equipment	Emergency Management
<b>ASSETS</b>				
Cash	\$ 236,484	\$ 1,530	\$ -	\$ 24,592
Interest-bearing deposits, at cost	340,086	23,476	100,819	21,739
Investments, at fair value	717,107	-	-	-
Accrued interest receivable	457	-	1,169	-
Ad valorem taxes receivable	-	7,772	-	-
Sales taxes receivable	30,712	-	-	-
Due from other governmental units	-	-	12,891	-
Total assets	<u>\$ 1,324,846</u>	<u>\$ 32,778</u>	<u>\$ 114,879</u>	<u>\$ 46,331</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,388	\$ -	\$ -	\$ -
Due to other funds	24,139	32,778	-	-
Total liabilities	<u>25,527</u>	<u>32,778</u>	<u>-</u>	<u>-</u>
<b>Fund balances - unreserved:</b>				
Designated for subsequent years' expenditures	-	-	-	46,331
Undesignated	1,299,319	-	114,879	-
Total fund balances	<u>1,299,319</u>	<u>-</u>	<u>114,879</u>	<u>46,331</u>
Total liabilities and fund balances	<u>\$ 1,324,846</u>	<u>\$ 32,778</u>	<u>\$ 114,879</u>	<u>\$ 46,331</u>

LCDBG Fund	Totals	
	1999	1998
\$ 33	\$ 262,639	\$ 168,696
-	486,120	455,012
-	717,107	487,682
-	1,626	2,271
-	7,772	6,520
-	30,712	40,320
-	12,891	12,266
<u>\$ 33</u>	<u>\$ 1,518,867</u>	<u>\$1,172,767</u>
\$ -	\$ 1,388	\$ 2,863
-	56,917	44,737
-	58,305	47,600
-	46,331	45,924
<u>33</u>	<u>1,414,231</u>	<u>1,079,243</u>
<u>33</u>	<u>1,460,562</u>	<u>1,125,167</u>
<u>\$ 33</u>	<u>\$ 1,518,867</u>	<u>\$1,172,767</u>

CITY OF PATTERSON, LOUISIANA  
Special Revenue Funds

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

	Sewerage and Solid Waste Sales Tax	Ad Valorem Tax Collection	Fire Department Equipment	Emergency Management
Revenues:				
Taxes	\$ 441,533	\$ 249,997	\$ 12,891	\$ -
Intergovernmental	-	-	-	-
Miscellaneous	<u>40,682</u>	<u>683</u>	<u>787</u>	<u>491</u>
Total revenues	<u>482,215</u>	<u>250,680</u>	<u>13,678</u>	<u>491</u>
Expenditures:				
Current -				
General government	-	-	1,689	84
Capital outlay				
Fire department equipment	<u>-</u>	<u>-</u>	<u>3,690</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>5,379</u>	<u>84</u>
Excess of revenues over expenditures and other uses	<u>482,215</u>	<u>250,680</u>	<u>8,299</u>	<u>407</u>
Other uses:				
Operating transfers out	<u>(155,526)</u>	<u>(250,680)</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures and other uses	326,689	-	8,299	407
Fund balances, beginning	<u>972,630</u>	<u>-</u>	<u>106,580</u>	<u>45,924</u>
Fund balances, ending	<u>\$ 1,299,319</u>	<u>\$ -</u>	<u>\$ 114,879</u>	<u>\$ 46,331</u>

LCDBG Fund	Totals	
	1999	1998
\$ -	\$ 704,421	\$ 764,159
40,260	40,260	14,534
-	<u>42,643</u>	<u>16,282</u>
<u>40,260</u>	<u>787,324</u>	<u>794,975</u>
40,260	42,033	7,187
-	<u>3,690</u>	<u>14,354</u>
<u>40,260</u>	<u>45,723</u>	<u>21,541</u>
-	<u>741,601</u>	<u>773,434</u>
-	<u>(406,206)</u>	<u>(395,040)</u>
-	335,395	378,394
<u>33</u>	<u>1,125,167</u>	<u>746,773</u>
<u>\$ 33</u>	<u>\$ 1,460,562</u>	<u>\$ 1,125,167</u>

CITY OF PATTERSON, LOUISIANA  
Special Revenue Fund  
Sewerage and Solid Waste 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 Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<b>Revenues:</b>				
Taxes - sales taxes	\$ 440,755	\$ 441,533	\$ 778	\$ 527,102
Miscellaneous -				
Interest on deposits	<u>21,040</u>	<u>40,682</u>	<u>19,642</u>	<u>10,818</u>
Total revenues	461,795	482,215	20,420	537,920
<b>Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>461,795</u>	<u>482,215</u>	<u>20,420</u>	<u>537,920</u>
<b>Other financing uses:</b>				
Transfers to other funds -				
General Fund	-	(19,741)	(19,741)	(13,055)
1983 Public Improvement				
Bonds Fund	(145,500)	(133,375)	12,125	(155,773)
Utility Fund	<u>-</u>	<u>(2,410)</u>	<u>(2,410)</u>	<u>-</u>
Total other financing uses	<u>(145,500)</u>	<u>(155,526)</u>	<u>(10,026)</u>	<u>(168,828)</u>
Excess of revenues over expenditures and other uses	316,295	326,689	10,394	369,092
Fund balance, beginning	<u>972,630</u>	<u>972,630</u>	<u>-</u>	<u>603,538</u>
Fund balance, ending	<u>\$ 1,288,925</u>	<u>\$ 1,299,319</u>	<u>\$ 10,394</u>	<u>\$ 972,630</u>

