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**CITY OF NATCHITOCHEs, LOUISIANA**  
**ANNUAL FINANCIAL REPORT**  
**MAY 31, 1999**

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Release Date ~~DEC 0 1 1999~~

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Annual Financial Report  
May 31, 1999

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# *Johnson, Thomas & Cunningham*

*Certified Public Accountants*

*Eddie G. Johnson, C.P.A. - A Professional Corporation (1968-1996)*

*Mark D. Thomas, C.P.A. - A Professional Corporation*

*Roger M. Cunningham, C.P.A. - A Professional Corporation*

*J. Paul Miller, C.P.A. - A Professional Corporation*

*321 Bienville Street  
Natchitoches, Louisiana 71457  
(318) 352-3652  
Fax (318) 352-4447*

## INDEPENDENT AUDITORS' REPORT

To the City Council of  
Natchitoches, Louisiana

We have audited the accompanying general purpose financial statements of the City of Natchitoches, Louisiana, as of and for the year ended May 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the management of the City of Natchitoches. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

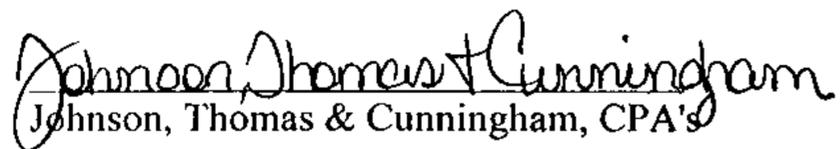
We conducted our audit in accordance with generally accepted auditing standards, the standards for financial and compliance audits contained in *Government Auditing Standards*, issued by the U. S. General Accounting Office and the *Louisiana Governmental Audit Guide*. Those standards require that we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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Natchitoches, Louisiana, as of May 31, 1999, and the results of its operations and the cash flows of its proprietary fund type for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 18, 1999, on our consideration of the City of Natchitoches' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as "Schedules" and "Supplementary Information" in the table of contents, including the schedule of expenditures of federal awards, is presented for the purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and is not a required part of the financial statements of the City of Natchitoches, Louisiana. Such information has

been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

  
Johnson, Thomas & Cunningham, CPA's

November 18, 1999  
Natchitoches, Louisiana

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



Customer's Deposits	0	0	0	0	624,736	0	0	0	624,736
Bonds Payable-									
General Obligation	0	0	0	0	0	0	11,614,300	0	11,614,300
Revenue Bonds	0	0	0	0	10,704,577	0	0	0	10,704,577
Cash Bonds Held	0	0	0	0	0	35,705	0	0	35,705
Compensated Absences	0	0	0	0	0	0	1,317,950	0	1,317,950
TOTAL LIABILITIES	\$ 584,846	\$ 702,254	\$ 52,450	\$ 1,567,600	\$ 16,121,789	\$ 35,812	\$ 12,932,250	\$ 0	\$ 31,997,001

<u>Fund Equity</u>									
Contributed Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 36,139,841	\$ 0	\$ 0	\$ 0	\$ 36,139,841
Investment in General									
Fixed Assets	0	0	0	0	0	0	10,859,119	0	10,859,119
Retained Earnings-									
Reserved for Bonds	0	0	0	0	6,302,064	0	0	0	6,302,064
Fund Balances-									
Unreserved-									
Designated	0	8,567	0	1,104,426	0	0	0	0	1,112,993
Undesignated	1,942,377	2,697,385	100,886	0	0	0	0	0	4,740,648
Deficit	0	(327,039)	(46,491)	(567,224)	0	0	0	0	(940,754)
Reserved Account	0	1,706,915	0	5,285,463	0	0	0	0	6,992,378

TOTAL FUND EQUITY	\$ 1,942,377	\$ 4,085,828	\$ 54,395	\$ 5,822,665	\$ 42,441,905	\$ 0	\$ 10,859,119	\$ 0	\$ 65,206,289
TOTAL LIABILITIES AND									
FUND EQUITY	\$ 2,527,223	\$ 4,788,082	\$ 106,845	\$ 7,390,265	\$ 58,563,694	\$ 35,812	\$ 10,859,119	\$ 12,932,250	\$ 97,203,290

See notes to financial statements.

City of Natchitoches, Louisiana  
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances-  
All Governmental Fund Types  
Year Ended May 31, 1999

	Governmental Fund Types				Totals
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	(Memorandum Only) May 31, 1999
<b>REVENUES:</b>					
Taxes	\$ 2,777,810	\$ 1,661,872	\$ 0	\$ 2,326,402	\$ 6,766,084
Licenses & Permits	568,263	0	0	0	568,263
Intergovernmental	626,442	68,492	0	1,239,518	1,934,452
Charges for Services	1,115,718	0	0	0	1,115,718
Fines & Forfeits	150,172	0	0	0	150,172
Miscellaneous	<u>333,940</u>	<u>1,435,058</u>	<u>8,539</u>	<u>184,625</u>	<u>1,962,162</u>
Total Revenues	<u>\$ 5,572,345</u>	<u>\$ 3,165,422</u>	<u>\$ 8,539</u>	<u>\$ 3,750,545</u>	<u>\$12,496,851</u>
<b>EXPENDITURES:</b>					
Current-					
General Government	\$ 2,041,258	\$ 1,643,159	\$ 0	\$ 160,551	\$ 3,844,968
Public Safety	4,138,193	647,472	0	28,518	4,814,183
Streets & Sanitation	1,806,740	388,938	0	6,111	2,201,789
Water, Sewer & Utilities	0	606,880	0	1,986,436	2,593,316
Economic Development	59,809	49,414	0	710,876	820,099
Health & Welfare	102,404	0	0	0	102,404
Recreation & Culture	401,376	62,400	0	0	463,776
Debt Service-					
Principal Retired	0	160,000	380,808	190,000	730,808
Interest & Charges	0	99,631	389,401	90,390	579,422
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,704,595</u>	<u>1,704,595</u>
Total Expenditures	<u>\$ 8,549,780</u>	<u>\$ 3,657,894</u>	<u>\$ 770,209</u>	<u>\$ 4,877,477</u>	<u>\$17,855,360</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$(2,977,435)</u>	<u>\$ (492,472)</u>	<u>\$(761,670)</u>	<u>\$(1,126,932)</u>	<u>\$ (5,358,509)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating Transfers In	\$ 2,425,015	\$ 1,473,130	\$ 780,000	\$ 0	\$ 4,678,145
Operating Transfers Out	0	(1,455,355)	0	(780,000)	(2,235,355)
Debt Proceeds	<u>0</u>	<u>1,000,000</u>	<u>0</u>	<u>0</u>	<u>1,000,000</u>
Total Other Financing	<u>\$ 2,425,015</u>	<u>\$ 1,017,775</u>	<u>\$ 780,000</u>	<u>\$ (780,000)</u>	<u>\$ 3,442,790</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ (552,420)	\$ 525,303	\$ 18,330	\$(1,906,932)	\$ (1,915,719)
Fund Balances-Beginning of Year	<u>2,494,797</u>	<u>3,560,525</u>	<u>36,065</u>	<u>7,729,597</u>	<u>13,820,984</u>
Fund Balances-End of Year	<u>\$ 1,942,377</u>	<u>\$ 4,085,828</u>	<u>\$ 54,395</u>	<u>\$ 5,822,665</u>	<u>\$11,905,265</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
 Combined Statement of Revenues, Expenditures and Changes in Fund Balances-  
 Budget (GAAP Basis) and Actual  
 General, Special Revenue, Debt Service and Capital Project Fund Types  
 Year Ended May 31, 1999

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance- Favorable (Unfavorable)	Budget	Actual	Variance- Favorable (Unfavorable)
<b>REVENUES:</b>						
Taxes	\$ 2,724,000	\$ 2,777,810	\$ 53,810	\$ 1,659,393	\$ 1,661,872	\$ 2,479
Licenses & Permits	544,500	568,263	23,763	0	0	0
Intergovernmental	649,775	626,442	(23,333)	89,748	68,492	(21,256)
Charges for Services	1,081,500	1,115,718	34,218	0	0	0
Fines & Forfeits	115,000	150,172	35,172	0	0	0
Miscellaneous	<u>160,500</u>	<u>333,940</u>	<u>173,440</u>	<u>1,033,000</u>	<u>1,435,058</u>	<u>402,058</u>
Total Revenues	<u>\$ 5,275,275</u>	<u>\$ 5,572,345</u>	<u>\$ 297,070</u>	<u>\$ 2,782,141</u>	<u>\$ 3,165,422</u>	<u>\$383,281</u>
<b>EXPENDITURES:</b>						
Current-						
General Government	\$ 2,106,667	\$ 2,041,258	\$ 65,409	\$ 1,743,900	\$ 1,643,159	\$100,741
Public Safety	3,917,977	4,138,193	(220,216)	636,398	647,472	(11,074)
Streets & Sanitation	1,787,644	1,806,740	(19,096)	367,624	388,938	(21,314)
Water, Sewer & Utilities	0	0	0	835,000	606,880	228,120
Economic Development	80,660	59,809	20,851	0	49,414	(49,414)
Health & Welfare	107,568	102,404	5,164	0	0	0
Recreation & Culture	371,104	401,376	(30,272)	62,400	62,400	0
Debt Service-						
Principal Retired	0	0	0	160,000	160,000	0
Interest & Charges	0	0	0	99,816	99,631	185
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 8,371,620</u>	<u>\$ 8,549,780</u>	<u>\$(178,160)</u>	<u>\$ 3,905,138</u>	<u>\$ 3,657,894</u>	<u>\$247,244</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$(3,096,345)</u>	<u>\$(2,977,435)</u>	<u>\$ 118,910</u>	<u>\$(1,122,997)</u>	<u>\$ (492,472)</u>	<u>\$630,525</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Operating Transfers In	\$ 2,347,233	\$ 2,425,015	\$ 77,782	\$ 1,304,006	\$ 1,473,130	\$169,124
Operating Transfers Out	0	0	0	(1,377,249)	(1,455,355)	(78,106)
Debt Proceeds	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>0</u>
Total Other Financing	<u>\$ 2,347,233</u>	<u>\$ 2,425,015</u>	<u>\$ 77,782</u>	<u>\$ 926,757</u>	<u>\$ 1,017,775</u>	<u>\$ 91,018</u>
Excess (Deficiency) of Revenues and Other Sources over Expendi- tures and Other Uses	<u>\$ (749,112)</u>	<u>\$ (552,420)</u>	<u>\$ 196,692</u>	<u>\$ (196,240)</u>	<u>\$ 525,303</u>	<u>\$721,543</u>
Fund Balances-Beginning of Year	<u>2,494,797</u>	<u>2,494,797</u>	<u>0</u>	<u>3,560,525</u>	<u>3,560,525</u>	<u>0</u>
Fund Balances-End of Year	<u>\$ 1,745,685</u>	<u>\$ 1,942,377</u>	<u>\$ 196,692</u>	<u>\$ 3,364,285</u>	<u>\$ 4,085,828</u>	<u>\$721,543</u>

See notes to financial statements.

Debt Service Funds			Capital Projects Funds		
Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)
\$ 0	\$ 0	\$ 0	\$ 2,300,000	\$ 2,326,402	\$ 26,402
0	0	0	0	0	0
0	0	0	1,805,569	1,239,518	(566,051)
0	0	0	0	0	0
0	0	0	0	0	0
<u>5,303</u>	<u>8,539</u>	<u>3,236</u>	<u>157,122</u>	<u>184,625</u>	<u>27,503</u>
\$ <u>5,303</u>	\$ <u>8,539</u>	\$ <u>3,236</u>	\$ <u>4,262,691</u>	\$ <u>3,750,545</u>	\$ <u>(512,146)</u>
\$ 0	\$ 0	\$ 0	\$ 150,275	\$ 160,551	\$ (10,276)
0	0	0	66,317	28,518	37,799
0	0	0	8,294	6,111	2,183
0	0	0	1,921,000	1,986,436	(65,436)
0	0	0	937,590	710,876	226,714
0	0	0	0	0	0
0	0	0	0	0	0
369,147	380,808	(11,661)	190,000	190,000	0
400,514	389,401	11,113	90,390	90,390	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>2,033,331</u>	<u>1,704,595</u>	<u>328,736</u>
\$ <u>769,661</u>	\$ <u>770,209</u>	\$ <u>(548)</u>	\$ <u>5,397,197</u>	\$ <u>4,877,477</u>	\$ <u>519,720</u>
\$ <u>(764,358)</u>	\$ <u>(761,670)</u>	\$ <u>2,688</u>	\$ <u>(1,134,506)</u>	\$ <u>(1,126,932)</u>	\$ <u>7,574</u>
\$ 764,358	\$ 780,000	\$ 15,642	\$ 0	\$ 0	\$ 0
0	0	0	(1,064,358)	(780,000)	284,358
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
\$ <u>764,358</u>	\$ <u>780,000</u>	\$ <u>15,642</u>	\$ <u>(1,064,350)</u>	\$ <u>(780,000)</u>	\$ <u>284,358</u>
\$ 0	\$ 18,330	\$ 18,330	\$(2,198,864)	\$(1,906,932)	\$ 291,932
<u>36,065</u>	<u>36,065</u>	<u>0</u>	<u>7,729,597</u>	<u>7,729,597</u>	<u>0</u>
\$ <u>36,065</u>	\$ <u>54,395</u>	\$ <u>18,330</u>	\$ <u>5,530,733</u>	\$ <u>5,822,665</u>	\$ <u>291,932</u>

City of Natchitoches, Louisiana  
Proprietary Fund Type  
Enterprise Fund

Statement of Revenues, Expenses and Changes in Retained Earnings  
Year Ended May 31, 1999

	<u>1999</u>
<b>OPERATING REVENUES:</b>	
General Customers	\$20,118,393
Municipality	486,180
Service Charges & Penalties	362,920
Miscellaneous Revenue	194,827
Plant Rental	<u>1,442,498</u>
Total Operating Revenue	<u>\$22,604,818</u>
<b>OPERATING EXPENSES:</b>	
Production and Collection	\$11,094,469
Distribution and Treatment	2,402,846
Customer's Accounting & Collecting	394,989
Administrative and General	1,539,198
Depreciation	<u>1,378,091</u>
Total Operating Expenses	<u>\$16,809,593</u>
Operating Income	<u>\$ 5,795,225</u>
<b>NON-OPERATING REVENUES AND EXPENSES:</b>	
Interest Income	\$ 113,655
Interest Expense	(541,762)
Insurance Recovery	<u>135,346</u>
Total Non-operating Revenues and Expenses	<u>\$ (292,761)</u>
Income Before Operating Transfers	<u>\$ 5,502,464</u>
<b>OPERATING TRANSFERS IN (OUT):</b>	
Utility Imp./Lafayette	\$ (1,218,800)
General Fund	<u>(1,223,990)</u>
Total Transfers In (Out)	<u>\$ (2,442,790)</u>
NET INCOME (LOSS)	<u>\$ 3,059,674</u>
Retained Earnings - Beginning	<u>3,242,390</u>
Retained Earnings - Ending	<u>\$ 6,302,064</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Proprietary Fund Type  
Enterprise Fund

Statement of Cash Flows  
Year Ended May 31, 1999

	<u>1999</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Operating Income for Year	\$ 5,795,225
Adjustment to Reconcile Net Income to Net Cash Provided by Operating Activities-	
Depreciation	1,378,091
Changes in Assets & Liabilities-	
(Increase) Decrease in Accounts Receivable	(992,554)
(Increase) Decrease in Due from Other Funds	(22,500)
(Increase) Decrease in Other Receivables	100
Increase (Decrease) in Accounts Payable	(479,009)
Increase (Decrease) in Accrued Expenses	(32,630)
Increase (Decrease) in Customer's Deposits	
Net of Refunds	5,212
(Increase) Decrease in Inventory	<u>(258,079)</u>
Net Cash Provided by Operating Activities	<u>\$ 5,393,856</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>	
Net Transfers to Other Funds	\$(2,442,790)
Insurance Recoveries	<u>135,346</u>
Net Cash Used by Non-capital Financing Activities	<u>\$(2,307,444)</u>
<b>CASH FLOWS FROM CAPITAL ACTIVITIES:</b>	
Capital Contributed	\$ 1,318,808
Interest Paid on Bonds	(541,762)
Principal Paid on Bonds	(1,130,000)
Acquisition & Construction of Capital Assets	<u>(1,334,832)</u>
Total Cash Flows from Capital Activities	<u>\$(1,687,786)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest Income	<u>\$ 113,655</u>
Net Increase in Cash & Cash Equivalents	\$ 1,512,281
Cash & Cash Equivalents at Beginning of Year	<u>2,869,848</u>
Cash & Cash Equivalents at End of Year	<u>\$ 4,382,129</u>
Components of Ending Cash-	
Consolidated Cash	\$(1,856,954)
Rev. Bonds Sinking Fund	1,051,288
Petty Cash	200
Utility Deposits CD	360,000
54 Rev. Bond Reserve	900,000
54 Rev. Bond Reserve	427,014
Depreciation & Contingency Reserve	3,490,447
Payroll Cash	<u>10,134</u>
Total	<u>\$ 4,382,129</u>

See notes to financial statements.

