

**CITY OF VIDALIA, LOUISIANA**  
**ANNUAL FINANCIAL STATEMENTS**  
**AS OF JUNE 30, 2004**  
**AND FOR THE YEAR THEN ENDED**

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

Release Date 3-9-05



**SILAS SIMMONS** LLP  
CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS

**CITY OF VIDALIA, LOUISIANA**

**Annual Financial Statements  
As of and for the Year Ended June 30, 2004  
With Supplemental Information Schedules**

**CONTENTS**

	<b>Statement</b>	<b>Page</b>
Independent Auditor's Report -----		1-2
Required Supplemental Information (Part I)		
Management's Discussion and Analysis-----		3-9
<u>Basic Financial Statements</u>		
Government-Wide Financial Statements:		
Statement of Net Assets-----	A	10
Statement of Activities-----	B	11
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet-----	C	12
Reconciliation of the Governmental Funds Balance Sheet to The Government-Wide Financial Statement of Net Assets-----	D	13
Statement of Revenues, Expenditures, and Changes in Fund Balances ----	E	14
Reconciliation of the Statement of Revenues, Expenditures, And Changes in Fund Balances of Governmental Funds to the Statement of Activities-----	F	15
Proprietary Funds:		
Statement of Net Assets-----	G	16
Statement of Revenues, Expenses, and Changes in Net Assets-----	H	17
Statement of Cash Flows-----	I	18

	<b>Page</b>
Notes to the Financial Statements-----	19-36
Required Supplemental Information (Part II)	
Budgetary Comparison Schedule - General Fund-----	37
Notes to the Required Supplementary Information-----	38
<u>Other Supplemental Information</u>	
Nonmajor Governmental Funds:	
Combining Balance Sheet -----	39
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances-----	40
Comparative/Combining Financial Statements and Schedules	
<b>General Fund</b> -----	41
Comparative Balance Sheet -----	42
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual-----	43
Statement of Expenditures Compared to Budget (GAAP Basis) -----	44-50
<b>Special Revenue Funds</b> -----	51
Combining Balance Sheet -----	52
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -----	53
<u>Sales Tax Fund</u>	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual-----	54
<u>Ambulance Fund</u>	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual-----	55
<u>City Court Fund</u>	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual-----	56
<b>Debt Service Funds</b> -----	57
Combining Balance Sheet -----	58
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -----	59

<u>Sales Tax Bonds Sinking Fund</u>	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual-----	60
<u>Sales Tax Bonds Reserve Fund</u>	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual-----	61
<b>Capital Projects Funds</b> -----	62
Combining Balance Sheet-----	63
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-----	64
<u>River Front Development Fund</u>	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual-----	65
<u>Industrial Park Fund</u>	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual-----	66
<u>Sales Tax Bond Construction Fund</u>	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual-----	67
<u>LCDBG Sewer Rehab Program</u>	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual-----	68
<b>Enterprise Funds</b> -----	69
Combining Balance Sheet-----	70
Combining Statement of Revenues, Expenses, and Changes in Net Assets-----	71
Combining Statement of Cash Flows - Increase (Decrease) in Cash and Cash Equivalents-----	72-73
<u>Utility Fund</u>	
Comparative Statement of Operating Revenues and Expenses-----	74-77
<u>Hydro Royalty Fund</u>	
Comparative Statement of Operating Revenues, and Expenses-----	78
<b>Report on Internal Control and Compliance</b> -----	79
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> -----	80-81
Schedule of Findings and Questioned Costs-----	82
Auditee's Corrective Action Plan-----	83
Status of Prior Audit Findings-----	84

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Hiram Copeland, Mayor  
and Members of the Board of Aldermen  
City of Vidalia  
Vidalia, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Vidalia, Louisiana, as of and for the year ended June 30, 2004, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Vidalia, Louisiana as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, of those activities and funds and the budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 18, 2005, on our consideration of the City of Vidalia, Louisiana's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on Pages 3 through 9 and Pages 37 through 38, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Vidalia, Louisiana's basic financial statements. The combining and individual fund statements and schedules described in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Silas Simmons, LLP*

Natchez, Mississippi  
February 18, 2005

**Required Supplemental Information (Part I)**

**CITY OF VIDALIA, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2004**

The management of the City of Vidalia, Louisiana offers readers of the City of Vidalia, Louisiana's (City) financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2004. This management discussion and analysis ("MD&A") is designed to provide an objective analysis of the City's financial activities based on currently known facts, decisions, and conditions. It is intended to provide readers with a broad overview of City finances. It is also intended to provide readers with an analysis of the City's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the City. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the City's financial activity, identify changes in the City's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

**Overview of the Financial Statements**

This section is intended to serve as an introduction to the City's financial statements. The City's basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information, which is in addition to the basic financial statements.

**Government-Wide Financial Statements**

Government-wide financial statements are designed to provide readers with a concise "entity-wide" Statement of Net Assets and Statement of Activities, which seek to give the user of the financial statements a broad overview of the City's financial position and results of operations in a manner similar to private sector businesses.

The statement of net assets presents information on all of the City's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. The difference between the two is reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or weakening.

The statement of activities presents information which shows how the government's net assets changed during this fiscal year. All changes in net assets are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. uncollected taxes).

Each of these reports is broken down between governmental activities and business-type activities. Governmental activities normally are those activities that are supported by taxes, licenses, permits, fines and intergovernmental revenues, for example, the police and fire departments. Business-type activities are functions that are intended to support their costs through charges for services or fees such as the Gas, Electric, Water, and Sewer Departments.

## Government-Wide Financial Analysis

As noted earlier, net assets may, over time, serve as a useful indicator of a government's financial position. At the close of the most recent fiscal year, the City's assets exceeded its liabilities by \$31,778,913 (net assets); this represents an increase of \$2,777,062 from last fiscal year. Of this total net asset amount, \$7,383,071 is unrestricted net assets. The City's net assets are comprised of \$15,084,107 from Governmental Activities and \$16,694,806 from Business Type Activities.

The following is a condensed statement of the City of Vidalia's net assets as of June 30, 2004 and 2003:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<b>Assets</b>						
Current and other assets	\$ 2,692,265	\$ 2,189,707	\$ 8,300,389	\$ 7,519,427	\$ 10,992,654	\$ 9,709,134
Capital assets (net)	<u>18,909,851</u>	<u>17,211,233</u>	<u>10,298,608</u>	<u>10,542,827</u>	<u>29,208,459</u>	<u>27,754,060</u>
Total assets	<u>\$ 21,602,116</u>	<u>\$ 19,400,940</u>	<u>\$ 18,598,997</u>	<u>\$ 18,062,254</u>	<u>\$ 40,201,113</u>	<u>\$ 37,463,194</u>
<b>Liabilities</b>						
Other liabilities	\$ 813,009	\$ 753,159	\$ 1,904,191	\$ 1,748,184	\$ 2,717,200	\$ 2,501,343
Long-term liabilities	<u>5,705,000</u>	<u>5,960,000</u>	-	-	<u>5,705,000</u>	<u>5,960,000</u>
Total liabilities	<u>\$ 6,518,009</u>	<u>\$ 6,713,159</u>	<u>\$ 1,904,191</u>	<u>\$ 1,748,184</u>	<u>\$ 8,422,200</u>	<u>\$ 8,461,343</u>
<b>Net Assets</b>						
Invested in capital assets	\$ 18,909,851	\$ 17,211,233	\$ 10,298,609	\$ 10,542,827	\$ 29,208,460	\$ 27,754,060
Less related debt	<u>5,960,000</u>	<u>6,205,000</u>	-	-	<u>5,960,000</u>	<u>6,205,000</u>
Net of related debt	<u>\$ 12,949,851</u>	<u>\$ 11,006,233</u>	<u>\$ 10,298,609</u>	<u>\$ 10,542,827</u>	<u>\$ 23,248,460</u>	<u>\$ 21,549,060</u>
Restricted	1,147,382	1,097,226	-	-	1,147,382	1,097,226
Unrestricted	<u>986,874</u>	<u>584,322</u>	<u>6,396,197</u>	<u>5,771,243</u>	<u>7,383,071</u>	<u>6,355,565</u>
Total net assets	<u>\$ 15,084,107</u>	<u>\$ 12,687,781</u>	<u>\$ 16,694,806</u>	<u>\$ 16,314,070</u>	<u>\$ 31,778,913</u>	<u>\$ 29,001,851</u>

By far, the largest portion of the City's net assets (\$23,248,460 or 73%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, City infrastructure, etc.) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets (\$1,147,382 or 4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance (\$7,383,071 or 23%) are unrestricted net assets which may be used to meet the government's on-going obligations to citizens and creditors.

The City has total outstanding debt of \$5,960,000, which was used to finance some of the \$29,208,460 capital assets. (For more detailed information on the City's debt and capital assets, see Pages 27 through 30. Total liabilities of \$8,422,220 are equal to 21% of the total assets.

**Government-Wide Financial Analysis (continued)**

The City's governmental activities increased net assets by \$2,396,326. This increase is mainly due to capital asset acquisitions of \$2,594,635, the majority of which were funded from capital grants. For Government-Wide Financial Statements, the revenue from the grants is recorded currently, while the assets acquired are capitalized and depreciated over their useful lives.

**Governmental Activities**

The governmental activities of the City include general government, public safety, public works, economic development, and payment of interest on long-term debt. In that revenues normally associated with municipal operations, (e.g. sales tax, property tax, franchise fees, license fees, sanitation fees, permits, fines, and operating grants) are insufficient for the funding of these activities, the City relies on transfers of excess revenue from its enterprise funds to cover the cost of all activities other than economic development. Economic development activities in the majority are funded by capital grants and contributions.

The following is a summary of the statement of activities:

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
<b>Revenue</b>						
Program revenue	\$ 2,619,346	\$ 2,139,881	\$ 19,593,998	\$ 16,818,576	\$ 22,213,344	\$ 18,958,457
General revenue and transfers	4,386,515	3,451,500	(2,554,375)	(1,522,161)	1,832,140	1,929,339
Total revenue and transfers	<u>\$ 7,005,861</u>	<u>\$ 5,591,381</u>	<u>\$ 17,039,623</u>	<u>\$ 15,296,415</u>	<u>\$ 24,045,484</u>	<u>\$ 20,887,796</u>
<b>Expenses</b>						
General and administrative	\$ 543,282	\$ 513,238	\$ -	\$ -	\$ 543,282	\$ 513,238
Public safety	2,057,076	1,829,466	-	-	2,057,076	1,829,466
Public works	1,464,323	1,294,004	-	-	1,464,323	1,294,004
Economic development	224,706	317,571	-	-	224,706	317,571
Combined utility	-	-	8,070,964	7,219,738	8,070,964	7,219,738
Hydro operations	-	-	8,587,923	7,238,283	8,587,923	7,238,283
Interest on long-term debt	320,148	334,388	-	-	320,148	334,388
Total expenses	<u>\$ 4,609,535</u>	<u>\$ 4,288,667</u>	<u>\$ 16,658,887</u>	<u>\$ 14,458,021</u>	<u>\$ 21,268,422</u>	<u>\$ 18,746,688</u>
Increase in net assets	\$ 2,396,326	\$ 1,356,874	\$ 380,736	\$ 838,394	\$ 2,777,062	\$ 2,195,268
Net assets, beginning	<u>12,687,781</u>	<u>11,330,907</u>	<u>16,314,070</u>	<u>15,475,676</u>	<u>29,001,851</u>	<u>26,806,583</u>
Net assets, ending	<u>\$ 15,084,107</u>	<u>\$ 12,687,781</u>	<u>\$ 16,694,806</u>	<u>\$ 16,314,070</u>	<u>\$ 31,778,913</u>	<u>\$ 29,001,851</u>

**Business-Type Activities**

The business-type activities of the City are those that charge a fee to customers for the services provided. The City has two business-type activities, which are accounted for in enterprise funds. The City uses enterprise funds to account for the revenues and expenses related to the provision of gas, electric, water, and sewer services and the revenues derived and expenses paid in connection with the City's contractual obligations involving the S. A. Murray Hydro Electric Station.

The following is a summary of the business-type activities of the City:

	Operating Revenues Net of Purchases and Sales Tax						
	Gas	Electric	Water	Sewer	Total Utility	Hydro	Total
Fiscal year ended June 30, 2003	\$ 441,181	\$ 1,857,294	\$ 468,696	\$ 418,020	\$ 3,185,191	\$ 2,322,033	\$ 5,507,224
Fiscal year ended June 30, 2004	<u>275,427</u>	<u>1,475,853</u>	<u>476,730</u>	<u>416,327</u>	<u>2,644,337</u>	<u>3,437,800</u>	<u>6,082,137</u>
Increase (decrease) between years	<u>\$ (165,754)</u>	<u>\$ (381,441)</u>	<u>\$ 8,034</u>	<u>\$ (1,693)</u>	<u>\$ (540,854)</u>	<u>\$ 1,115,767</u>	<u>\$ 574,913</u>

	Operating Expenses						
	Gas	Electric	Water	Sewer	Total Utility	Hydro	Total
Fiscal year ended June 30, 2003	\$ 391,424	\$ 1,089,849	\$ 671,469	\$ 437,362	\$ 2,590,104	\$ 486,191	\$ 3,076,295
Fiscal year ended June 30, 2004	<u>392,292</u>	<u>1,057,882</u>	<u>737,284</u>	<u>452,400</u>	<u>2,639,858</u>	<u>507,168</u>	<u>3,147,026</u>
Increase (decrease) between years	<u>\$ 868</u>	<u>\$ (31,967)</u>	<u>\$ 65,815</u>	<u>\$ 15,038</u>	<u>\$ 49,754</u>	<u>\$ 20,977</u>	<u>\$ 70,731</u>

	Net Income (Loss) From Operations						
	Gas	Electric	Water	Sewer	Total Utility	Hydro	Total
Fiscal year ended June 30, 2003	\$ 49,757	\$ 767,445	\$ (202,773)	\$ (19,342)	\$ 595,087	\$ 1,835,842	\$ 2,430,929
Fiscal year ended June 30, 2004	<u>(116,865)</u>	<u>417,971</u>	<u>(260,554)</u>	<u>(36,073)</u>	<u>4,479</u>	<u>2,930,632</u>	<u>2,935,111</u>
Increase (decrease) between years	<u>\$ (166,622)</u>	<u>\$ (349,474)</u>	<u>\$ (57,781)</u>	<u>\$ (16,731)</u>	<u>\$ (590,608)</u>	<u>\$ 1,094,790</u>	<u>\$ 504,182</u>

**Business-Type Activities (continued)**

The reasons for major fluctuations noted above are as follows:

The majority of the decrease in gas and electric net operating revenues was the result of increased cost of power and natural gas for fiscal year 2004. These costs increased from \$4,629,634 in fiscal year 2003 to \$5,431,106 in the current fiscal year. This increase of \$801,472 was not passed on in the way of a fuel adjustment on customer's gas and electric bills. Decreases in Water and Sewer net operating revenues were the result of various cost increases in payroll and operating materials cost.

Increase in Hydro Operating Revenues – The Hydro Electric Generating Station is a run of the river hydroelectric plant and thus electric production and related sales of the City's share of production are dependent upon water flows in the Mississippi River. These flows vary greatly from year to year, and fluctuations in revenues derived from power sales and the City's cost of purchasing the power produced are to be expected.

As can be seen from the above tables, the City's Utility Fund no longer generates net revenues which previously were used for General Fund support. For the current fiscal year, the Combined Utility Fund's net income was \$4,479, which represents a decrease of \$590,608 over the previous fiscal year and a decrease of \$1,148,709 over the fiscal year ended June 30, 2002. The majority of this decrease was caused by increased costs for natural gas and electricity. The City has relied on net revenues of the Hydro Fund to replace those previously supplied by the Combined Utility Fund for the support of General Fund operations.

**Fund Financial Statements - Governmental Funds**

The fund financial statements provide more detailed information about the City's most significant funds – not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for a particular purpose.

The City maintains four individual governmental fund types. These fund types are General, Special Revenue, Debt Service, and Capital Projects Funds. Information is presented separately in the Governmental Funds Balance Sheet (Statement C) and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances (Statement E) for the General Fund and the River Front Development Fund, which are considered to be major funds. Transactions of the remaining governmental funds are combined and shown as Other Governmental Funds on these statements. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining and individual financial statements in the supplemental information portion of this report, beginning on Page 39.

The City adopts an annual budget for its governmental funds. A statement of revenues, expenditures, and changes in fund balance for the General Fund is presented in the Required Supplemental Information (Part II) which compares actual revenues and expenditures to the original budget and amended budget figures. Budgeted amounts for the remainder of the Governmental Funds are presented in the individual fund statements.

**Financial Analysis of the City's Governmental Funds**

The City of Vidalia's governmental funds reported combined ending fund balances of \$2,159,318, which is an increase of \$448,038. This increase was caused by the transfer of available funds from the Hydro Electric Fund in anticipation of amounts that will be required in the upcoming fiscal year.

**Fund Financial Statements – Governmental Funds (continued)****Governmental Funds - Summary of Financial Data:**

	<u>Revenue and Transfers In</u>				
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Fiscal year ended June 30, 2003	\$ 2,969,467	\$ 1,435,630	\$ 584,002	\$ 1,698,332	\$ 6,687,431
Fiscal year ended June 30, 2004	<u>3,712,998</u>	<u>1,459,332</u>	<u>599,465</u>	<u>2,290,591</u>	<u>8,062,386</u>
Increase (decrease) between years	<u>\$ 743,531</u>	<u>\$ 23,702</u>	<u>\$ 15,463</u>	<u>\$ 592,259</u>	<u>\$ 1,374,955</u>
	<u>Expenditures and Transfers Out</u>				
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Fiscal year ended June 30, 2003	\$ 2,959,951	\$ 1,331,505	\$ 571,544	\$ 2,252,093	\$ 7,115,093
Fiscal year ended June 30, 2004	<u>3,299,649</u>	<u>1,445,067</u>	<u>581,895</u>	<u>2,287,737</u>	<u>7,614,348</u>
Increase (decrease) between years	<u>\$ 339,698</u>	<u>\$ 113,562</u>	<u>\$ 10,351</u>	<u>\$ 35,644</u>	<u>\$ 499,255</u>
	<u>Changes in Fund Balance</u>				
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Fiscal year ended June 30, 2003	\$ 9,516	\$ 104,125	\$ 12,458	\$ (553,761)	\$ (427,662)
Fiscal year ended June 30, 2004	<u>413,349</u>	<u>14,265</u>	<u>17,570</u>	<u>2,854</u>	<u>448,038</u>
Increase (decrease) between years	<u>\$ 403,833</u>	<u>\$ (89,860)</u>	<u>\$ 5,112</u>	<u>\$ 556,615</u>	<u>\$ 875,700</u>

**Fund Financial Statements – Proprietary Funds**

The City maintains two proprietary funds. Proprietary funds are used to report the same functions as business-type activities. The City uses enterprise funds (the first type of proprietary fund) to account for its Combined Gas, Electric, Water, and Sewer Operations and Revenue and Expenses related to its involvement in the operation of the S. A. Murray Hydro Electric Station. These enterprise funds report the same functions presented as business-type activities in the government-wide financial statements.