CITY OF PATTERSON, LOUISIANA  
Special Revenue Fund  
Ad Valorem Tax Collection 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 Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Taxes - sales taxes	\$ 239,174	\$ 249,997	\$ 10,823	\$ 224,791
Miscellaneous	<u>800</u>	<u>683</u>	<u>(117)</u>	<u>1,421</u>
Total revenues	239,974	250,680	10,706	226,212
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>239,974</u>	<u>250,680</u>	<u>10,706</u>	<u>226,212</u>
Other uses:				
Transfers to General Fund	(107,556)	(112,096)	(4,540)	(101,492)
Transfers to Public Improvement Bonds Fund	<u>(132,418)</u>	<u>(138,584)</u>	<u>(6,166)</u>	<u>(124,720)</u>
Total other financing uses	<u>(239,974)</u>	<u>(250,680)</u>	<u>(10,706)</u>	<u>(226,212)</u>
Excess of revenues over expenditures and other uses	-	-	-	-
Fund balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF PATTERSON, LOUISIANA  
Special Revenue Fund  
Fire Department Equipment 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 Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
<b>Revenues:</b>				
Taxes	\$ 12,266	\$ 12,891	\$ 625	\$ 12,266
Intergovernmental	15,000	-	(15,000)	14,534
Miscellaneous	<u>1,041</u>	<u>787</u>	<u>(254)</u>	<u>3,509</u>
Total revenues	<u>28,307</u>	<u>13,678</u>	<u>(14,629)</u>	<u>30,309</u>
<b>Expenditures:</b>				
General government	-	1,689	(1,689)	7,187
Capital outlay - equipment	<u>9,689</u>	<u>3,690</u>	<u>5,999</u>	<u>14,354</u>
Total expenditures	<u>9,689</u>	<u>5,379</u>	<u>4,310</u>	<u>21,541</u>
Excess of revenues over expenditures	18,618	8,299	(10,319)	8,768
Fund balance, beginning	<u>106,580</u>	<u>106,580</u>	<u>-</u>	<u>97,812</u>
Fund balance, ending	<u>\$ 125,198</u>	<u>\$ 114,879</u>	<u>\$ (10,319)</u>	<u>\$ 106,580</u>

CITY OF PATTERSON, LOUISIANA  
Special Revenue Fund  
Emergency Management 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 Year Ended June 30, 1998

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Miscellaneous - Interest	\$ 490	\$ 491	\$ 1	\$ 534
Expenditures	<u>84</u>	<u>84</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	406	407	1	534
Fund balance, beginning	<u>45,924</u>	<u>45,924</u>	<u>-</u>	<u>45,390</u>
Fund balance, ending	<u>\$ 46,330</u>	<u>\$ 46,331</u>	<u>\$ 1</u>	<u>\$ 45,924</u>



CITY OF PATTERSON, LOUISIANA  
Special Revenue Fund  
LCDBG

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

	1999		Variance - Favorable (Unfavorable)	1998 Actual
	Budget	Actual		
Revenues:				
Intergovernmental	\$ 40,260	\$ 40,260	\$ -	\$ -
Expenditures:				
Supporting services - housing rehabilitation	<u>40,260</u>	<u>40,260</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance, beginning	<u>33</u>	<u>33</u>	<u>-</u>	<u>33</u>
Fund balance, ending	<u><u>\$ 33</u></u>	<u><u>\$ 33</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 33</u></u>

## DEBT SERVICE FUNDS

**Public Improvement Bonds (Series G - I) - To accumulate monies for payment of the Public Improvement Serial Bonds and the 1990 General Obligation Bonds. Debt service is financed by the levy of a specific ad valorem tax.**

**Sales Tax Revenue Refunding Bonds, Series 1990 - To accumulate monies for payment of the \$1,245,000 Public Improvement Bonds which are due in annual installments ranging from \$80,000 to \$130,000 through December 1, 2005. Debt service is financed by the levy of a specific 3/4 percent sewerage and solid waste sales tax.**

**1973 Paving Assessment Certificates of Indebtedness - To accumulate monies for payment of the 1973 \$46,209 paving assessment certificates of indebtedness. Debt service is financed by payments on the assessments and related interest.**

**1966, 1967, 1969, 1980 and 1982 Paving Assessment Funds - To account for excess funds on completed paving assessments.**

**1990 Paving Assessment Fund - To accumulate monies for payment of the 1990 Paving Certificates. Debt service is financed by payments on the assessments and related interest.**

CITY OF PATTERSON, LOUISIANA  
Debt Service Funds

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

	Public Improvement Bonds	Sales Tax Refunding Bonds	1973 Paving Assessments Certificates of Indebtedness	1966, 1967, 1969, 1980 and 1982 Paving Assessment Funds
<b>ASSETS</b>				
Cash	\$ -	\$ -	\$ 4,277	\$ 20,671
Interest-bearing deposits	125,513	323,679	-	122,413
Receivables:				
Assessments receivable	-	-	6	11,636
Accrued interest	-	763	-	610
Due from other funds	116,667	11,743	-	-
Total assets	\$ 242,180	\$ 336,185	\$ 4,283	\$ 155,330
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Deferred property assessments	\$ -	\$ -	\$ 6	\$ 11,636
Due to other funds	40,397	4,426	-	-
Total liabilities	40,397	4,426	6	11,636
Fund balances:				
Reserved for debt service	201,783	331,759	-	-
Unreserved, undesignated	-	-	4,277	143,694
Total fund balances	201,783	331,759	4,277	143,694
Total liabilities and fund balances	\$ 242,180	\$ 336,185	\$ 4,283	\$ 155,330

1990 Paving Assessment Fund	Totals	
	1999	1998
\$ 36,327	\$ 61,275	\$ 48,532
75,239	646,844	672,928
20,704	32,346	41,140
-	1,373	1,464
<u>392</u>	<u>128,802</u>	<u>82,892</u>
<u>\$ 132,662</u>	<u>\$ 870,640</u>	<u>\$ 846,956</u>
\$ 20,704	\$ 32,346	\$ 41,140
<u>98,073</u>	<u>142,896</u>	<u>103,721</u>
<u>118,777</u>	<u>175,242</u>	<u>144,861</u>
13,885	547,427	557,463
-	<u>147,971</u>	<u>144,632</u>
<u>13,885</u>	<u>695,398</u>	<u>702,095</u>
<u>\$ 132,662</u>	<u>\$ 870,640</u>	<u>\$ 846,956</u>