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**1. Summary of Significant Accounting Policies-**

The financial statements of the City of Natchitoches have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

**Reporting Entity-**

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are described below.

1. A potential component unit must have separate corporate powers that distinguish it as being legally separate from the primary government. These include the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued in its own name without recourse to a state or local government, and the right to buy, sell, lease and mortgage property in its own name.
2. The primary government must be financially accountable for a potential component unit. Financial accountability may exist as a result of the primary government appointing a voting majority of the potential component unit's governing body; their ability to impose their will on the potential component unit by significantly influencing the programs, projects, activities, or level of services performed by or provided by the potential component unit; or the existence of a financial benefit or burden. In addition, financial accountability may also exist as a result of a potential component unit being fiscally dependent on the primary government.

In some instances, the potential component unit should be included in the reporting entity (even when the criteria in No. 2 above are not met), if exclusion would render the reporting entity's financial statements incomplete or misleading.

**Primary government-**

City of Natchitoches-The City operates under an elected Mayor/Council (5 members) administrative/legislative form of government. The City's operations include police and fire protection, streets and drainage, parks and recreation, certain social services, and general administration services. The City owns and operates one enterprise activity, a utilities system which

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generates and distributes electricity and provides water and sewer services. As required by generally accepted accounting principles, these financial statements present the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

#### Blended Component Units-

Natchitoches City Court and Natchitoches City Marshall-The day-to-day operations of City Court and the City Marshall are funded through the City's General Fund. The activities of these two entities are primarily for City residents. The agency funds of these two agencies are not shown in this report.

Fund Accounting-The accounts of the City of Natchitoches are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in the individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate fund types as follows:

#### Governmental Funds-

##### General Fund

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

##### Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

##### Debt Service Funds

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

##### Capital Projects Funds

Capital projects funds are used to account for the acquisition or construction of major capital facilities.

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Proprietary Fund-

Enterprise Fund

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

Fiduciary Fund-

Trust and Agency Funds

Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Fixed Assets and Long-Term Liabilities-

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund is determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. These assets are recorded as expenditures in the governmental fund types when purchased. The City has elected to not capitalize certain improvements other than buildings, including roads, bridges, sidewalks, and drainage improvements. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not "funds". They are concerned only with the measurement of financial position and are not involved with measurement of results of operations.

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

Depreciation of all exhaustible fixed assets used by the proprietary fund is charged as an expense against operations. Assets are shown at cost less an allowance for depreciation. Depreciation has been provided over the estimated useful lives of the assets, using the straight-line method. Accumulated depreciation at May 31, 1999, was \$16,416,922. Estimated useful lives are as follows:

Buildings	50 years
Sewer System	50 years
Water & Utility	50 years
Vehicles & Equipment	6.67 years

All fixed assets of the utility fund are shown at historical cost.

#### Basis of Accounting-

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

All Governmental and Agency funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Sales taxes are considered as "measurable" when in the hands of the Sales Tax Collector, and are recognized as revenue at that time. Ad valorem taxes are recognized as revenue in the year for which budgeted, that is, in the year in which such taxes are billed and collected. Other major revenues that are considered susceptible to accrual include earned grant revenues, charges for services, and interest earned on investments. Franchise fees, licenses and permits, and court fines are recognized when received because they are not objectively measurable.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is that principal and interest on general long-term debt is recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

The proprietary fund is accounted for using the accrual basis of accounting, whereby revenues are recognized when they are earned and expenses are recognized when incurred. Utility revenues are billed on a cycle basis and are recognized in the month for which billed. Unbilled utility service receivables are recorded at year end.

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**Budgets and Budgetary Accounting-**

Annual budgets are adopted and recorded in the accounting records for all governmental type funds. The City follows these procedures in establishing the budgetary data reflected in these financial statements:

1. At least forty-five days prior to the beginning of each fiscal year, the Mayor submits to the City Council a proposed budget in the form required by the City's Charter.
2. At the meeting of the Council at which the operating budget is submitted, the Council orders a public hearing on the budget, and orders the official journal to publish at least ten days prior to such meeting, the time and place thereof, a general summary of the proposed budget, and the times and places where copies of the proposed budget are available for public inspection.
3. Adoption of the budget is required no later than the last regular meeting of the last month of the fiscal year prior to the fiscal year for which the budget pertains.
4. Formal budgetary integration is employed as a management control tool during the year. Funds in excess of the budgetary amounts cannot be obligated without the Finance Director's approval. Funds in excess of those budgeted for an entire department (or fund) cannot be obligated without the Mayor's approval. These procedures render control at the departmental/fund level.
5. The budget can be amended after adoption by the Mayor submitting an amended budget to the Council, and the adoption of the amended budget by the Council.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles as applied to governmental units.

Budget amounts shown in the financial statements are as originally adopted, or as amended with procedures required by the City's Charter.

**Encumbrances-**

Encumbrance accounting is not employed by the City of Natchitoches, Louisiana.

**Cash and Cash Investments-**

The City has deposits in several types of highly liquid investment vehicles such as certificates of deposit. Since all of the City's cash is readily available, these deposits are listed in these statements as "Cash and Cash Equivalents".

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Inventories-

Inventories of supplies in the proprietary fund are valued at cost (moving average).

Bad Debts-

Uncollectible amounts due for customer's utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. Allowance for bad debts at May 31, 1999 was \$75,000.

Unpaid Accumulated Vacation and Sick Pay-

Employees of the City earn vacation pay of 8 hours per month. At the end of each year, employees may carry forward all the vacation time earned but not taken during the preceding year. Unused vacation pay is paid to an employee upon retirement or resignation at hourly rates being earned by that employee upon separation.

Sick leave is accumulated at the rate of 8 hours per month, and any unused sick leave may be carried forward without limitation.

Upon separation from service, employees are paid unused vacation and sick leave up to 480 hours of each.

Short-Term Interfund Receivables/Payables-

During the course of operations, numerous transactions occur between the individual funds. These interfund receivables/payables are classified on the balance sheet as "Due from Other Funds" or "Due to Other Funds".

Interfund Transactions-

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

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

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**Restricted Assets-**

Certain resources of the Utility Fund are classified as restricted assets on the balance sheet because their use is limited by bond ordinances, or because they represent customers' deposits being held by the fund.

**Fund Equity-**

Contributed capital is recorded in the proprietary fund to present capital grants or contributions from other governmental agencies or other funds. Reserves represent those portions of fund equity appropriated for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

**Total Columns on Combined Statements - Overview-**

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

**2. Bond Issuance Costs-**

Bond discounts and issuance costs are shown as expenditures in the current period for governmental fund types. For the proprietary fund, these costs are amortized over the life of the bond issue to which they relate.

**3. Ad Valorem Taxes-**

The City levies taxes on real and business personal property located within the boundaries of Natchitoches Parish. Property taxes are levied by the City on property values assessed by the Natchitoches Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Natchitoches Tax Commission bills and collects property taxes for the City. Collections are remitted to the City monthly. The City recognizes property tax revenues when levied.

Property Tax Calendar

Assessment date	January 1, 1998
Levy date	June 30, 1998
Tax bills mailed	October 15, 1998
Total taxes are due	December 31, 1998
Penalties & interest added	January 31, 1999
Lien date	January 31, 1999
Tax sale	May 15, 1999

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For the year ended May 31, 1999, taxes of 17.03 mills were levied on property with an assessed valuation totaling \$53,172,060, and were dedicated as follows:

General Corporate Purposes	7.03 mills
Special Taxes	10.00 mills

Total taxes collected were \$894,309 after small adjustments were made to the original tax roll. A tax sale was held on May 15, 1999, and most uncollected taxes were collected on that date. Uncollected taxes average less than 2% of total taxes levied, and no provision for uncollectibles is made.

The six largest taxpayers, and their assessed valuation are as follows:

<u>Taxpayer</u>	<u>Assessed Value</u>
Wal-Mart	\$ 2,217,310
South Central Bell	1,653,670
Con-Agra Poultry	2,498,370
Bank One	1,352,440
City Bank	1,479,090
Trans La Gas	<u>969,040</u>
Total	<u>\$10,169,920</u>

#### 4. Restricted Assets-Proprietary Fund Type-

Restricted assets of the Utility Fund were applicable to the following at May 31, 1999 and 1998:

	<u>1999</u>
Bond Reserve Account	\$1,321,219
Bond Contingency Account	3,490,447
Customer's Deposit Account	360,000
Bond Interest & Redemption Account	<u>1,051,288</u>
Totals	<u>\$6,222,954</u>

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**5. Fixed Assets-**

A summary of changes in general fixed assets follows:

	Balance <u>6-1-98</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>5-31-99</u>
Land	\$1,470,345	\$ 836,000	\$ 0	\$ 2,306,345
Buildings	1,282,754	3,098,797	0	4,381,551
Equipment	<u>3,745,778</u>	<u>587,979</u>	<u>162,534</u>	<u>4,171,223</u>
Totals	<u>\$6,498,877</u>	<u>\$4,522,776</u>	<u>\$162,534</u>	<u>\$10,859,119</u>

A summary of proprietary fund property, plant and equipment at May 31, 1999 follows:

	<u>Utility Fund</u>
Vehicles	\$ 474,403
Furniture & Fixtures	292,920
Equipment	7,918,337
Electrical Plant and System	8,757,306
Sewer Plant and System	28,262,749
Water Plant and System	17,162,765
Buildings	1,051,331
Land	264,908
Less: Accumulated Depreciation	<u>(16,416,922)</u>
Total	<u>\$47,767,797</u>

**6. Long-Term Debt-**

General Obligation-The City has two outstanding bond obligations issued by the Sales Tax Fund to help with the construction of a new waste water treatment plant. The bonds are payable through the Department of Environmental Quality, and are financed by the 1% Sales Tax collected by the Sales Tax Fund. During the year ended May 31, 1998, the City also issued certificates of indebtedness for \$2,000,000 to be used for the purchase of plant and equipment for a new industry to be brought to the City. The industry is now in place, and is repaying this amount to the City. This receivable is shown as "Long-Term Receivable" in the Trane Project Grant Fund, and the debt is being paid by this fund. These certificates are payable to Bank One, and are secured by the excess revenues of the General Fund. The City also issued \$1,800,000 certificates of indebtedness in 1995 for utility system improvements. The Water and Light Capital Improvements Fund is actually making the interest and principal payments on these certificates, and the debt service expenditures are shown in that fund.

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For the year ended May 31, 1999, the City issued \$1,000,000 certificates of indebtedness to move City Hall, move the police department, and move City Court. These certificates are being repaid by the Sales Tax-Police Fund. Although three of these debt issues were used for improvements to the proprietary fund, they are being financed by sources other than the proprietary fund's revenues, and are classified as general obligation debt.

Revenue Bonds-The City has issued several series of bonds for improvements to the utility system, and also to refund other bond issues. These bonds are secured by the revenues of the proprietary fund, and are reported within that fund.

Bonds outstanding at May 31, 1999, are as follows:

<u>Issue</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>
General Obligation-				
Certificate of Indebtedness	03-01-95	09-01-04	6.05%	\$ 1,205,000
Certificate of Indebtedness	01-24-98	09-01-05	5.24%	1,630,000
Certificate of Indebtedness	08-28-98	08-28-08	5.15%	1,000,000
DEQ #1	01-01-93	01-01-12	5.00%	2,109,559
DEQ #2	01-01-95	01-01-14	4.00%	<u>5,669,741</u>
Total General Obligation Debt				<u>\$11,614,300</u>
Revenue Bonds-				
Series 1971	06-01-71	12-01-00	6.206%	\$ 185,000
Series 1972	06-01-72	12-01-01	5.668%	640,000
Series 1993-B	03-01-93	12-01-13	2.35 - 5.37%	3,540,000
Series 1993-C	03-01-93	12-01-07	2.35 - 5.15%	1,290,000
DEQ #3	04-14-93	12-01-13	2.45%	3,778,321
DEQ #4	12-29-92	12-01-13	4.00%	<u>2,451,255</u>
Total Revenue Bonds				<u>\$11,884,576</u>
Total Bonds Payable				<u>\$23,498,876</u>

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The annual debt service requirements to maturity of all bonds outstanding at May 31, 1999, including interest payments of \$8,067,544 are as follows:

Year Ending May 31	General Obligation	Revenue Bonds	Total
2000	\$ 1,377,635	\$ 1,697,583	\$ 3,075,218
2001	1,382,570	1,210,251	2,592,821
2002	1,384,881	1,145,348	2,530,229
2003	1,377,303	1,138,674	2,515,977
2004	1,387,102	1,135,803	2,522,905
2005	1,379,805	1,132,521	2,512,326
2006	1,148,077	1,135,647	2,283,724
2007-2010	3,388,288	4,524,184	7,912,472
2011-2014	<u>2,376,153</u>	<u>3,244,595</u>	<u>5,620,748</u>
Totals	<u>\$15,201,814</u>	<u>\$16,364,606</u>	<u>\$31,566,420</u>

The following is a summary of changes in long-term debt for the year ended May 31, 1999:

	Balance 6-1-98	Additions	Balance Reduction	5-31-99
General Obligation	\$11,345,109	\$1,000,000	\$ (730,808)	\$11,614,301
Revenue Bonds	13,014,576	0	(1,130,000)	11,884,576
Compensated Absences	<u>1,111,428</u>	<u>206,522</u>	<u>0</u>	<u>1,317,950</u>
Total	<u>\$25,471,113</u>	<u>\$1,206,522</u>	<u>\$(1,860,808)</u>	<u>\$24,816,827</u>

#### 7. Dedication of Proceeds and Flow of Funds-Sales and Use Tax-

The City of Natchitoches levies two 1%, and one .5% sales and use tax referendums. One of the 1% sales and use tax levies is dedicated to the General Fund, to be used as operating monies. Collections for 1999 were \$2,274,910. The .5% levy is dedicated to the Police Department. Collections for this levy were \$1,137,455.

Proceeds of the other 1% tax are dedicated to the following purposes:

1. To pay the reasonable cost of the collection and administration of the tax.
2. To pay DEQ advances and to pay interest and principal on sales tax bonds to be issued to finance sewer construction.

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3. Any excess after the above payments are made is dedicated and can be used for any one or more of the following: construction, extending, maintaining, and improving sewers and sewerage disposal works and waterworks facilities and purchasing and acquiring the necessary land, equipment and furnishings for the aforesaid public works.

The total collections for this 1% tax were \$2,326,402.

**8. Flow of Funds, Restriction on Use-Enterprise Fund-**

Under the terms of the bond indentures relating to Utility Revenue Bonds, all income and revenues (hereinafter referred to as revenue) of every nature, earned or derived from operations of the Utility System are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special accounts:

1. Out of revenue, to the "Operations and Maintenance Account", an amount sufficient to provide for expenses of the system.
2. Each month, there should be set aside into an account called the "Bond and Interest Redemption Fund", an amount constituting 1/12 of the next maturing yearly installment principal payment, and 1/6 of the next six month interest payment. These funds can only be used for payment of bond principal and interest.
3. There should also be set aside into a "Bond Reserve Account", an amount equal to 20% of the principal and interest payments required during the current fiscal year until there shall have been accumulated in the Reserve Account an amount equal to the maximum principal and interest requirements in any one maturity year. These monies may be used only for the payment of maturing bonds and interest for which sufficient funds are not on deposit in the "Bond and Interest Redemption Account".
4. Funds must also be set aside into a "Contingency Account" at the rate of 7% of the adjusted income of the Utility Fund. Money in this account may also be used to pay principal and interest on the bonds falling due at a time when there is not sufficient money for payment in the other bond funds. This fund can be used for major repairs to the system. The amount in the account should not be reduced below \$15,000. After the retirement of all the pre-1993 bonds, no payment is required to be made into this fund anytime the balance equals \$1,000,000.
5. All of the revenue received in any fiscal year and not required to be paid in such fiscal year into any of the above noted funds shall be regarded as surplus and may be used for any lawful purpose.

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**9. Employment Retirement Systems-**

Substantially all employees of the City of Natchitoches 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 A.

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 A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent 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 Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (504) 925-4810.