**Financial Analysis of the City's Proprietary Funds**

The City's proprietary funds show an increase in ending fund balance of \$380,736. The 2004 operating loss of the Gas Department of \$116,865 represents a \$166,622 increase in loss from fiscal year 2003. The fiscal year 2004 operating loss of the Water and Sewer Departments of \$296,627 represents an increase in loss of \$74,512 from fiscal year 2003. These operating losses were off-set by the Electric Department's operating income of \$417,971, which represents a decrease of \$349,474 from fiscal year 2003.

In that financial statements of enterprise funds are presented on the same basis of accounting as in both the government-wide financial statements and the individual fund statements, all comments and analysis made under business-type activities apply to these funds.

### **Capital Asset and Debt Administration**

The total investment in net capital assets as of June 30, 2004 is \$23,248,460.

The only new major capital assets additions during the fiscal year 2004 were related to the City's River Front Development Project. During the current fiscal year, \$2,106,826 of the projects were completed.

In addition to the above, the City has Construction in Progress totaling \$1,031,687 as of June 30, 2004. This construction is a continuation of the River Front Development \$830,295 and repair and additions to the Utility System (\$201,392). As of June 30, 2004, the City also has outstanding obligations under uncompleted construction contracts totaling \$113,313.

At the end of the current fiscal year, the City had a total outstanding bonded debt of \$5,960,000. Principal payments of \$255,000 are due during the upcoming fiscal year. These obligations are financed through a 1% sales tax collected within the corporate limits of Vidalia.

### **General Fund Budgetary Highlights**

The only major budgetary deviation in overall General Fund activities was caused by the premature transfer for available funds from the Hydro Electric Fund in anticipation of upcoming obligations. This resulted in a \$529,237 favorable budget deviation for the line item transfers-in.

### **Current Financial Factors**

With the exception of Capital Grants, revenue for the upcoming fiscal year is expected to remain relatively constant. Construction will continue on the River Front Development Project, the majority of which is funded by Federal and State Capital Grants.

As stated previously, the City has absorbed increases in the cost of natural gas and electricity as well as increases in operating costs of its Combined Utility Fund over recent fiscal years. Because the City has not increased its utility rates, the Utility Fund no longer generates net revenues for the support of General Fund activities and has relied upon net revenues of the Hydro Electric Fund for support of General Fund activities.

In the event that the net revenues of the Hydro Electric Fund would decrease due to a low water, low production year, utility rates would have to be increased by as much as 25% in order to generate revenues necessary to support general fund activities, or services provided to its citizens would have to be severely cut.

### **Requests for Information**

This financial report is designed to provide a general overview of the City of Vidalia, Louisiana's finances for all with an interest in the government's operations. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Kenneth J. Davis, Comptroller, Post Office Box 2010, Vidalia, Louisiana 71373.

## **Basic Financial Statements**

**Government-Wide Financial Statements**

## STATEMENT A

## CITY OF VIDALIA, LOUISIANA

## STATEMENT OF NET ASSETS

JUNE 30, 2004

	Governmental Activities	Business- Type Activities	Total
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 1,143,061	\$ 4,059,492	\$ 5,202,553
Receivables (net of allowances for uncollectibles)	151,293	973,773	1,125,066
Internal balances	536,310	(536,310)	-
Due from other agencies	46,023	3,506,383	3,552,406
Due from other governments	805,699	2,000	807,699
Prepaid items	9,879	63,702	73,581
Restricted assets	-	231,349	231,349
Capital assets (net)	<u>18,909,851</u>	<u>10,298,608</u>	<u>29,208,459</u>
 Total assets	 <u>\$ 21,602,116</u>	 <u>\$ 18,598,997</u>	 <u>\$ 40,201,113</u>
<b><u>LIABILITIES</u></b>			
Accounts, salaries, and other payables	\$ 460,908	\$ 1,672,842	\$ 2,133,750
Payable from restricted assets	-	231,349	231,349
Interest payable	25,062	-	25,062
Compensated absences payable	72,039	-	72,039
Bonds payable, due within one year	255,000	-	255,000
Bonds payable, beyond one year	<u>5,705,000</u>	<u>-</u>	<u>5,705,000</u>
 Total liabilities	 <u>\$ 6,518,009</u>	 <u>\$ 1,904,191</u>	 <u>\$ 8,422,200</u>
<b><u>NET ASSETS</u></b>			
Invested in capital assets, net of related debt	\$ 12,949,851	\$ 10,298,609	\$ 23,248,460
Restricted for:			
Capital projects	390,796	-	390,796
Debt service	756,586	-	756,586
Unrestricted	<u>986,874</u>	<u>6,396,197</u>	<u>7,383,071</u>
 Total net assets	 <u>\$ 15,084,107</u>	 <u>\$ 16,694,806</u>	 <u>\$ 31,778,913</u>

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

**CITY OF VIDALIA, LOUISIANA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	Expenses	Program Revenues			Net (Expenses)/ Revenue	Net (Expenses), Revenues, and Changes		Total
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Governmental Activities	Business-Type Activities	
<b>GOVERNMENTAL ACTIVITIES</b>								
General government	\$ 543,282	\$ 47,987	\$ 2,120	\$ -	\$ (493,175)	\$ (493,175)	\$ -	\$ (493,175)
Public safety	2,057,076	99,770	124,507	-	(1,832,799)	(1,832,799)	-	(1,832,799)
Public works	1,464,323	267,292	-	-	(1,197,031)	(1,197,031)	-	(1,197,031)
Economic development	224,706	-	61,555	2,016,115	1,852,964	1,852,964	-	1,852,964
Interest on long-term debt	320,148	-	-	-	(320,148)	(320,148)	-	(320,148)
Total governmental activities	\$ 4,609,535	\$ 415,049	\$ 188,182	\$ 2,016,115	\$ (1,990,189)	\$ (1,990,189)	\$ -	\$ (1,990,189)
<b>BUSINESS-TYPE ACTIVITIES</b>								
Gas	\$ 1,124,557	\$ 1,007,692	\$ -	\$ -	\$ (116,865)	\$ -	\$ (116,865)	\$ (116,865)
Electric	5,754,155	6,172,126	-	-	417,971	-	417,971	417,971
Water	739,852	479,298	-	-	(260,554)	-	(260,554)	(260,554)
Sewer	452,400	416,327	-	-	(36,073)	-	(36,073)	(36,073)
Hydro electric	8,587,923	11,518,555	-	-	2,930,632	-	2,930,632	2,930,632
Total business-type activities	\$ 16,658,887	\$ 19,593,998	\$ -	\$ -	\$ 2,935,111	\$ -	\$ 2,935,111	\$ 2,935,111
Total	\$ 21,268,422	\$ 20,009,047	\$ 188,182	\$ 2,016,115	\$ 944,922	\$ (1,990,189)	\$ 2,935,111	\$ 944,922
General Revenues:								
Property taxes						\$ 125,349	\$ -	\$ 125,349
Sales taxes						1,301,828	-	1,301,828
Franchise taxes						37,198	-	37,198
Beer taxes						9,480	-	9,480
Occupational licenses						155,309	-	155,309
Investment earnings						19,373	55,625	74,998
Other general revenues						127,978	-	127,978
Transfers						2,610,000	(2,610,000)	-
Total general revenues and transfers						\$ 4,386,515	\$ (2,554,375)	\$ 1,832,140
Change in net assets						\$ 2,396,326	\$ 380,736	\$ 2,777,062
Net assets – beginning						\$ 12,633,621	\$ 16,314,070	\$ 28,947,691
Prior period adjustment						54,160	-	54,160
Net assets – beginning, restated						\$ 12,687,781	\$ 16,314,070	\$ 29,001,851
Net assets – ending						\$ 15,084,107	\$ 16,694,806	\$ 31,778,913

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

**Fund Financial Statements**

**Governmental Funds**

## STATEMENT C

## CITY OF VIDALIA, LOUISIANA

BALANCE SHEET  
GOVERNMENTAL FUNDS

JUNE 30, 2004

	Major Funds			Total Governmental Funds
	General Fund	River Front Development Fund	Other Governmental Funds	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 45,349	\$ 43,817	1,053,895	\$ 1,143,061
Receivables (net of allowances for uncollectibles)	36,133	-	115,160	151,293
Due from other agencies	1,818	36,054	8,151	46,023
Due from other governments	19,918	754,847	30,934	805,699
Due from other funds	617,794	10,000	638,236	1,266,030
Prepaid expense	5,328	-	4,551	9,879
Total assets	<u>\$ 726,340</u>	<u>\$ 844,718</u>	<u>\$ 1,850,927</u>	<u>\$ 3,421,985</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 110,009	\$ 256,299	\$ 4,947	\$ 371,255
Accrued liabilities	119,844	-	22,024	141,868
Due to other funds	30,000	515,000	184,720	729,720
Other liabilities	-	-	19,824	19,824
Total liabilities	<u>\$ 259,853</u>	<u>\$ 771,299</u>	<u>\$ 231,515</u>	<u>\$ 1,262,667</u>
Fund balances:				
Reserved for:				
Capital projects	\$ -	\$ 73,419	\$ 317,377	\$ 390,796
Debt services	-	-	756,586	756,586
Unreserved, reported in:				
General Fund	466,487	-	-	466,487
Special revenue funds	-	-	545,449	545,449
Total fund balances	<u>\$ 466,487</u>	<u>\$ 73,419</u>	<u>\$ 1,619,412</u>	<u>\$ 2,159,318</u>
Total liabilities and fund balances	<u>\$ 726,340</u>	<u>\$ 844,718</u>	<u>\$ 1,850,927</u>	<u>\$ 3,421,985</u>

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

## STATEMENT D

## CITY OF VIDALIA, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE FINANCIAL STATEMENT OF NET ASSETS

JUNE 30, 2004

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Fund Balances, Total Governmental Funds (Statement C)		\$	2,159,318
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.			18,909,851
Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.			
Accrued interest payable	\$	25,062	
Bonds payable		<u>5,960,000</u>	
			<u>(5,985,062)</u>
Net Assets of Governmental Activities (Statement A)		\$	<u>15,084,107</u>

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

## STATEMENT E

## CITY OF VIDALIA, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

	<u>General Fund</u>	<u>River Front Development Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$ 125,349	\$ -	\$ -	\$ 125,349
Sales and use	-	-	1,301,828	1,301,828
Other taxes, penalties, interest, etc.	49,441	-	-	49,441
Licenses and permits	155,309	-	-	155,309
Intergovernmental revenues:				
Federal grants	4,409	-	-	4,409
State	114,871	2,016,115	23,400	2,154,386
Local	-	-	54,982	54,982
Fines and forfeitures	44,118	-	-	44,118
Charges for services	268,792	-	102,139	370,931
Investment earnings	125	2,041	17,207	19,373
Other revenues	21,347	77,248	17,140	115,735
Total revenues	<u>\$ 783,761</u>	<u>\$ 2,095,404</u>	<u>\$ 1,516,696</u>	<u>\$ 4,395,861</u>
<b>EXPENDITURES</b>				
General government	\$ 448,114	\$ -	\$ 62,959	\$ 511,073
Public safety:				
Police	1,178,231	-	-	1,178,231
Fire	438,838	-	-	438,838
Ambulance	-	-	364,999	364,999
Public works:				
Streets	629,715	-	-	629,715
Sanitation	471,691	-	-	471,691
Economic development	-	24,567	100,842	125,409
Capital outlay	103,060	1,979,078	185,911	2,268,049
Debt service:				
Principal	-	-	245,000	245,000
Interest and fiscal fees	-	-	324,818	324,818
Total expenditures	<u>\$ 3,269,649</u>	<u>\$ 2,003,645</u>	<u>\$ 1,284,529</u>	<u>\$ 6,557,823</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (2,485,888)</u>	<u>\$ 91,759</u>	<u>\$ 232,167</u>	<u>\$ (2,161,962)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 2,929,237	\$ -	\$ 737,288	\$ 3,666,525
Transfers out	(30,000)	-	(1,026,525)	(1,056,525)
Total other financing sources (uses)	<u>\$ 2,899,237</u>	<u>\$ -</u>	<u>\$ (289,237)</u>	<u>\$ 2,610,000</u>
Net change in fund balance	\$ 413,349	\$ 91,759	\$ (57,070)	\$ 448,038
Fund balances (deficit) – beginning	<u>53,138</u>	<u>(18,340)</u>	<u>1,676,482</u>	<u>1,711,280</u>
Fund balances – ending	<u>\$ 466,487</u>	<u>\$ 73,419</u>	<u>\$ 1,619,412</u>	<u>\$ 2,159,318</u>

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

## STATEMENT F

## CITY OF VIDALIA, LOUISIANA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED JUNE 30, 2004**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total Governmental Funds, Statement E	\$ 448,038
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	1,698,618
The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.	245,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount is the net effect of these differences in the treatment of interest paid on debt.	<u>4,670</u>
Change in Net Assets of Governmental Activities, Statement B	<u>\$ 2,396,326</u>

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

**Proprietary Funds**

## STATEMENT G

## CITY OF VIDALIA, LOUISIANA

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS

JUNE 30, 2004

	Business-Type Activities – Enterprise Funds		
	Utility Fund	Hydro Royalty Fund	Total Enterprise Funds
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 216,942	\$ 3,842,550	\$ 4,059,492
Receivables (net of allowances for uncollectibles)	968,642	5,131	973,773
Due from other agencies	-	3,506,383	3,506,383
Due from other governments	2,000	-	2,000
Due from other funds	267,385	-	267,385
Prepaid items	63,702	-	63,702
Total current assets	<u>\$ 1,518,671</u>	<u>\$ 7,354,064</u>	<u>\$ 8,872,735</u>
Noncurrent assets			
Restricted assets:			
Cash	\$ 231,349	\$ -	\$ 231,349
Capital assets (net of accumulated depreciation)	10,298,608	-	10,298,608
Total noncurrent assets	<u>\$ 10,529,957</u>	<u>\$ -</u>	<u>\$ 10,529,957</u>
Total assets	<u>\$ 12,048,628</u>	<u>\$ 7,354,064</u>	<u>\$ 19,402,692</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 631,542	\$ 957,000	\$ 1,588,542
Accrued liabilities	84,300	-	84,300
Due to other funds	1,963	801,732	803,695
Total current liabilities	<u>\$ 717,805</u>	<u>\$ 1,758,732</u>	<u>\$ 2,476,537</u>
Current liabilities payable from restricted assets			
Consumer deposits	<u>\$ 231,349</u>	<u>\$ -</u>	<u>\$ 231,349</u>
Noncurrent liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	\$ 10,298,609	\$ -	\$ 10,298,609
Unrestricted	800,865	5,595,332	6,396,197
Total net assets	<u>\$ 11,099,474</u>	<u>\$ 5,595,332</u>	<u>\$ 16,694,806</u>

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

## STATEMENT H

## CITY OF VIDALIA, LOUISIANA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

	<u>Business-Type Activities – Enterprise Funds</u>		
	<u>Utility Fund</u>	<u>Hydro Royalty Fund</u>	<u>Total Enterprise Funds</u>
<b><u>OPERATING REVENUES</u></b>			
Charges for services:			
Gas sales	\$ 1,007,692	\$ -	\$ 1,007,692
Electricity sales	6,172,126	2,230,078	8,402,204
Water sales	479,298	-	479,298
Sewer charges	416,327	-	416,327
Hydro royalties	-	9,288,477	9,288,477
Total operating revenues	<u>\$ 8,075,443</u>	<u>\$ 11,518,555</u>	<u>\$ 19,593,998</u>
<b><u>OPERATING EXPENSES</u></b>			
Purchases and sales tax	\$ 5,431,106	\$ 8,080,755	\$ 13,511,861
Personal services	1,324,597	-	1,324,597
Materials and supplies	439,029	-	439,029
Other services and charges	507,328	507,168	1,014,496
Depreciation	368,904	-	368,904
Total operating expenses	<u>\$ 8,070,964</u>	<u>\$ 8,587,923</u>	<u>\$ 16,658,887</u>
Operating Income	<u>\$ 4,479</u>	<u>\$ 2,930,632</u>	<u>\$ 2,935,111</u>
<b>Nonoperating Revenues (Expenses)</b>			
Interest earnings	<u>\$ 2,991</u>	<u>\$ 52,634</u>	<u>\$ 55,625</u>
Total nonoperating revenues (expenses)	<u>\$ 2,991</u>	<u>\$ 52,634</u>	<u>\$ 55,625</u>
Income Before Transfers	\$ 7,470	\$ 2,983,266	\$ 2,990,736
Transfers in	1,341,913	-	1,341,913
Transfers out	<u>(1,960,000)</u>	<u>(1,991,913)</u>	<u>(3,951,913)</u>
Change in Net Assets	\$ (610,617)	\$ 991,353	\$ 380,736
Total net assets – beginning	<u>11,710,091</u>	<u>4,603,979</u>	<u>16,314,070</u>
Total net assets – ending	<u>\$ 11,099,474</u>	<u>\$ 5,595,332</u>	<u>\$ 16,694,806</u>

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

## STATEMENT I

## CITY OF VIDALIA, LOUISIANA

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

	Business-Type Activities – Enterprise Funds		
	Utility Fund	Hydro Royalty Fund	Total Enterprise Funds
<b>Cash Flows From Operating Activities</b>			
Receipts from customers and users	\$ 7,984,676	\$ 10,945,323	\$ 18,929,999
Payments to suppliers	(6,315,847)	(8,521,923)	(14,837,770)
Payments to employees	(1,334,818)	-	(1,334,818)
Net cash provided by operating activities	\$ 334,011	\$ 2,423,400	\$ 2,757,411
<b>Cash Flows From Noncapital Financing Activities</b>			
Transfers from other funds	\$ 1,748,014	\$ -	\$ 1,748,014
Transfers to other funds	(2,009,128)	(1,873,933)	(3,883,061)
Net cash used for noncapital financing activities	\$ (261,114)	\$ (1,873,933)	\$ (2,135,047)
<b>Cash Flows From Capital and Related Financing Activities</b>			
Purchases of fixed assets	\$ (124,685)	\$ -	\$ (124,685)
Net cash used for capital and related financing activities	\$ (124,685)	\$ -	\$ (124,685)
<b>Cash Flows from Investing Activities</b>			
Interest on temporary investments	\$ 2,991	\$ 55,045	\$ 58,036
Net cash provided by investing activities	\$ 2,991	\$ 55,045	\$ 58,036
Net increase (decrease) in cash and cash equivalents	\$ (48,797)	\$ 604,512	\$ 555,715
Cash and cash equivalents, beginning of year	497,088	3,238,038	3,735,126
Cash and cash equivalents, end of year	\$ 448,291	\$ 3,842,550	\$ 4,290,841
<b>Reconciliation of Operating Income to Net Cash Provided By Operating Activities</b>			
Operating income	\$ 4,479	\$ 2,930,632	\$ 2,935,111
<b>Adjustments to Reconcile Operating Income (Loss) To Net Cash Provided By Operating Activities</b>			
Depreciation	\$ 368,904	\$ -	\$ 368,904
Change in assets and liabilities			
(Increase) decrease in:			
Accounts receivable	(93,150)	-	(93,150)
Due from other agencies	-	(573,232)	(573,232)
Prepaid expenses	(35,984)	-	(35,984)
Increase (decrease) in			
Accounts payable	97,600	66,000	163,600
Accrued liabilities	(10,221)	-	(10,221)
Customer deposits	2,383	-	2,383
Total adjustments	\$ 329,532	\$ (507,232)	\$ (117,700)
Net cash provided by operating activities	\$ 334,011	\$ 2,423,400	\$ 2,757,411

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

**Notes to the Financial Statements**

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Vidalia was incorporated April 1, 1901, under the provisions of the Lawrason Act. The City operates under the Mayor-Board of Aldermen form of government and provides the following services as authorized by the Lawrason Act: public safety (police, fire, and ambulance); streets; sanitation; health; culture-recreation; public improvements; planning and zoning; provision of gas, electric and water utilities; sewer services; and general administrative services.