CITY OF PATTERSON, LOUISIANA  
Debt Service Funds

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

	Public Improvement Bonds	Sales Tax Refunding Bonds	1973 Paving Assessments Certificates of Indebtedness
<b>Revenues:</b>			
Miscellaneous -			
Property assessments earned	\$ -	\$ -	\$ -
Interest on assessments	-	-	-
Interest on deposits	3,153	14,135	-
Penalties on assessments	-	-	-
Total revenues	3,153	14,135	-
<b>Expenditures:</b>			
Debt service -			
Principal retirement	100,000	100,000	-
Interest	33,531	44,275	-
Paying agents' fees and fiscal charges	1,428	5,485	-
Advance refunding escrow	-	-	-
Total debt service	134,959	149,760	-
Excess (deficiency) of revenues over expenditures	(131,806)	(135,625)	-
<b>Other financing sources (uses):</b>			
Operating transfers in	138,584	133,375	-
Operating transfers out	(197)	-	-
Proceeds of refunding bonds	-	-	-
Payment to refund bond escrow agent	-	-	-
Total other financing sources (uses)	138,387	133,375	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	6,581	(2,250)	-
Fund balances, beginning	195,202	334,009	4,277
Fund balances, ending	\$ 201,783	\$ 331,759	\$ 4,277

1966, 1967, 1969, 1980 and 1982 Paving Assessment Funds	1990 Paving Assessment Fund	Totals	
		1999	1998
\$ 230	\$ 8,564	\$ 8,794	\$ 10,872
424	2,397	2,821	4,783
2,685	1,692	21,665	22,865
-	235	235	-
<u>3,339</u>	<u>12,888</u>	<u>33,515</u>	<u>38,520</u>
-	22,189	222,189	187,189
-	5,048	82,854	119,674
-	18	6,931	47,167
-	-	-	45,413
-	<u>27,255</u>	<u>311,974</u>	<u>399,443</u>
<u>3,339</u>	<u>(14,367)</u>	<u>(278,459)</u>	<u>(360,923)</u>
-	-	271,959	280,493
-	-	(197)	(2,859)
-	-	-	1,760,000
-	-	-	<u>(1,716,098)</u>
-	-	<u>271,762</u>	<u>321,536</u>
3,339	(14,367)	(6,697)	(39,387)
<u>140,355</u>	<u>28,252</u>	<u>702,095</u>	<u>741,482</u>
<u>\$ 143,694</u>	<u>\$ 13,885</u>	<u>\$ 695,398</u>	<u>\$ 702,095</u>

## CAPITAL PROJECTS FUNDS

**Drainage and Relocation Project** - To account for construction of drainage improvements and utility relocation. \$385,000 of drainage was financed by general obligation bonds and relocation costs were funded by a grant from the State Department of Transportation and Development.

**Regional Sewerage Facility Project** - To account for the City's portion of the financing and construction of a regional sewerage facility. The facility was jointly built by the City of Patterson, Town of Berwick and Wards Five and Eight of St. Mary Parish. The cost of the project was financed by proceeds from the sale of sewerage sales tax bonds, sewerage and solid waste sales tax funds, and a grant from the state.

**Third Street Paving Project** - To account for the construction of paving improvements. The cost of the project was financed by property assessments and a grant from the parish.

**Murphy Street Paving Project** - To account for the construction of paving improvements. The cost of the project was financed by property assessments and a grant from the parish.

CITY OF PATTERSON, LOUISIANA  
Capital Projects Funds

Combining Balance Sheet  
June 30, 1999  
With Comparative Totals For June 30, 1998

	Drainage and Relocation Project	Regional Sewerage Facility Project	Third Street Paving Project	Murphy Street Paving Project
<b>ASSETS</b>				
Cash	\$ 1,473	\$ 10,953	\$ -	\$ -
Interest-bearing deposits	101,514	100,857	20,513	31,045
Receivables:				
Accrued interest receivable	-	109	-	-
Due from other funds	21,443	573	-	-
 Total assets	 \$ 124,430	 \$ 112,492	 \$ 20,513	 \$ 31,045
 <b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Due to other funds	\$ 1,701	\$ -	\$ -	\$ 392
Fund balances - unreserved:				
Designated for subsequent years' expenditures	122,729	112,492	20,513	30,653
 Total liabilities and fund balances	 \$ 124,430	 \$ 112,492	 \$ 20,513	 \$ 31,045



Totals	
1999	1998
\$ 12,426	\$ 11,618
253,929	250,557
109	123
<u>22,016</u>	<u>22,016</u>
<u>\$ 288,480</u>	<u>\$ 284,314</u>
\$ 2,093	\$ 2,093
<u>286,387</u>	<u>282,221</u>
<u>\$ 288,480</u>	<u>\$ 284,314</u>

CITY OF PATTERSON, LOUISIANA  
Capital Projects Funds

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

	Drainage and Relocation Project	Regional Sewerage Facility Project	Third Street Paving Project	Murphy Street Paving Project
Revenues:				
Miscellaneous				
Property assessments earned	\$ -	\$ -	\$ -	\$ -
Interest on assessments	-	-	-	-
Interest on interest-bearing deposits	<u>2,283</u>	<u>724</u>	<u>461</u>	<u>698</u>
Total revenues	2,283	724	461	698
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	2,283	724	461	698
Fund balances, beginning	<u>120,446</u>	<u>111,768</u>	<u>20,052</u>	<u>29,955</u>
Fund balances, ending	<u>\$ 122,729</u>	<u>\$ 112,492</u>	<u>\$ 20,513</u>	<u>\$ 30,653</u>

Totals	
1999	1998
\$ -	\$ 461
-	63
<u>4,166</u>	<u>8,035</u>
4,166	8,559
<u>-</u>	<u>-</u>
4,166	8,559
<u>282,221</u>	<u>273,662</u>
<u>\$ 286,387</u>	<u>\$ 282,221</u>

## ENTERPRISE FUND

**Utility Fund - To account for the provision of gas, water, and sewerage services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.**

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Balance Sheet  
June 30, 1999 and 1998

	1999	1998
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash	\$ 122,348	\$ 136,280
Interest-bearing deposits	47,743	135,118
Investments, at fair value	255,751	-
Receivables:		
Accounts receivable	269,018	301,666
Accrued interest receivable	143	162
Due from other funds	220,335	221,792
Prepaid insurance	1,234	1,377
Total current assets	916,572	796,395
Advances to other funds	125,000	125,000
<b>Restricted assets:</b>		
Bond and interest sinking fund -		
Interest-bearing deposits	89,614	98,073
Accrued interest receivable	457	498
Bond reserve fund -		
Interest-bearing deposits	128,388	128,388
Capital additions and contingencies fund -		
Cash	73,028	73,028
Interest-bearing deposits	768,870	61,686
Investments	-	599,750
Bond construction fund -		
Cash	40,905	40,905
Interest-bearing deposits	181,252	177,177
Customers' deposits -		
Cash	62,298	60,183
Interest-bearing deposits	140,275	140,275
Total restricted assets	1,485,087	1,379,963
<b>Property, plant and equipment:</b>		
Property, plant and equipment, at cost, net of accumulated depreciation (1999 \$5,307,421; 1998 \$5,005,864)	5,492,330	5,768,827
Construction in progress	6,000	-
Net property, plant and equipment	5,498,330	5,768,827
Total assets	\$ 8,024,989	\$ 8,070,185