*Funding Policy.* Under Plan A, members are required by state statute to contribute 9.25 percent of their annual covered salary and the City of Natchitoches is required to contribute at an actuarially determined rate. The current rate is 5.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (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 Natchitoches are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are

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subject to change each year based on the results of the valuation for the prior fiscal year. The City of Natchitoches' contributions to the System under Plan A for the years ending May 31, 1999, 1998 and 1997, were \$165,374, \$167,365, and \$159,535, respectively, equal to the required contributions for each year.

**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 percent 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 previously 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 10.00 percent of their annual covered salary and the City of Natchitoches is required to contribute at an actuarially determined rate. The current rate is 11.00 percent of annual covered payroll. The contribution requirements of plan members and the City of Natchitoches are established and may be amended by state statute. As provided by Louisiana Revised Statute 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 Natchitoches' contributions to the System for the years ending May 31, 1999, 1998, and 1997, were \$235,195, \$212,507, and \$113,432, respectively, equal to the required contributions for each year.

**C. Firefighters Retirement System of Louisiana**

*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 percent of their final-average salary for each year of creditable service, not to exceed 100 percent of their final-average

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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 95095, Baton Rouge, Louisiana 70804, or by calling (504) 925-4060.

*Funding Policy.* Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the City of Natchitoches are established and may be amended by state statute. As provided by Louisiana Revised Statute 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 Natchitoches' contributions to the System for the years ending May 31, 1999, 1998, and 1997, were \$77,259, \$74,781, and \$69,275, respectively, equal to the required contributions for each year.

#### **10. Pending Litigation-**

Various lawsuits are presently pending against the City of Natchitoches. In cases where damages are being sought from the City, attorneys for the City are of the opinion that any judgments rendered in favor of the plaintiffs or payments resulting from compromise settlements, if any, will be within the limits of the various insurance coverages carried by the City.

#### **11. Cash and Investments-**

Cash and investments are held separately by each of the City's funds. At May 31, 1999, cash and investments totaled \$16,041,371. Bank account balances at May 31, 1999, totaled \$16,114,398. Of the amounts held in commercial banks and savings and loan associations, \$448,000 was covered by federal depository insurance and \$14,889,204 was secured by pledged securities.

The City's cash and investments are categorized below to give an indication of the level of risk assumed by the City at May 31, 1999. Category 1 includes cash that is held by the City, cash and investments that are insured or registered, or investments held by the City or its brokers in the City's name. Category 2 would include uninsured and unregistered investments for which the securities are held by the broker's dealer's trust department or agent in the City's name. Category 3 would include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the City's name.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 1999

	<u>Category</u>			<u>Carrying Value</u>	<u>Market Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
Cash-					
Petty Cash	\$ 2,141	\$0	\$0	\$ 2,141	\$ 2,141
Demand Deposits	7,243,258	0	0	7,243,258	7,243,258
Certificates of Deposit	3,699,309	0	0	3,699,309	3,699,309
Investments-					
U.S. Government Securities	<u>5,096,663</u>	<u>0</u>	<u>0</u>	<u>5,096,663</u>	<u>5,096,663</u>
Total	<u>\$16,041,371</u>	<u>\$0</u>	<u>\$0</u>	<u>\$16,041,371</u>	<u>\$16,041,371</u>

**12. Compensation of City Councilmen-**

A detail of compensation paid to individual councilmen for the year ended May 31, 1999 follows:

Wayne McCullen	\$ 8,403
Jack McCain, Jr.	5,761
Lee Posey	5,761
John Below	5,761
John Winston	<u>5,761</u>
Total	<u>\$31,447</u>

**13. Contributed Capital-**

During the year, contributed capital changed in the following amounts:

Utility Fund-	
Contributed by municipality	\$ 1,318,808
Contributed Capital at May 31, 1998	<u>34,821,033</u>
Contributed Capital at May 31, 1999	<u>\$36,139,841</u>

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 1999

**14. Interfund Receivables, Payables-**

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 719,584	\$ 0
Special Revenue Funds-		
Employee Benefits Fund	0	292,723
W & L Capital Improvements	0	122,114
Police Sales Tax	18,000	0
STOP Grant	0	18,000
Drug Elimination Fund	0	4,415
Housing Rehab Fund	2,400	0
Street Improvements Fund	0	20,073
Debt Service Funds-		
Sales Tax-DEQ	0	52,450
Capital Projects Funds-	38,686	0
Sales Tax Fund	20,073	3,348
LCDBG Alliance	0	76,845
Trane Project Fund	80,193	0
Enterprise Fund-		
Utility Fund	<u>262,076</u>	<u>551,044</u>
Totals	<u>\$1,141,012</u>	<u>\$1,141,012</u>

**15. Lease Agreement-Waterworks District Number One-**

The City of Natchitoches has entered into a long-term lease agreement with Waterworks District Number 1 of Natchitoches Parish for a period of fifty years from 1980. This District was originally created to construct a water source, and furnish water to residents of Ward One of Natchitoches Parish, including those residents living within the City's boundaries. The agreement provides that the City operate the water system, including billing the consumers and collecting for services, furnishing all labor, materials, and equipment to operate and maintain the system. The agreement calls for the City to lease the water system from the Water District for an annual payment of \$3,600. The Waterworks District retains control of and responsibility for the water source.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 1999

**16. Fund Deficits-**

The following individual funds have deficits in unreserved fund balance at May 31, 1999:

<u>Fund</u>	<u>Deficit Amount</u>
Drug Elimination Fund	\$ 7,279
Convention Center Fund	297,890
EDA Grant Fund	30
LCDBG Alliance Fund	269,304
Beautification Fund	44
Employee Benefits Fund	290,980
Street Improvement Fund	25,735
Multi-Drug Task Force	2,916
STOP Grant	85
Sales Tax-DEQ	<u>46,491</u>
Total	<u>\$940,754</u>

The deficits will be funded by transfers from other funds in future years.

**17. Expenditures/Expenses-  
Actual and Budget-**

The following individual funds have actual expenditures/expenses over budgeted expenditures/expenses for the year ended May 31, 1999:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Employee Benefits Fund	\$ 75,000	\$ 135,104	\$ (60,104)
Sales Tax-DEQ	769,661	770,209	(548)
Workman's Compensation	668,900	781,650	(112,750)
General Fund	8,371,620	8,549,780	(178,160)
Airport Grant Fund	0	49,414	(49,414)
Hazard Tax Fund	46,150	54,431	(8,281)
Trane Project Grant Fund	611,058	626,058	(15,000)
Street Improvement Fund	420,024	445,759	(25,735)
Police Sales Tax	520,000	549,859	(29,859)
Sales Tax Fund	<u>2,041,000</u>	<u>2,115,193</u>	<u>(74,193)</u>
Totals	<u>\$13,523,413</u>	<u>\$14,077,457</u>	<u>\$(554,044)</u>

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 1999

**18. Receivables-**

The following is a summary of receivables at May 31, 1999:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Proprietary Funds</u>
Tax, Licenses & Permits				
Sales & Use Tax	\$201,957	\$100,978	\$254,564	\$ 0
Licenses & Permits	41,416	0	0	0
Intergovernmental				
Federal	0	9,360	0	0
State	52,914	9,995	40,029	0
Local	54,532	0	0	0
Other Receivables	<u>121,509</u>	<u>25,677</u>	<u>0</u>	<u>1,807,327</u>
Total	<u>\$472,328</u>	<u>\$146,010</u>	<u>\$294,593</u>	<u>\$1,807,327</u>

All receivables for the governmental funds are considered to be collectible, and no allowance for bad debt is used.

**19. Postemployment Benefits-**

On October 23, 1995, the City Council passed Resolution #111 approving a plan to continue paying one-half of the health insurance premiums for employees who worked for the City at least 20 years and that have reached age 50 at retirement until they have reached age 65. The plan went into effect on January 1, 1998. The City intends to fund these benefits on a "pay-as-you-go" basis. For the year ended May 31, 1999, this benefit cost \$45,243.

**20. Year 2000 Issue-**

The year 2000 problem (Y2K) describes a problem which exists in many computer systems and software applications, as well as in embedded computer chips used in other forms of electronic technology, such as communications equipment, control systems, equipment, etc. Basically anything electronic can be effected by the Year 2000 problem. The problem originates from the use of a two-digit year field in early computer systems and applications to reduce the costly computer disc space requirements. On January 1, 2000, many of these computer systems, software applications and microprocessors may not properly recognize the two-digit year field for the year 2000, which would adversely affect applications and/or routines which are date dependent.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 1999

The City of Natchitoches has been aware of this problem for years, and has contracted with a consulting firm to assess and correct any problems the City may encounter. Special emphasis has been given to the City's departments that provide basic services and safety to the citizenry, such as utilities, fire and police departments. The various steps that have been taken by the City are:

Assessments/Inventory Stage - By March 1, 1999, the City had inventoried and assessed all mission-critical software and equipment. Various suppliers for the City continue to be inventoried and assessed.

Remediation - By June 1, 1999, the City had replaced those systems found to be deficient.

Validation/Testing - By September 1, 1999, mission-critical systems had been tested. The process is ongoing, and systems will be re-tested prior to year-end.

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

NOTES TO FINANCIAL STATEMENTS

FINANCIAL SCHEDULES OF THE INDIVIDUAL FUNDS  
AND THE ACCOUNT GROUPS

## GENERAL FUND

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

City of Natchitoches, Louisiana  
General Fund

Balance Sheet  
May 31, 1999

	<u>1999</u>
<u>Assets</u>	
Cash	\$1,303,772
Revenue Receivables	472,328
Due from Other Funds	719,584
Other Receivables	<u>31,539</u>
Total Assets	<u>\$2,527,223</u>
 <u>Liabilities &amp; Fund Balance</u>	
Liabilities-	
Accounts Payable	\$ 394,528
Accrued Expenses	<u>190,318</u>
Total Liabilities	<u>\$ 584,846</u>
Fund Balance-	
Unreserved-Undesignated	<u>\$1,942,377</u>
Total Liabilities & Fund Balance	<u>\$2,527,223</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Taxes	\$ 2,724,000	\$ 2,777,810	\$ 53,810
Licenses & Permits	544,500	568,263	23,763
Intergovernmental	649,775	626,442	(23,333)
Charges for Services	1,081,500	1,115,718	34,218
Fines & Forfeits	115,000	150,172	35,172
Miscellaneous	<u>160,500</u>	<u>333,940</u>	<u>173,440</u>
Total Revenues	<u>\$ 5,275,275</u>	<u>\$ 5,572,345</u>	<u>\$ 297,070</u>
<b>EXPENDITURES:</b>			
Current-			
General Government	\$ 2,106,667	\$ 2,041,258	\$ 65,409
Public Safety	3,917,977	4,138,193	(220,216)
Streets & Sanitation	1,787,644	1,806,740	(19,096)
Health & Welfare	107,568	102,404	5,164
Recreation & Culture	371,104	401,376	(30,272)
Economic Development	<u>80,660</u>	<u>59,809</u>	<u>20,851</u>
Total Expenditures	<u>\$ 8,371,620</u>	<u>\$ 8,549,780</u>	<u>\$(178,160)</u>
Excess (Deficiency) of Revenues over Expenditures	\$(3,096,345)	\$(2,977,435)	\$ 118,910
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating Transfers In	<u>2,347,233</u>	<u>2,425,015</u>	<u>77,782</u>
Excess (Deficiency) of Revenues and Other Sources over Expen- ditures and Other Uses	\$ (749,112)	\$ (552,420)	\$ 196,692
Fund Balance-Beginning of Year	<u>2,494,797</u>	<u>2,494,797</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 1,745,685</u>	<u>\$ 1,942,377</u>	<u>\$ 196,692</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
General Fund

Schedule of Revenues-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Taxes-			
Cable TV Franchise	\$ 23,000	\$ 24,728	\$ 1,728
Trans La Franchise	140,000	108,280	(31,720)
Sales & Use Tax	2,215,000	2,274,910	59,910
Ad Valorem Taxes	<u>346,000</u>	<u>369,892</u>	<u>23,892</u>
Total Taxes	<u>\$2,724,000</u>	<u>\$2,777,810</u>	<u>\$ 53,810</u>
Licenses & Permits-			
Insurance Licenses	\$ 170,000	\$ 157,527	\$ (12,473)
Liquor Licenses	18,000	34,441	16,441
Occupational Licenses	280,000	293,773	13,773
Building Permits	76,000	81,822	5,822
Mobile Home Permits	<u>500</u>	<u>700</u>	<u>200</u>
Total Licenses & Permits	<u>\$ 544,500</u>	<u>\$ 568,263</u>	<u>\$ 23,763</u>
Intergovernmental-			
Beer Taxes	\$ 35,000	\$ 40,615	\$ 5,615
Tobacco Taxes	80,000	80,965	965
Payments in Lieu of Taxes	47,000	54,532	7,532
La Department of Transportation	23,000	22,432	(568)
La Gaming Revenues	400,000	372,521	(27,479)
Main Street Program-DOTD	5,775	26,791	21,016
Cops Fast Grant	12,000	0	(12,000)
Fire Insurance Tax	27,000	28,586	1,586
Natchitoches Police Jury	<u>20,000</u>	<u>0</u>	<u>(20,000)</u>
Total Intergovernmental	<u>\$ 649,775</u>	<u>\$ 626,442</u>	<u>\$ (23,333)</u>

Continued next page.

See notes to financial statements.

City of Natchitoches, Louisiana  
General Fund

Schedule of Revenues-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	Budget	Actual	
Charges for Services-			
Animal Shelter	\$ 3,500	\$ 3,262	\$ (238)
Refuse Collection	1,050,000	1,086,831	36,831
Recreation Department	14,000	11,290	(2,710)
Police Fees	12,000	10,618	(1,382)
Demolition/Grass Cutting	0	1,667	1,667
Rezoning	<u>2,000</u>	<u>2,050</u>	<u>50</u>
Total Charges for Services	<u>\$1,081,500</u>	<u>\$1,115,718</u>	<u>\$ 34,218</u>
Fines & Forfeits-			
Court Costs	\$ 19,000	\$ 16,826	\$ (2,174)
Court Fines	<u>96,000</u>	<u>133,346</u>	<u>37,346</u>
Total Fines & Forfeits	<u>\$ 115,000</u>	<u>\$ 150,172</u>	<u>\$ 35,172</u>
Miscellaneous-			
Insurance Recovery	\$ 500	\$ 703	\$ 203
Interest Income	100,000	162,649	62,649
Miscellaneous	<u>60,000</u>	<u>170,588</u>	<u>110,588</u>
Total Miscellaneous	<u>\$ 160,500</u>	<u>\$ 333,940</u>	<u>\$173,440</u>
<b>TOTAL REVENUES</b>	<b><u>\$5,275,275</u></b>	<b><u>\$5,572,345</u></b>	<b><u>\$297,070</u></b>

See notes to financial statements.

City of Natchitoches, Louisiana  
General Fund

Schedule of Expenditures-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
<b>GENERAL GOVERNMENT:</b>			
City Hall-			
Personnel Cost	\$ 337,065	\$ 328,309	\$ 8,756
Supplies & Postage	6,800	11,154	(4,354)
Maintenance	7,200	6,805	395
Mayor's Expense	7,200	5,282	1,918
Municipal Code Publications	13,620	7,699	5,921
Fuel, Travel & Auto	17,700	18,216	(516)
Utilities	10,700	13,465	(2,765)
Miscellaneous	4,500	3,094	1,406
Promotional Expenditures	37,000	37,983	(983)
Capital Expenditures	<u>10,000</u>	<u>3,966</u>	<u>6,034</u>
Total	<u>\$ 451,785</u>	<u>\$ 435,973</u>	<u>\$ 15,812</u>
Purchasing Department-			
Personnel Cost	\$ 88,930	\$ 90,013	\$ (1,083)
Supplies & Postage	3,186	3,807	(621)
Fuel, Travel & Auto	5,100	4,676	424
Uniforms	840	1,582	(742)
Utilities	10,500	10,337	163
Miscellaneous	2,000	1,996	4
Capital Expenditures	<u>16,000</u>	<u>16,042</u>	<u>(42)</u>
Total	<u>\$ 126,556</u>	<u>\$ 128,453</u>	<u>\$ (1,897)</u>
City Garage-			
Personnel Cost	\$ 157,122	\$ 148,756	\$ 8,366
Supplies & Repairs	25,013	44,211	(19,198)
Uniforms & Miscellaneous	4,068	4,083	(15)
Utilities	9,300	6,736	2,564
Capital Expenditures	<u>45,000</u>	<u>9,521</u>	<u>35,479</u>
Total	<u>\$ 240,503</u>	<u>\$ 213,307</u>	<u>\$ 27,196</u>

Continued next page.

See notes to financial statements.