The accounting and reporting policies of the City of Vidalia conform to generally accepted accounting principles as applicable to governments in the United States of America.

The following is a summary of certain significant accounting policies:

**A. Financial Reporting Entity**

This report includes all funds and account groups which are controlled by or dependent on the City executive and legislative branches (the Mayor and Board of Aldermen). The scope of the governmental entity included in this report was determined by applying the criteria established by the Governmental Accounting Standards Board's Statement Number 14.

The application of these criteria revealed no additional governmental reporting entities, which would be properly included in these financial statements.

The City Marshall's balances and transactions are accounted for in the City Court Fund.

**B. Basis Of Presentation**

***Government-Wide and Fund Financial Statements***

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The municipality reports the following major governmental funds:

The General Fund is the municipality's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The River Front Development Fund is used to account for the collection and expenditure of revenues for the acquisition and development of the City's riverfront. Financing is being provided from general revenues and state grants.

The municipality reports the following major proprietary funds:

The Utility Fund is used to account for the provision of gas, electric, and water utilities, as well as sewer services to residents of the City and some residents of the Parish. 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.

The Hydro Royalty Fund is used to account for the revenues and expenses of the hydroelectric project.

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal on-going operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the municipality's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Cash and Cash Equivalents**

The municipality's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of six months or less from the date of acquisition. State law and the municipality's investment policy allow the municipality to invest in collateralized certificates of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities.

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. Uncollectible amounts due for ad valorem taxes and customer's utility receivables are recognized through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

The City annually levies ad valorem taxes in accordance with state statute for the fiscal year ended June 30. Tax bills are prepared and delivered in October with payment due from the date of receipt to the last day of February. Because of the due dates noted previously, ad valorem taxes are not considered to be available resources of the fiscal year to which they apply and are, therefore, not accrued at the end of the fiscal year.

The City bills and collects its own property taxes using the assessed values determined by the Tax Assessor of Concordia Parish.

For the year ended June 30, 2004, taxes of 3.72 mills were levied on property with assessed valuations totaling \$33,696,237, after abatements and exemptions and were dedicated as follows:

General corporate purposes	3.72
Total taxes levied were	\$125,350

**F. Inventories**

Since inventories of the proprietary fund consist of items normally capitalized upon acquisition, amounts considered in the computation of operating expense are immaterial and, therefore, not reflected.

**G. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**H. Restricted Assets - Utility Fund**

Restricted assets were applicable to the following at June 30, 2004

Consumer deposits	<u>\$ 231,349</u>
-------------------	-------------------

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**I. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The municipality maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Streets and Parking Areas	15 - 40 Years
Improvements Other Than Buildings	10 - 40 Years
Buildings and Structures	10 - 40 Years
Machinery and Equipment	5 - 10 Years

**J. Compensated Absences**

The City has implemented GASB Statement Number 16 “Accounting for Compensated Absences”. Under GASB Statement Number 16, a liability for unpaid vacation that is attributable to services already rendered and that is not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to benefits.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

**K. Long-Term Obligations**

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**L. Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**M. Estimates**

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

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgets and Budgetary Accounting**

The City follows procedures established by Louisiana Revised Statute in the preparation and adoption of its annual operating budgets as follows:

1. The City Clerk prepares a proposed budget and submits same to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the General, Special Revenue, Debt Service Funds, and Capital Project Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budget amounts are as originally adopted, or as amended from time to time by the Board of Aldermen.

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)**

*EXCESS OF EXPENDITURES OVER APPROPRIATIONS.* The following individual fund had actual expenditures over budgeted appropriations for the year ended June 30, 2004.

<u>Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 3,184,145	\$ 3,184,145	\$ 3,269,649	\$ 85,504
Ambulance Fund	\$ 348,800	\$ 348,800	\$ 364,999	\$ 16,199
City Court Fund	\$ -	\$ -	\$ 42,253	\$ 42,253

These unfavorable variances occurred because the City did not amend its budget during the year.

*DEFICITS.* The following individual funds have deficits in fund balance (net assets) at June 30, 2004:

<u>Fund</u>	<u>Deficit Amount</u>
Industrial Park	\$ (8,937)

**NOTE 3 – CASH AND CASH EQUIVALENTS**

At June 30, 2004, the municipality has cash and cash equivalents (book balances) totaling \$5,433,902 as follows:

Demand deposits	\$ 2,069,392
Time deposits	3,363,000
Cash on hand	<u>1,510</u>
Total	<u>\$ 5,433,902</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. 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.

At June 30, 2004, the municipality has \$5,479,108 in deposits (collected bank balances). These deposits are secured from risk by \$400,000 of federal deposit insurance and \$9,014,083 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the municipality that the fiscal agent has failed to pay deposited funds upon demand.

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 4 – RECEIVABLES**

The receivables of \$1,125,066 at June 30, 2004, are as follows:

Class of Receivable	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Enterprise Funds	Total
<b>Taxes:</b>						
Ad valorem	\$ 2,585	\$ -	\$ -	\$ -	\$ -	\$ 2,585
Sales and use	-	107,228	-	-	-	107,228
Other	9,629	-	-	-	-	9,629
Accounts	15,973	82,352	-	-	967,538	1,065,863
Accrued interest	-	-	4,119	-	5,131	9,250
Other	9,341	-	-	131	3,173	12,645
Allowance for uncollectibles	(1,395)	(78,670)	-	-	(2,069)	(82,134)
<b>Total</b>	<b>\$ 36,133</b>	<b>\$ 110,910</b>	<b>\$ 4,119</b>	<b>\$ 131</b>	<b>\$ 973,773</b>	<b>\$ 1,125,066</b>

**NOTE 5 – DUE FROM OTHER GOVERNMENTS**

Amounts due from other governmental units at June 30, 2004 consisted of the following:

	General Fund	Capital Projects Funds	Enterprise Funds	Total
Due from State of Louisiana	\$ 7,616	\$ 756,736	\$ 2,000	\$ 766,352
Due from Concordia Parish	12,302	29,045	-	41,347
	<u>\$ 19,918</u>	<u>\$ 785,781</u>	<u>\$ 2,000</u>	<u>\$ 807,699</u>

**NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

A summary of individual receivables and payables reflected as "Due To or Due From Other Funds" follows:

Fund	Interfund	
	Receivable	Payable
General Fund	\$ 617,794	\$ 30,000
River Front Development Fund	10,000	515,000
Nonmajor Governmental Funds	638,236	184,720
Utility Fund	267,385	1,963
Hydro Royalty Fund	-	801,732
<b>Totals</b>	<b>\$ 1,533,415</b>	<b>\$ 1,533,415</b>

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (continued)**

Interfund transfers during the year ended June 30, 2004, were as follows:

<u>Transfers Out</u>	<u>Transfers In</u>			<u>Totals</u>
	<u>General Fund</u>	<u>River Front Development Fund</u>	<u>Utility Fund</u>	
General Fund	\$ -	\$ -	\$ -	\$ 30,000
River Front Development	-	-	-	-
Utility Fund	1,960,000	-	-	1,960,000
Hydro Royalty Fund	650,000	-	1,341,913	1,991,913
Other Governmental Funds	<u>319,237</u>	<u>-</u>	<u>-</u>	<u>707,288</u>
<b>Totals</b>	<b>\$ 2,929,237</b>	<b>\$ -</b>	<b>\$ 1,341,913</b>	<b>\$ 5,008,438</b>

Transfers are primarily used to move funds from:

- The Proprietary Funds to the General Fund to cover expenses of general operations.
- The Hydro Royalty Fund to the Utility Fund as further described in Note 15.
- The General Fund and Nonmajor Governmental Funds to finance various capital projects.

**NOTE 7 – CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended June 30, 2004, is as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Governmental activities:</b>				
<b>Capital assets, not being depreciated</b>				
Land	\$ 3,926,445	\$ -	\$ -	\$ 3,926,445
Construction in progress	<u>1,156,881</u>	<u>1,780,240</u>	<u>(2,106,826)</u>	<u>830,295</u>
<b>Total capital assets, not being depreciated</b>	<b>\$ 5,083,326</b>	<b>\$ 1,780,240</b>	<b>\$ (2,106,826)</b>	<b>\$ 4,756,740</b>
<b>Capital assets, being depreciated</b>				
Buildings and structures	\$ 1,855,357	\$ 36,535	\$ -	\$ 1,891,892
Improvements other than buildings	5,609,428	1,749,311	-	7,358,739
Machinery and equipment	1,497,772	77,834	-	1,575,606
Streets and parking areas	<u>8,108,511</u>	<u>730,955</u>	<u>-</u>	<u>8,839,466</u>
<b>Total capital assets being depreciated</b>	<b>\$ 17,071,068</b>	<b>\$ 2,594,635</b>	<b>\$ -</b>	<b>\$ 19,665,703</b>

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 7 – CAPITAL ASSETS (continued)**

	<u>Beginning</u> <u>Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balances</u>
Less accumulated depreciation for:				
Buildings and structures	\$ (669,033)	\$ (32,919)	\$ -	\$ (701,952)
Improvements other than buildings	(506,538)	(205,743)	-	(712,281)
Machinery and equipment	(814,567)	(120,003)	-	(934,570)
Streets and parking areas	<u>(2,953,023)</u>	<u>(210,766)</u>	<u>-</u>	<u>(3,163,789)</u>
Total accumulated depreciation	<u>\$ (4,943,161)</u>	<u>\$ (569,431)</u>	<u>\$ -</u>	<u>\$ (5,512,592)</u>
Total capital assets being depreciated, net	<u>\$ 12,127,907</u>	<u>\$ 2,025,204</u>	<u>\$ -</u>	<u>\$ 14,153,111</u>
Total capital assets, net	<u>\$ 17,211,233</u>	<u>\$ 3,805,444</u>	<u>\$ (2,106,826)</u>	<u>\$ 18,909,851</u>
<u>Business-type activities:</u>				
Capital assets, not being depreciated				
Land	\$ 157,400	\$ -	\$ -	\$ 157,400
Construction in progress	<u>201,392</u>	<u>-</u>	<u>-</u>	<u>201,392</u>
Total capital assets, not being depreciated	<u>\$ 358,792</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 358,792</u>
Capital assets, being depreciated				
Buildings and structures	\$ 171,674	\$ -	\$ -	\$ 171,674
Improvements other than buildings	17,150	18,000	-	35,150
Machinery and equipment	<u>15,004,471</u>	<u>106,685</u>	<u>-</u>	<u>15,111,156</u>
Total capital assets, being depreciated	<u>\$ 15,193,295</u>	<u>\$ 124,685</u>	<u>\$ -</u>	<u>\$ 15,317,980</u>
Less accumulated depreciation for:				
Buildings and structures	\$ (69,124)	\$ (5,168)	\$ -	\$ (74,292)
Improvements other than buildings	(17,150)	-	-	(17,150)
Machinery and equipment	<u>(4,922,986)</u>	<u>(363,736)</u>	<u>-</u>	<u>(5,286,722)</u>
Total accumulated depreciation	<u>\$ (5,009,260)</u>	<u>\$ (368,904)</u>	<u>\$ -</u>	<u>\$ (5,378,164)</u>
Total capital assets being depreciated, net	<u>\$ 10,184,035</u>	<u>\$ (244,219)</u>	<u>\$ -</u>	<u>\$ 9,939,816</u>
Total capital assets, net	<u>\$ 10,542,827</u>	<u>\$ (244,219)</u>	<u>\$ -</u>	<u>\$ 10,298,608</u>

Depreciation expense of \$569,431 for the year ended June 30, 2004, was charged to the following governmental functions:

General government	\$ 32,209
Public safety	75,008
Public works	362,917
Economic development	<u>99,297</u>
	<u>\$ 569,431</u>

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 8 – CONSTRUCTION COMMITMENTS**

The municipality has active construction projects as of June 30, 2004. At year end, the commitments with contractors are as follows:

<u>Project</u>	<u>Spent To Date</u>	<u>Remaining Commitment</u>
River Front Development	\$ 3,778,197	\$ 113,313
Total	<u>\$ 3,778,197</u>	<u>\$ 113,313</u>

**NOTE 9 – LONG-TERM OBLIGATIONS**

The following is a summary of long-term obligation transactions for the year ended June 30, 2004.

	<u>General Long-Term Debt</u>		<u>Totals</u>
	<u>Sales Tax Bonds</u>		
	<u>1999 Series</u>	<u>2000 Series</u>	
Long-term obligations payable at June 30, 2003	\$ 2,975,000	\$ 3,230,000	\$ 6,205,000
Principal retired	<u>(130,000)</u>	<u>(115,000)</u>	<u>(245,000)</u>
Long-term obligations payable at June 30, 2004	<u>\$ 2,845,000</u>	<u>\$ 3,115,000</u>	<u>\$ 5,960,000</u>

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of June 30, 2004:

	<u>Bonded Debt</u>
Current portion	\$ 255,000
Long-term portion	<u>5,705,000</u>
Total	<u>\$ 5,960,000</u>

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 9 – LONG-TERM OBLIGATIONS (continued)**Sales Tax Bond Series 1999 dated December 1, 1999 in the amount of \$3,310,000

Principal installments are payable on December 1 of each year beginning December 1, 2000 and ending December 1, 2017, with interest rates ranging from 4.00% to 5.45% per annum and principal payments ranging from \$105,000 to \$285,000. Financing for these bonds is to be provided from sales tax revenues.

\$ 2,845,000

Sales Tax Bond Series 2000 dated June 1, 2000, in the amount of \$3,535,000

Principal installments are payable on June 1 of each year beginning June 1, 2001 and ending June 1, 2020, with interest rates ranging from 4.60% to 6.00% per annum and principal payments ranging from \$95,000 to \$290,000. Financing for these bonds is to be provided from sales tax revenues.

3,115,000\$ 5,960,000

At June 30, 2004, the municipality has accumulated \$756,586 in the debt service funds for future debt requirements. The bonds are due as follows:

<u>Year ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2005	\$ 255,000	\$ 313,403	\$ 568,403
2006	275,000	301,226	576,226
2007	290,000	287,902	577,902
2008	310,000	273,693	583,693
2009	330,000	258,270	588,270
2010 - 2014	1,940,000	1,015,411	2,955,411
2015 - 2019	2,270,000	429,746	2,699,746
2020	<u>290,000</u>	<u>17,400</u>	<u>307,400</u>
Total	<u>\$ 5,960,000</u>	<u>\$ 2,897,051</u>	<u>\$ 8,857,051</u>

The municipality is legally restricted from incurring long-term bonded debt secured by sales and use taxes in excess of 75% of the avails of the tax. The municipality was within this 75% limitation, when the sales tax bonds were issued.

**NOTE 10 – SALES AND USE TAX REVENUES**

- A. On July 17, 1999, a special election was held at which the citizens of Vidalia approved two individual propositions concerning (1) the levy and use of an additional 1% sales tax, and (2) the use of the existing 1% sales tax, which was approved in 1970.

Generally, the propositions authorized the imposition of a new 1% sales tax for 18 years and dedicated the proceeds of both the new and existing sales tax for the acquisition, construction, extending, improving, maintaining, and/or operating public streets, drainage facilities, waterworks system facilities and improvements, and sewerage system facilities and improvements, and authorized the City to fund the proceeds of both sales taxes into bonds for any capital purpose set forth above.

- B. Proceeds of an additional .5% sales and use tax are dedicated to providing the Community with ambulance service.

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 11 – RETIREMENT SYSTEMS**

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

**A. Municipal Employees Retirement System of Louisiana (System)**

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

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds, and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2% of their final-average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3% for each year retirement precedes age 62, unless they have at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100% of final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (504) 925-4810.

*Funding Policy.* Under Plan B, members are required by state statute to contribute 5.0% of their annual covered salary, and the City of Vidalia, Louisiana is required to contribute at an actuarially determined rate. The current rate is 7.75% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the City of Vidalia, Louisiana are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Vidalia, Louisiana's contributions to the System under Plan B for the years ending June 30, 2003 and June 30, 2004, were \$80,966 and \$95,525, respectively, equal to the required contributions for those years.