LIABILITIES AND FUND EQUITY	<u>1999</u>	<u>1998</u>
<b>Liabilities:</b>		
Current liabilities (payable from current assets) -		
Accounts payable	\$ 56,049	\$ 59,784
Due to other funds	9,714	12,424
Accrued liabilities	<u>2,061</u>	<u>2,719</u>
Total current liabilities (payable from current assets)	<u>67,824</u>	<u>74,927</u>
Current liabilities (payable from restricted assets) -		
Revenue bond payable, net of unamortized bond discount (1999 \$2,728; 1998 \$2,728)	52,272	52,272
Accrued interest payable	10,955	11,597
Customers' deposits	<u>202,573</u>	<u>200,458</u>
Total current liabilities (payable from restricted assets)	<u>265,800</u>	<u>264,327</u>
Long-term liabilities -		
Revenue bonds payable, net of current portion and unamortized bond discount (1999 \$27,282; 1998 \$30,011)	<u>847,718</u>	<u>899,989</u>
Total liabilities	<u>1,181,342</u>	<u>1,239,243</u>
<b>Fund equity:</b>		
Contributed capital -		
Customers	87,281	87,281
Municipality	5,440,367	5,440,367
Federal grants (net of accumulated amortization)	404,236	426,217
State grants (net of accumulated amortization)	<u>898,907</u>	<u>943,871</u>
Total contributed capital	<u>6,830,791</u>	<u>6,897,736</u>
Retained earnings (deficit) -		
Reserved for revenue bond retirement	997,130	897,554
Unreserved	<u>(984,274)</u>	<u>(964,348)</u>
Total retained earnings	<u>12,856</u>	<u>(66,794)</u>
Total fund equity	<u>6,843,647</u>	<u>6,830,942</u>
Total liabilities and fund equity	<u>\$ 8,024,989</u>	<u>\$ 8,070,185</u>

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

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

	1999	1998
Operating revenues:		
Charges for services -		
Gas sales and services	\$ 736,632	\$ 954,708
Water sales and services	435,286	418,405
Sewerage services	335,500	332,315
Delinquent charges	36,807	37,269
Commissions, transfers and reconnections	11,321	9,881
Miscellaneous	<u>10,055</u>	<u>12,366</u>
Total operating revenues	<u>1,565,601</u>	<u>1,764,944</u>
Operating expenses:		
Administrative	228,527	239,790
Gas department	648,247	771,598
Water department	334,754	317,851
Sewerage department	<u>327,184</u>	<u>311,074</u>
Total operating expenses	<u>1,538,712</u>	<u>1,640,313</u>
Operating income	<u>26,889</u>	<u>124,631</u>
Nonoperating revenues (expenses):		
Interest income	55,073	45,423
Interest and fiscal charges	<u>(71,667)</u>	<u>(75,546)</u>
Total nonoperating revenues (expenses)	<u>(16,594)</u>	<u>(30,123)</u>
Income before operating transfers	10,295	94,508
Operating transfers in	<u>2,410</u>	<u>-</u>
Net income	12,705	94,508
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>66,945</u>	<u>65,807</u>
Increase in retained earnings	79,650	160,315
Retained earnings (deficit), beginning	<u>(66,794)</u>	<u>(227,109)</u>
Retained earnings (deficit), ending	<u>\$ 12,856</u>	<u>\$ (66,794)</u>

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Operating Expenses by Department  
Years Ended June 30, 1999 and 1998

	1999	1998
<b>Administrative:</b>		
Salaries	\$ 104,783	\$ 98,728
Payroll taxes	8,114	7,691
Retirement contributions	2,107	2,277
Group insurance	20,223	18,123
Billing and notice processing	10,199	10,354
Telephone	1,391	1,280
Office supplies	16,093	12,499
Office equipment maintenance and rentals	8,668	11,491
Building repairs and maintenance	375	135
Vehicle oil and gas	599	1,141
Vehicle repairs and maintenance	1,399	1,258
Depreciation	10,502	11,451
Training and seminars	125	1,362
Professional fees	11,576	17,570
General insurance	24,731	34,179
Miscellaneous	<u>7,642</u>	<u>10,251</u>
Total administrative	<u>228,527</u>	<u>239,790</u>
<b>Gas department:</b>		
Salaries	170,354	162,465
Payroll taxes	13,207	12,655
Retirement contributions	4,748	4,329
Group insurance	19,833	21,879
Uncollectible billings	5,790	404
Casual labor	-	3,607
Telephone	2,209	1,920
Utilities	2,560	2,336
Gas purchases	315,998	443,428
Operating supplies	7,380	7,893
Equipment repairs and maintenance	6,658	982
Distribution system repairs and maintenance	8,453	14,936
Vehicle oil and gas	5,420	7,494
Vehicle repairs and maintenance	8,677	3,878
Meters, hardware and lines	7,285	14,029
Depreciation	63,940	64,199
Miscellaneous	<u>5,735</u>	<u>5,164</u>
Total gas department	<u>648,247</u>	<u>771,598</u>

(continued)



CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Operating Expenses by Department (Continued)  
Years Ended June 30, 1999 and 1998