City of Natchitoches, Louisiana  
General Fund

Schedule of Expenditures-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
City Court-			
Personnel Cost	\$ 72,000	\$ 55,658	\$ 16,342
Judge's Retirement	1,400	537	863
Office & Supplies	<u>0</u>	<u>2,375</u>	<u>(2,375)</u>
Total	<u>\$ 73,400</u>	<u>\$ 58,570</u>	<u>\$ 14,830</u>
Community Affairs-			
Personnel Cost	\$ 116,603	\$ 110,619	\$ 5,984
Airport	30,600	45,213	(14,613)
Fuel & Travel	6,700	5,703	997
Repairs & Miscellaneous	7,600	6,152	1,448
Supplies & Postage	10,000	9,962	38
Utilities	10,000	11,013	(1,013)
Capital Expenditures	<u>4,000</u>	<u>3,690</u>	<u>310</u>
Total	<u>\$ 185,503</u>	<u>\$ 192,352</u>	<u>\$ (6,849)</u>
General Accounts-			
Legal & Audit	\$ 62,200	\$ 52,943	\$ 9,257
Fire & Casualty Insurance	162,000	198,418	(36,418)
Municipal Electricity	154,000	118,016	35,984
Employee Benefits	61,820	108,221	(46,401)
Miscellaneous	39,500	32,945	6,555
Capital Expenditures	<u>549,400</u>	<u>502,060</u>	<u>47,340</u>
Total	<u>\$1,028,920</u>	<u>\$1,012,603</u>	<u>\$ 16,317</u>
TOTAL GENERAL GOVERNMENT	<u>\$2,106,667</u>	<u>\$2,041,258</u>	<u>\$ 65,409</u>

Continued next page.

See notes to financial statements.

City of Natchitoches, Louisiana  
General Fund

Schedule of Expenditures-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	Budget	Actual	
<b>PUBLIC SAFETY:</b>			
Fire Department-			
Personnel Cost	\$1,383,481	\$1,467,631	\$ (84,150)
Fuel & Oil	5,200	3,788	1,412
Maintenance	8,000	8,543	(543)
Supplies & Miscellaneous	14,000	19,272	(5,272)
School & Travel	8,500	7,515	985
Uniforms	10,000	9,680	320
Utilities	19,570	22,710	(3,140)
Capital Expenditures	25,000	38,926	(13,926)
Total	<u>\$1,473,751</u>	<u>\$1,578,065</u>	<u>\$(104,314)</u>
Police Department-			
Personnel Cost	\$2,056,536	\$2,178,912	\$(122,376)
Fuel	55,550	57,294	(1,744)
Maintenance	57,888	77,070	(19,182)
Prisoner Maintenance	40,000	43,427	(3,427)
Utilities	23,500	30,175	(6,675)
Miscellaneous	32,542	31,882	660
Supplies & Uniforms	41,530	32,694	8,836
Office Expense	21,730	16,855	4,875
Travel & Training	28,290	18,842	9,448
Marshall's Expense	84,660	72,756	11,904
Civil Defense	2,000	221	1,779
Total	<u>\$2,444,226</u>	<u>\$2,560,128</u>	<u>\$(115,902)</u>
<b>TOTAL PUBLIC SAFETY</b>	<u><b>\$3,917,977</b></u>	<u><b>\$4,138,193</b></u>	<u><b>\$(220,216)</b></u>

Continued next page.

See notes to financial statements.

City of Natchitoches, Louisiana  
General Fund

Schedule of Expenditures-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
<b>STREETS &amp; SANITATION:</b>			
Personnel Cost	\$ 520,344	\$ 539,668	\$(19,324)
Street Materials	64,000	18,979	45,021
Maintenance	28,000	44,264	(16,264)
Fuel & Oil	22,000	17,257	4,743
Supplies & Miscellaneous	35,500	34,442	1,058
Refuse Disposal	1,004,000	1,039,928	(35,928)
Utilities	9,000	6,719	2,281
Uniforms	5,800	7,241	(1,441)
Grass Cutting & Demolition	24,000	24,708	(708)
Capital Expenditures	<u>75,000</u>	<u>73,534</u>	<u>1,466</u>
<b>TOTAL STREETS &amp; SANITATION</b>	<b><u>\$1,787,644</u></b>	<b><u>\$1,806,740</u></b>	<b><u>\$(19,096)</u></b>
<b>HEALTH &amp; WELFARE:</b>			
<b>Animal Shelter-</b>			
Personnel Cost	\$ 61,159	\$ 60,261	\$ 898
Food & Medicine	7,300	2,169	5,131
Fuel & Maintenance	1,500	838	662
Supplies & Miscellaneous	3,709	3,151	558
Utilities	11,500	11,681	(181)
Capital Expenditures	<u>4,000</u>	<u>4,905</u>	<u>(905)</u>
Total	<u>\$ 89,168</u>	<u>\$ 83,005</u>	<u>\$ 6,163</u>
<b>Other Health &amp; Welfare-</b>			
Coroner's Expense	\$ 16,000	\$ 16,999	\$ (999)
Veteran's Service Officer	<u>2,400</u>	<u>2,400</u>	<u>0</u>
Total	<u>\$ 18,400</u>	<u>\$ 19,399</u>	<u>\$ (999)</u>
<b>TOTAL HEALTH &amp; WELFARE</b>	<b><u>\$ 107,568</u></b>	<b><u>\$ 102,404</u></b>	<b><u>\$ 5,164</u></b>

Continued next page.

See notes to financial statements.

City of Natchitoches, Louisiana  
General Fund

Schedule of Expenditures-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
<b>RECREATION &amp; CULTURE:</b>			
MLK Recreation Center-			
Personnel Cost	\$ 33,638	\$ 0	\$ 33,638
Telephone & Utilities	16,000	10,752	5,248
Office Expense	1,500	1,806	(306)
Activities	5,000	6,050	(1,050)
Capital Expenditures	<u>25,000</u>	<u>33,141</u>	<u>(8,141)</u>
Total	<u>\$ 81,138</u>	<u>\$ 51,749</u>	<u>\$ 29,389</u>
Recreation Department:			
Personnel Cost	\$ 154,966	\$ 160,445	\$ (5,479)
Fuel & Maintenance	3,500	2,660	840
Maintenance of Facilities	9,500	12,312	(2,812)
Ribbons, Trophies, etc.	7,500	10,646	(3,146)
Christmas Festival	18,000	49,023	(31,023)
Dixie Youth	11,000	17,350	(6,350)
Utilities	19,500	24,143	(4,643)
Beautification Committee	5,000	5,289	(289)
Capital Expenditures	<u>61,000</u>	<u>67,759</u>	<u>(6,759)</u>
Total Recreation Department	<u>\$ 289,966</u>	<u>\$ 349,627</u>	<u>\$ (59,661)</u>
<b>TOTAL RECREATION &amp; CULTURE</b>	<u>\$ 371,104</u>	<u>\$ 401,376</u>	<u>\$ (30,272)</u>

Continued next page.

See notes to financial statements.

City of Natchitoches, Louisiana  
General Fund

Schedule of Expenditures-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
<b>ECONOMIC DEVELOPMENT:</b>			
Main Street-			
Personnel Cost	\$ 31,660	\$ 32,730	\$ (1,070)
Supplies & Postage	2,400	2,159	241
Telephone	1,200	1,874	(674)
Fuel & Travel	3,000	3,642	(642)
Miscellaneous	2,400	1,705	695
Outside Appropriations	<u>40,000</u>	<u>17,699</u>	<u>22,301</u>
TOTAL ECONOMIC DEVELOPMENT	\$ <u>80,660</u>	\$ <u>59,809</u>	\$ <u>20,851</u>
TOTAL EXPENDITURES	<u>\$8,371,620</u>	<u>\$8,549,780</u>	<u>\$(178,160)</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
General Fund

Schedule of Other Financing Sources (Uses)-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
<b>OTHER FINANCING SOURCES:</b>			
Transfers from Other Funds-			
Enterprise (Utility) Fund	\$1,223,990	\$1,223,990	\$ 0
Hazard Tax Fund	439,400	439,400	0
Police Sales Tax	653,843	731,625	77,782
Airport Grant Fund	<u>30,000</u>	<u>30,000</u>	<u>0</u>
<b>TOTAL OTHER FINANCING</b>	<b><u>\$2,347,233</u></b>	<b><u>\$2,425,015</u></b>	<b><u>\$77,782</u></b>

See notes to financial statements.

## SPECIAL REVENUE FUNDS

Airport Grant Fund-To account for the administration of funds received from rentals of airport property to be used for capital improvements to the airport.

Capital Improvements Fund-To account for Urban Development Action Grant Funds used for capital expenditures for each of the City's funds.

Street Improvements Fund-To account for funds transferred from the Utility Fund for capital improvements to the City's street system.

Hazard Tax Fund-To account for funds generated by a 10 mill property tax passed by voters to fund supplemental pay for firemen and policemen.

Housing Rehabilitation Fund-To account for donations received to enhance housing conditions in the City.

Employee Benefits Fund-To account for funds withheld from employees to purchase insurance benefits.

Beautification Fund-To account for donations received to make improvements to the City's downtown area.

DWI Grant Fund-To account for a federal grant received to operate a special task force to locate and arrest drunken drivers.

Drug Elimination Grant Fund-To account for a federal grant passed through to the City from the Natchitoches Housing Authority to operate a special task force to keep public housing areas drug-free.

Drug Recovery Fund-To account for the receipt and subsequent disbursement of funds received from the sale of assets seized from convicted drug dealers.

W & L Capital Improvements Fund-To account for transfers from the Proprietary Fund which are for special capital projects constructed for the water and sewer funds.

Workman's Compensation Fund-To account for funds transferred from the General and Proprietary Funds to provide workman's compensation insurance.

Economic Development Fund-To account for funds received from other governmental units to be used for economic development purposes.

Animal Shelter Fund-To account for donations made to the animal shelter for special purposes.

Multi-Drug Task Force-To account for a joint federal grant given to several local law enforcement bodies to be used to combat drug related crime.

Main Street Facade-To account for grant funds awarded to the City to be used to pass on to property owners who improve their buildings in the downtown area of the City.

Drug Free Natchitoches Fund-To account for a grant for the State of Louisiana for a drug prevention program in local schools.

Police Sales Tax-To account for a one-half percent sales tax which is dedicated to the City's police department.

STOP Grant Fund-To account for a federal grant passed through the Louisiana Highway Safety Commission to be used to reduce the number of speed related and occupant protection injuries from accidents.

Litter Abatement Fund-To account for a grant from the Louisiana Department of Environmental Quality to be used for a litter program.

Prisoner Release Program-To account for funds paid back to the police department that are held out of bonds. Funds are used for various expenses of the police department.

City of Natchitoches  
All Special Revenue Funds

Combining Balance Sheet  
Year End May 31, 1999

	<u>Airport Grant Fund</u>	<u>Capital Improvement Fund</u>	<u>Street Improvement Fund</u>	<u>Hazard Tax Fund</u>
<u>Assets</u>				
Cash & Cash Equivalents	\$155,786	\$1,112,197	\$ 0	\$158,051
Revenue Receivables	51	0	0	0
Due from Other Governmental Units	0	8,567	0	0
Due from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$155,837</u>	<u>\$1,120,764</u>	<u>\$ 0</u>	<u>\$158,051</u>
<u>Liabilities &amp; Fund Balances</u>				
<u>Liabilities-</u>				
Cash Overdraft	\$ 0	\$ 0	\$ 4,597	\$ 0
Accounts Payable	0	0	1,065	907
Due to Other Funds	<u>0</u>	<u>0</u>	<u>20,073</u>	<u>0</u>
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 25,735</u>	<u>\$ 907</u>
<u>Fund Balances-</u>				
<u>Unreserved-</u>				
Undesignated	\$155,837	\$1,112,197	\$ 0	\$157,144
Designated for Non-current Receivables	0	0	0	0
Deficit	0	8,567	(25,735)	0
Reserved for Debt Retirement	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>\$155,837</u>	<u>\$1,120,764</u>	<u>\$(25,735)</u>	<u>\$157,144</u>
Total Liabilities & Fund Balances	<u>\$155,837</u>	<u>\$1,120,764</u>	<u>\$ 0</u>	<u>\$158,051</u>

See notes to financial statements.

Housing Rehab Fund	Employee Benefits Fund	Beautification Fund	DWI Grant Fund	Drug Elimination Fund	Drug Recovery Fund
\$ 0	\$ 1,743	\$ 0	\$40	\$ 0	\$16,397
0	0	0	0	0	3,335
0	0	0	0	0	0
<u>2,400</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$2,400</u>	<u>\$ 1,743</u>	<u>\$ 0</u>	<u>\$40</u>	<u>\$ 0</u>	<u>\$19,732</u>
\$2,035	\$ 0	\$ 44	\$ 0	\$ 2,864	\$ 0
0	0	0	0	0	0
<u>0</u>	<u>292,723</u>	<u>0</u>	<u>0</u>	<u>4,415</u>	<u>0</u>
<u>\$2,035</u>	<u>\$292,723</u>	<u>\$ 44</u>	<u>\$ 0</u>	<u>\$ 7,279</u>	<u>\$ 0</u>
\$ 365	\$ 0	\$ 0	\$40	\$ 0	\$19,732
0	0	0	0	0	0
0	(290,980)	(44)	0	(7,279)	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 365</u>	<u>\$(290,980)</u>	<u>\$(44)</u>	<u>\$40</u>	<u>\$(7,279)</u>	<u>\$19,732</u>
<u>\$2,400</u>	<u>\$ 1,743</u>	<u>\$ 0</u>	<u>\$40</u>	<u>\$ 0</u>	<u>\$19,732</u>

Continued on next page.

City of Natchitoches  
All Special Revenue Funds

Combining Balance Sheet  
Year End May 31, 1999

	<u>W &amp; L Capital Improvements</u>	<u>Workman's Compensation Fund</u>	<u>Economic Development Fund</u>	<u>Animal Shelter Fund</u>
<u>Assets</u>				
Cash & Cash Equivalents	\$1,830,018	\$761,622	\$3,381	\$10,785
Revenue Receivables	0	22,291	0	0
Due from Other Governmental Units	0	0	0	0
Due from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$1,830,018</u>	<u>\$783,913</u>	<u>\$3,381</u>	<u>\$10,785</u>
<u>Liabilities &amp; Fund Balances</u>				
Liabilities-				
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 0
Accounts Payable	73,259	0	0	0
Due to Other Funds	<u>122,114</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>\$ 195,373</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund Balances-				
Unreserved-				
Undesignated	\$ 429,645	\$783,913	\$3,381	\$10,785
Designated for Non-current Receivables	0	0	0	0
Deficit	0	0	0	0
Reserved for Debt Retirement	<u>1,205,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>\$1,634,645</u>	<u>\$783,913</u>	<u>\$3,381</u>	<u>\$10,785</u>
 Total Liabilities & Fund Balances	 <u>\$1,830,018</u>	 <u>\$783,913</u>	 <u>\$3,381</u>	 <u>\$10,785</u>

See notes to financial statements.

