

RECEIVED
LEGISLATIVE AUDITOR

2000 JAN -3 AM 9:51

OFFICIAL
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

CITY OF KAPLAN, LOUISIANA

FINANCIAL REPORT

JUNE 30, 1999

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

Release Date 1-12-2000

C O N T E N T S

	Exhibit	Schedule	Page
INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS	-	-	1 and 2
 GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)			
Combined balance sheet - all fund types and account groups	A	-	4-7
Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types	B	-	8 and 9
Combined statement of revenues, expenditures, and changes in fund balances - budget (GAAP basis) and actual - general and special revenue fund types -	C	-	10 and 11
Combined statements of revenues, expenses, and changes in retained earnings - proprietary fund types	D		12 and 13
Combined statements of cash flows - proprietary fund types	E	-	14-16
Notes to financial statements	-	-	17-42
 SUPPLEMENTARY INFORMATION			
 FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS			
General Fund:			
Balance sheets	F-1	-	44
Statement of revenues, expenditures, and changes in fund balance - budget (GAAP basis) and actual	F-2	-	45 and 46
Statement of expenditures - budget (GAAP basis) and actual	F-3	-	47-50
Special Revenue Funds:			
Combining balance sheet	G-1	-	52 and 53
Combining statement of revenues, expenditures, and changes in fund balances	G-2	-	54-57
Recreation Center Maintenance Fund -			
Statement of revenues, expenditures, and changes in fund balance - budget (GAAP basis) and actual	G-3	-	58 and 59

C O N T E N T S

	Exhibit	Schedule	Page
Sales Tax Fund - Statement of revenues, expenditures, and changes in fund balance - budget (GAAP basis) and actual	G-4		60 and 61
Parish Fire Protection Fund - Statement of revenues, expenditures, and changes in fund balance - budget (GAAP basis) and actual	G-5	-	62
Police Special Fund - Statement of revenues, expenditures, and changes in fund balance - budget (GAAP basis) and actual	G-6	-	63
Debt Service Funds:			
Combining balance sheet	H-1	-	66 and 67
Combining statement of revenues, expenditures, and changes in fund balances	H-2	-	68 and 69
Capital Projects Funds:			
Combining balance sheet	I-1	-	72
Combining statement of revenues, expenditures, and changes in fund balance	I-2	-	73
Enterprise Fund:			
Balance sheets	J-1	-	76 and 77
Statements of revenues, expenses, and changes in retained earnings	J-2	-	78-80
Statements of cash flows	J-3	-	81 and 82
Schedule of changes in assets restricted for revenue bond debt service	-	J-4	83
Internal Service Fund:			
Balance sheets	K-1	-	86
Statements of revenues, expenses, and changes in retained earnings	K-2	-	87
Statements of cash flows	K-3	-	88
Agency Fund:			
Balance sheets	L-1	-	90
Statement of changes in assets and liabilities	L-2	-	91
General Fixed Assets Account Group:			
Statement of changes in general fixed assets	M-1	-	94

C O N T E N T S

	Exhibit	Schedule	Page
General Long-Term Debt Account Group:			
Combining statement of general long-term debt	N-1	-	96 and 97
Schedule of changes in general long-term debt	-	N-2	98
 OTHER SUPPLEMENTARY INFORMATION			
Summary of ad valorem tax assessments and collections	-	1	101
Combined schedule of bonds payable	-	2	102 and 103
Schedule of insurance in force (unaudited)	-	4	104 and 105
Schedule of compensation paid to elected officials	-	5	106
 REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>			
	-	-	107 and 108
Schedule of findings and questioned costs	-	-	109
Summary schedule of prior audit findings	-	-	110



BROUSSARD, POCHE', LEWIS & BREAU, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

122 East 5th St.
P.O. Drawer 307
Crowley, Louisiana
70527-0307
phone: (318) 783-0650
fax: (318) 783-7238

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor,
and the Board of Aldermen
City of Kaplan, Louisiana

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

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

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

In accordance with Government Auditing Standards, we have also issued a report dated October 22, 1999 on our consideration of the City of Kaplan's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts, and grants.