	1999	1998
<b>Water department:</b>		
Salaries	\$ 125,898	\$ 122,249
Payroll taxes	9,749	9,525
Retirement contributions	893	1,399
Group insurance	16,726	13,777
Uncollectible billings	3,224	168
Telephone	1,520	1,045
Depreciation	88,191	83,184
Utilities	12,289	9,207
Chemicals and agents	18,713	32,503
Operating supplies	4,748	4,423
Equipment repairs and maintenance	1,550	206
Building repairs and maintenance	4,588	6,996
Distribution system repairs and maintenance	17,122	8,831
Vehicle oil and gas	2,144	1,342
Vehicle repairs and maintenance	966	460
Meters, hardware and maintenance	17,875	15,821
Miscellaneous	8,558	6,715
Total water department	334,754	317,851
 <b>Sewerage department:</b>		
Depreciation	138,924	139,005
Uncollectible billings	2,629	141
Utilities	9,239	9,944
Sewerage treatment	153,570	153,288
Operating supplies	902	2,479
Equipment repairs, maintenance and rentals	6,630	375
Distribution system repairs and maintenance	14,887	5,645
Miscellaneous	403	197
Total sewerage department	327,184	311,074
Total operating expenses	\$ 1,538,712	\$ 1,640,313

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Cash Flows  
Years Ended June 30, 1999 and 1998

	1999	1998
Cash flows from operating activities:		
Operating income	\$ 26,889	\$ 124,631
Adjustments to reconcile operating income to net cash provided by operating activities -		
Depreciation	301,557	297,839
Changes in current assets and liabilities:		
(Increase) decrease in accounts receivable	32,648	(41,867)
Increase in insurance	143	71
Decrease in accounts payable	(3,735)	(59,863)
Decrease in accrued liabilities	(658)	(247)
Total adjustments	329,955	195,933
Net cash provided by operating activities	356,844	320,564
Cash flows from noncapital financing activities:		
Cash paid to other funds	(2,710)	(5,042)
Cash received from other funds	1,457	-
Operating transfers in from other funds	2,410	-
Net cash provided (used) by noncapital financing activities	1,157	(5,042)
Cash flows from capital and related financing activities:		
Acquisition of plant and equipment	(31,060)	(197,507)
Principal paid on revenue bond maturities	(55,000)	(50,000)
Interest paid on revenue bonds	(69,580)	(73,393)
Capital contributed from federal grant	-	40,000
Increase in customers' meter deposits	2,115	8,298
Net cash used by capital and related financing activities	(153,525)	(272,602)

(continued)

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Statement of Cash Flows (Continued)  
Years Ended June 30, 1999 and 1998

	1999	1998
Cash flows from investing activities:		
Purchase of interest-bearing deposits	\$ (177,125)	\$ (175,623)
Purchase of investments	(255,751)	(1,178,381)
Proceeds from the sale and maturities of interest-bearing deposits	175,623	174,183
Proceeds from maturities of investments	599,750	578,631
Interest on interest-bearing deposits	<u>55,133</u>	<u>45,383</u>
Net cash provided (used) by investing activities	<u>397,630</u>	<u>(555,807)</u>
 Net increase (decrease) in cash and cash equivalents	 602,106	 (512,887)
 Cash and cash equivalents, beginning of period	 <u>875,490</u>	 <u>1,388,377</u>
 Cash and cash equivalents, end of period	 <u>\$ 1,477,596</u>	 <u>\$ 875,490</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning of period -		
Cash - unrestricted	\$ 136,280	\$ 131,486
Interest-bearing deposits - unrestricted	135,118	13,908
Cash - restricted	174,116	168,353
Interest-bearing deposits - restricted	605,599	1,248,813
Less: Interest-bearing deposits with a maturity over three months	<u>(175,623)</u>	<u>(174,183)</u>
Total cash and cash equivalents	<u>875,490</u>	<u>1,388,377</u>
 Cash and cash equivalents, end of period -		
Cash - unrestricted	122,348	136,280
Interest-bearing deposits - unrestricted	47,743	135,118
Cash - restricted	176,231	174,116
Interest-bearing deposits - restricted	1,308,399	605,599
Less: Interest-bearing deposits with a maturity over three months	<u>(177,125)</u>	<u>(175,623)</u>
Total cash and cash equivalents	<u>1,477,596</u>	<u>875,490</u>
 Net increase (decrease)	 <u>\$ 602,106</u>	 <u>\$ (512,887)</u>

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Changes in Assets Restricted for Revenue Bond Debt Service  
Year Ended June 30, 1999

	Bond and Interest Sinking	Bond Reserve	Capital Additions and Contingencies	Total
Cash, interest-bearing deposits and investments, July 1, 1998	<u>\$ 98,571</u>	<u>\$ 128,388</u>	<u>\$ 734,464</u>	<u>\$ 961,423</u>
Cash receipts:				
Transfers from operating cash	114,198	-	76,798	190,996
Interest on deposits	<u>2,497</u>	<u>2,844</u>	<u>30,636</u>	<u>35,977</u>
Total cash receipts	<u>116,695</u>	<u>2,844</u>	<u>107,434</u>	<u>226,973</u>
Total cash, interest-bearing deposits and investments	<u>215,266</u>	<u>131,232</u>	<u>841,898</u>	<u>1,188,396</u>
Cash disbursements:				
Principal payments	55,000	-	-	55,000
Interest payments	69,580	-	-	69,580
Paying agent fees and fiscal charges	615	-	-	615
Transfer to operating	<u>-</u>	<u>2,844</u>	<u>-</u>	<u>2,844</u>
Total cash disbursements	<u>125,195</u>	<u>2,844</u>	<u>-</u>	<u>128,039</u>
Cash, interest-bearing deposits and investments, June 30, 1999	<u>\$ 90,071</u>	<u>\$ 128,388</u>	<u>\$ 841,898</u>	<u>\$ 1,060,357</u>

FIDUCIARY FUNDS

AGENCY FUNDS

**Payroll and Disbursements Funds - To account for the centralization of two clearing accounts which are used for the disbursements (except for transfers between funds) of all City funds, including those for purchases, payroll and payroll-related costs.**

CITY OF PATTERSON, LOUISIANA  
Fiduciary Funds

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

	Payroll Fund	Disbursement Fund	Totals	
			1999	1998
<b>ASSETS</b>				
Cash	\$ 39,477	\$ 9,045	\$ 48,522	\$ 49,150
Due from other funds	<u>          -</u>	<u>      9,714</u>	<u>      9,714</u>	<u>     12,424</u>
<b>Total assets</b>	<u><u>\$ 39,477</u></u>	<u><u>\$ 18,759</u></u>	<u><u>\$ 58,236</u></u>	<u><u>\$ 61,574</u></u>
<b>LIABILITIES</b>				
Accrued Liabilities	\$ 13,689	\$ -	\$ 13,689	\$ -
Due to other funds	<u>     25,788</u>	<u>     18,759</u>	<u>     44,547</u>	<u>     61,574</u>
<b>Total Liabilities</b>	<u><u>\$ 39,477</u></u>	<u><u>\$ 18,759</u></u>	<u><u>\$ 58,236</u></u>	<u><u>\$ 61,574</u></u>