<u>Multi-Drug Task Force</u>	<u>Main Street Grant</u>	<u>Drug Free Natchitoches</u>	<u>Police Sales Tax</u>	<u>STOP Grant</u>	<u>Litter Abatement Fund</u>	<u>Prisoner Release Fund</u>	<u>Total May 31, 1999</u>
\$ 0	\$3,991	\$3,259	\$532,211	\$10,944	\$ 0	\$12,680	\$4,613,105
2,389	0	0	100,978	6,971	9,995	0	146,010
0	0	0	0	0	0	0	8,567
<u>0</u>	<u>0</u>	<u>0</u>	<u>18,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,400</u>
<u>\$ 2,389</u>	<u>\$3,991</u>	<u>\$3,259</u>	<u>\$651,189</u>	<u>\$17,915</u>	<u>\$9,995</u>	<u>\$12,680</u>	<u>\$4,788,082</u>
\$ 2,916	\$ 0	\$ 0	\$ 0	\$ 0	\$4,696	\$ 0	\$ 17,152
2,389	0	0	149,274	0	883	0	227,777
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>18,000</u>	<u>0</u>	<u>0</u>	<u>457,325</u>
<u>\$ 5,305</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$149,274</u>	<u>\$18,000</u>	<u>\$5,579</u>	<u>\$ 0</u>	<u>\$ 702,254</u>
\$ 0	\$3,991	\$3,259	\$ 0	\$ 0	\$4,416	\$12,680	\$2,697,385
0	0	0	0	0	0	0	8,567
(2,916)	0	0	0	(85)	0	0	(327,039)
<u>0</u>	<u>0</u>	<u>0</u>	<u>501,915</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,706,915</u>
<u>\$(2,916)</u>	<u>\$3,991</u>	<u>\$3,259</u>	<u>\$501,915</u>	<u>\$(85)</u>	<u>\$4,416</u>	<u>\$12,680</u>	<u>\$4,085,828</u>
<u>\$ 2,389</u>	<u>\$3,991</u>	<u>\$3,259</u>	<u>\$651,189</u>	<u>\$17,915</u>	<u>\$9,995</u>	<u>\$12,680</u>	<u>\$4,788,082</u>

City of Natchitoches  
All Special Revenue Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
Year End May 31, 1999

	<u>Airport Grant Fund</u>	<u>Capital Improvement Fund</u>	<u>Street Improvement Fund</u>	<u>Hazard Tax Fund</u>
<b>REVENUES:</b>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 524,417
Intergovernmental	0	0	0	0
Miscellaneous	<u>51,106</u>	<u>574,722</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>\$ 51,106</u>	<u>\$ 574,722</u>	<u>\$ 0</u>	<u>\$ 524,417</u>
<b>EXPENDITURES:</b>				
Current-				
General Government	\$ 0	\$ 726,405	\$ 0	\$ 0
Public Safety	0	0	0	54,431
Streets & Sanitation	0	0	383,359	0
Water, Sewer & Utilities	0	0	0	0
Economic Development	49,414	0	0	0
Recreation	0	0	62,400	0
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 49,414</u>	<u>\$ 726,405</u>	<u>\$ 445,759</u>	<u>\$ 54,431</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 1,692</u>	<u>\$ (151,683)</u>	<u>\$(445,759)</u>	<u>\$ 469,986</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Debt Proceeds	\$ 0	\$1,000,000	\$ 0	\$ 0
Operating Transfers In	0	0	250,000	0
Operating Transfers Out	<u>(30,000)</u>	<u>0</u>	<u>0</u>	<u>(439,400)</u>
Total Other Financing	<u>\$ (30,000)</u>	<u>\$1,000,000</u>	<u>\$ 250,000</u>	<u>\$(439,400)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (28,308)</u>	<u>\$ 848,317</u>	<u>\$(195,759)</u>	<u>\$ 30,586</u>
Fund Balances-Beginning of Year	<u>184,145</u>	<u>272,447</u>	<u>170,024</u>	<u>126,558</u>
Fund Balances-End of Year	<u>\$155,837</u>	<u>\$1,120,764</u>	<u>\$ (25,735)</u>	<u>\$157,144</u>

See notes to financial statements.

Housing Rehab Fund	Employee Benefits Fund	Beautification Fund	DWI Grant Fund	Drug Elimination Fund	Drug Recovery Fund
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
<u>0</u>	<u>56,692</u>	<u>0</u>	<u>40</u>	<u>0</u>	<u>10,118</u>
\$ <u>0</u>	\$ <u>56,692</u>	\$ <u>0</u>	\$ <u>40</u>	\$ <u>0</u>	\$ <u>10,118</u>
\$ 0	\$ 135,104	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	800
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
\$ <u>0</u>	\$ <u>135,104</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>800</u>
\$ <u>0</u>	\$ <u>(78,412)</u>	\$ <u>0</u>	\$ <u>40</u>	\$ <u>0</u>	\$ <u>9,318</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(4,330)</u>
\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(4,330)</u>
\$ 0	\$ (78,412)	\$ 0	\$ 40	\$ 0	\$ 4,988
<u>365</u>	<u>(212,568)</u>	<u>(44)</u>	<u>0</u>	<u>(7,279)</u>	<u>14,744</u>
\$ <u>365</u>	\$ <u>(290,980)</u>	\$ <u>(44)</u>	\$ <u>40</u>	\$ <u>(7,279)</u>	\$ <u>19,732</u>

Continued on next page.

City of Natchitoches  
All Special Revenue Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
Year End May 31, 1999

	<u>W &amp; L Capital Improvements</u>	<u>Workman's Compensation Fund</u>	<u>Economic Development Fund</u>	<u>Animal Shelter Fund</u>
<b>REVENUES:</b>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	0	0	0	0
Miscellaneous	<u>107,453</u>	<u>619,870</u>	<u>0</u>	<u>4,439</u>
Total Revenues	<u>\$ 107,453</u>	<u>\$ 619,870</u>	<u>\$ 0</u>	<u>\$ 4,439</u>
<b>EXPENDITURES:</b>				
Current-				
General Government	\$ 0	\$ 781,650	\$ 0	\$ 0
Public Safety	0	0	0	1,334
Streets & Sanitation	0	0	0	0
Water, Sewer & Utilities	606,880	0	0	0
Economic Development	0	0	0	0
Recreation	0	0	0	0
Debt Service	<u>237,743</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 844,623</u>	<u>\$ 781,650</u>	<u>\$ 0</u>	<u>\$ 1,334</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (737,170)</u>	<u>\$(161,780)</u>	<u>\$ 0</u>	<u>\$ 3,105</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Debt Proceeds	\$ 0	\$ 0	\$ 0	\$ 0
Operating Transfers In	1,218,800	0	0	0
Operating Transfers Out	<u>(250,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing	<u>\$ 968,800</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 231,630</u>	<u>\$(161,780)</u>	<u>\$ 0</u>	<u>\$ 3,105</u>
Fund Balances-Beginning of Year	<u>1,403,015</u>	<u>945,693</u>	<u>3,381</u>	<u>7,680</u>
Fund Balances-End of Year	<u>\$1,634,645</u>	<u>\$ 783,913</u>	<u>\$3,381</u>	<u>\$10,785</u>

See notes to financial statements.

<u>Multi-Drug Task Force</u>	<u>Main Street Grant</u>	<u>Drug Free Natchitoches</u>	<u>Police Sales Tax</u>	<u>STOP Grant</u>	<u>Litter Abatement Fund</u>	<u>Prisoner Release Fund</u>	<u>Total May 31, 1999</u>
\$ 0	\$ 0	\$ 0	\$1,137,455	\$ 0	\$ 0	\$ 0	\$ 1,661,872
26,261	0	0	0	32,236	9,995	0	68,492
0	0	0	3,039	0	0	7,579	1,435,058
<u>\$26,261</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$1,140,494</u>	<u>\$32,236</u>	<u>\$9,995</u>	<u>\$ 7,579</u>	<u>\$ 3,165,422</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,643,159
29,501	0	0	527,971	32,406	0	1,029	647,472
0	0	0	0	0	5,579	0	388,938
0	0	0	0	0	0	0	606,880
0	0	0	0	0	0	0	49,414
0	0	0	0	0	0	0	62,400
0	0	0	21,888	0	0	0	259,631
<u>\$29,501</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 549,859</u>	<u>\$32,406</u>	<u>\$5,579</u>	<u>\$ 1,029</u>	<u>\$ 3,657,894</u>
<u>\$(3,240)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 590,635</u>	<u>\$ (170)</u>	<u>\$4,416</u>	<u>\$ 6,550</u>	<u>\$ (492,472)</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,000,000
4,330	0	0	0	0	0	0	1,473,130
0	0	0	(731,625)	0	0	0	(1,455,355)
<u>\$ 4,330</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (731,625)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,017,775</u>
\$ 1,090	\$ 0	\$ 0	\$ (140,990)	\$ (170)	\$4,416	\$ 6,550	\$ 525,303
(4,006)	3,991	3,259	642,905	85	0	6,130	3,560,525
<u>\$(2,916)</u>	<u>\$3,991</u>	<u>\$3,259</u>	<u>\$ 501,915</u>	<u>\$ (85)</u>	<u>\$4,416</u>	<u>\$12,680</u>	<u>\$ 4,085,828</u>

City of Natchitoches, Louisiana  
Special Revenue Funds

Airport Grant Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Miscellaneous-			
Interest	\$ 2,400	\$ 2,029	\$ (371)
Miscellaneous	<u>27,600</u>	<u>49,077</u>	<u>21,477</u>
Total Revenues	\$ 30,000	\$ 51,106	\$ 21,106
EXPENDITURES:			
Current-			
Economic Development-			
Capital Expenditures	<u>0</u>	<u>49,414</u>	<u>(49,414)</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 30,000	\$ 1,692	\$(28,308)
OTHER FINANCING USES:			
Operating Transfer To-			
General Fund	<u>(30,000)</u>	<u>(30,000)</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures and Other Uses	\$ 0	\$ (28,308)	\$(28,308)
Fund Balance-Beginning of Year	<u>184,145</u>	<u>184,145</u>	<u>0</u>
Fund Balance-End of Year	<u>\$184,145</u>	<u>\$155,837</u>	<u>\$(28,308)</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Capital Improvements Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Miscellaneous-			
Sales of Surplus and Land	\$ 200,000	\$ 574,722	\$374,722
EXPENDITURES:			
Current-			
General Government-			
Capital Expenditures	<u>1,000,000</u>	<u>726,405</u>	<u>273,595</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (800,000)	\$ (151,683)	\$648,317
OTHER FINANCING SOURCES:			
Debt Proceeds	<u>1,000,000</u>	<u>1,000,000</u>	<u>0</u>
Excess of Revenues and Other Sources over Expenditures	\$ 200,000	\$ 848,317	\$648,317
Fund Balance-Beginning of Year	<u>272,447</u>	<u>272,447</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>472,447</u>	\$ <u>1,120,764</u>	\$ <u>648,317</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Street Improvement Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	Budget	Actual	
REVENUES:	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
EXPENDITURES:			
Current-			
Streets & Sanitation-			
Capital Expenditures	\$ 357,624	\$ 383,359	\$(25,735)
Recreation	<u>62,400</u>	<u>62,400</u>	<u>0</u>
Total Expenditures	\$ <u>420,024</u>	\$ <u>445,759</u>	\$ <u>(25,735)</u>
Excess (Deficiency) of Revenues over Expenditures	\$(420,024)	\$(445,759)	\$(25,735)
OTHER FINANCING SOURCES:			
Operating Transfer From-			
W & L Capital Improvements	<u>250,000</u>	<u>250,000</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources over Expendi- tures and Other Uses	\$(170,024)	\$(195,759)	\$(25,735)
Fund Balance-Beginning of Year	<u>170,024</u>	<u>170,024</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>0</u>	\$ <u>(25,735)</u>	\$ <u>(25,735)</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Hazard Tax Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Taxes-			
Ad Valorem Taxes	\$ 485,550	\$ 524,417	\$38,867
EXPENDITURES:			
Current-			
Public Safety-			
Capital Expenditures	<u>46,150</u>	<u>54,431</u>	<u>(8,281)</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 439,400	\$ 469,986	\$30,586
OTHER FINANCING SOURCES (USES):			
Operating Transfer To-			
General Fund	<u>(439,400)</u>	<u>(439,400)</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	\$ 0	\$ 30,586	\$30,586
Fund Balance-Beginning of Year	<u>126,558</u>	<u>126,558</u>	<u>0</u>
Fund Balance-End of Year	<u>\$126,558</u>	<u>\$157,144</u>	<u>\$30,586</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Housing Rehabilitation Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	Budget	Actual	
REVENUES:	\$ 0	\$ 0	\$0
EXPENDITURES:	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues over Expenditures	\$ 0	\$ 0	\$0
Fund Balance-Beginning of Year	<u>365</u>	<u>365</u>	<u>0</u>
Fund Balance-End of Year	<u>\$365</u>	<u>\$365</u>	<u>\$0</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Employee Benefits Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Miscellaneous	\$ <u>75,000</u>	\$ <u>56,692</u>	\$(18,308)
EXPENDITURES:			
Current-			
General Government-			
Administration	\$ 3,000	\$ 4,866	\$ (1,866)
Employee Benefits	<u>72,000</u>	<u>130,238</u>	<u>(58,238)</u>
Total Expenditures	\$ <u>75,000</u>	\$ <u>135,104</u>	\$(60,104)
Excess (Deficiency) of Revenues over Expenditures	\$ 0	\$ (78,412)	\$(78,412)
Fund Balance-Beginning of Year	<u>(212,568)</u>	<u>(212,568)</u>	<u>0</u>
Fund Balance-End of Year	\$( <u>212,568</u> )	\$( <u>290,980</u> )	\$( <u>78,412</u> )

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Beautification Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:	\$ 0	\$ 0	\$0
EXPENDITURES:	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 0	\$ 0	\$0
Fund Balance-Beginning of Year	<u>(44)</u>	<u>(44)</u>	<u>0</u>
Fund Balance-End of Year	<u>\$(44)</u>	<u>\$(44)</u>	<u>\$0</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

DWI Grant Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Miscellaneous	\$0	\$40	\$40
EXPENDITURES:	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures	\$0	\$40	\$40
Fund Balance- Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance- End of Year	\$0	\$40	\$40

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Drug Elimination Grant Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Intergovernmental- Natchitoches Housing Authority	\$ 0	\$ 0	\$0
EXPENDITURES:			
Current- Public Safety- Personnel	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 0	\$ 0	\$0
Fund Balance-Beginning of Year	<u>(7,279)</u>	<u>(7,279)</u>	<u>0</u>
Fund Balance-End of Year	<u>\$(7,279)</u>	<u>\$(7,279)</u>	<u>\$0</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Drug Recovery Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Miscellaneous	\$ 6,000	\$10,118	\$4,118
EXPENDITURES:			
Current- Public Safety- Supplies & Miscellaneous	<u>6,000</u>	<u>800</u>	<u>5,200</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 0	\$ 9,318	\$9,318
OTHER FINANCING USES:			
Operating Transfer To- Multi-Drug Fund	<u>(4,006)</u>	<u>(4,330)</u>	<u>(324)</u>
Excess (Deficiency) of Revenues over Expenditures and Other Uses	\$ (4,006)	\$ 4,988	\$8,994
Fund Balance-Beginning of Year	<u>14,744</u>	<u>14,744</u>	<u>0</u>
Fund Balance-End of Year	<u>\$10,738</u>	<u>\$19,732</u>	<u>\$8,994</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Water & Light Capital Improvements Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Miscellaneous- Interest	\$ <u>106,000</u>	\$ <u>107,453</u>	\$ <u>1,453</u>
EXPENDITURES:			
Current-			
Water, Sewer & Utilities- Capital Expenditures	\$ 835,000	\$ 606,880	\$228,120
Debt Service-			
Bond Interest	79,816	77,743	2,073
Bond Principle	<u>160,000</u>	<u>160,000</u>	<u>0</u>
Total Expenditures	<u>\$1,074,816</u>	<u>\$ 844,623</u>	<u>\$230,193</u>
Excess (Deficiency) of Revenues over Expenditures	\$ <u>(968,816)</u>	\$ <u>(737,170)</u>	<u>\$231,646</u>
OTHER FINANCING SOURCES (USES):			
Operating Transfers (To)/From-			
Water & Light Fund	\$1,050,000	\$1,218,800	\$168,800
Street Improvement Fund	<u>(250,000)</u>	<u>(250,000)</u>	<u>0</u>
Total Other Financing	<u>\$ 800,000</u>	<u>\$ 968,800</u>	<u>\$168,800</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ (168,816)	\$ 231,630	\$400,446
Fund Balance-Beginning of Year	<u>1,403,015</u>	<u>1,403,015</u>	<u>0</u>
Fund Balance-End of Year	<u>\$1,234,199</u>	<u>\$1,634,645</u>	<u>\$400,446</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Workman's Compensation Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Miscellaneous-			
Premium Collections	\$570,000	\$ 575,114	\$ 5,114
Interest	<u>40,000</u>	<u>44,756</u>	<u>4,756</u>
Total Revenues	<u>\$610,000</u>	<u>\$ 619,870</u>	<u>\$ 9,870</u>
EXPENDITURES:			
Current-			
General Government-			
Personnel Costs	\$268,900	\$ 381,650	\$(112,750)
Capital Expenditures	<u>400,000</u>	<u>400,000</u>	<u>0</u>
Total Expenditures	<u>\$668,900</u>	<u>\$ 781,650</u>	<u>\$(112,750)</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (58,900)	\$(161,780)	\$(102,880)
Fund Balance-Beginning of Year	<u>945,693</u>	<u>945,693</u>	<u>0</u>
Fund Balance-End of Year	<u>\$886,793</u>	<u>\$ 783,913</u>	<u>\$(102,880)</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Economic Development Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	Budget	Actual	
REVENUES:	\$ 0	\$ 0	\$0
EXPENDITURES:	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues over Expenditures	\$ 0	\$ 0	\$0
Fund Balance-Beginning of Year	<u>3,381</u>	<u>3,381</u>	<u>0</u>
Fund Balance-End of Year	<u>\$3,381</u>	<u>\$3,381</u>	<u>\$0</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Animal Shelter Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Miscellaneous- Donations	\$3,000	\$ 4,439	\$1,439
EXPENDITURES:			
Current- Public Safety	<u>1,500</u>	<u>1,334</u>	<u>166</u>
Excess (Deficiency) of Revenues over Expenditures	\$1,500	\$ 3,105	\$1,605
Fund Balance-Beginning of Year	<u>7,680</u>	<u>7,680</u>	<u>0</u>
Fund Balance-End of Year	<u>\$9,180</u>	<u>\$10,785</u>	<u>\$1,605</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Multi-Drug Task Force  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Intergovernmental-			
Federal Grant	\$25,976	\$21,590	\$ (4,386)
State Match	<u>8,659</u>	<u>4,671</u>	<u>(3,988)</u>
Total Revenues	<u>\$34,635</u>	<u>\$26,261</u>	<u>\$ (8,374)</u>
EXPENDITURES:			
Current-			
Public Safety-			
General Operating	\$34,635	\$17,543	\$ 17,092
Capital Expenditures	<u>0</u>	<u>11,958</u>	<u>(11,958)</u>
Total Expenditures	<u>\$34,635</u>	<u>\$29,501</u>	<u>\$ 5,134</u>
Excess of Revenues over Expenditures	\$ 0	\$ (3,240)	\$ (3,240)
OTHER FINANCING SOURCES:			
Operating Transfer From- Drug Recovery Fund	<u>4,006</u>	<u>4,330</u>	<u>324</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	\$ 4,006	\$ 1,090	\$ (2,916)
Fund Balance-Beginning of Year	<u>(4,006)</u>	<u>(4,006)</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 0</u>	<u>\$ (2,916)</u>	<u>\$ (2,916)</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Main Street Facade Grant  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Intergovernmental- Main Street Program	\$ 0	\$ 0	\$0
EXPENDITURES:			
Current- Economic Development	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues over Expenditures	\$ 0	\$ 0	\$0
Fund Balance-Beginning of Year	<u>3,991</u>	<u>3,991</u>	<u>0</u>
Fund Balance-End of Year	<u>\$3,991</u>	<u>\$3,991</u>	\$0