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 11 – RETIREMENT SYSTEMS (continued)**

**B. Municipal Police Employees Retirement System of Louisiana (System)**

*Plan Description.* All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3-1/3% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (504) 929-7411.

*Funding Policy.* Plan members are required by state statute to contribute 7.5% of their annual covered salary, and the City of Vidalia, Louisiana is required to contribute at an actuarially determined rate. The current rate is 15.25% of annual covered payroll. The contribution requirements of plan members and the City of Vidalia, Louisiana are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Vidalia, Louisiana's contributions to the System for the years ending June 30, 2003 and June 30, 2004, were \$17,612 and \$40,037, respectively, equal to the required contributions for those years.

**C. Firefighters' Retirement System of Louisiana (System)**

*Plan Description.* Membership in the Louisiana Firefighters' Retirement System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection district that did not enact an ordinance before January 1, 1980, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 3-1/3% of their final-average salary for each year of creditable service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804, or by calling (504) 925-4060.

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 11 – RETIREMENT SYSTEMS (continued)**

**C. Firefighters' Retirement System of Louisiana (System) (continued)**

*Funding Policy.* Plan members are required by state statute to contribute 8.0% of their annual covered salary, and the City of Vidalia, Louisiana is required to contribute at an actuarially determined rate. The current rate is 21.0% of annual covered payroll. The contribution requirements of plan members and the City of Vidalia, Louisiana are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Vidalia, Louisiana's contributions to the System for the years ending June 30, 2003 and June 30, 2004, were \$24,823 and \$47,226, respectively, equal to the required contributions for those years.

**NOTE 12 – SEGMENT INFORMATION FOR UTILITY FUND**

The Utility Fund operated by the City provides gas, electric, water, and sewer utility services. The following is a summary of disclosures required by the National Council on Governmental Accounting in Interpretation 2, Segment Information for Enterprise Funds.

	<u>Gas Utility</u>	<u>Electric Utility</u>	<u>Water Utility</u>	<u>Sewer Service</u>	<u>Total</u>
Operating revenues	\$ 1,007,692	\$ 6,172,126	\$ 479,298	\$ 416,327	\$ 8,075,443
Purchase of utility provided	(732,265)	(4,696,273)	(2,568)	-	(5,431,106)
Operating expenses	(370,672)	(913,984)	(653,249)	(333,049)	(2,270,954)
Depreciation	<u>(21,620)</u>	<u>(143,898)</u>	<u>(84,035)</u>	<u>(119,351)</u>	<u>(368,904)</u>
Operating income (loss)	<u>\$ (116,865)</u>	<u>\$ 417,971</u>	<u>\$ (260,554)</u>	<u>\$ (36,073)</u>	\$ 4,479
Operating transfers net					(618,087)
Interest income					<u>2,991</u>
Net loss					<u>\$ (610,617)</u>

**NOTE 13 – 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 carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 14 – COMPENSATION OF THE GOVERNING BOARD**

The Governing Board of the City of Vidalia, Louisiana consists of a Mayor and five Aldermen. For the fiscal year ended June 30, 2004, their compensation was as follows:

Hiram Copeland, Mayor	\$ 51,275
Maureen Sanders, Alderman	3,157
Carter Warner, Alderman	3,157
Vernon Stevens, Alderman	3,157
Richard Knapp, Alderman	3,157
Jon Betts, Alderman	<u>3,157</u>
	<u>\$ 67,060</u>

**NOTE 15 – CITY OF VIDALIA – HYDROELECTRIC PROJECT**

On March 22, 1984, the City of Vidalia, Louisiana entered into a conditional agreement with Catalyst Energy Development Corporation to enable Catalyst to successfully finance, develop, construct, operate and maintain the Vidalia Hydroelectric Project to be located in the State of Louisiana between the Mississippi River and the Atchafalya River near the U. S. Corps of Engineers' Old River Control Project.

On June 28, 1988, the City of Vidalia, Louisiana, and Catalyst Old River Hydroelectric Limited Partnership (successor to the rights and obligations of Catalyst Energy Development Corporation) entered into an agreement to amend and restate the March 22, 1984 agreement in its entirety. This agreement was again amended and restated on August 17, 1990 in its entirety. A general summary is as follows:

**A. Payment of Royalties to the City of Vidalia**

In consideration for its participation in this hydroelectric project, the City of Vidalia will be entitled to royalty payments based on a percentage of gross revenues beginning with 3.75% in the first year of operations, graduated to 11.6% in the year 2021, and 20% thereafter. All such payments shall be paid quarterly by depositing or transferring funds into a royalty account.

**B. Restrictions on Revenues**

Revenues derived from the City's participation in the S. A. Murray, Jr. Hydro Station shall be deposited into a special bank account and designated as the "City of Vidalia Hydro Royalty Fund". This fund is accounted for as a "Special Revenue Fund" for internal reporting purposes, but due to its business nature is reported as an "Enterprise Fund" in the financial statements in accordance with pronouncements of the Governmental Accounting Standards Board. These revenues shall be maintained and administered in the following order of priority and expended for the following express purposes:

1. Payments of all expenses and costs arising from the City's participation in the S. A. Murray, Jr. Hydro Station.
2. Satisfaction of any debt requirements incurred to finance capital improvements, which were approved pursuant to the conditions as set forth in the following item number seven (7).

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 15 – CITY OF VIDALIA – HYDROELECTRIC PROJECT (continued)**

**B. Restrictions on Revenues (continued)**

3. The establishment and maintenance of a Reserve Fund into which amounts shall be transferred, the total of which shall equal or exceed the highest amount possibly due under the Catalyst Vidalia Power Purchase Agreement in any two month period of any upcoming calendar year.
4. The City transfers to the Utility Fund each month the amount by which the City's "Normal" cost of electric power and energy exceeds thirty eight (38) mills per kilowatt-hour. "Normal" cost of power and energy is the amount paid per kilowatt hour under the current or future power purchase agreements exclusive of power purchased under economic development rate schedules or any other discounted rate schedule which results in a cost which is less than thirty eight (38) mills per kilowatt hour.
5. The rebate of an amount, to be determined by the Mayor and Board of Aldermen, to the then current retail customers of the City's Municipal Electric System. This amount shall not exceed fifty percent (50%) of the revenues remaining after payment of amounts noted in items one (1) through four (4). The amount rebated to each class of retail customer shall be determined by applying to the total amount to be rebated the percentage which the gross margin from retail electric sales to each class of customer bears to total gross margin from all retail sales of electric power. This rebate will be based on kilowatt hour usage during the previous calendar year and shall not exceed fifty percent (50%) of each customer's total electric billing during that period. In all cases, the City reserves the right to offset any and all amounts due it from individual customers.
6. The transfer to the City's General Fund an amount necessary to offset any deficits incurred in the operation and maintenance of all nonutility municipal services.
7. Revenue not expended as previously stated shall be considered surplus revenue and may be used for any lawful corporate purpose after satisfying the following conditions:

The Mayor and Board of Aldermen shall annually compile a schedule of projects on which these surplus revenues are proposed to be expended. A summary of these projects shall be published and the public notified that details are available for public inspection. At the same time, a minimum of two (2) public hearings shall be called to discuss the proposed projects and receive public input concerning possible alternative uses of surplus funds.

After holding the required public hearings and giving due consideration of public input, the Board of Aldermen shall approve the expenditures of surplus funds for projects deemed to be in the best public interest.

None of the foregoing shall preclude the loaning of funds to any municipal entity of the City of Vidalia providing that said loan with interest equal to the average rate of return on the investment of surplus municipal funds shall be repaid prior to the expiration of the term of the Mayor and Board of Aldermen authorizing said loan.

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE 15 – CITY OF VIDALIA – HYDROELECTRIC PROJECT (continued)**

**C. Option to Purchase the Hydroelectric Project**

The Partnership has granted to the City of Vidalia an option to purchase, at any time on or after January 1, 2030, but before January 1, 2032, all of the Partnership's rights, title and interest in and to the hydroelectric project, as then constituted, subject to any permitted mortgages then outstanding at the price of (i) \$1,000 payable in cash at closing, and (ii) the balance payable on or before the 15<sup>th</sup> of each month following the month in which the sale of the project occurs through December 31, 2132, in an amount equal to two-thirds of the cash available for distribution during the preceding month.

This option shall be exercisable by the City of Vidalia only by twelve months prior written notice given by the City to the Partnership, provided, however, that the Partnership shall give written notice to the City of Vidalia during the year 2029 for the City's exercise of its option to purchase.

**NOTE 16 – PRIOR PERIOD ADJUSTMENT**

A summary of significant fund equity adjustments is as follows:

**Statement B – Statement of Activities**

Governmental Activities:	<u>Amount</u>
<u>Explanation</u>	
Understatement of prior year capital assets	\$ <u>54,160</u>

**Required Supplemental Information (Part II)**

**CITY OF VIDALIA, LOUISIANA**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 190,000	\$ 190,000	\$ 174,790	\$ (15,210)
Licenses and permits	150,100	150,100	155,309	5,209
Fines and forfeits	52,000	52,000	44,118	(7,882)
Intergovernmental	130,000	130,000	119,280	(10,720)
Charges for services	272,000	272,000	268,792	(3,208)
Other	<u>26,500</u>	<u>26,500</u>	<u>21,472</u>	<u>(5,028)</u>
<b>Total revenues</b>	<u>\$ 820,600</u>	<u>\$ 820,600</u>	<u>\$ 783,761</u>	<u>\$ (36,839)</u>
<b>Expenditures</b>				
<b>Current</b>				
Personal services	\$ 2,189,280	\$ 2,189,280	\$ 2,261,332	\$ (72,052)
Materials and supplies	291,560	291,560	362,770	(71,210)
Other services and charges	519,105	519,105	542,487	(23,382)
<b>Capital outlay</b>				
Machinery and equipment	<u>184,200</u>	<u>184,200</u>	<u>103,060</u>	<u>81,140</u>
<b>Total expenditures</b>	<u>\$ 3,184,145</u>	<u>\$ 3,184,145</u>	<u>\$ 3,269,649</u>	<u>\$ (85,504)</u>
<b>Excess of expenditures before operating transfers</b>	<u>\$ (2,363,545)</u>	<u>\$ (2,363,545)</u>	<u>\$ (2,485,888)</u>	<u>\$ (122,343)</u>
<b>Other financing sources (uses)</b>				
Operating transfers in	\$ 2,400,000	\$ 2,400,000	\$ 2,929,237	\$ 529,237
Operating transfers out	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>\$ 2,370,000</u>	<u>\$ 2,370,000</u>	<u>\$ 2,899,237</u>	<u>\$ 529,237</u>
<b>Net change in fund balance</b>	\$ 6,455	\$ 6,455	\$ 413,349	\$ 406,894
<b>Fund balance – beginning of year</b>	<u>53,138</u>	<u>53,138</u>	<u>53,138</u>	<u>-</u>
<b>Fund balance – end of year</b>	<u>\$ 59,593</u>	<u>\$ 59,593</u>	<u>\$ 466,487</u>	<u>\$ 406,894</u>

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

**CITY OF VIDALIA, LOUISIANA**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2004**

Budgetary Comparison Schedule

1. Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the GAAP basis, and variances between the final budget and the actual data.

2. Budget Amendments and Revisions

The budget is adopted by the Board of Aldermen. Amendments can be made on the approval of the Board of Aldermen. A budgetary comparison is presented for the General Fund and each major special revenue fund consistent with accounting principles generally accepted in the United States of America. There were no major special revenue funds.

**Other Supplemental Information**

**Nonmajor Governmental Funds**

**CITY OF VIDALIA, LOUISIANA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**

JUNE 30, 2004

	Special Revenue				Debt Service			Capital Projects				Total Nonmajor Governmental Funds
	Sales Tax Fund	Ambulance Fund	City Court Fund	Total	Sales Tax Sinking Fund	Sales Tax Reserve Fund	Total	Industrial Park Fund	Sales Tax Bond Construction Fund	LCDBG Sewer Rehab Program Fund	Total	
<b>Assets</b>												
Cash and cash equivalents	\$ 192,958	\$ 10,514	\$ 133,169	\$ 336,641	\$ 89,857	\$ 615,001	\$ 704,858	\$ 10,127	\$ 2,269	\$ -	\$ 12,396	\$ 1,053,895
Receivables (net of allowance for uncollectibles)	85,715	21,513	3,682	110,910	-	4,119	4,119	131	-	-	131	115,160
Due from other agencies	-	-	-	-	-	-	-	8,151	-	-	8,151	8,151
Due from other governments	-	-	-	-	-	-	-	1,889	29,045	-	30,934	30,934
Due from other funds	230,000	65,627	-	295,627	47,609	-	47,609	-	295,000	-	295,000	638,236
Prepaid expenses	-	4,551	-	4,551	-	-	-	-	-	-	-	4,551
<b>Total assets</b>	<b>\$ 508,673</b>	<b>\$ 102,205</b>	<b>\$ 136,851</b>	<b>\$ 747,729</b>	<b>\$ 137,466</b>	<b>\$ 619,120</b>	<b>\$ 756,586</b>	<b>\$ 20,298</b>	<b>\$ 326,314</b>	<b>\$ -</b>	<b>\$ 346,612</b>	<b>\$ 1,850,927</b>
<b>Liabilities and Fund Balances</b>												
<b>Liabilities:</b>												
Accounts payable	\$ 2,179	\$ 2,768	\$ -	\$ 4,947	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,947
Accrued liabilities	-	21,977	-	21,977	-	-	-	47	-	-	47	22,024
Due to other funds	83,236	70,200	2,096	155,532	-	-	-	29,188	-	-	29,188	184,720
Other liabilities	-	-	19,824	19,824	-	-	-	-	-	-	-	19,824
<b>Total liabilities</b>	<b>\$ 85,415</b>	<b>\$ 94,945</b>	<b>\$ 21,920</b>	<b>\$ 202,280</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,235</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,235</b>	<b>\$ 231,515</b>
<b>Fund balances:</b>												
Reserved for:												
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 137,466	\$ 619,120	\$ 756,586	\$ -	\$ -	\$ -	\$ -	\$ 756,586
Capital projects	-	-	-	-	-	-	-	(8,937)	326,314	-	317,377	317,377
Unreserved, undesignated	423,258	7,260	114,931	545,449	-	-	-	-	-	-	-	545,449
<b>Total fund balances</b>	<b>\$ 423,258</b>	<b>\$ 7,260</b>	<b>\$ 114,931</b>	<b>\$ 545,449</b>	<b>\$ 137,466</b>	<b>\$ 619,120</b>	<b>\$ 756,586</b>	<b>\$ (8,937)</b>	<b>\$ 326,314</b>	<b>\$ -</b>	<b>\$ 317,377</b>	<b>\$ 1,619,412</b>
<b>Total liabilities and fund balances</b>	<b>\$ 508,673</b>	<b>\$ 102,205</b>	<b>\$ 136,851</b>	<b>\$ 747,729</b>	<b>\$ 137,466</b>	<b>\$ 619,120</b>	<b>\$ 756,586</b>	<b>\$ 20,298</b>	<b>\$ 326,314</b>	<b>\$ -</b>	<b>\$ 346,612</b>	<b>\$ 1,850,927</b>

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

**CITY OF VIDALIA, LOUISIANA  
NONMAJOR GOVERNMENTAL FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**FOR THE YEAR ENDED JUNE 30, 2004**

	Special Revenue				Debt Service			Capital Projects				Total Nonmajor Governmental Funds
	Sales Tax Fund	Ambulance Fund	City Court Fund	Total	Sales Tax Sinking Fund	Sales Tax Reserve Fund	Total	Industrial Park Fund	Sales Tax Bond Construction Fund	LCDBG Sewer Rehab Program Fund	Total	
<b>Revenues</b>												
Sales and use	\$ 1,041,419	\$ 260,409	\$ -	\$ 1,301,828	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,301,828
Intergovernmental revenues:												
Federal	-	-	-	-	-	-	-	-	-	-	-	-
State	-	23,400	-	23,400	-	-	-	-	-	-	-	23,400
Local	-	-	-	-	-	-	-	54,982	-	-	54,982	54,982
Charges for services	-	54,152	47,987	102,139	-	-	-	-	-	-	-	102,139
Investment earnings	1,899	66	-	1,965	2,177	13,000	15,177	65	-	-	65	17,207
Other revenues	-	-	-	-	-	-	-	17,140	-	-	17,140	17,140
Total revenues	<u>\$ 1,043,318</u>	<u>\$ 338,027</u>	<u>\$ 47,987</u>	<u>\$ 1,429,332</u>	<u>\$ 2,177</u>	<u>\$ 13,000</u>	<u>\$ 15,177</u>	<u>\$ 72,187</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,187</u>	<u>\$ 1,516,696</u>
<b>Expenditures</b>												
General government	\$ 23,367	\$ -	\$ 39,592	\$ 62,959	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,959
Public safety	-	364,999	-	364,999	-	-	-	-	-	-	-	364,999
Economic development	-	-	-	-	-	-	-	100,170	672	-	100,842	100,842
Capital outlay	-	-	2,661	2,661	-	-	-	-	183,250	-	183,250	185,911
Debt service												
Principal	-	-	-	-	245,000	-	245,000	-	-	-	-	245,000
Interest and fiscal fees	-	-	-	-	324,818	-	324,818	-	-	-	-	324,818
Total expenditures	<u>\$ 23,367</u>	<u>\$ 364,999</u>	<u>\$ 42,253</u>	<u>\$ 430,619</u>	<u>\$569,818</u>	<u>\$ -</u>	<u>\$569,818</u>	<u>\$100,170</u>	<u>\$ 183,922</u>	<u>\$ -</u>	<u>\$ 284,092</u>	<u>\$ 1,284,529</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 1,019,951</u>	<u>\$ (26,972)</u>	<u>\$ 5,734</u>	<u>\$ 998,713</u>	<u>\$ (567,641)</u>	<u>\$ 13,000</u>	<u>\$ (554,641)</u>	<u>\$ (27,983)</u>	<u>\$ (183,922)</u>	<u>\$ -</u>	<u>\$ (211,905)</u>	<u>\$ 232,167</u>
<b>Other Financing Sources (Uses)</b>												
Transfers – in	\$ -	\$ 30,000	\$ -	\$ 30,000	\$584,288	\$ -	\$584,288	\$ -	\$ 123,000	\$ -	\$ 123,000	\$ 737,288
Transfers – out	(1,005,211)	-	(9,237)	(1,014,448)	-	(12,077)	(12,077)	-	-	-	-	(1,026,525)
Total other financing sources (uses)	<u>\$(1,005,211)</u>	<u>\$ 30,000</u>	<u>\$ (9,237)</u>	<u>\$ (984,448)</u>	<u>\$584,288</u>	<u>\$ (12,077)</u>	<u>\$572,211</u>	<u>\$ -</u>	<u>\$ 123,000</u>	<u>\$ -</u>	<u>\$ 123,000</u>	<u>\$ (289,237)</u>
Net change in fund balance	\$ 14,740	\$ 3,028	\$ (3,503)	\$ 14,265	\$ 16,647	\$ 923	\$ 17,570	\$ (27,983)	\$ (60,922)	\$ -	\$ (88,905)	\$ (57,070)
Fund balances – beginning	408,518	4,232	118,434	531,184	120,819	618,197	739,016	19,046	387,236	-	406,282	1,676,482
Fund balances (deficit) – ending	<u>\$ 423,258</u>	<u>\$ 7,260</u>	<u>\$114,931</u>	<u>\$ 545,449</u>	<u>\$137,466</u>	<u>\$619,120</u>	<u>\$756,586</u>	<u>\$ (8,937)</u>	<u>\$ 326,314</u>	<u>\$ -</u>	<u>\$ 317,377</u>	<u>\$ 1,619,412</u>