CITY OF PATTERSON, LOUISIANA  
Fiduciary Funds

Combining Statement of Changes in Assets and Liabilities  
Year Ended June 30, 1999

	Balance 7/1/98	Additions	Deductions	Balance 6/30/99
<u>PAYROLL FUND</u>				
ASSETS				
Cash	\$ 42,815	\$ 1,039,256	\$ 1,042,594	\$ 39,477
LIABILITIES				
Accrued Liabilities	\$ -	\$ 398,903	\$ 385,214	\$ 13,689
Due to other funds	<u>42,815</u>	<u>1,046,976</u>	<u>1,064,003</u>	<u>25,788</u>
Total Liabilities	<u>\$ 42,815</u>	<u>\$ 1,445,879</u>	<u>\$ 1,449,217</u>	<u>\$ 39,477</u>
<u>DISBURSEMENT FUND</u>				
ASSETS				
Cash	\$ 6,335	\$ 1,012,186	\$ 1,009,476	\$ 9,045
Due from other funds	<u>12,424</u>	<u>544,306</u>	<u>547,016</u>	<u>9,714</u>
Total assets	<u>\$ 18,759</u>	<u>\$ 1,556,492</u>	<u>\$ 1,556,492</u>	<u>\$ 18,759</u>
LIABILITIES				
Due to other funds	<u>\$ 18,759</u>	<u>\$ 465,170</u>	<u>\$ 465,170</u>	<u>\$ 18,759</u>
<u>TOTALS - ALL FIDUCIARY FUNDS</u>				
ASSETS				
Cash	\$ 49,150	\$ 2,051,442	\$ 2,052,070	\$ 48,522
Due from other funds	<u>12,424</u>	<u>544,306</u>	<u>547,016</u>	<u>9,714</u>
Total assets	<u>\$ 61,574</u>	<u>\$ 2,595,748</u>	<u>\$ 2,599,086</u>	<u>\$ 58,236</u>
LIABILITIES				
Accrued Liabilities	\$ -	\$ 398,903	\$ 385,214	\$ 13,689
Due to other funds	<u>61,574</u>	<u>1,512,146</u>	<u>1,529,173</u>	<u>44,547</u>
Total liabilities	<u>\$ 61,574</u>	<u>\$ 1,911,049</u>	<u>\$ 1,914,387</u>	<u>\$ 58,236</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

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



CITY OF PATTERSON, LOUISIANA

Comparative Statement of General Fixed Assets  
June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
General fixed assets, at cost:		
Land	\$ 230,244	\$ 230,244
Buildings	404,888	385,720
Equipment	<u>864,232</u>	<u>651,354</u>
Total general fixed assets	<u>\$ 1,499,364</u>	<u>\$ 1,267,318</u>
Investment in general fixed assets:		
Property acquired from -		
General Fund revenues	\$ 866,293	\$ 637,937
Federal revenue sharing funds	35,145	35,145
Federal and local grants	202,934	202,934
Special revenue fund revenues	<u>394,992</u>	<u>391,302</u>
Total investment in general fixed assets	<u>\$ 1,499,364</u>	<u>\$ 1,267,318</u>

CITY OF PATTERSON, LOUISIANA

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

	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
General fixed assets, beginning	<u>\$ 230,244</u>	<u>\$ 385,720</u>	<u>\$ 651,354</u>	<u>\$ 1,267,318</u>
Additions:				
General Fund revenues	-	19,168	216,500	235,668
Special Revenue Fund revenues	<u>-</u>	<u>-</u>	<u>3,690</u>	<u>3,690</u>
Total additions	<u>-</u>	<u>19,168</u>	<u>220,190</u>	<u>239,358</u>
Deletions				
General Fund revenues	<u>-</u>	<u>-</u>	<u>7,312</u>	<u>7,312</u>
General fixed assets, ending	<u>\$ 230,244</u>	<u>\$ 404,888</u>	<u>\$ 864,232</u>	<u>\$ 1,499,364</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. Payment of maturing obligations, including interest, are accounted for in the debt service funds.

CITY OF PATTERSON, LOUISIANA  
Statement of General Long-Term Debt  
June 30, 1999  
With Comparative Totals for June 30, 1998

	<u>Capital Lease</u>	<u>Public Improvement Bonds</u>	<u>Sales Tax Refunding Bonds</u>
<b>AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT</b>			
Amount available in debt service funds for debt retirement	\$ -	\$ 201,783	\$ 331,759
Amount to be provided from -			
General Fund revenues	14,848	-	-
Ad valorem taxes	-	628,217	-
Sales and use taxes	-	-	478,241
Property assessments	<u>-</u>	<u>-</u>	<u>-</u>
Total available and to be provided	<u>\$ 14,848</u>	<u>\$ 830,000</u>	<u>\$ 810,000</u>
<b>GENERAL LONG-TERM DEBT PAYABLE</b>			
Lease obligation payable	\$ 14,848	\$ -	\$ -
Bonds payable	-	830,000	810,000
Certificates of indebtedness payable	<u>-</u>	<u>-</u>	<u>-</u>
Total general long-term debt payable	<u>\$ 14,848</u>	<u>\$ 830,000</u>	<u>\$ 810,000</u>

1990 Paving Assessment Certificates	Totals	
	1999	1998
\$ 13,885	\$ 547,427	\$ 557,463
9,788	24,636	19,186
-	628,217	734,798
-	478,241	575,991
<u>20,704</u>	<u>20,704</u>	<u>38,314</u>
<u>\$ 44,377</u>	<u>\$ 1,699,225</u>	<u>\$ 1,925,752</u>
\$ -	\$ 14,848	\$ 19,186
-	1,640,000	1,840,000
<u>44,377</u>	<u>44,377</u>	<u>66,566</u>
<u>\$ 44,377</u>	<u>\$ 1,699,225</u>	<u>\$ 1,925,752</u>