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Drug Free Natchitoches Grant  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Intergovernmental- State of Louisiana	\$ 0	\$ 0	\$0
EXPENDITURES:			
Current- Public Safety- Personnel	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 0	\$ 0	\$0
Fund Balance-Beginning of Year	<u>3,259</u>	<u>3,259</u>	<u>0</u>
Fund Balance-End of Year	<u>\$3,259</u>	<u>\$3,259</u>	<u>\$0</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Police Sales Tax  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Taxes-			
Sales Tax	\$1,173,843	\$1,137,455	\$ (36,388)
Miscellaneous-			
Interest	<u>0</u>	<u>3,039</u>	<u>3,039</u>
Total Revenues	<u>\$1,173,843</u>	<u>\$1,140,494</u>	<u>\$ (33,349)</u>
EXPENDITURES:			
Current-			
Public Safety-			
Capital Expenditures	\$ 500,000	\$ 527,971	\$ (27,971)
Debt Service-			
Interest	<u>20,000</u>	<u>21,888</u>	<u>(1,888)</u>
Total Expenditures	<u>\$ 520,000</u>	<u>\$ 549,859</u>	<u>\$ (29,859)</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 653,843	\$ 590,635	\$ (63,208)
OTHER FINANCING (USES):			
Transfer To-			
General Fund	<u>(653,843)</u>	<u>(731,625)</u>	<u>(77,782)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	\$ 0	\$ (140,990)	\$(140,990)
Fund Balance-Beginning of Year	<u>642,905</u>	<u>642,905</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 642,905</u>	<u>\$ 501,915</u>	<u>\$(140,990)</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

STOP Grant  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
REVENUES:			
Intergovernmental-			
Louisiana Highway Commission	\$45,113	\$32,236	\$(12,877)
EXPENDITURES:			
Current-			
Public Safety	<u>45,198</u>	<u>32,406</u>	<u>12,792</u>
Excess of Revenues Over Expenditures	\$ (85)	\$ (170)	\$ (85)
Fund Balance-Beginning of Year	<u>85</u>	<u>85</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>0</u>	\$ <u>(85)</u>	\$ <u>(85)</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Litter Abatement Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Intergovernmental-			
La. Dept. of Environmental Quality	\$10,000	\$9,995	\$ (5)
EXPENDITURES:			
Current-			
Streets & Sanitation	<u>10,000</u>	<u>5,579</u>	<u>4,421</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 0	\$4,416	\$4,416
Fund Balance-Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 0</u>	<u>\$4,416</u>	<u>\$4,416</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Special Revenue Funds

Prisoner Release Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Miscellaneous	\$3,000	\$ 7,579	\$4,579
EXPENDITURES:			
Current-			
Public Safety	<u>3,000</u>	<u>1,029</u>	<u>1,971</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 0	\$ 6,550	\$6,550
Fund Balance-Beginning of Year	<u>6,130</u>	<u>6,130</u>	<u>0</u>
Fund Balance-End of Year	<u>\$6,130</u>	<u>\$12,680</u>	<u>\$6,550</u>

See notes to financial statements.

## DEBT SERVICE FUNDS

Sales Tax-DEQ - To accumulate monies to pay for loan advances from the Department of Environmental Quality Revolving Loan Fund. These loans were used to construct a new waste water treatment plant.

Water Bonds - To accumulate monies to pay the water system improvement bonds. Final maturity date was April 1, 1995.

City of Natchitoches, Louisiana  
Debt Service Funds

Combining Balance Sheet  
May 31, 1999

	<u>Sales Tax- DEQ</u>	<u>Water Bonds</u>	<u>Totals 1999</u>
<u>Assets</u>			
Cash	\$ <u>5,959</u>	\$ <u>100,886</u>	\$ <u>106,845</u>
Total Assets	\$ <u>5,959</u>	\$ <u>100,886</u>	\$ <u>106,845</u>
<u>Liabilities</u>			
Due to Water & Light Fund	\$ 13,764	\$ 0	\$ 13,764
Due to Sales Tax Fund	<u>38,686</u>	<u>0</u>	<u>38,686</u>
Total Liabilities	\$ <u>52,450</u>	\$ <u>0</u>	\$ <u>52,450</u>
<u>Fund Balances</u>			
Unreserved-			
Undesignated	\$ 0	\$ 100,886	\$ 100,886
Deficit	<u>(46,491)</u>	<u>0</u>	<u>(46,491)</u>
Total Fund Balances	\$ <u>(46,491)</u>	\$ <u>100,886</u>	\$ <u>54,395</u>
Total Liabilities & Fund Balances	\$ <u>5,959</u>	\$ <u>100,886</u>	\$ <u>106,845</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Debt Service Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
Year Ended May 31, 1999

	Sales Tax- DEQ	Water Bonds	Totals 1999
REVENUES:			
Miscellaneous	\$ <u>8,539</u>	\$ <u>0</u>	\$ <u>8,539</u>
EXPENDITURES:			
Debt Service-			
Bonds Retired	\$ 380,808	\$ 0	\$ 380,808
Interest Paid	348,600	0	348,600
Paying Agent Fees	<u>40,801</u>	<u>0</u>	<u>40,801</u>
Total Expenditures	\$ <u>770,209</u>	\$ <u>0</u>	\$ <u>770,209</u>
Excess (Deficiency) of Revenues over Expenditures	\$(761,670)	\$ 0	\$(761,670)
OTHER FINANCING SOURCES:			
Operating Transfers In	<u>780,000</u>	<u>0</u>	<u>780,000</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 18,330	\$ 0	\$ 18,330
Fund Balance-Beginning of Year	<u>(64,821)</u>	<u>100,886</u>	<u>36,065</u>
Fund Balance-End of Year	\$ <u>(46,491)</u>	\$ <u>100,886</u>	\$ <u>54,395</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Debt Service Funds

Sales Tax-DEQ  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Miscellaneous- Interest	\$ <u>5,303</u>	\$ <u>8,539</u>	\$ <u>3,236</u>
EXPENDITURES:			
Debt Service-			
Bonds Retired	\$ 369,147	\$ 380,808	\$(11,661)
Interest Paid	355,514	348,600	6,914
Paying Agent Fees	<u>45,000</u>	<u>40,801</u>	<u>4,199</u>
Total Expenditures	\$ <u>769,661</u>	\$ <u>770,209</u>	\$ <u>(548)</u>
Excess (Deficiency) of Revenues over Expenditures	\$(764,358)	\$(761,670)	\$ 2,688
OTHER FINANCING SOURCES:			
Operating Transfer (to) from- Sales Tax Fund	<u>764,358</u>	<u>780,000</u>	<u>15,642</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 0	\$ 18,330	\$ 18,330
Fund Balance (Deficit)-Beginning of Year	<u>(64,821)</u>	<u>(64,821)</u>	<u>0</u>
Fund Balance (Deficit)-End of Year	\$ <u>(64,821)</u>	\$ <u>(46,491)</u>	\$ <u>18,330</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Debt Service Funds

Water Bonds  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:	\$ 0	\$ 0	\$0
EXPENDITURES:	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 0	\$ 0	\$0
Fund Balance-Beginning of Year	<u>100,886</u>	<u>100,886</u>	<u>0</u>
Fund Balance-End of Year	<u>\$100,886</u>	<u>\$100,886</u>	\$0

See notes to financial statements.

## CAPITAL PROJECTS FUNDS

Sales Tax Fund - To account for the collection and administration of a 1% sales tax levy which is dedicated to water and sewer expenditures.

Water Plant Fund - To account for a bond issue for the construction of a new water treatment plant. These bonds are utility revenue bonds, and have been transferred to the Enterprise Fund.

EDA Grant Fund-To account for a grant from The Economic Development Agency to be used for expenditures to bring a new industry into the City. This fund was not active during this fiscal year.

LCDBG Streets-To account for a federal grant, passed through the Louisiana Division of Administration, for street improvements.

LCDBG Alliance-To account for a federal grant, passed through the Louisiana Division of Administration, for site improvements to bring a new industry to the City.

MLK Recreation Center-To account for funds to be provided to construct a recreation center on Martin Luther King Drive in the City.

State of LA-Capital Projects Fund-To Account for a \$5,000,000 grant from the State of Louisiana to be used to make expenditures to bring a new industry into the City.

Trane Project Fund-To account for funds transferred from other City funds to be used for site improvements to bring a new industry into the City. When the new plant is placed in service, the City will be repaid these funds.

Convention Center Fund-To account for funds transferred from other City funds to be used to purchase land and construct a convention center for the City.

RDF Front Street-To account for future grant funds to be used for improvements in the downtown area.

LLEBG Fund-To account for a federal grant to be used for capital expenditures within the police department.

City of Natchitoches, Louisiana  
Capital Projects Funds

Combining Balance Sheet  
May 31, 1999

	Sales Tax- <u>DEQ</u>	Water Plant <u>Fund</u>	EDA Grant <u>Fund</u>	LCDBG <u>Streets</u>	LCDBG <u>Alliance</u>
<u>Assets</u>					
Cash & Cash Equivalents	\$5,277,020	\$210,436	\$ 0	\$2,225	\$ 0
Revenue Receivables	254,564	0	0	0	0
Due from Other Funds	38,686	0	0	0	20,073
Long-Term Receivables	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$5,570,270</u>	<u>\$210,436</u>	<u>\$ 0</u>	<u>\$2,225</u>	<u>\$ 20,073</u>
 <u>Liabilities Fund Balance</u>					
Liabilities-					
Cash Overdraft	\$ 0	\$ 0	\$ 30	\$ 0	\$ 286,029
Accounts Payable	555,362	0	0	0	0
Due to Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,348</u>
Total Liabilities	<u>\$ 555,362</u>	<u>\$ 0</u>	<u>\$ 30</u>	<u>\$ 0</u>	<u>\$ 289,377</u>
 Fund Balance-					
Designated for					
Long-Term Receivable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Reserved for					
Capital Outlay	0	210,436	0	2,225	0
Debt Service	5,014,908	0	0	0	0
Deficit	<u>0</u>	<u>0</u>	<u>(30)</u>	<u>0</u>	<u>(269,304)</u>
Total Fund Balance	<u>\$5,014,908</u>	<u>\$210,436</u>	<u>\$(30)</u>	<u>\$2,225</u>	<u>\$(269,304)</u>
 Total Liabilities & Fund Balances					
	<u>\$5,570,270</u>	<u>\$210,436</u>	<u>\$ 0</u>	<u>\$2,225</u>	<u>\$ 20,073</u>

See notes to financial statements.

MLK Recreation Center	State of LA Capital Projects	Trane Project Fund	Convention Center Fund	RDF Front Street	LLEBG Grant Fund	Totals May 31, 1999
\$ 4,385	\$76,845	\$ 0	\$ 0	\$2,158	\$34,051	\$5,607,120
17,300	0	0	22,729	0	0	294,593
0	0	80,193	0	0	0	138,952
<u>0</u>	<u>0</u>	<u>1,349,600</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,349,600</u>
<u>\$21,685</u>	<u>\$76,845</u>	<u>\$1,429,793</u>	<u>\$ 22,729</u>	<u>\$2,158</u>	<u>\$34,051</u>	<u>\$7,390,265</u>
\$ 0	\$ 0	\$ 325,367	\$ 264,937	\$ 0	\$ 0	\$ 876,363
0	0	0	55,682	0	0	611,044
<u>0</u>	<u>76,845</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>80,193</u>
<u>\$ 0</u>	<u>\$76,845</u>	<u>\$ 325,367</u>	<u>\$ 320,619</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$1,567,600</u>
\$ 0	\$ 0	\$1,104,426	\$ 0	\$ 0	\$ 0	\$1,104,426
21,685	0	0	0	2,158	34,051	270,555
0	0	0	0	0	0	5,014,908
<u>0</u>	<u>0</u>	<u>0</u>	<u>(297,890)</u>	<u>0</u>	<u>0</u>	<u>(567,224)</u>
<u>\$21,685</u>	<u>\$ 0</u>	<u>\$1,104,426</u>	<u>\$(297,890)</u>	<u>\$2,158</u>	<u>\$34,051</u>	<u>\$5,822,665</u>
<u>\$21,685</u>	<u>\$76,845</u>	<u>\$1,429,793</u>	<u>\$ 22,729</u>	<u>\$2,158</u>	<u>\$34,051</u>	<u>\$7,390,265</u>

City of Natchitoches, Louisiana  
Capital Projects Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
May 31, 1999

	Sales Tax- <u>DEQ</u>	Water Plant <u>Fund</u>	EDA Grant <u>Fund</u>	LCDBG <u>Streets</u>	LCDBG <u>Alliance</u>
<b>REVENUES:</b>					
Taxes	\$2,326,402	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	0	0	0	279,348	63,285
Miscellaneous	<u>101,736</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>\$2,428,138</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$279,348</u>	<u>\$ 63,285</u>
<b>EXPENDITURES:</b>					
Current-					
General Government	\$ 128,757	\$ 0	\$ 0	\$ 23,821	\$ 7,973
Public Safety	0	0	0	0	0
Streets & Sanitation	0	0	0	0	0
Water, Sewer & Utilities	1,986,436	0	0	0	0
Economic Development	0	0	0	0	20,746
Debt Service	0	0	0	0	0
Capital Outlay	<u>0</u>	<u>354,145</u>	<u>0</u>	<u>253,302</u>	<u>0</u>
Total Expenditures	<u>\$2,115,193</u>	<u>\$ 354,145</u>	<u>\$ 0</u>	<u>\$277,123</u>	<u>\$ 28,719</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 312,945</u>	<u>\$(354,145)</u>	<u>\$ 0</u>	<u>\$ 2,225</u>	<u>\$ 34,566</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operating Transfers Out	<u>(780,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing	<u>\$ (780,000)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (467,055)</u>	<u>\$(354,145)</u>	<u>\$ 0</u>	<u>\$ 2,225</u>	<u>\$ 34,566</u>
Fund Balances-Beginning of Year	<u>5,481,963</u>	<u>564,581</u>	<u>(30)</u>	<u>0</u>	<u>(303,870)</u>
Fund Balances-End of Year	<u>\$5,014,908</u>	<u>\$210,436</u>	<u>\$(30)</u>	<u>\$ 2,225</u>	<u>\$(269,304)</u>

See notes to financial statements.