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

**Comparative/Combining Financial Statements and Schedules**

**GENERAL FUND**

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

**CITY OF VIDALIA, LOUISIANA**  
**GENERAL FUND**  
**COMPARATIVE BALANCE SHEET**  
**JUNE 30, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b><u>ASSETS</u></b>		
Cash	\$ 45,349	\$ 67,879
Accounts receivable, net of allowance for estimated uncollectibles (2004 - \$1,395 and 2003 - \$1,395)	36,133	27,908
Due from other agencies	1,818	395
Due from other funds	617,794	91,002
Due from other governments	19,918	19,592
Prepaid expense	<u>5,328</u>	<u>1,810</u>
<b>Total assets</b>	<b><u>\$ 726,340</u></b>	<b><u>\$ 208,586</u></b>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities		
Accounts payable	\$ 110,009	\$ 38,522
Accrued liabilities	119,844	116,926
Due to other funds	<u>30,000</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>\$ 259,853</u></b>	<b><u>\$ 155,448</u></b>
Fund balance - (unreserved)	<u>\$ 466,487</u>	<u>\$ 53,138</u>
<b>Total liabilities and fund balance</b>	<b><u>\$ 726,340</u></b>	<b><u>\$ 208,586</u></b>

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

## CITY OF VIDALIA, LOUISIANA

## GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2004

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003

	2004		Variance	2003
	Budget	Actual		Actual
<b><u>REVENUES</u></b>				
Taxes	\$ 190,000	\$ 174,790	\$ (15,210)	\$ 191,818
Licenses and permits	150,100	155,309	5,209	160,233
Fines and forfeits	52,000	44,118	(7,882)	52,411
Intergovernmental revenue	130,000	119,280	(10,720)	160,565
Charges for services	272,000	268,792	(3,208)	271,163
Other	26,500	21,472	(5,028)	51,137
<b>Total revenues</b>	<b>\$ 820,600</b>	<b>\$ 783,761</b>	<b>\$ (36,839)</b>	<b>\$ 887,327</b>
<b><u>EXPENDITURES</u></b>				
Current				
Personal services	\$ 2,189,280	\$ 2,261,332	\$ (72,052)	\$ 2,032,388
Materials and supplies	291,560	362,770	(71,210)	281,041
Other services and charges	519,105	542,487	(23,382)	520,710
Capital outlay				
Machinery and equipment	184,200	103,060	81,140	105,812
<b>Total expenditures</b>	<b>\$ 3,184,145</b>	<b>\$ 3,269,649</b>	<b>\$ (85,504)</b>	<b>\$ 2,939,951</b>
<b>Excess of expenditures before operating transfers</b>	<b>\$ (2,363,545)</b>	<b>\$ (2,485,888)</b>	<b>\$ (122,343)</b>	<b>\$ (2,052,624)</b>
<b><u>OPERATING TRANSFERS</u></b>				
Transfers – in	2,400,000	2,929,237	529,237	2,082,140
Transfers – out	(30,000)	(30,000)	-	(20,000)
<b>Excess of revenues and transfers – in (expenditures and transfers – out)</b>	<b>\$ 6,455</b>	<b>\$ 413,349</b>	<b>\$ 406,894</b>	<b>\$ 9,516</b>
<b><u>FUND BALANCE (DEFICIT), BEGINNING</u></b>				
	\$ 53,138	\$ 53,138	\$ -	\$ (74,654)
Prior period adjustment				
Correction of an error	-	-	-	118,276
Fund balance, beginning (restated)	\$ 53,138	\$ 53,138	\$ -	\$ 43,622
<b><u>FUND BALANCE, ENDING</u></b>	<b>\$ 59,593</b>	<b>\$ 466,487</b>	<b>\$ 406,894</b>	<b>\$ 53,138</b>

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

## CITY OF VIDALIA, LOUISIANA

## GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)  
 YEAR ENDED JUNE 30, 2004  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003

	Budget	2004 Actual	Variance	2003 Actual
<b><u>GENERAL AND ADMINISTRATIVE</u></b>				
<b>Personal Services</b>				
Salaries and wages	\$ 65,500	\$ 75,500	\$ (10,000)	\$ 65,500
Employee benefits	<u>27,055</u>	<u>29,490</u>	<u>(2,435)</u>	<u>22,746</u>
<b>Total personal services</b>	<b>\$ 92,555</b>	<b>\$ 104,990</b>	<b>\$ (12,435)</b>	<b>\$ 88,246</b>
<b>Materials and Supplies</b>				
Office supplies	\$ 6,400	\$ 10,960	\$ (4,560)	\$ 6,214
Operating supplies	13,100	16,325	(3,225)	14,634
Repair and maintenance supplies	<u>5,830</u>	<u>12,600</u>	<u>(6,770)</u>	<u>8,342</u>
<b>Total materials and supplies</b>	<b>\$ 25,330</b>	<b>\$ 39,885</b>	<b>\$ (14,555)</b>	<b>\$ 29,190</b>
<b>Other Services and Charges</b>				
Professional fees	\$ 75,500	\$ 95,682	\$ (20,182)	\$ 67,290
Communications	15,500	12,733	2,767	14,690
Travel and seminar	3,400	9,717	(6,317)	4,879
Advertising	18,775	23,993	(5,218)	18,139
Dues and subscriptions	3,000	3,984	(984)	3,294
Insurance	10,560	11,530	(970)	10,538
Utility service	25,000	17,190	7,810	22,818
Repair and maintenance	11,250	17,761	(6,511)	12,860
Landfill fees and rentals	<u>1,500</u>	<u>512</u>	<u>988</u>	<u>1,730</u>
<b>Total other services and charges</b>	<b>\$ 164,485</b>	<b>\$ 193,102</b>	<b>\$ (28,617)</b>	<b>\$ 156,238</b>
<b>Capital Outlay</b>				
Machinery and equipment	\$ 5,000	\$ 7,569	\$ (2,569)	\$ 21,322
<b>Total capital outlay</b>	<b>\$ 5,000</b>	<b>\$ 7,569</b>	<b>\$ (2,569)</b>	<b>\$ 21,322</b>
<b>Total General and Administrative expenditures</b>	<b>\$ 287,370</b>	<b>\$ 345,546</b>	<b>\$ (58,176)</b>	<b>\$ 294,996</b>

-continued-

## CITY OF VIDALIA, LOUISIANA

## GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)  
 YEAR ENDED JUNE 30, 2004  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003

	Budget	2004 Actual	Variance	2003 Actual
<b><u>STREET DEPARTMENT</u></b>				
<b>Personal Services</b>				
Salaries and wages	\$ 276,800	\$ 290,199	\$ (13,399)	\$ 276,765
Employee benefits	<u>108,965</u>	<u>117,198</u>	<u>(8,233)</u>	<u>95,151</u>
<b>Total personal services</b>	<b>\$ 385,765</b>	<b>\$ 407,397</b>	<b>\$ (21,632)</b>	<b>\$ 371,916</b>
<b>Materials and Supplies</b>				
Office supplies	\$ 600	\$ 874	\$ (274)	\$ 644
Operating supplies	57,350	56,216	1,134	49,513
Repair and maintenance supplies	<u>85,900</u>	<u>116,736</u>	<u>(30,836)</u>	<u>87,309</u>
<b>Total materials and supplies</b>	<b>\$ 143,850</b>	<b>\$ 173,826</b>	<b>\$ (29,976)</b>	<b>\$ 137,466</b>
<b>Other Services and Charges</b>				
Professional fees	\$ 3,100	\$ 4,358	\$ (1,258)	\$ 5,204
Communications	3,400	3,115	285	4,051
Travel and seminar	-	180	(180)	-
Advertising	-	96	(96)	-
Insurance	13,150	12,169	981	13,085
Utility service	25,000	23,836	1,164	24,737
Repair and maintenance	5,770	857	4,913	9,066
Landfill fees and rentals	<u>4,450</u>	<u>3,881</u>	<u>569</u>	<u>3,967</u>
<b>Total other services and charges</b>	<b>\$ 54,870</b>	<b>\$ 48,492</b>	<b>\$ 6,378</b>	<b>\$ 60,110</b>
<b>Capital Outlay</b>				
Machinery and equipment	\$ 30,700	\$ 81,586	\$ (50,886)	\$ 5,963
<b>Total capital outlay</b>	<b>\$ 30,700</b>	<b>\$ 81,586</b>	<b>\$ (50,886)</b>	<b>\$ 5,963</b>
<b>Total Street Department expenditures</b>	<b>\$ 615,185</b>	<b>\$ 711,301</b>	<b>\$ (96,116)</b>	<b>\$ 575,455</b>

-continued-

## CITY OF VIDALIA, LOUISIANA

## GENERAL FUND

## STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED JUNE 30, 2004

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003

	Budget	2004 Actual	Variance	2003 Actual
<b><u>SANITATION DEPARTMENT</u></b>				
<b>Personal Services</b>				
Salaries and wages	\$ 185,000	\$ 203,231	\$ (18,231)	\$ 184,950
Employee benefits	95,490	96,481	(991)	81,381
<b>Total personal services</b>	<b>\$ 280,490</b>	<b>\$ 299,712</b>	<b>\$ (19,222)</b>	<b>\$ 266,331</b>
<b>Materials and Supplies</b>				
Operating supplies	\$ 13,100	\$ 13,613	\$ (513)	\$ 11,593
Repair and maintenance supplies	500	3,157	(2,657)	305
<b>Total materials and supplies</b>	<b>\$ 13,600</b>	<b>\$ 16,770</b>	<b>\$ (3,170)</b>	<b>\$ 11,898</b>
<b>Other Services and Charges</b>				
Professional fees	\$ 250	\$ 1,199	\$ (949)	\$ 255
Travel and seminar	100	-	100	104
Insurance	6,770	5,391	1,379	9,016
Landfill fees and rentals	137,100	147,942	(10,842)	135,153
Bad debts	1,000	677	323	926
<b>Total other services and charges</b>	<b>\$ 145,220</b>	<b>\$ 155,209</b>	<b>\$ (9,989)</b>	<b>\$ 145,454</b>
<b>Capital Outlay</b>				
Machinery and equipment	\$ 90,000	\$ -	\$ 90,000	\$ -
<b>Total capital outlay</b>	<b>\$ 90,000</b>	<b>\$ -</b>	<b>\$ 90,000</b>	<b>\$ -</b>
<b>Total Sanitation Department expenditures</b>	<b>\$ 529,310</b>	<b>\$ 471,691</b>	<b>\$ 57,619</b>	<b>\$ 423,683</b>

-continued-

## CITY OF VIDALIA, LOUISIANA

## GENERAL FUND

## STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED JUNE 30, 2004

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003

	<u>Budget</u>	<u>2004 Actual</u>	<u>Variance</u>	<u>2003 Actual</u>
<b><u>POLICE DEPARTMENT</u></b>				
<b>Personal Services</b>				
Salaries and wages	\$ 690,500	\$ 702,155	\$ (11,655)	\$ 685,434
Employee benefits	<u>236,520</u>	<u>269,655</u>	<u>(33,135)</u>	<u>197,523</u>
<b>Total personal services</b>	<b>\$ 927,020</b>	<b>\$ 971,810</b>	<b>\$ (44,790)</b>	<b>\$ 882,957</b>
<b>Materials and Supplies</b>				
Office supplies	\$ 4,300	\$ 5,125	\$ (825)	\$ 4,690
Operating supplies	48,045	56,034	(7,989)	41,792
Repair and maintenance supplies	<u>28,360</u>	<u>40,877</u>	<u>(12,517)</u>	<u>27,170</u>
<b>Total materials and supplies</b>	<b>\$ 80,705</b>	<b>\$ 102,036</b>	<b>\$ (21,331)</b>	<b>\$ 73,652</b>
<b>Other Services and Charges</b>				
Professional fees	\$ 6,975	\$ 8,845	\$ (1,870)	\$ 3,593
Communications	7,800	7,725	75	7,026
Travel and seminar	10,000	7,177	2,823	12,662
Advertising	150	175	(25)	148
Dues and subscriptions	1,200	1,247	(47)	1,068
Insurance	66,550	60,822	5,728	64,554
Utility service	11,750	12,511	(761)	12,355
Repair and maintenance	5,875	5,388	487	5,335
Landfill fees and rentals	<u>1,200</u>	<u>495</u>	<u>705</u>	<u>1,066</u>
<b>Total other services and charges</b>	<b>\$ 111,500</b>	<b>\$ 104,385</b>	<b>\$ 7,115</b>	<b>\$ 107,807</b>
<b>Capital Outlay</b>				
Machinery and equipment	\$ 46,500	\$ 13,905	\$ 32,595	\$ 40,948
<b>Total capital outlay</b>	<b>\$ 46,500</b>	<b>\$ 13,905</b>	<b>\$ 32,595</b>	<b>\$ 40,948</b>
<b>Total Police Department expenditures</b>	<b>\$ 1,165,725</b>	<b>\$ 1,192,136</b>	<b>\$ (26,411)</b>	<b>\$ 1,105,364</b>

-continued-

## CITY OF VIDALIA, LOUISIANA

## GENERAL FUND

## STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED JUNE 30, 2004

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003

	Budget	2004 Actual	Variance	2003 Actual
<b><u>FIRE DEPARTMENT</u></b>				
<b>Personal Services</b>				
Salaries and wages	\$ 275,000	\$ 276,457	\$ (1,457)	\$ 244,442
Employee benefits	126,550	98,042	28,508	82,442
<b>Total personal services</b>	<b>\$ 401,550</b>	<b>\$ 374,499</b>	<b>\$ 27,051</b>	<b>\$ 326,884</b>
<b>Materials and Supplies</b>				
Office supplies	\$ 2,500	\$ 2,116	\$ 384	\$ 2,232
Operating supplies	13,000	18,713	(5,713)	11,912
Repair and maintenance supplies	11,875	9,143	2,732	13,985
<b>Total materials and supplies</b>	<b>\$ 27,375</b>	<b>\$ 29,972</b>	<b>\$ (2,597)</b>	<b>\$ 28,129</b>
<b>Other Services and Charges</b>				
Professional fees	\$ 1,000	\$ 857	\$ 143	\$ 6,372
Communications	6,900	5,061	1,839	6,279
Travel and seminar	4,400	9,372	(4,972)	4,026
Advertising	250	235	15	263
Dues and subscriptions	1,400	1,706	(306)	1,348
Insurance	7,720	7,169	551	7,709
Utility service	9,000	6,872	2,128	9,058
Repair and maintenance	3,100	3,040	60	2,852
Landfill fees and rentals	300	55	245	127
<b>Total other services and charges</b>	<b>\$ 34,070</b>	<b>\$ 34,367</b>	<b>\$ (297)</b>	<b>\$ 38,034</b>
<b>Capital Outlay</b>				
Machinery and equipment	\$ 12,000	\$ -	\$ 12,000	\$ 37,579
<b>Total capital outlay</b>	<b>\$ 12,000</b>	<b>\$ -</b>	<b>\$ 12,000</b>	<b>\$ 37,579</b>
<b>Total Fire Department expenditures</b>	<b>\$ 474,995</b>	<b>\$ 438,838</b>	<b>\$ 36,157</b>	<b>\$ 430,626</b>

-continued-

## CITY OF VIDALIA, LOUISIANA

## GENERAL FUND

## STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED JUNE 30, 2004

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003

	Budget	2004 Actual	Variance	2003 Actual
<b><u>CITY COURT</u></b>				
<b>Personal Services</b>				
Salaries and wages	\$ 68,900	\$ 69,685	\$ (785)	\$ 68,892
Employee benefits	33,000	33,239	(239)	27,162
<b>Total personal services</b>	<b>\$ 101,900</b>	<b>\$ 102,924</b>	<b>\$ (1,024)</b>	<b>\$ 96,054</b>
<b>Materials and Supplies</b>				
Repair and maintenance supplies	\$ 700	\$ 281	\$ 419	\$ 706
<b>Total materials and supplies</b>	<b>\$ 700</b>	<b>\$ 281</b>	<b>\$ 419</b>	<b>\$ 706</b>
<b>Other Services and Charges</b>				
Communications	\$ 2,550	\$ 1,848	\$ 702	\$ 2,368
Dues and subscriptions	-	30	(30)	-
Insurance	2,175	1,914	261	2,168
Repair and maintenance	4,235	3,140	1,095	8,531
<b>Total other services and charges</b>	<b>\$ 8,960</b>	<b>\$ 6,932</b>	<b>\$ 2,028</b>	<b>\$ 13,067</b>
<b>Total City Court expenditures</b>	<b>\$ 111,560</b>	<b>\$ 110,137</b>	<b>\$ 1,423</b>	<b>\$ 109,827</b>

-continued-

**CITY OF VIDALIA, LOUISIANA**  
**GENERAL FUND**  
**STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)**  
**YEAR ENDED JUNE 30, 2004**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003**

	<u>Budget</u>	<u>2004 Actual</u>	<u>Variance</u>	<u>2003 Actual</u>
<b>Total expenditures -- all departments</b>	<b>\$ 3,184,145</b>	<b>\$ 3,269,649</b>	<b>\$ (85,504)</b>	<b>\$ 2,939,951</b>

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

**SPECIAL REVENUE FUNDS****Sales Tax Fund**

To account for the collection and expenditure of sales tax revenues as provided by ordinance.