**INTERNAL CONTROL  
AND  
COMPLIANCE**



# Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA, CVA  
Danny P. Frederick, CPA  
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Tamera T. Landry, CPA  
Carla R. Fontenot, CPA  
Raegan D. Stelly, CPA  
Jason H. Watson, CPA

## 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 James L. Bernauer, Mayor  
and Members of the City Council  
City of Patterson, Louisiana

### Other Locations:

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337.232.3312

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Abbeville, LA 70510  
337.893.5470

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We have audited the general purpose financial statements of the City of Patterson, Louisiana, as of and for the year ended June 30, 1999, and have issued our report thereon dated September 30, 1999, which was qualified due to the omission of the year 2000 disclosures that are required by Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosure about Year 2000 Issues*. We have conducted our audit in accordance with generally accepted auditing standards, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the City of Patterson, 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 general purpose financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed *no instances of noncompliance that are required to be reported under Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Patterson, 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

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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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the City Council, management and others within the organization 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

Morgan City, Louisiana  
September 30, 1999



**OTHER SUPPLEMENTARY INFORMATION**

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Number of Utility Customers  
(Unaudited)  
June 30, 1999

Records maintained by the City indicated the following number of customers were being served during the months of June, 1999 and 1998:

<u>Department</u>	<u>1999</u>	<u>1998</u>
Gas (metered)	2,138	2,181
Water (metered)	2,260	2,219
Sewerage	1,958	1,929
Sanitation*	1,960	1,922

\*Note: Sanitation services are billed and collected by the City on the regular utility bills sent out. The related incomes, expenses, receivables and payables are recorded in the City's General Fund.

CITY OF PATTERSON, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Departmental Analysis of Revenues and Expenses  
Years Ended June 30, 1999 and 1998

	Totals		Gas	
	1999	1998	1999	1998
Operating revenues:				
Charges for services -				
Customers	\$ 1,507,418	\$ 1,705,428	\$ 736,632	\$ 954,708
Delinquent charges	36,807	37,269	12,381	12,843
Commissions, transfers, and reconnections	11,321	9,881	3,808	3,405
Miscellaneous	<u>10,055</u>	<u>12,366</u>	<u>2,165</u>	<u>12,366</u>
Total operating revenue	<u>1,565,601</u>	<u>1,764,944</u>	<u>754,986</u>	<u>983,322</u>
Operating expenses:				
Salaries	401,035	383,442	170,354	162,465
Payroll taxes	31,070	29,871	13,207	12,655
Retirement contributions	7,748	8,005	4,748	4,329
Group insurance	56,782	53,779	19,833	21,879
Gas purchases	315,998	443,428	315,998	443,428
Chemicals and agents	19,232	32,503	-	-
Equipment repairs and maintenance	23,506	8,559	6,658	982
Distribution system repairs and maintenance	40,462	29,412	8,453	14,936
Vehicle oil and gas	8,163	9,977	5,420	7,494
Vehicle repairs and maintenance	11,042	5,596	8,677	3,878
Meters, hardware and lines	25,160	29,850	7,285	14,029
Professional fees	11,576	17,570	-	-
Depreciation	301,557	297,839	63,940	64,199
Insurance	24,731	34,179	-	-
Office expense	28,604	49,274	7,380	7,893
Sewerage treatment	153,570	153,288	-	-
Other	78,476	53,741	16,294	13,431
Allocation of administrative expenses	<u>-</u>	<u>-</u>	<u>76,871</u>	<u>82,633</u>
Total operating expenses	<u>1,538,712</u>	<u>1,640,313</u>	<u>725,118</u>	<u>854,231</u>
Operating income (loss)	<u>26,889</u>	<u>124,631</u>	<u>\$ 29,868</u>	<u>\$ 129,091</u>
Nonoperating revenues (expenses):				
Interest income	55,073	45,423		
Interest and fiscal charges	<u>(71,667)</u>	<u>(75,546)</u>		
Total nonoperating revenues (expenses)	<u>(16,594)</u>	<u>(30,123)</u>		
Income before operating transfers	10,295	94,508		
Operating transfers in	<u>2,410</u>	<u>-</u>		
Net income	12,705	94,508		
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>66,945</u>	<u>65,807</u>		
Increase in retained earnings	79,650	160,315		
Retained earnings (deficit), beginning	<u>(66,794)</u>	<u>(227,109)</u>		
Retained earnings (deficit), ending	<u>\$ 12,856</u>	<u>\$ (66,794)</u>		

Water		Sewerage		Administrative	
1999	1998	1999	1998	1999	1998
\$ 435,286	\$ 418,405	\$ 335,500	\$ 332,315	\$ -	\$ -
13,087	13,067	11,339	11,359	-	-
4,025	3,464	3,488	3,012	-	-
-	-	7,890	-	-	-
<u>452,398</u>	<u>434,936</u>	<u>358,217</u>	<u>346,686</u>	-	-
125,898	122,249	-	-	104,783	98,728
9,749	9,525	-	-	8,114	7,691
893	1,399	-	-	2,107	2,277
16,726	13,777	-	-	20,223	18,123
-	-	-	-	-	-
18,713	32,503	519	-	-	-
1,550	7,202	6,630	375	8,668	-
17,122	8,831	14,887	5,645	-	-
2,144	1,342	-	-	599	1,141
966	460	-	-	1,399	1,258
17,875	15,821	-	-	-	-
-	-	-	-	11,576	17,570
88,191	83,184	138,924	139,005	10,502	11,451
-	-	-	-	24,731	34,179
4,748	4,423	383	2,479	16,093	34,479
-	-	153,570	153,288	-	-
30,179	17,135	12,271	10,282	19,732	12,893
<u>81,257</u>	<u>84,072</u>	<u>70,399</u>	<u>73,085</u>	<u>(228,527)</u>	<u>(239,790)</u>
<u>416,011</u>	<u>401,923</u>	<u>397,583</u>	<u>384,159</u>	-	-
<u>\$ 36,387</u>	<u>\$ 33,013</u>	<u>\$ (39,366)</u>	<u>\$ (37,473)</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF PATTERSON, LOUISIANA