MLK Recreation Center	State of LA Capital Projects	Trane Project Fund	Convention Center Fund	RDF Front Street	LLEBG Grant Fund	Totals May 31, 1999
\$ 0	\$0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,326,402
740,225	0	0	86,572	24,975	45,113	1,239,518
0	0	82,122	0	0	767	184,625
<u>\$ 740,225</u>	<u>\$0</u>	<u>\$ 82,122</u>	<u>\$ 86,572</u>	<u>\$ 24,975</u>	<u>\$45,880</u>	<u>\$ 3,750,545</u>
\$ 0	\$0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 160,551
0	0	0	0	0	28,518	28,518
0	0	0	0	6,111	0	6,111
0	0	0	0	0	0	1,986,436
0	0	345,668	344,462	0	0	710,876
0	0	280,390	0	0	0	280,390
1,097,148	0	0	0	0	0	1,704,595
<u>\$1,097,148</u>	<u>\$0</u>	<u>\$ 626,058</u>	<u>\$ 344,462</u>	<u>\$ 6,111</u>	<u>\$28,518</u>	<u>\$ 4,877,477</u>
\$ (356,923)	\$0	\$ (543,936)	\$(257,890)	\$ 18,864	\$17,362	\$(1,126,932)
\$ 0	\$0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	(780,000)
<u>\$ 0</u>	<u>\$0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (780,000)</u>
\$ (356,923)	\$0	\$ (543,936)	\$(257,890)	\$ 18,864	\$17,362	\$(1,906,932)
378,608	0	1,648,362	(40,000)	(16,706)	16,689	7,729,597
<u>\$ 21,685</u>	<u>\$0</u>	<u>\$1,104,426</u>	<u>\$(297,890)</u>	<u>\$ 2,158</u>	<u>\$34,051</u>	<u>\$ 5,822,665</u>

City of Natchitoches, Louisiana  
Capital Projects Funds

Sales Tax Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
<b>REVENUES:</b>			
Taxes-			
Sales & Use Tax	\$2,300,000	\$2,326,402	\$ 26,402
Miscellaneous-			
Interest	75,000	96,534	21,534
Miscellaneous	<u>0</u>	<u>5,202</u>	<u>5,202</u>
Total Revenues	<u>\$ 2,375,000</u>	<u>\$2,428,138</u>	<u>\$ 53,138</u>
<b>EXPENDITURES:</b>			
Current-			
General Government	\$ 120,000	\$ 128,757	\$ (8,757)
Water & Sewer-			
Maintenance	375,000	681,185	(306,185)
Capital Expenditures	<u>1,546,000</u>	<u>1,305,251</u>	<u>240,749</u>
Total Expenditures	<u>\$ 2,041,000</u>	<u>\$2,115,193</u>	<u>\$ (74,193)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 334,000</u>	<u>\$ 312,945</u>	<u>\$ (21,055)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfer To-			
Debt Service	\$ (764,358)	\$ (780,000)	\$ (15,642)
Utility Fund	<u>(300,000)</u>	<u>0</u>	<u>300,000</u>
Total Other Financing	<u>\$(1,064,358)</u>	<u>\$ (780,000)</u>	<u>\$ 284,358</u>
Excess (Deficiency) of Revenues and Other Sources over Expen- ditures and Other Uses	\$ (730,358)	\$ (467,055)	\$ 263,303
Fund Balance-Beginning of Year	<u>5,481,963</u>	<u>5,481,963</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 4,751,605</u>	<u>\$5,014,908</u>	<u>\$ 263,303</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Capital Projects Funds

Water Plant Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Miscellaneous- Interest	\$ 0	\$ 0	\$ 0
EXPENDITURES:			
Current- Water & Sewer- Capital Expenditures	<u>560,979</u>	<u>354,145</u>	<u>206,834</u>
Excess (Deficiency) of Revenues over Expenditures	\$(560,979)	\$(354,145)	\$206,834
Fund Balance-Beginning of Year	<u>564,581</u>	<u>564,581</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 3,602</u>	<u>\$ 210,436</u>	<u>\$206,834</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Capital Projects Funds

EDA Grant Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	Budget	Actual	
REVENUES:	\$ 0	\$ 0	\$0
EXPENDITURES:	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 0	\$ 0	\$0
Fund Balance-Beginning of Year	(30)	(30)	<u>0</u>
Fund Balance-End of Year	\$(30)	\$(30)	\$0

See notes to financial statements.

City of Natchitoches, Louisiana  
Capital Projects Funds

LCDBG - Streets  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Intergovernmental-			
LA Division of Administration	<u>\$322,627</u>	<u>\$279,348</u>	<u>\$43,279</u>
EXPENDITURES:			
Current-			
Administration	\$ 30,275	\$ 23,821	\$ 6,454
Capital Outlay	<u>292,352</u>	<u>253,302</u>	<u>39,050</u>
Total Expenditures	<u>\$322,627</u>	<u>\$277,123</u>	<u>\$45,504</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 0	\$ 2,225	\$ 2,225
Fund Balance-Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 0</u>	<u>\$ 2,225</u>	<u>\$ 2,225</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Capital Projects Funds

LCDBG Alliance  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Intergovernmental- LCDBG	\$ <u>256,922</u>	\$ <u>63,285</u>	\$( <u>193,637</u> )
EXPENDITURES:			
Current-			
General Government	\$ 0	\$ 7,973	\$ (7,973)
Economic Development	<u>256,922</u>	<u>20,746</u>	<u>236,176</u>
Total Expenditures	\$ <u>256,922</u>	\$ <u>28,719</u>	\$ <u>228,203</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 0	\$ 34,566	\$ 34,566
Fund Balance (Deficit)-Beginning of Year	<u>(303,870)</u>	<u>(303,870)</u>	<u>0</u>
Fund Balance (Deficit)-End of Year	\$( <u>303,870</u> )	\$( <u>269,304</u> )	\$ <u>34,566</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Capital Projects Funds

MLK Recreation Center Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Intergovernmental- State of Louisiana	\$ 801,392	\$ 740,225	\$(61,167)
EXPENDITURES:			
Capital Outlay	<u>1,180,000</u>	<u>1,097,148</u>	<u>82,852</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (378,608)	\$ (356,923)	\$ 21,685
Fund Balance-Beginning of Year	<u>378,608</u>	<u>378,608</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>0</u>	\$ <u>21,685</u>	\$ <u>21,685</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Capital Projects Funds

State of LA-Capital Projects  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	1999		Variance- Favorable (Unfavorable)
	Budget	Actual	
REVENUES:	\$0	\$0	\$0
EXPENDITURES:	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures	\$0	\$0	\$0
Fund Balance-Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance-End of Year	\$0	\$0	\$0

See notes to financial statements.

City of Natchitoches, Louisiana  
Capital Projects Funds

Trane Project Grant Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Miscellaneous- Interest	\$ <u>82,122</u>	\$ <u>82,122</u>	\$ <u>0</u>
EXPENDITURES:			
Current-			
Economic Development- Capital Expenditures	\$ 330,668	\$ 345,668	\$(15,000)
Debt Service-			
Principal	190,000	190,000	0
Interest	<u>90,390</u>	<u>90,390</u>	<u>0</u>
Total Expenditures	\$ <u>611,058</u>	\$ <u>626,058</u>	\$(15,000)
Excess (Deficiency) of Revenues over Expenditures	\$ (528,936)	\$ (543,936)	\$(15,000)
Fund Balance-Beginning of Year	<u>1,648,362</u>	<u>1,648,362</u>	<u>0</u>
Fund Balance-End of Year	<u>\$1,119,426</u>	<u>\$1,104,426</u>	\$(15,000)

See notes to financial statements.

City of Natchitoches, Louisiana  
Capital Projects Funds

Convention Center Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Intergovernmental- State of Louisiana	\$350,000	\$ 86,572	\$(263,428)
EXPENDITURES:			
Current- Economic Development- Capital Expenditures	<u>350,000</u>	<u>344,462</u>	<u>5,538</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 0	\$(257,890)	\$(257,890)
Fund Balance (Deficit)-Beginning of Year	<u>(40,000)</u>	<u>(40,000)</u>	<u>0</u>
Fund Balance (Deficit)-End of Year	<u>\$ (40,000)</u>	<u>\$(297,890)</u>	<u>\$(257,890)</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Capital Projects Funds

RDF Front Street  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Intergovernmental- State of Louisiana	\$ 25,000	\$ 24,975	\$ (25)
EXPENDITURES:			
Current- Streets & Sanitation- Capital Expenditures	<u>8,294</u>	<u>6,111</u>	<u>2,183</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 16,706	\$ 18,864	\$2,158
Fund Balance-Beginning of Year	<u>(16,706)</u>	<u>(16,706)</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>0</u>	\$ <u>2,158</u>	<u>\$2,158</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Capital Projects Funds

LLEBG Grant  
Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
Year Ended May 31, 1999

	<u>1999</u>		Variance- Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
REVENUES:			
Intergovernmental- LLEBG Grant	\$ 49,628	\$45,113	\$ (4,515)
Miscellaneous- Interest	<u>0</u>	<u>767</u>	<u>767</u>
Total Revenues	\$ 49,628	\$45,880	\$ (3,748)
EXPENDITURES:			
Current- Public Safety- Capital Expenditures	<u>66,317</u>	<u>28,518</u>	<u>37,799</u>
Excess (Deficiency) of Revenues over Expenditures	\$(16,689)	\$17,362	\$34,051
Fund Balance-Beginning of Year	<u>16,689</u>	<u>16,689</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>0</u>	\$ <u>34,051</u>	\$ <u>34,051</u>

See notes to financial statements.

## ENTERPRISE FUND

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

City of Natchitoches, Louisiana  
Enterprise Fund  
Utility Fund

Balance Sheet  
May 31, 1999

<u>Assets</u>	<u>1999</u>
Current Assets:	
Cash	\$ 10,334
Accounts Receivable, Net of Allowance for Uncollectibles of \$75,000	1,807,327
Unbilled Receivables	1,481,215
Inventory of Supplies and Material	<u>990,591</u>
Total Current Assets	<u>\$ 4,289,467</u>
Restricted Assets:	
Bond Reserve Accounts- C/D's and Cash Equivalents	\$ 1,327,014
Bond Contingency Accounts- Cash	3,490,447
Customer's Deposit Accounts- Cash and C/D's	360,000
Bond Interest and Redemption Account- Cash	<u>1,051,288</u>
Total Restricted Assets	<u>\$ 6,228,749</u>
Plant and Equipment, at cost, net of accumulated Depreciation of \$16,416,922	<u>\$47,767,797</u>
Other Assets	
Due from Other Funds	\$ 262,076
Due from Other Governmental Units	14,000
Other Receivables	<u>1,605</u>
Total Other Assets	<u>\$ 277,681</u>
<b>TOTAL ASSETS</b>	<b><u>\$58,563,694</u></b>

Continued next page.

See notes to financial statements.

City of Natchitoches, Louisiana  
Enterprise Fund  
Utility Fund

Balance Sheet  
May 31, 1999

	<u>1999</u>
<u>Liabilities</u>	
Current Liabilities (Payable from Current Assets):	
Cash Overdraft	\$ 1,856,954
Accounts Payable	<u>1,204,478</u>
Total Current Liabilities (Payable from Current Assets)	<u>\$ 3,061,432</u>
Current Liabilities (Payable from Restricted Assets):	
Customer Deposits	\$ 624,736
Bonds Payable	<u>1,180,000</u>
Total Current Liabilities (Payable from Restricted Assets)	<u>\$ 1,804,736</u>
Other Liabilities:	
Bonds Payable (Long-Term)	\$10,704,577
Due to Other Funds	<u>551,044</u>
Total Other Liabilities	<u>\$11,255,621</u>
Total Liabilities	<u>\$16,121,789</u>
<u>Fund Equity</u>	
Contributed Capital:	
Municipality and Federal Grants	<u>\$36,139,841</u>
Retained Earnings:	
Reserved for Bond Retirement	\$ 6,302,064
Unreserved	<u>0</u>
Total Retained Earnings	<u>\$ 6,302,064</u>
Total Fund Equity	<u>\$42,441,905</u>
TOTAL LIABILITIES & FUND EQUITY	<u>\$58,563,694</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Enterprise Fund  
Utility Fund

Schedule of Operating Revenues and Expenses  
Year Ended May 31, 1999

	<u>1999</u>
<b>OPERATING REVENUES:</b>	
Electric Sales - Public	\$16,596,151
Water Sales - Public	1,997,168
Sewer Service - Public	1,525,074
Electric Sales - Municipal	486,180
Service Charges & Penalties	362,920
Plant Rentals	1,442,498
Meter Sales	41,234
Miscellaneous Sales	<u>153,593</u>
Total Operating Revenues	<u>\$22,604,818</u>
<b>OPERATING EXPENSES:</b>	
Production & Collection-	
Personnel Costs	\$ 377,724
Chemicals & Supplies	183,904
Diesel & Steam Plant	112,626
Energy Purchased	<u>10,420,215</u>
Total Production & Collection	<u>\$11,094,469</u>
Distribution & Treatment-	
Personnel Costs	\$ 1,475,495
Electric Department - Operations	50,880
Electric Department - Maintenance	238,125
Water Department - Operations	177,683
Water Department - Maintenance	28,487
Sewer Department - Operations	192,321
Sewer Department - Maintenance	<u>239,855</u>
Total Distributions & Treatment - Operations	<u>\$ 2,402,846</u>
Customer Accounting & Collecting-	
Meter Reading	\$ 88,768
Personnel Costs	119,959
Data Processing	101,425
Supplies & Office Expenses	67,400
Other Operating Costs	<u>17,437</u>
Total Customer's Accounting & Collecting	<u>\$ 394,989</u>

Continued next page.

See notes to financial statements.

City of Natchitoches, Louisiana  
Enterprise Fund  
Utility Fund

Schedule of Operating Revenues and Expenses  
Year Ended May 31, 1999

	<u>1999</u>
ADMINISTRATIVE AND GENERAL EXPENSES:	
Administrative Personnel	\$ 448,723
Employee Benefits	107,587
Property Insurance	367,724
Telephone & Utilities	236,260
Supplies & Miscellaneous	124,731
Uncollectibles	160,450
Outside Services	49,589
Other Expenses	<u>44,134</u>
Total Administrative & General Expenses	\$ <u>1,539,198</u>
Depreciation	\$ <u>1,378,091</u>
Total Operating Expenses	\$ <u>16,809,593</u>
Utility Fund Operating Income	\$ <u>5,795,225</u>

See notes to financial statements.

## FIDUCIARY FUND TYPE

### AGENCY FUND

Cash Bond Fund-To account for the collection of bonds and NSF checks and the subsequent disposition of the funds.

City of Natchitoches, Louisiana  
Agency Fund  
Cash Bond Fund

Balance Sheet  
Year Ended May 31, 1999

<u>Assets</u>	
Cash	\$26,459
Revenue Receivables	<u>9,353</u>
Total Assets	<u>\$35,812</u>
 <u>Liabilities</u>	
Cash Bonds Held for Future Disposition	\$35,705
Accounts Payable	<u>107</u>
Total Liabilities	<u>\$35,812</u>

See notes to financial statements.

City of Natchitoches, Louisiana  
Agency Fund  
Cash Bond Fund

Schedule of Changes in Assets and Liabilities  
Year Ended May 31, 1999

	<u>Balance</u> <u>6-1-98</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>5-31-99</u>
Assets:				
Cash & Accounts Receivable	<u>\$23,616</u>	<u>\$442,482</u>	<u>\$430,286</u>	<u>\$35,812</u>
Liabilities:				
Cash Bonds held for Future Disposition	<u>\$23,616</u>	<u>\$442,482</u>	<u>\$430,286</u>	<u>\$35,812</u>

See notes to financial statements.

**GENERAL FIXED ASSETS ACCOUNT GROUP**

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

City of Natchitoches, Louisiana  
General Fixed Assets Account Group

Schedule of Changes in General Fixed Assets  
Year Ended May 31, 1999

	Balance <u>6-1-98</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>5-31-99</u>
<b>GENERAL FIXED ASSETS:</b>				
Land	\$1,470,345	\$ 836,000	\$ 0	\$ 2,306,345
Buildings	1,282,754	3,098,797	0	4,381,551
Equipment	<u>3,745,778</u>	<u>587,979</u>	<u>162,534</u>	<u>4,171,223</u>
 Total General Fixed Assets	 <u>\$6,498,877</u>	 <u>\$4,522,776</u>	 <u>\$162,534</u>	 <u>\$10,859,119</u>
 INVESTMENT IN GENERAL FIXED ASSETS	 <u>\$6,498,877</u>	 <u>\$4,522,776</u>	 <u>\$162,534</u>	 <u>\$10,859,119</u>

See notes to financial statements.

## GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for unmatured principal amounts on general long-term obligations expected to be financed from governmental type funds. Payment of maturing bond obligations, including interest, is accounted for in the Debt Service, Special Revenue Funds, and Capital Projects Funds.