**Ambulance Fund**

To account for the collection and expenditure of sales tax dedicated for the purpose of providing the Community with ambulance service.

**City Court Fund**

To account for the operations of the Court as required by Louisiana Revised Statute and to facilitate control over receipts and payment of expenses connected with collection of revenue. City Marshall's balances and transactions are accounted for in this Fund. Excess revenue is available for transfer to General Fund.

**CITY OF VIDALIA, LOUISIANA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2003**

	<u>Nonmajor Funds</u>			<u>Totals</u>	
	<u>Sales Tax Fund</u>	<u>Ambulance Fund</u>	<u>City Court Fund</u>	<u>2004</u>	<u>2003</u>
<b><u>ASSETS</u></b>					
Cash	\$ 192,958	\$ 10,514	\$ 133,169	\$ 336,641	\$ 379,232
Accounts receivable, net of allowance for uncollectibles; (2004 - \$78,670 and 2003 - \$73,487)	85,715	21,513	3,682	110,910	125,595
Due from other funds	230,000	65,627	-	295,627	102,184
Prepaid expenses	-	4,551	-	4,551	-
<b>Total assets</b>	<b><u>\$ 508,673</u></b>	<b><u>\$ 102,205</u></b>	<b><u>\$ 136,851</u></b>	<b><u>\$ 747,729</u></b>	<b><u>\$ 607,011</u></b>
<b><u>LIABILITIES AND FUND BALANCE</u></b>					
Liabilities					
Accounts payable	\$ 2,179	\$ 2,768	\$ -	\$ 4,947	\$ 4,665
Accrued liabilities	-	21,977	-	21,977	20,232
Bonds on hand	-	-	19,824	19,824	14,471
Due to other funds	83,236	70,200	2,096	155,532	36,459
<b>Total liabilities</b>	<b><u>\$ 85,415</u></b>	<b><u>\$ 94,945</u></b>	<b><u>\$ 21,920</u></b>	<b><u>\$ 202,280</u></b>	<b><u>\$ 75,827</u></b>
Fund Balance					
Unreserved	\$ 423,258	\$ 7,260	\$ 114,931	\$ 545,449	\$ 531,184
<b>Total fund balance</b>	<b><u>\$ 423,258</u></b>	<b><u>\$ 7,260</u></b>	<b><u>\$ 114,931</u></b>	<b><u>\$ 545,449</u></b>	<b><u>\$ 531,184</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$ 508,673</u></b>	<b><u>\$ 102,205</u></b>	<b><u>\$ 136,851</u></b>	<b><u>\$ 747,729</u></b>	<b><u>\$ 607,011</u></b>

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

**CITY OF VIDALIA, LOUISIANA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JUNE 30, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2003**

	<u>Nonmajor Funds</u>			<u>Totals</u>	
	<u>Sales Tax Fund</u>	<u>Ambulance Fund</u>	<u>City Court Fund</u>	<u>2004</u>	<u>2003</u>
<b><u>REVENUES</u></b>					
Taxes	\$ 1,041,419	\$ 260,409	\$ -	\$ 1,301,828	\$ 1,284,344
Intergovernmental revenue	-	23,400	-	23,400	38,300
Charges for services	-	54,152	47,987	102,139	92,531
Other	1,899	66	-	1,965	455
<b>Total revenues</b>	<b><u>\$ 1,043,318</u></b>	<b><u>\$ 338,027</u></b>	<b><u>\$ 47,987</u></b>	<b><u>\$ 1,429,332</u></b>	<b><u>\$ 1,415,630</u></b>
<b><u>EXPENDITURES</u></b>					
Current					
General government	\$ 23,367	\$ -	\$ 39,592	\$ 62,959	\$ 66,738
Public safety:					
Ambulance	-	364,999	-	364,999	307,402
Capital outlay					
Machinery and equipment	-	-	2,661	2,661	74,460
<b>Total expenditures</b>	<b><u>\$ 23,367</u></b>	<b><u>\$ 364,999</u></b>	<b><u>\$ 42,253</u></b>	<b><u>\$ 430,619</u></b>	<b><u>\$ 448,600</u></b>
<b>Excess of revenues (expenditures)</b>	<b>\$ 1,019,951</b>	<b>\$ (26,972)</b>	<b>\$ 5,734</b>	<b>\$ 998,713</b>	<b>\$ 967,030</b>
<b><u>OPERATING TRANSFERS</u></b>					
Transfers - in	-	30,000	-	30,000	20,000
Transfers - out	<u>(1,005,211)</u>	<u>-</u>	<u>(9,237)</u>	<u>(1,014,448)</u>	<u>(882,905)</u>
<b>Excess of revenues and transfers - in (expenditures and transfers - out)</b>	<b>\$ 14,740</b>	<b>\$ 3,028</b>	<b>\$ (3,503)</b>	<b>\$ 14,265</b>	<b>\$ 104,125</b>
<b><u>FUND BALANCE, BEGINNING</u></b>	<b><u>408,518</u></b>	<b><u>4,232</u></b>	<b><u>118,434</u></b>	<b><u>531,184</u></b>	<b><u>427,059</u></b>
<b><u>FUND BALANCE, ENDING</u></b>	<b><u>\$ 423,258</u></b>	<b><u>\$ 7,260</u></b>	<b><u>\$ 114,931</u></b>	<b><u>\$ 545,449</u></b>	<b><u>\$ 531,184</u></b>

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

## CITY OF VIDALIA, LOUISIANA

SPECIAL REVENUE FUND  
SALES TAX FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2004

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003

	2004			2003
	Budget	Actual	Variance	Actual
<b><u>REVENUES</u></b>				
Taxes	\$ 1,010,000	\$ 1,041,419	\$ 31,419	\$ 1,027,564
Other	500	1,899	1,399	338
<b>Total revenues</b>	<b>\$ 1,010,500</b>	<b>\$ 1,043,318</b>	<b>\$ 32,818</b>	<b>\$ 1,027,902</b>
<b><u>EXPENDITURES</u></b>				
Current				
Materials and supplies	\$ -	\$ -	\$ -	\$ -
Other services and charges	23,000	23,367	(367)	25,046
Capital outlay				
Other improvements	325,000	-	325,000	-
<b>Total expenditures</b>	<b>\$ 348,000</b>	<b>\$ 23,367</b>	<b>\$ 324,633</b>	<b>\$ 25,046</b>
<b>Excess of revenues</b>	<b>\$ 662,500</b>	<b>\$ 1,019,951</b>	<b>\$ 357,451</b>	<b>\$ 1,002,856</b>
<b><u>OPERATING TRANSFERS</u></b>				
Transfers - out	(872,211)	(1,005,211)	(133,000)	(875,764)
<b>Excess of revenues (expenditures and transfers - out)</b>	<b>\$ (209,711)</b>	<b>\$ 14,740</b>	<b>\$ 224,451</b>	<b>\$ 127,092</b>
<b><u>FUND BALANCE, BEGINNING</u></b>	<b>408,518</b>	<b>408,518</b>	<b>-</b>	<b>281,426</b>
<b><u>FUND BALANCE, ENDING</u></b>	<b>\$ 198,807</b>	<b>\$ 423,258</b>	<b>\$ 224,451</b>	<b>\$ 408,518</b>

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

**CITY OF VIDALIA, LOUISIANA**  
**SPECIAL REVENUE FUND**  
**AMBULANCE FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JUNE 30, 2004**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003**

	<u>2004</u>			<u>2003</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
<b><u>REVENUES</u></b>				
Taxes	\$ 252,500	\$ 260,409	\$ 7,909	\$ 256,779
Intergovernmental	21,600	23,400	1,800	38,300
Charges for services	45,000	54,152	9,152	49,639
Other	<u>120</u>	<u>66</u>	<u>(54)</u>	<u>117</u>
<b>Total revenues</b>	<b>\$ 319,220</b>	<b>\$ 338,027</b>	<b>\$ 18,807</b>	<b>\$ 344,835</b>
<b><u>EXPENDITURES</u></b>				
Current				
Personal services	\$ 309,500	\$ 339,755	\$ (30,255)	\$ 275,006
Materials and supplies	5,300	2,165	3,135	4,682
Other services and charges	29,000	23,079	5,921	27,714
Capital outlay				
Machinery and equipment	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>71,202</u>
<b>Total expenditures</b>	<b>\$ 348,800</b>	<b>\$ 364,999</b>	<b>\$ (16,199)</b>	<b>\$ 378,604</b>
<b>Excess of expenditures</b>	<b>\$ (29,580)</b>	<b>\$ (26,972)</b>	<b>\$ 2,608</b>	<b>\$ (33,769)</b>
<b><u>OPERATING TRANSFERS</u></b>				
Transfers – in	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>
<b>Excess of revenues and transfers – in (expenditures)</b>	<b>\$ 420</b>	<b>\$ 3,028</b>	<b>\$ 2,608</b>	<b>\$ (13,769)</b>
<b><u>FUND BALANCE, BEGINNING</u></b>	<b><u>4,232</u></b>	<b><u>4,232</u></b>	<b><u>-</u></b>	<b><u>18,001</u></b>
<b><u>FUND BALANCE, ENDING</u></b>	<b><u>\$ 4,652</u></b>	<b><u>\$ 7,260</u></b>	<b><u>\$ 2,608</u></b>	<b><u>\$ 4,232</u></b>

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

**CITY OF VIDALIA, LOUISIANA**  
**SPECIAL REVENUE FUND**  
**CITY COURT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JUNE 30, 2004**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003**

	<u>Budget</u>	<u>2004 Actual</u>	<u>Variance</u>	<u>2003 Actual</u>
<b><u>REVENUES</u></b>				
Charges for services	\$ -	\$ 47,987	\$ 47,987	\$ 42,892
<b>Total revenues</b>	<b>\$ -</b>	<b>\$ 47,987</b>	<b>\$ 47,987</b>	<b>\$ 42,892</b>
<b><u>EXPENDITURES</u></b>				
Current				
Materials and supplies	\$ -	\$ 4,839	\$ (4,839)	\$ 6,014
Other services and charges	-	34,753	(34,753)	35,678
Capital outlay				
Machinery and equipment	-	2,661	(2,661)	3,258
<b>Total expenditures</b>	<b>\$ -</b>	<b>\$ 42,253</b>	<b>\$ (42,253)</b>	<b>\$ 44,950</b>
<b>Excess of revenues (expenditures)</b>	<b>\$ -</b>	<b>\$ 5,734</b>	<b>\$ 5,734</b>	<b>\$ (2,058)</b>
<b><u>OPERATING TRANSFERS</u></b>				
Transfers - out	\$ -	\$ (9,237)	\$ (9,237)	\$ (7,140)
<b>Excess of revenues (expenditures     and transfers - out)</b>	<b>\$ -</b>	<b>\$ (3,503)</b>	<b>\$ (3,503)</b>	<b>\$ (9,198)</b>
<b><u>FUND BALANCE, BEGINNING</u></b>	<b>-</b>	<b>118,434</b>	<b>118,434</b>	<b>127,632</b>
<b><u>FUND BALANCE, ENDING</u></b>	<b>\$ -</b>	<b>\$ 114,931</b>	<b>\$ 114,931</b>	<b>\$ 118,434</b>

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

**DEBT SERVICE FUNDS****SALES TAX BONDS SINKING AND RESERVE FUNDS*****Sales Tax Bonds Sinking Fund***

To accumulate monies for the payment of the Sales Tax Bonds dated December 1, 1999, in the amount of \$3,310,000, and to accumulate monies for the payment of the Sales Tax Bonds dated June 1, 2000, in the amount of \$3,535,000. Financing to be provided by a special 1% sales tax.

***Sales Tax Bonds Reserve Fund***

To accumulate monies as required by ST-1999 and ST-2000 Bond Ordinances for Payment of Bonds and Coupons in the event adequate amounts are not available in the Sinking Fund.

**CITY OF VIDALIA, LOUISIANA**  
**DEBT SERVICE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2004**  
**WITH COMPARATIVE TOTALS FOR JUNE 30, 2003**

	<u>Nonmajor Funds</u>		<u>Totals</u>	
	<u>Sales Tax Bonds Sinking Fund</u>	<u>Sales Tax Bonds Reserve Fund</u>	<u>2004</u>	<u>2003</u>
<b><u>ASSETS</u></b>				
Cash	\$ 89,857	\$ 2,001	\$ 91,858	\$ 3,721
Temporary investments	-	613,000	613,000	732,000
Accrued interest	-	4,119	4,119	3,295
Due from Sales Tax Fund	<u>47,609</u>	<u>-</u>	<u>47,609</u>	<u>-</u>
<b>Total assets</b>	<b><u>\$ 137,466</u></b>	<b><u>\$ 619,120</u></b>	<b><u>\$ 756,586</u></b>	<b><u>\$ 739,016</u></b>
<b><u>LIABILITIES AND FUND BALANCE</u></b>				
Liabilities	\$ -	\$ -	\$ -	\$ -
Fund balance				
Available for Debt Service	<u>\$ 137,466</u>	<u>\$ 619,120</u>	<u>\$ 756,586</u>	<u>\$ 739,016</u>
<b>Total liabilities and fund balance</b>	<b><u>\$ 137,466</u></b>	<b><u>\$ 619,120</u></b>	<b><u>\$ 756,586</u></b>	<b><u>\$ 739,016</u></b>

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

**CITY OF VIDALIA, LOUISIANA  
DEBT SERVICE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2004  
WITH COMPARATIVE TOTALS FOR JUNE 30, 2003**

	<u>Nonmajor Funds</u>		<u>Totals</u>	
	<u>Sales Tax Bonds Sinking Fund</u>	<u>Sales Tax Bonds Reserve Fund</u>	<u>2004</u>	<u>2003</u>
<b><u>REVENUES</u></b>				
Interest earned on investments	\$ 2,177	\$ 13,000	\$ 15,177	\$ 7,044
<b>Total revenues</b>	<b>\$ 2,177</b>	<b>\$ 13,000</b>	<b>\$ 15,177</b>	<b>\$ 7,044</b>
<b><u>EXPENDITURES</u></b>				
Debt Service				
Principal	\$ 245,000	\$ -	\$ 245,000	\$ 230,000
Interest and fiscal fees	<u>324,818</u>	<u>-</u>	<u>324,818</u>	<u>335,490</u>
<b>Total expenditures</b>	<b>\$ 569,818</b>	<b>\$ -</b>	<b>\$ 569,818</b>	<b>\$ 565,490</b>
<b>Excess of revenues (expenditures)</b>	<b>\$ (567,641)</b>	<b>\$ 13,000</b>	<b>\$ (554,641)</b>	<b>\$ (558,446)</b>
<b><u>OPERATING TRANSFERS</u></b>				
Transfers – in	584,288	-	584,288	576,958
Transfers – out	<u>-</u>	<u>(12,077)</u>	<u>(12,077)</u>	<u>(6,054)</u>
<b>Excess of revenues and transfers – in (expenditures and transfers – out)</b>	<b>\$ 16,647</b>	<b>\$ 923</b>	<b>\$ 17,570</b>	<b>\$ 12,458</b>
<b><u>FUND BALANCE, BEGINNING</u></b>	<u>120,819</u>	<u>618,197</u>	<u>739,016</u>	<u>726,558</u>
<b><u>FUND BALANCE, ENDING</u></b>	<b><u>\$ 137,466</u></b>	<b><u>\$ 619,120</u></b>	<b><u>\$ 756,586</u></b>	<b><u>\$ 739,016</u></b>

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

## CITY OF VIDALIA, LOUISIANA

DEBT SERVICE FUNDS  
SALES TAX BONDS SINKING FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUALYEAR ENDED JUNE 30, 2004  
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2003

	Budget	2004 Actual	Variance	2003 Actual
<b><u>REVENUES</u></b>				
Interest earned on investments	\$ 2,000	\$ 2,177	\$ 177	\$ 1,765
<b>Total revenues</b>	<b>\$ 2,000</b>	<b>\$ 2,177</b>	<b>\$ 177</b>	<b>\$ 1,765</b>
<b><u>EXPENDITURES</u></b>				
Debt service				
Principal	\$ 245,000	\$ 245,000	\$ -	\$ 230,000
Interest and fiscal fees	324,817	324,818	(1)	335,490
<b>Total expenditures</b>	<b>\$ 569,817</b>	<b>\$ 569,818</b>	<b>\$ (1)</b>	<b>\$ 565,490</b>
<b>Excess of revenues (expenditures)</b>	<b>\$ (567,817)</b>	<b>\$ (567,641)</b>	<b>\$ 176</b>	<b>\$ (563,725)</b>
<b><u>OPERATING TRANSFERS</u></b>				
Transfers -- in	584,211	584,288	77	576,958
<b>Excess of revenues and transfers --in</b>	<b>\$ 16,394</b>	<b>\$ 16,647</b>	<b>\$ 253</b>	<b>\$ 13,233</b>
<b><u>FUND BALANCE, BEGINNING</u></b>	<b>120,819</b>	<b>120,819</b>	<b>-</b>	<b>107,586</b>
<b><u>FUND BALANCE, ENDING</u></b>	<b>\$ 137,213</b>	<b>\$ 137,466</b>	<b>\$ 253</b>	<b>\$ 120,819</b>

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

## CITY OF VIDALIA, LOUISIANA

DEBT SERVICE FUNDS  
SALES TAX BONDS RESERVE FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUALYEAR ENDED JUNE 30, 2004  
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2003

	Budget	2004 Actual	Variance	2003 Actual
<b><u>REVENUES</u></b>				
Interest earned on investments	\$ 12,000	\$ 13,000	\$ 1,000	\$ 5,279
<b>Total revenues</b>	<b>\$ 12,000</b>	<b>\$ 13,000</b>	<b>\$ 1,000</b>	<b>\$ 5,279</b>
<b><u>EXPENDITURES</u></b>				
Debt Service	\$ -	\$ -	\$ -	\$ -
<b>Total expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess of revenues</b>	<b>\$ 12,000</b>	<b>13,000</b>	<b>\$ 1,000</b>	<b>\$ 5,279</b>
<b><u>OPERATING TRANSFERS</u></b>				
Transfers - out	(12,000)	(12,077)	(77)	(6,054)
<b>Excess of revenues and transfers - in (expenditures and transfers - out)</b>	<b>\$ -</b>	<b>\$ 923</b>	<b>\$ 923</b>	<b>\$ (775)</b>
<b><u>FUND BALANCE, BEGINNING</u></b>	<b>618,197</b>	<b>618,197</b>	<b>-</b>	<b>618,972</b>
<b><u>FUND BALANCE, ENDING</u></b>	<b>\$ 618,197</b>	<b>\$ 619,120</b>	<b>\$ 923</b>	<b>\$ 618,197</b>

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

## **CAPITAL PROJECTS FUNDS**

### **Major Fund:**

#### **River Front Development Fund**

To account for the collection and expenditure of revenues for the acquisition and development of the City's riverfront. Financing is to be provided from general revenues and state grants.