Schedule of Insurance in Force  
(Unaudited)  
June 30, 1999

Description of Coverage	Coverage Amounts
Workmen's Compensation - Employer's liability	Statutory \$ 100,000
Surety Bonds -	
Mrs. Pamela Washington	25,000
Ms. Angela Shilling	5,000
Public employees	5,000
Public right-of-way	1,528
Policemen's Professional Liability	1,000,000
Comprehensive General Liability, Bodily Injury, and Property Damage	500,000
Comprehensive Automobile Liability	500,000
Fire, Lightning, and Extended Coverage - Buildings and contents, all risks except flood and earthquake	1,902,704
Summer Recreation Program -	
Death and dismemberment	3,000
Medical expense	10,000
Public officials errors and omissions	500,000

CITY OF PATTERSON, LOUISIANA

Schedule of Interest-Bearing Deposits - All Funds  
June 30, 1999

	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Amount</u>
<b>General Fund:</b>				
Insured Money Market	N/A	N/A	2.215%	\$ 154,040
Insured Money Market	N/A	N/A	2.215%	525,647
Insured Money Market	N/A	N/A	2.215%	38,509
Insured Money Market	N/A	N/A	2.215%	200,947
Insured Money Market	N/A	N/A	2.215%	280,744
Savings	N/A	N/A	2.000%	182,680
Savings	N/A	N/A	2.000%	2,099
Savings	N/A	N/A	2.000%	2,188
Savings	N/A	N/A	2.000%	3,701
Certificate of deposit	31 days	7/6/99	2.700%	45,000
Certificate of deposit - Patterson State Bank	91 days	8/2/99	3.000%	52,257
Certificate of deposit - Patterson State Bank	91 days	9/15/99	3.000%	30,000
Certificate of deposit - Patterson State Bank	182 days	8/26/99	3.715%	796
Certificate of deposit - Patterson State Bank	181 days	7/12/99	3.715%	179,769
Certificate of deposit - Patterson State Bank	182 days	8/26/99	3.715%	86,487
				<u>1,784,864</u>
<b>Special Revenue Funds:</b>				
<b>Sewerage and Solid Waste Sales Tax Fund -</b>				
Insured Money Market	N/A	N/A	2.215%	185,086
Certificate of deposit - Patterson State Bank	182 days	8/31/99	3.715%	155,000
Investment - US Treasury Bill	6 months	11/18/99	4.930%	717,107
				<u>1,057,193</u>
<b>Ad Valorem Tax Collection Fund -</b>				
Savings	N/A	N/A	2.000%	<u>23,476</u>
<b>Fire Department Equipment Fund -</b>				
Insured Money Market	N/A	N/A	2.215%	25,819
Certificate of Deposit - Patterson State Bank	90 days	8/14/99	3.000%	25,000
Certificate of Deposit - Patterson State Bank	1 year	9/24/99	4.515%	50,000
				<u>100,819</u>
<b>Emergency Management Fund -</b>				
Insured Money Market	N/A	N/A	2.215%	<u>21,739</u>
<b>Total special revenue funds</b>				<u>1,203,227</u>

(continued)

CITY OF PATTERSON, LOUISIANA

Schedule of Interest-Bearing Deposits - All Funds (Continued)  
June 30, 1999

	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Amount</u>
<b>Debt Service Funds:</b>				
Public Improvement Bonds Fund - Insured Money Market	N/A	N/A	2.215%	<u>125,513</u>
Sales Tax Revenue Refunding Bonds Series - Insured Money Market	N/A	N/A	2.215%	115,341
Certificate of Deposit - Patterson State Bank	182 days	11/22/99	3.715%	<u>208,338</u>
				<u>323,679</u>
1966, 1967, 1969, 1980 and 1982 Paving Assessment Funds - Savings	N/A	N/A	2.000%	96
Certificate of Deposit - Patterson State Bank	182 days	8/26/99	3.715%	54,917
Certificate of Deposit - Patterson State Bank	182 days	8/23/99	3.715%	44,800
Certificate of Deposit - Patterson State Bank	182 days	8/23/99	3.715%	<u>22,600</u>
				<u>122,413</u>
1990 Street Paving Project - Insured Money Market	N/A	N/A	2.215%	<u>75,239</u>
Total debt service funds				<u>646,844</u>
<b>Capital Projects Fund:</b>				
1980 Drainage Project Fund - Insured Money Market	N/A	N/A	2.215%	<u>101,514</u>
Regional Sewerage Facility Project Fund - Certificate of Deposit - Patterson State Bank	182 days	8/31/99	3.715%	20,000
Certificate of Deposit - Patterson State Bank	182 days	8/23/99	3.715%	<u>80,857</u>
				<u>100,857</u>
Third Street Paving Project: Insured Money Market	N/A	N/A	2.215%	<u>20,513</u>
Murphy Street Paving Project: Insured Money Market	N/A	N/A	2.215%	<u>31,045</u>
Total capital projects funds				<u>253,929</u>
<b>Utility Funds:</b>				
Insured Money Market	N/A	N/A	2.215%	176,131
Insured Money Market	N/A	N/A	2.215%	735,659
Insured Money Market	N/A	N/A	2.215%	181,252
Savings	N/A	N/A	2.000%	33,211
Savings	N/A	N/A	2.000%	52,764
Certificate of Deposit - Patterson State Bank	182 days	11/19/99	3.715%	140,275
Certificate of Deposit - Patterson State Bank	182 days	8/28/99	3.715%	36,850
Investment - US Treasury Bill	6 months	11/18/99	4.930%	<u>255,751</u>
				<u>1,611,893</u>
Total - all funds				<u>\$5,500,757</u>

CITY OF PATTERSON, LOUISIANA

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

98-1 Finding: Lack of Appropriate Documentation of Disbursements in Fire Equipment Fund

Status: This finding has been resolved. Disbursements are supported by invoices or some other approved documentation.



CITY OF PATTERSON, LOUISIANA

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

Part 1: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report - Financial Statements

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

Reportable Conditions - Financial Statements

No reportable conditions in internal control over financial reporting were disclosed during the audit of the financial statements.

Material Noncompliance - Financial Reporting

There were no material instances of noncompliance noted during the audit of the financial statements.

FEDERAL AWARDS

This section is not applicable for the fiscal year ended June 30, 1999.

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

There were no findings noted during the audit of the financial statements.

Part 3: Findings and Questioned Costs Relating to Federal Programs

At June 30, 1999, the City of Patterson, Louisiana did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.

**CITY OF PATTERSON, LOUISIANA**

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

**There were no findings noted during the audit of the financial statements.**