City of Natchitoches, Louisiana

Schedule of General Long-Term Debt  
May 31, 1999

	<u>DEQ/RLP Loans</u>	<u>Certificates of Indebtedness</u>	<u>Compensated Absences</u>	<u>Totals 1999</u>
AMOUNT AVAILABLE AND TO BE PROVIDED FOR PAYMENT OF LONG-TERM DEBT:				
Amount Available for Debt Service	\$5,014,908	\$1,706,915	\$ 0	\$ 6,721,823
Amount to be Provided From:				
Sales & Use Tax	2,764,392	498,085	0	3,262,477
Excess General Revenues	0	0	1,317,950	1,317,950
Collection of Long-Term Receivables	<u>0</u>	<u>1,630,000</u>	<u>0</u>	<u>1,630,000</u>
Total Available and to Be Provided	<u>\$7,779,300</u>	<u>\$3,835,000</u>	<u>\$1,317,950</u>	<u>\$12,932,250</u>
GENERAL LONG-TERM DEBT PAYABLE	<u>\$7,779,300</u>	<u>\$3,835,000</u>	<u>\$1,317,950</u>	<u>\$12,932,250</u>

See notes to financial statements.

City of Natchitoches, Louisiana

Schedule of Changes in Long-Term Debt  
Year Ended May 31, 1999

	Balance June 1, 1998	Long-Term Debt Issued/ Compensation Accrued	Long-Term Debt Retired	Debt Service Operations	Balance May 31, 1999
Amount Available for Debt Service	\$ 6,846,963	\$ 0	\$ 0	\$(125,140)	\$ 6,721,823
Amount to be Provided for Retirement of Long-Term Debt from-					
Sales & Use Tax	2,678,145	1,000,000	(540,808)	125,140	3,262,477
Excess General Revenues	1,111,428	206,522	0	0	1,317,950
Collection of Long-Term Receivables	<u>1,820,000</u>	<u>0</u>	<u>(190,000)</u>	<u>0</u>	<u>1,630,000</u>
Total Available and to be Provided	<u>\$12,456,536</u>	<u>\$1,206,522</u>	<u>\$(730,808)</u>	<u>\$ 0</u>	<u>\$12,932,250</u>
General Long-Term Debt	<u>\$12,456,536</u>	<u>\$1,206,522</u>	<u>\$(730,808)</u>	<u>\$ 0</u>	<u>\$12,932,250</u>

See notes to financial statements.

COMPLIANCE, INTERNAL CONTROL AND  
OTHER GRANT INFORMATION

# Johnson, Thomas & Cunningham

Certified Public Accountants

Exhibit N-1

Page 103

*Eddie G. Johnson, C.P.A. - A Professional Corporation (1968-1996)*

*Mark D. Thomas, C.P.A. - A Professional Corporation*

*Roger M. Cunningham, C.P.A. - A Professional Corporation*

*J. Paul Miller, C.P.A. - A Professional Corporation*

*321 Bienville Street*

*Natchitoches, Louisiana 71457*

*(318) 352-3652*

*Fax (318) 352-4447*

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

To the City Council  
Natchitoches, Louisiana

We have audited the general purpose financial statements of the City of Natchitoches, Louisiana, as of and for the year ended May 31, 1999, and have issued our report thereon dated November 18, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

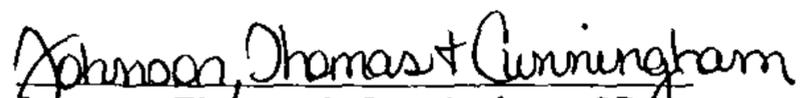
As part of obtaining reasonable assurance about whether the City of Natchitoches, Louisiana's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as items 99-1 and 99-2.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Natchitoches, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City of Natchitoches, Louisiana's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 99-3 through 99-11.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider 99-4 to be a material weakness.

This report is intended solely for the information of the Louisiana Legislative Auditor, management, others within the organization, City Council, and 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.

  
Johnson, Thomas & Cunningham, CPAs

November 18, 1999  
Natchitoches, Louisiana

# Johnson, Thomas & Cunningham

Certified Public Accountants

Exhibit N-2

Page 105

*Eddie G. Johnson, C.P.A. A Professional Corporation (1968-1996)*

*Mark D. Thomas, C.P.A. A Professional Corporation*

*Roger M. Cunningham, C.P.A. A Professional Corporation*

*J. Paul Sllar, C.P.A. A Professional Corporation*

*321 Bienville Street*

*Natchitoches, Louisiana 71457*

*(318) 352-3652*

*Fax (318) 352-4447*

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

To the City Council  
of Natchitoches, Louisiana

### Compliance

We have audited the compliance of the City of Natchitoches, Louisiana, with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended May 31, 1999. The City of Natchitoches, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Natchitoches, Louisiana's management. Our responsibility is to express an opinion on the Natchitoches Parish Police Jury's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Natchitoches, Louisiana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Natchitoches, Louisiana's compliance with those requirements.

In our opinion, the City of Natchitoches, Louisiana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended May 31, 1999.

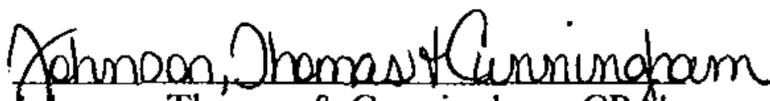
### Internal Control Over Compliance

The management of the City of Natchitoches, Louisiana is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Natchitoches, Louisiana's internal control over compliance with requirements that could have a direct

and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

This report is intended solely for the information of the Louisiana Legislative Auditor, management, others within the organization, City Council, and 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.

  
Johnson, Thomas & Cunningham, CPAs

November 18, 1999  
Natchitoches, Louisiana

City of Natchitoches, Louisiana  
Schedule of Findings and Questioned Costs  
Year Ended May 31, 1999

I. SUMMARY OF AUDIT RESULTS

The following summarizes the audit results in accordance with OMB Circular A-133:

1. An unqualified opinion was issued on the general purpose financial statements of the City of Natchitoches, Louisiana, as of and for the year ended May 31, 1999.
2. Nine reportable conditions in internal control were disclosed by the audit of the financial statements for the year ended May 31, 1999, and one of these conditions was considered a material weakness.
3. The audit disclosed two instances of noncompliance for the year ended May 31, 1999, that are required to be reported under *Government Auditing Standards*.
4. The audit did not disclose reportable conditions in internal control over major programs.
5. An unqualified opinion was issued on compliance for major programs.
6. The audit did not disclose findings related to federal awards that are required to be reported under OMB Circular A-133.
7. The following program was major for the year ended May 31, 1999 -  

Community Development Block Grant	#14.228
-----------------------------------	---------
8. \$100,000 was the threshold used to distinguish Type A from Type B programs.
9. The City of Natchitoches, Louisiana, did not qualify as a low-risk auditee.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Compliance-

99-1 Budget Amendments

*Condition*-Louisiana Statutes require the City of Natchitoches to amend its operating budget when the fund balance is budgeted and there is a 5% unfavorable variance. For the year ended May 31, 1999, several of the City's funds experienced this condition and the budget was not amended accordingly.

*Recommendation*-We recommend that the City closely monitor the monthly financial statements of each fund, and amend the budget as needed.

City of Natchitoches, Louisiana  
Schedule of Findings and Questioned Costs  
Year Ended May 31, 1999

99-2 Internal Revenue Service Filing Requirements

*Condition*-For the year ended December 31, 1998, the City did not issue IRS forms 1099 to all of the required parties who should have received such forms.

*Recommendation*-This condition was discovered in July of 1999, and the necessary forms were issued. We recommend that the City institute policies and procedures to insure that these filing requirements are satisfied in future years.

Internal Control-

99-3 Reconciliations of Interfund Transactions

*Condition*-For the year ended May 31, 1999, the various interfund transfer and interfund payables/receivables accounts of the City were not reconciled and did not balance.

*Recommendation*-We recommend that all of the City's interfund transactions be balanced monthly.

99-4 Accounting for General Fixed Assets

*Condition*-Louisiana Statutes require the City to properly account for fixed assets with a perpetual inventory system. The City has expended much time and effort to get a system in place, and now has such a system. However, for the year ended May 31, 1999, several additions to the City's general fixed assets were not added to the perpetual inventory records.

*Recommendation*- The City's general fixed asset system should be reconciled to the general ledger on a monthly basis. In addition, periodic inventory counts should be taken and the system amended accordingly.

99-5 Approval of Invoices

*Condition*-The City generally has a good system in place to document the approval of invoices to be paid. However, some invoices get paid without documentation of approval by a responsible official. In addition, we noted instances whereby some invoices contained the addition of sales taxes which should not be added.

*Recommendation*-The City should re-emphasize its policy of not paying invoices until the proper approval has been documented on the invoice. In addition, invoices should be closely reviewed by a responsible official before approval is given.

City of Natchitoches, Louisiana  
Schedule of Findings and Questioned Costs  
Year Ended May 31, 1999

99-6 Use of "Miscellaneous Vendor" Titles

*Condition*-Many of the City's vendors are used infrequently, or only once. As a result, files with the title "Miscellaneous Vendor" are set up and used to pay these vendors. However, when this is done, the City's general ledger prints "Miscellaneous Vendor" as the payee on the invoice, and the audit trail is difficult to follow.

*Recommendation*-We recommend that files be opened for all vendors, and that the City discontinue the use of "Miscellaneous Vendor" files.

99-7 Incompatible Duties

*Condition*-The City's cash receipts clerk receives all cash, makes all bank deposits, and makes the journal entries to record cash receipts. This employee also handles customer billing complaint calls for the utility department. This condition causes a weakness in internal control by assigning incompatible duties.

*Recommendation*-We recommend that the City assign one employee of the Utility Department, who is not responsible for the receipt of cash, to handle customer billing complaint calls.

99-8 Authority to Obligate City Funds

*Condition*-The City's internal control procedures call for the approval of Department Heads or the Mayor, before the City's funds may be appropriated for expenditure. However, this procedure does not extend to individual City Council members. As a result, council members may obligate City funds before full City Council approval is given.

*Recommendation*-We recommend that the City's internal control procedures be amended to require full City Council approval before a council member may obligate City funds.

99-9 Subsidiary Ledger for Miscellaneous Receipts

*Condition*-The City has numerous recurring miscellaneous receipts of rentals, vendor agreements, and other income items. Currently, there is no system in place to insure that these items are actually received.

*Recommendation*-We recommend that the City establish a subsidiary ledger system to record and account for these recurring miscellaneous receipts.

City of Natchitoches, Louisiana  
Schedule of Findings and Questioned Costs  
Year Ended May 31, 1999

99-10 Approval of Contract Change Orders

*Condition*-Most change orders on contracts are brought before the City Council for approval. However, Department Heads have the authority to approve some small change orders. The City Council should have full authority for all contract change orders in order for a good system of internal control to be in place.

*Recommendation*-We recommend that the City's policies be amended to require full City Council approval of all contract change orders.

99-11 Utility Billing Charge-Offs

*Condition*-The City has one employee within the utility billing department who is responsible for write-offs of bad debts. The City's internal control procedures do not require the review of a responsible official before an account is charged off as uncollectible. This condition causes a weakness in internal control.

*Recommendation*-We recommend that the City's procedures be amended to require a review by the billing system department head before an account is charged off as uncollectible. In addition, records of charged-off accounts should be closely monitored to insure that charged-off customers are not re-connected.

JACK McCAIN, JR.  
COUNCILMAN  
District 1

LEE POSEY  
COUNCILMAN  
District 2



EXHIBIT F  
Page 111  
JOHN E. WINSTON  
COUNCILMAN  
District 3

JOHN BELOW  
COUNCILMAN  
District 4

# CITY OF NATCHITOCHES

NATCHITOCHES, LOUISIANA 71458-0037 - P.O. BOX 37  
PHONE: (318) 352-2772

JOE SAMPITE  
MAYOR

WAYNE McCULLEN  
COUNCILMAN AT LARGE

## MANAGEMENT'S RESPONSE

NOVEMBER 19, 1999

Please be advised of the City of Natchitoches' Management Response for *FINDINGS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS* as they relate to the FY 98-99 audit of the City of Natchitoches:

### 99-1 Budget Amendments

The City will closely monitor the monthly financial statements of each fund and amend the budget accordingly to eliminate the 5% unfavorable variance rule.

### 99-2 Internal Revenue Service Filing Requirement

This condition was remedied in July of 99, the City will monitor the filing of 1099's per the requirement of Internal Revenue Service guidelines.

### 99-3 Reconciliation of Interfund Transactions

The City will monitor interfund transactions on a monthly basis and balance accordingly.

### 99-4 Accounting of General Fixed Assets

The Mayor has directed all purchases of the City be relayed through the Purchasing Department where they will be capitalized as a general fixed asset, labeled by Purchasing and remitted to the Finance Department for monthly reconciliation to the general fixed asset account.

### 99-5 Approval of Invoices

The Mayor has directed all purchase and invoices to the Purchasing Department wherein proper documentation for payment will be issued.

### 99-6 Use of "Miscellaneous Vendor" Titles

The Accounts Payable Clerk has been instructed to discontinue the use of miscellaneous

files and to open files for all vendors.

#### 99-7 Incompatible Duties

The Cash Receipts Clerk has been instructed to only handle matters relating to her duties as Cash Receipts Clerk and to discontinue handling customer utility billing complaints.

#### 99-8 Authority to Obligate City Funds

The City will institute internal control procedures to require full council approval before a council member may obligate City funds.

#### 99-9 Subsidiary Ledger for Miscellaneous Receipts

The City will establish a subsidiary ledger and assignment of duties to assure accountability of all miscellaneous receipts of rentals, vendor agreements and other recurring income sources.

#### 99-10 Approval of Contract Change Orders

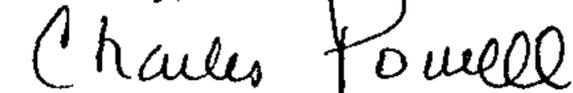
The City has already adopted procedures dealing with change orders in that full city council approval by ordinance or resolution is required on all contract change orders.

#### 99-11 Utility Billing Charge-Offs

The City has already instituted a policy wherein all utility billing charge-offs must be reviewed by the immediate supervisor and remitted to the Finance Department for their review to assure that these customers are not re-connected unless past due bills are paid in full.

Please feel free to contact myself at 318-357-3826 or the Mayor at 318-352-2772 should you need additional information as it relates to any of these audit findings.

Sincerely,



Charles Powell  
Finance Director

City of Natchitoches, Louisiana  
Summary Schedule of Prior Audit Findings  
Year Ended May 31, 1999

Compliance Findings

98-1 Untimely Completion and Filing of Audit Report

*Condition*-For the year ended May 31, 1998, the City did not submit its audit report to the Louisiana Legislative Auditor within six months.

*Current Status*-This condition was corrected in the current year.

98-2 Budget Amendments

*Condition*-For the year ended May 31, 1998, the City did not amend its operating budget when necessary.

*Current Status*-This condition is reported again in the current year as finding number 99-1.

98-3 Reconciliations of Accounts

*Condition*-For the year ended May 31, 1998, the City did not reconcile many of its accounts to third party sources, causing various errors within the books of account.

*Current Status*-This condition was corrected in the current year.

98-4 Timely Deposits

*Condition*-For the year ended May 31, 1998, the City's Police Department was not making bank deposits on a timely basis.

*Current Status*-This condition was corrected in the current year.

98-5 Accounting for General Fixed Assets

*Condition*-For the year ended May 31, 1998, the City's general fixed asset inventory system was not being reconciled to the general ledger.

*Current Status*-This condition still exists, and is reported as finding number 99-4.

City of Natchitoches, Louisiana  
Summary Schedule of Prior Audit Findings  
Year Ended May 31, 1999

98-6 Coding of Transactions

*Condition*-For the year ended May 31, 1998, the various "Capital Expenditure" accounts of the City were not being coded properly.

*Current Status*-This condition has improved in the current year, and is currently still being corrected.

City of Natchitoches, Louisiana  
 Schedule of Expenditures of Federal Awards  
 Year Ended May 31, 1999

Federal Grantor/ Pass-Through Grantor/ <u>Program Title</u>	Federal CFDA <u>Number</u>	Assistance ID <u>Number</u>
DIRECT PROGRAMS:		
U.S. Department of Justice- Local Law Enforcement Block Grant	16.592	98-LB-VX-2234
PASS-THROUGH PROGRAMS:		
U. S. Department of Justice- Louisiana Commission on Law Enforcement- Multi-Drug	16.579	B98-1-003
Louisiana Highway Safety Commission STOP Grant	16.579	
U. S. Department of Housing and Urban Development- Community Development Block Grant Community Development Block Grant	14.228 14.228	107-800240 780-0303/101-6023
LOAN GUARANTEES:		
Department of Environmental Quality	66.458	
Totals		

<u>Current Year Revenues</u>	<u>Current Year Expenditures</u>	<u>Loan Guarantee Amounts</u>
\$ 45,113	\$28,518	\$ 0
21,590	21,590	0
32,236	32,406	0
279,348	277,123	0
63,285	28,719	0
<u>0</u>	<u>0</u>	<u>17,669,135</u>
<u>\$441,572</u>	<u>\$388,356</u>	<u>\$17,669,135</u>