### **Nonmajor Funds:**

#### **Industrial Park Fund**

To account for the financing and construction as well as continuing improvements to be made to the City's industrial park complex. General revenues, federal, and state grants provide financing.

#### **Sales Tax Bond Construction Fund**

To account for the financing, acquisition, construction, and improvement of public streets, drainage facilities, waterworks system facilities, and sewerage system facilities. Financing is to be provided by the 1999 and 2000 Series Sales Tax Bonds in the amount of \$3,310,000 and \$3,535,000, respectively.

#### **LCDBG Sewer Rehab Program**

To account for the construction of sewer system improvements financed by a Federal Grant.

**CITY OF VIDALIA, LOUISIANA**  
**CAPITAL PROJECTS FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2003**

	<u>Nonmajor Funds</u>				<u>Totals</u>	
	<u>Major Fund River Front Development</u>	<u>Industrial Park</u>	<u>Sales Tax Bond Construction</u>	<u>LCDBG Sewer Rehab Program</u>	<u>2004</u>	<u>2003</u>
<b><u>ASSETS</u></b>						
Cash	\$ 43,817	\$ 10,127	\$ 2,269	\$ -	\$ 56,213	\$ 201,011
Investments	-	-	-	-	-	15,391
Accounts receivable	-	131	-	-	131	299
Due from other agencies	36,054	8,151	-	-	44,205	9,463
Due from other funds	10,000	-	295,000	-	305,000	302,321
Due from other governments	<u>754,847</u>	<u>1,889</u>	<u>29,045</u>	-	<u>785,781</u>	<u>540,514</u>
<b>Total assets</b>	<b>\$ 844,718</b>	<b>\$ 20,298</b>	<b>\$ 326,314</b>	<b>\$ -</b>	<b>\$ 1,191,330</b>	<b>\$ 1,068,999</b>
<b><u>LIABILITIES AND FUND BALANCE</u></b>						
<b>Liabilities</b>						
Accounts payable	\$ 256,299	\$ -	\$ -	\$ -	\$ 256,299	\$ 283,611
Accrued liabilities	-	47	-	-	47	-
Due to other funds	<u>515,000</u>	<u>29,188</u>	-	-	<u>544,188</u>	<u>397,446</u>
<b>Total liabilities</b>	<b>\$ 771,299</b>	<b>\$ 29,235</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 800,534</b>	<b>\$ 681,057</b>
Fund balance (deficit)	<u>\$ 73,419</u>	<u>\$ (8,937)</u>	<u>\$ 326,314</u>	<u>\$ -</u>	<u>\$ 390,796</u>	<u>\$ 387,942</u>
<b>Total liabilities and fund balance</b>	<b>\$ 844,718</b>	<b>\$ 20,298</b>	<b>\$ 326,314</b>	<b>\$ -</b>	<b>\$ 1,191,330</b>	<b>\$ 1,068,999</b>

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

**CITY OF VIDALIA, LOUISIANA**  
**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JUNE 30, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2003**

	Nonmajor Funds				Totals	
	<u>Major Fund</u>	Industrial Park	Sales Tax Bond Construction	LCDBG Sewer Rehab Program	2004	2003
	River Front Development					
<b><u>REVENUES</u></b>						
Intergovernmental	\$ 2,016,116	\$ 54,982	\$ -	\$ -	\$ 2,071,098	\$ 1,524,911
Other	79,288	17,205	-	-	96,493	106,100
<b>Total revenues</b>	<b>\$ 2,095,404</b>	<b>\$ 72,187</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,167,591</b>	<b>\$ 1,631,011</b>
<b><u>EXPENDITURES</u></b>						
Current						
Economic development	\$ 24,567	\$ 100,170	\$ -	\$ -	\$ 124,737	\$ 246,719
Other services and charges	-	-	672	-	672	-
Capital outlay						
Other improvements	1,979,078	-	183,250	-	2,162,328	1,818,282
<b>Total expenditures</b>	<b>\$ 2,003,645</b>	<b>\$ 100,170</b>	<b>\$ 183,922</b>	<b>\$ -</b>	<b>\$ 2,287,737</b>	<b>\$ 2,065,001</b>
<b>Excess of revenues (expenditures)</b>	<b>\$ 91,759</b>	<b>\$ (27,983)</b>	<b>\$ (183,922)</b>	<b>\$ -</b>	<b>\$ (120,146)</b>	<b>\$ (433,990)</b>
<b><u>OPERATING TRANSFERS</u></b>						
Transfers – in	-	-	123,000	-	123,000	67,321
Transfers – out	-	-	-	-	-	(187,092)
<b>Excess of revenues and transfers – in (expenditures and transfers – out)</b>	<b>\$ 91,759</b>	<b>\$ (27,983)</b>	<b>\$ (60,922)</b>	<b>\$ -</b>	<b>\$ 2,854</b>	<b>\$ (553,761)</b>
<b><u>FUND BALANCE (DEFICIT), BEGINNING</u></b>						
	(18,340)	19,046	387,236	-	387,942	941,703
<b><u>FUND BALANCE (DEFICIT), ENDING</u></b>	<b>\$ 73,419</b>	<b>\$ (8,937)</b>	<b>\$ 326,314</b>	<b>\$ -</b>	<b>\$ 390,796</b>	<b>\$ 387,942</b>

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

**CITY OF VIDALIA, LOUISIANA**  
**CAPITAL PROJECTS FUNDS**  
**RIVER FRONT DEVELOPMENT FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**

**YEAR ENDED JUNE 30, 2004**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003**

	<u>Budget</u>	<u>2004 Actual</u>	<u>Variance</u>	<u>2003 Actual</u>
<b><u>REVENUES</u></b>				
Intergovernmental	\$ 3,460,000	\$ 2,016,116	\$ (1,443,884)	\$ 1,475,656
Other	<u>84,625</u>	<u>79,288</u>	<u>(5,337)</u>	<u>70,884</u>
<b>Total revenues</b>	<b>\$ 3,544,625</b>	<b>\$ 2,095,404</b>	<b>\$ (1,449,221)</b>	<b>\$ 1,546,540</b>
<b><u>EXPENDITURES</u></b>				
Current				
Materials and supplies	\$ 4,750	\$ 5,858	\$ (1,108)	\$ 58,813
Other services and charges	-	-	-	18,819
Capital outlay				
Other services and charges	397,500	144,698	252,802	177,593
Other improvements	<u>3,100,000</u>	<u>1,853,089</u>	<u>1,246,911</u>	<u>1,324,952</u>
<b>Total expenditures</b>	<b>\$ 3,502,250</b>	<b>\$ 2,003,645</b>	<b>\$ 1,498,605</b>	<b>\$ 1,580,177</b>
<b>Excess of revenues (expenditures)</b>	<b>\$ 42,375</b>	<b>\$ 91,759</b>	<b>\$ 49,384</b>	<b>\$ (33,637)</b>
<b><u>OPERATING TRANSFERS</u></b>				
Operating transfers – in	-	-	-	60,000
Operating transfers – out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(41,094)</u>
<b>Excess of revenues and transfers – in (expenditures and transfers – out)</b>	<b>\$ 42,375</b>	<b>\$ 91,759</b>	<b>\$ 49,384</b>	<b>\$ (14,731)</b>
<b><u>FUND BALANCE (DEFICIT), BEGINNING</u></b>				
	<u>(18,340)</u>	<u>(18,340)</u>	<u>-</u>	<u>(3,609)</u>
<b><u>FUND BALANCE (DEFICIT), ENDING</u></b>				
	<b>\$ 24,035</b>	<b>\$ 73,419</b>	<b>\$ 49,384</b>	<b>\$ (18,340)</b>

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

**CITY OF VIDALIA, LOUISIANA**  
**CAPITAL PROJECTS FUNDS**  
**INDUSTRIAL PARK FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JUNE 30, 2004**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003**

	<u>Budget</u>	<u>2004 Actual</u>	<u>Variance</u>	<u>2003 Actual</u>
<b><u>REVENUES</u></b>				
Intergovernmental	\$ 875,116	\$ 54,982	\$ (820,134)	\$ 20,949
Other	<u>21,200</u>	<u>17,205</u>	<u>(3,995)</u>	<u>25,983</u>
<b>Total revenues</b>	<b>\$ 896,316</b>	<b>\$ 72,187</b>	<b>\$ (824,129)</b>	<b>\$ 46,932</b>
<b><u>EXPENDITURES</u></b>				
Current				
Personal services	\$ 44,616	\$ 72,518	\$ (27,902)	\$ 40,630
Other services and charges	3,000	27,652	(24,652)	9,460
Capital outlay				
Other improvements	<u>848,479</u>	<u>-</u>	<u>848,479</u>	<u>-</u>
<b>Total expenditures</b>	<b>\$ 896,095</b>	<b>\$ 100,170</b>	<b>\$ 795,925</b>	<b>\$ 50,090</b>
<b>Excess of revenues (expenditures)</b>	<b>\$ 221</b>	<b>\$ (27,983)</b>	<b>\$ (28,204)</b>	<b>\$ (3,158)</b>
<b><u>OPERATING TRANSFERS</u></b>				
<b>Excess of revenues and transfers – in (expenditures and transfers – out)</b>	<b>\$ 221</b>	<b>\$ (27,983)</b>	<b>\$ (28,204)</b>	<b>\$ (3,158)</b>
<b><u>FUND BALANCE, BEGINNING</u></b>	<b><u>19,046</u></b>	<b><u>19,046</u></b>	<b><u>-</u></b>	<b><u>22,204</u></b>
<b><u>FUND BALANCE (DEFICIT), ENDING</u></b>	<b><u>\$ 19,267</u></b>	<b><u>\$ (8,937)</u></b>	<b><u>\$ (28,204)</u></b>	<b><u>\$ 19,046</u></b>

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

**CITY OF VIDALIA, LOUISIANA**  
**CAPITAL PROJECTS FUNDS**  
**SALES TAX BOND CONSTRUCTION FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JUNE 30, 2004**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003**

	<u>Budget</u>	<u>2004 Actual</u>	<u>Variance</u>	<u>2003 Actual</u>
<b><u>REVENUES</u></b>				
Other	\$ 3,000	\$ -	\$ (3,000)	\$ 9,233
<b>Total revenues</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>\$ (3,000)</b>	<b>\$ 9,233</b>
<b><u>EXPENDITURES</u></b>				
Capital Outlay				
Other services and charges	\$ 15,000	\$ 672	\$ 14,328	\$ 118,997
Other improvements	<u>375,234</u>	<u>183,250</u>	<u>191,984</u>	<u>315,737</u>
<b>Total expenditures</b>	<b>\$ 390,234</b>	<b>\$ 183,922</b>	<b>\$ 206,312</b>	<b>\$ 434,734</b>
<b>Excess of revenues (expenditures)</b>	<b>\$ (387,234)</b>	<b>\$ (183,922)</b>	<b>\$ 203,312</b>	<b>\$ (425,501)</b>
<b><u>OPERATING TRANSFERS</u></b>				
Transfers – in	-	123,000	123,000	-
Transfers – out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(105,147)</u>
<b>Excess of revenues and transfers – in (expenditures and transfers – out)</b>	<b>\$ (387,234)</b>	<b>\$ (60,922)</b>	<b>\$ 326,312</b>	<b>\$ (530,648)</b>
<b><u>FUND BALANCE, BEGINNING</u></b>	<u>387,236</u>	<u>387,236</u>	<u>-</u>	<u>917,884</u>
<b><u>FUND BALANCE, ENDING</u></b>	<b><u>\$ 2</u></b>	<b><u>\$ 326,314</u></b>	<b><u>\$ 326,312</u></b>	<b><u>\$ 387,236</u></b>

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

**CITY OF VIDALIA, LOUISIANA**  
**CAPITAL PROJECTS FUNDS**  
**LCDBG SEWER REHAB PROGRAM**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JUNE 30, 2004**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2003**

	<u>Budget</u>	<u>2004 Actual</u>	<u>Variance</u>	<u>2003 Actual</u>
<b><u>REVENUES</u></b>				
Intergovernmental	\$ 385,570	\$ -	\$ (385,570)	\$ 28,306
<b>Total revenues</b>	<b>\$ 385,570</b>	<b>\$ -</b>	<b>\$ (385,570)</b>	<b>\$ 28,306</b>
<b><u>EXPENDITURES</u></b>				
Capital outlay				
Other services and charges	\$ 20,000	\$ -	\$ 20,000	\$ -
Other improvements	<u>385,570</u>	<u>-</u>	<u>385,570</u>	<u>-</u>
<b>Total expenditures</b>	<b>\$ 405,570</b>	<b>\$ -</b>	<b>\$ 405,570</b>	<b>\$ -</b>
<b>Excess of revenues (expenditures)</b>	<b>\$ (20,000)</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 28,306</b>
<b><u>OPERATING TRANSFERS</u></b>				
Transfers – in	20,000	-	(20,000)	7,321
Transfers – out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(40,837)</u>
<b>Excess of expenditures     and transfers – out</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (5,210)</b>
<b><u>FUND BALANCE, BEGINNING</u></b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,210</u>
<b><u>FUND BALANCE, ENDING</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

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

**ENTERPRISE FUNDS****Utility Fund**

To account for the provision of gas, electric, and water utilities as well as sewer services to residents of the City and some residents of the Parish. 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.

**Hydro Royalty Fund**

To account for the revenues and expenses of the hydroelectric project.

**CITY OF VIDALIA, LOUISIANA**  
**ENTERPRISE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2004 AND 2003**

	<u>Major Funds</u>		<u>Totals</u>	
	<u>Utility Fund</u>	<u>Hydro Royalty Fund</u>	<u>2004</u>	<u>2003</u>
<b><u>ASSETS</u></b>				
<b>Current Assets</b>				
Cash	\$ 216,942	\$ 1,092,550	\$ 1,309,492	\$ 856,160
Temporary investments – time deposits	-	2,750,000	2,750,000	2,650,000
Accounts receivable, net of allowance for uncollectibles (2004 – \$2,069 and 2003 – \$2,069)	968,642	5,131	973,773	887,726
Due from other agencies	-	3,506,383	3,506,383	2,933,151
Due from other funds	267,385	-	267,385	673,486
Due from other governments	2,000	-	2,000	2,000
Prepaid expenses	63,702	-	63,702	23,026
<b>Total current assets</b>	<b><u>\$ 1,518,671</u></b>	<b><u>\$ 7,354,064</u></b>	<b><u>\$ 8,872,735</u></b>	<b><u>\$ 8,025,549</u></b>
<b>Restricted Assets</b>				
Consumer deposits - cash	\$ 231,349	\$ -	\$ 231,349	\$ 228,966
<b>Total restricted assets</b>	<b><u>\$ 231,349</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 231,349</u></b>	<b><u>\$ 228,966</u></b>
<b>Property, Plant, and Equipment</b>				
Property, Plant, and Equipment	\$ 15,676,771	\$ -	\$ 15,676,771	\$ 15,552,087
Less accumulated depreciation	(5,378,163)	-	(5,378,163)	(5,009,260)
<b>Net property, plant, and equipment</b>	<b><u>\$ 10,298,608</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 10,298,608</u></b>	<b><u>\$ 10,542,827</u></b>
<b>Total assets</b>	<b><u>\$ 12,048,628</u></b>	<b><u>\$ 7,354,064</u></b>	<b><u>\$ 19,402,692</u></b>	<b><u>\$ 18,797,342</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>				
<b>Current liabilities (payable from current assets)</b>				
Accounts payable	\$ 631,542	\$ 957,000	\$ 1,588,542	\$ 1,424,942
Accrued liabilities	84,300	-	84,300	94,276
Due to other funds	1,963	801,732	803,695	735,088
<b>Total current liabilities (payable from current assets)</b>	<b><u>\$ 717,805</u></b>	<b><u>\$ 1,758,732</u></b>	<b><u>\$ 2,476,537</u></b>	<b><u>\$ 2,254,306</u></b>
<b>Current liabilities (payable from restricted assets)</b>				
Consumer deposits	\$ 231,349	\$ -	\$ 231,349	\$ 228,966
<b>Total current liabilities (payable from restricted assets)</b>	<b><u>\$ 231,349</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 231,349</u></b>	<b><u>\$ 228,966</u></b>
<b>Total liabilities</b>	<b><u>\$ 949,154</u></b>	<b><u>\$ 1,758,732</u></b>	<b><u>\$ 2,707,886</u></b>	<b><u>\$ 2,483,272</u></b>
<b>Net Assets</b>				
Invested in capital assets, net	\$ 10,298,609	\$ -	\$ 10,298,609	\$ 10,542,827
Unrestricted	800,865	5,595,332	6,396,197	5,771,243
<b>Total net assets</b>	<b><u>\$ 11,099,474</u></b>	<b><u>\$ 5,595,332</u></b>	<b><u>\$ 16,694,806</u></b>	<b><u>\$ 16,314,070</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 12,048,628</u></b>	<b><u>\$ 7,354,064</u></b>	<b><u>\$ 19,402,692</u></b>	<b><u>\$ 18,797,342</u></b>

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

## CITY OF VIDALIA, LOUISIANA

## ENTERPRISE FUNDS

## COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

## YEARS ENDED JUNE 30, 2004 AND 2003

	Major Funds		Totals	
	Utility Fund	Hydro Royalty Fund	2004	2003
<b><u>OPERATING REVENUES</u></b>				
Revenues	\$ 8,075,443	\$ 11,518,555	\$ 19,593,998	\$ 16,789,718
Less purchases and sales tax	<u>(5,431,106)</u>	<u>(8,080,755)</u>	<u>(13,511,861)</u>	<u>(11,282,494)</u>
<b>Gross profit</b>	<b>\$ 2,644,337</b>	<b>\$ 3,437,800</b>	<b>\$ 6,082,137</b>	<b>\$ 5,507,224</b>
<b><u>OPERATING EXPENSES</u></b>				
Personal services	\$ 1,324,597	\$ -	\$ 1,324,597	\$ 1,266,858
Materials and supplies	439,029	-	439,029	381,241
Other services and charges	507,328	507,168	1,014,496	1,087,200
Depreciation	<u>368,904</u>	<u>-</u>	<u>368,904</u>	<u>340,996</u>
<b>Total operating expenses</b>	<b>\$ 2,639,858</b>	<b>\$ 507,168</b>	<b>\$ 3,147,026</b>	<b>\$ 3,076,295</b>
<b>Operating income</b>	<b>\$ 4,479</b>	<b>\$ 2,930,632</b>	<b>\$ 2,935,111</b>	<b>\$ 2,430,929</b>
<b><u>NONOPERATING REVENUES (EXPENSES)</u></b>				
Interest income	\$ 2,991	\$ 52,634	\$ 55,625	\$ 128,207
Interest expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>(99,232)</u>
<b>Total nonoperating revenues (expense)</b>	<b>\$ 2,991</b>	<b>\$ 52,634</b>	<b>\$ 55,625</b>	<b>\$ 28,975</b>
<b>Net income before operating transfers and contributions</b>	<b>\$ 7,470</b>	<b>\$ 2,983,266</b>	<b>\$ 2,990,736</b>	<b>\$ 2,459,904</b>
<b><u>OPERATING TRANSFERS AND CONTRIBUTIONS</u></b>				
Capital contributions	-	-	-	28,858
Transfers – in	1,341,913	-	1,341,913	926,585
Transfers – out	<u>(1,960,000)</u>	<u>(1,991,913)</u>	<u>(3,951,913)</u>	<u>(2,576,953)</u>
<b>Change in net assets</b>	<b>\$ (610,617)</b>	<b>\$ 991,353</b>	<b>\$ 380,736</b>	<b>\$ 838,394</b>
<b>NET ASSETS, BEGINNING</b>	<b><u>11,710,091</u></b>	<b><u>4,603,979</u></b>	<b><u>16,314,070</u></b>	<b><u>15,475,676</u></b>
<b>NET ASSETS, ENDING</b>	<b><u>\$ 11,099,474</u></b>	<b><u>\$ 5,595,332</u></b>	<b><u>\$ 16,694,806</u></b>	<b><u>\$ 16,314,070</u></b>

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

**CITY OF VIDALIA, LOUISIANA**  
**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**  
**YEARS ENDED JUNE 30, 2004 AND 2003**

	<u>Major Funds</u>		<u>Totals</u>	
	<u>Utility Fund</u>	<u>Hydro Royalty Fund</u>	<u>2004</u>	<u>2003</u>
<b>Cash flows from operating activities</b>				
Cash received from customers	\$ 7,984,676	\$ 10,945,323	\$ 18,929,999	\$ 22,790,755
Cash payments to suppliers for goods and services	(6,315,847)	(8,521,923)	(14,837,770)	(12,633,396)
Cash payments to employees for service	(1,334,818)	-	(1,334,818)	(1,261,168)
<b>Net cash provided by operating activities</b>	<u>\$ 334,011</u>	<u>\$ 2,423,400</u>	<u>\$ 2,757,411</u>	<u>\$ 8,896,191</u>
<b>Cash flows from noncapital financing activities</b>				
Proceeds of bonds	\$ -	\$ -	\$ -	\$ 484,122
Payment of bond principal	-	-	-	(3,800,000)
Interest on bonds	-	-	-	(99,232)
Operating transfers – in	1,748,014	-	1,748,014	926,585
Operating transfers – out	(2,009,128)	(1,873,933)	(3,883,061)	(2,803,694)
<b>Net cash used for noncapital financing activities</b>	<u>\$ (261,114)</u>	<u>\$ (1,873,933)</u>	<u>\$ (2,135,047)</u>	<u>\$ (5,292,219)</u>
<b>Cash flows from capital and related financing activities</b>				
Purchases of fixed assets	\$ (124,685)	\$ -	\$ (124,685)	\$ (372,576)
<b>Net cash used for capital and related financing activities</b>	<u>\$ (124,685)</u>	<u>\$ -</u>	<u>\$ (124,685)</u>	<u>\$ (372,576)</u>
<b>Cash flows from investing activities</b>				
Interest on temporary investments	\$ 2,991	\$ 55,045	\$ 58,036	\$ 120,665
<b>Net cash provided by investing activities</b>	<u>\$ 2,991</u>	<u>\$ 55,045</u>	<u>\$ 58,036</u>	<u>\$ 120,665</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>\$ (48,797)</u>	<u>\$ 604,512</u>	<u>\$ 555,715</u>	<u>\$ 3,352,061</u>
<b>Cash and cash equivalents – beginning of year</b>	<u>497,088</u>	<u>3,238,038</u>	<u>3,735,126</u>	<u>383,065</u>
<b>Cash and cash equivalents – end of year</b>	<u>\$ 448,291</u>	<u>\$ 3,842,550</u>	<u>\$ 4,290,841</u>	<u>\$ 3,735,126</u>

-continued-

**CITY OF VIDALIA, LOUISIANA**  
**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**  
**YEARS ENDED JUNE 30, 2004 AND 2003**

	<u>Major Funds</u>		<u>Totals</u>	
	<u>Utility Fund</u>	<u>Hydro Royalty Fund</u>	<u>2004</u>	<u>2003</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>				
Operating income	\$ 4,479	\$ 2,930,632	\$ 2,935,111	\$ 2,430,929
<b>Adjustments to reconcile operating income to net cash provided by operating activities</b>				
Depreciation	\$ 368,904	\$ -	\$ 368,904	\$ 340,996
Change in assets and liabilities (Increase) decrease in:				
Accounts receivable	(93,150)	-	(93,150)	82,676
Due from other agencies	-	(573,232)	(573,232)	5,914,971
Prepaid expenses	(35,984)	-	(35,984)	(23,026)
Increase (decrease) in:				
Accounts payable	97,600	66,000	163,600	140,565
Accrued liabilities	(10,221)	-	(10,221)	5,690
Customer deposits	2,383	-	2,383	3,390
Total adjustments	<u>\$ 329,532</u>	<u>\$ (507,232)</u>	<u>\$ (177,700)</u>	<u>\$ 6,465,262</u>
<b>Net cash provided by operating activities</b>	<u>\$ 334,011</u>	<u>\$ 2,423,400</u>	<u>\$ 2,757,411</u>	<u>\$ 8,896,191</u>
<b>Supplemental schedule of significant noncash activities</b>				
Fixed assets contributed by developers	\$ -	\$ -	\$ -	\$ 28,859

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

**CITY OF VIDALIA, LOUISIANA**  
**ENTERPRISE FUNDS**  
**UTILITY FUND**  
**COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES**  
**YEARS ENDED JUNE 30, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b><u>GAS DEPARTMENT</u></b>		
<b><u>Operating Revenues</u></b>		
Revenues	\$ 1,007,692	\$ 1,147,644
Less purchases and sales tax	<u>(732,265)</u>	<u>(706,463)</u>
<b>Gross profit</b>	<b>\$ 275,427</b>	<b>\$ 441,181</b>
<b><u>Operating Expenses</u></b>		
Personal services		
Salaries and wages	\$ 209,042	\$ 214,595
Employee benefits	<u>82,105</u>	<u>73,361</u>
<b>Total personal services</b>	<b>\$ 291,147</b>	<b>\$ 287,956</b>
Materials and supplies		
Office supplies	\$ -	\$ 96
Operating supplies	4,104	9,019
Repair and maintenance supplies	<u>19,926</u>	<u>23,907</u>
<b>Total materials and supplies</b>	<b>\$ 24,030</b>	<b>\$ 33,022</b>
Other services and charges		
Professional fees	\$ 19,359	\$ 12,947
Communications	1,714	1,440
Travel and seminar	180	265
Dues and subscriptions	1,091	1,288
Insurance	19,903	22,002
Repair and maintenance	6,006	5,167
Rentals	1,076	1,582
Bad debts	<u>6,166</u>	<u>7,605</u>
<b>Total other services and charges</b>	<b>\$ 55,495</b>	<b>\$ 52,296</b>
Depreciation	<u>\$ 21,620</u>	<u>\$ 18,150</u>
<b>Total operating expenses</b>	<b>\$ 392,292</b>	<b>\$ 391,424</b>
<b>Operating income (loss)</b>	<b>\$ (116,865)</b>	<b>\$ 49,757</b>

-continued-

**CITY OF VIDALIA, LOUISIANA**  
**ENTERPRISE FUNDS**  
**COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES**  
**YEARS ENDED JUNE 30, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b><u>ELECTRIC DEPARTMENT</u></b>		
<b><u>Operating Revenues</u></b>		
Revenues	\$ 6,172,126	\$ 5,764,518
Less purchases and sales tax	<u>(4,696,273)</u>	<u>(3,907,224)</u>
<b>Gross profit</b>	<b>\$ <u>1,475,853</u></b>	<b>\$ <u>1,857,294</u></b>
<b><u>Operating Expenses</u></b>		
Personal services		
Salaries and wages	\$ 408,461	\$ 408,181
Employee benefits	<u>160,152</u>	<u>139,582</u>
Total personal services	<b>\$ <u>568,613</u></b>	<b>\$ <u>547,763</u></b>
Materials and supplies		
Office supplies	\$ 1,241	\$ 2,340
Operating supplies	29,106	24,123
Repair and maintenance supplies	<u>168,459</u>	<u>142,939</u>
Total materials and supplies	<b>\$ <u>198,806</u></b>	<b>\$ <u>169,402</u></b>
Other services and charges		
Professional fees	\$ 40,644	\$ 113,437
Communications	21,129	18,183
Travel and seminar	11,884	10,114
Dues and subscriptions	465	290
Insurance	13,734	12,845
Utility service	11,989	12,442
Repair and maintenance	16,401	37,943
Rentals	12,464	11,221
Bad debts	<u>17,855</u>	<u>16,737</u>
Total other services and charges	<b>\$ <u>146,565</u></b>	<b>\$ <u>233,212</u></b>
Depreciation	<b>\$ <u>143,898</u></b>	<b>\$ <u>139,472</u></b>
<b>Total operating expenses</b>	<b>\$ <u>1,057,882</u></b>	<b>\$ <u>1,089,849</u></b>
<b>Operating income</b>	<b>\$ <u>417,971</u></b>	<b>\$ <u>767,445</u></b>

-continued-

**CITY OF VIDALIA, LOUISIANA**  
**ENTERPRISE FUNDS**  
**UTILITY FUND**  
**COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES**  
**YEARS ENDED JUNE 30, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b><u>WATER DEPARTMENT</u></b>		
<b><u>Operating Revenues</u></b>		
Revenues	\$ 479,298	\$ 484,643
Less sales tax	<u>(2,568)</u>	<u>(15,947)</u>
<b>Gross profit</b>	<b>\$ 476,730</b>	<b>\$ 468,696</b>
<b><u>Operating Expenses</u></b>		
Personal services		
Salaries and wages	\$ 266,402	\$ 236,036
Employee benefits	<u>91,427</u>	<u>76,230</u>
Total personal services	<b>\$ 357,829</b>	<b>\$ 312,266</b>
Materials and supplies		
Office supplies	\$ 2,098	\$ 1,653
Operating supplies	71,740	79,612
Repair and maintenance supplies	<u>65,441</u>	<u>32,791</u>
Total materials and supplies	<b>\$ 139,279</b>	<b>\$ 114,056</b>
Other services and charges		
Professional fees	\$ 40,453	\$ 52,076
Communications	3,713	3,298
Travel and seminar	3,031	3,375
Advertising	-	170
Dues and subscriptions	17,093	2,369
Insurance	7,570	8,411
Utility service	70,387	75,635
Repair and maintenance	8,349	6,913
Rentals	4,033	9,735
Bad debts	<u>1,512</u>	<u>2,656</u>
Total other services and charges	<b>\$ 156,141</b>	<b>\$ 164,638</b>
Depreciation	<b>\$ 84,035</b>	<b>\$ 80,509</b>
<b>Total operating expenses</b>	<b>\$ 737,284</b>	<b>\$ 671,469</b>
<b>Operating loss</b>	<b>\$ (260,554)</b>	<b>\$ (202,773)</b>

-continued-

## CITY OF VIDALIA, LOUISIANA

ENTERPRISE FUNDS  
UTILITY FUNDCOMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES  
YEARS ENDED JUNE 30, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
<b><u>SEWER DEPARTMENT</u></b>		
<b><u>Operating Revenues</u></b>		
Revenues	\$ 416,327	\$ 418,020
<b><u>Operating Expenses</u></b>		
Personal services		
Salaries and wages	\$ 70,696	\$ 88,461
Employee benefits	<u>36,312</u>	<u>30,412</u>
Total personal services	<u>\$ 107,008</u>	<u>\$ 118,873</u>
Materials and supplies		
Office supplies	\$ -	\$ 48
Operating supplies	24,215	29,907
Repair and maintenance supplies	<u>52,699</u>	<u>34,806</u>
Total materials and supplies	<u>\$ 76,914</u>	<u>\$ 64,761</u>
Other services and charges		
Professional fees	\$ 9,237	\$ 21,042
Communications	844	713
Dues and subscriptions	-	75
Insurance	3,751	4,518
Utility service	132,045	111,485
Repair and maintenance	2,080	10,063
Rentals	458	1,259
Bad debts	<u>712</u>	<u>1,708</u>
Total other services and charges	<u>\$ 149,127</u>	<u>\$ 150,863</u>
Depreciation	<u>\$ 119,351</u>	<u>\$ 102,865</u>
<b>Total operating expenses</b>	<u>\$ 452,400</u>	<u>\$ 437,362</u>
<b>Operating loss</b>	<u>\$ (36,073)</u>	<u>\$ (19,342)</u>

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

## CITY OF VIDALIA, LOUISIANA

ENTERPRISE FUNDS  
HYDRO ROYALTY FUNDCOMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES  
YEARS ENDED JUNE 30, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
<b><u>OPERATING REVENUES</u></b>		
Hydro power sales	\$ 2,228,746	\$ 1,617,968
Hydro power royalties	9,288,477	7,355,588
Other	<u>1,332</u>	<u>1,337</u>
	\$ 11,518,555	\$ 8,974,893
Less purchases and sales tax	<u>8,080,755</u>	<u>6,652,860</u>
<b>Gross profit</b>	<b><u>\$ 3,437,800</u></b>	<b><u>\$ 2,322,033</u></b>
<b><u>OPERATING EXPENSES</u></b>		
Other services and charges		
Professional fees	\$ -	\$ 8,053
Communications	851	851
Utility service	11,694	10,290
Hydro royalty rebates	<u>494,623</u>	<u>466,997</u>
Total other services and charges	<b><u>\$ 507,168</u></b>	<b><u>\$ 486,191</u></b>
<b>Total operating expenses</b>	<b><u>\$ 507,168</u></b>	<b><u>\$ 486,191</u></b>
<b>Operating income</b>	<b><u>\$ 2,930,632</u></b>	<b><u>\$ 1,835,842</u></b>

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

**Report on Internal Control and Compliance**



209 N. Commerce Street  
P.O. Box 1027  
Natchez, Mississippi 39121-1027  
Telephone: 601.442.7411  
Fax: 601.442.8551

[www.silasimmons.com](http://www.silasimmons.com)

Bill Rush Mosby, Jr., CPA  
Charles W. Caldwell, Jr., CPA  
Bennett M. Jeansonne, CPA, CVA  
William Wes Gore, CPA  
Sim McRae Mosby, CPA/PFS  
Madelyn A. Leckie, CPA, CBA

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

The Honorable Hiram Copeland, Mayor  
and Members of the Board of Aldermen  
City of Vidalia  
Vidalia, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Vidalia, Louisiana, as of and for the year ended June 30, 2004, which collectively comprise the City of Vidalia, Louisiana's basic financial statements, and have issued our report thereon dated February 18, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Vidalia, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Vidalia, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings and questioned costs as Item 2004-1.

This report is intended for the information of the Mayor, City Aldermen, Management of the City of Vidalia, Louisiana, the Legislative Auditor of the State of Louisiana, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Silas Simmons, LLP*

Natchez, Mississippi  
February 18, 2005

**CITY OF VIDALIA, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**SECTION 1: SUMMARY OF AUDITOR'S RESULTS**

Financial Statements:

- |  |             |
|--|-------------|
| 1. Type of auditor's report issued on the financial statements:                          | Unqualified |
| 2. Material noncompliance relating to the financial statements?                          | Yes         |
| 3. Internal control over financial reporting:  |             |
| a. Material weakness(es) identified?   | No          |
| b. Reportable condition(s) identified that are not considered to be material weaknesses? | No          |

**SECTION 2: FINANCIAL STATEMENT FINDINGS**

2004-1 Finding

The City's audited financial statements were not completed and submitted to the Legislative Auditor's Office by the statutory completion date of December 31, 2004. The City was unable to compile complete and accurate records in time for the audit to be delivered by the statutory deadline. The records were made available for audit on January 31, 2005.

Recommendation

We recommend that the City work diligently to make records available in a timely manner.

**SECTION 3: FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

Not applicable.

**AUDITEE'S CORRECTIVE ACTION PLAN**

City of Vidalia, Louisiana, has prepared and hereby submits the following corrective action for the findings included in the Schedule of Findings and Questioned Costs for the year ended June 30, 2004:

**Finding: Corrective Action Plan Detail**

2004-1 1. Name of Contact Person Responsible for Corrective Action:

Kenneth J. Davis  
(318) 336-5206

2. Corrective Action Plan:

The City will work diligently to ensure that records are made available to the Auditor in a timely manner.

3. Anticipated Completion Date:

June 30, 2005 Audit

**CITY OF VIDALIA, LOUISIANA**  
**STATUS OF PRIOR AUDIT FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
2003-1	2002	The City's audited financial statements were not completed and submitted to the Legislative Auditor's Office by the statutory completion date of December 31, 2003. The City was unable to compile complete and accurate records in time for the audit to be delivered by the statutory deadline.	No	See Auditee's Corrective Action Plan for Finding 2004-1