Lafayette, LA
(318) 988-4930
Opclousas, LA
(318) 942-5217
Abbeville, LA
(318) 898-1497
New Iberia, LA
(318) 364-4554
Church Point, LA
(318) 684-2855
Eunice, LA
(318) 457-0071

Lawrence A. Cramer, CPA*
Eugene C. Gilder, CPA*
Donald W. Kelley, CPA*
Herbert Lemoine II, CPA*
Frank A. Stagno, CPA*
Scott J. Broussard, CPA*
L. Charles Abshire, CPA*
Kenneth R. Dugas, CPA*
P. John Blanchet III, CPA*
Stephen L. Lambousy, CPA*
Craig C. Babineaux, CPA*
Peter C. Borrello, CPA*
Michael P. Crochet, CPA*
George J. Trappey III, CPA*
Daniel E. Gilbert, CPA*
Gregory B. Milton, CPA*
S. Scott Soileau, CPA*
Patrick D. McCarthy, CPA*
Martha B. Wyatt, CPA*

Retired:

Sidney L. Broussard, CPA 1980
Leon K. Poche, CPA 1984
James H. Breau, CPA 1987
Erna R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberly, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1996

Members of American Institute of
Certified Public Accountants
Society of Louisiana Certified
Public Accountants

The Honorable Mayor,
and the Board of Aldermen
City of Kaplan, Louisiana

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

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

BROUSSARD, POCHE, LEWIS & BREAU, L.L.P.

Crowley, Louisiana
October 22, 1999

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

CITY OF KAPLAN, LOUISIANA
 COMBINED BALANCE SHEET -
 ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 1999

ASSETS	Governmental Fund Types			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Cash and cash equivalents	\$ 17,532	\$277,754	\$144,096	\$ 11,189
Receivables (net of allowance for uncollectibles):				
Grant	-	7,051	-	-
Accounts	829	-	-	-
Accrued interest	-	-	706	-
Other	-	-	-	-
Unbilled revenue	-	-	-	-
Due from other funds	330,758	542,884	400	-
Due from other governments	9,800	39,483	-	-
Other assets	-	881	-	-
Prepaid expenses	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	-
Deferred charges	-	-	-	-
Land	-	-	-	-
Buildings	-	-	-	-
Equipment	-	-	-	-
Utilities - plant and equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Amount available in Debt Service Funds	-	-	-	-
Amount available for other purposes	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-
	-	-	-	-
Total assets	<u>\$358,919</u>	<u>\$868,053</u>	<u>\$145,202</u>	<u>\$ 11,189</u>

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Agency	General Fixed Assets	General Long- Term Debt	1999	1998
\$ 90,215	\$235,816	\$ 258	\$ -	\$ -	\$ 776,860	\$ 525,925
-	-	-	-	-	7,051	9,000
462,676	2,450	-	-	-	465,955	562,258
4,769	-	-	-	-	5,475	4,825
-	-	-	-	-	-	6,366
399,100	-	-	-	-	399,100	418,712
170	-	-	-	-	874,212	877,405
-	-	-	-	-	49,283	49,255
-	-	-	-	-	881	425
-	-	-	-	-	-	2,126
845,205	-	-	-	-	845,205	798,759
46,625	-	-	-	-	46,625	55,656
-	-	-	114,547	-	114,547	114,547
-	-	-	920,774	-	920,774	910,503
292,249	-	-	759,678	-	1,051,927	736,164
14,630,573	-	-	-	-	14,630,573	14,806,419
(4,820,865)	-	-	-	-	(4,820,865)	(4,486,929)
-	-	-	-	145,033	145,033	127,884
-	-	-	-	(1,268)	(1,268)	(1,268)
-	-	-	-	1,451,208	1,451,208	1,575,495
<u>\$11,950,717</u>	<u>\$238,266</u>	<u>\$ 258</u>	<u>\$1,794,999</u>	<u>\$1,594,973</u>	<u>\$16,962,576</u>	<u>\$17,093,527</u>

(Continued)

CITY OF KAPLAN, LOUISIANA

COMBINED BALANCE SHEET -
 ALL FUND TYPES AND ACCOUNT GROUPS (CONTINUED)
 June 30, 1999

LIABILITIES AND FUND EQUITY	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Liabilities:				
Accounts payable	\$ 16,537	\$ 1,818	\$ -	\$ -
Retainage payable	-	-	-	-
Accrued expenses	18,712	-	-	-
Due to other funds	232,934	1,181	170	-
Other	-	-	-	-
Payable from restricted assets:				
Accrued interest payable	-	-	-	-
Customers' deposits	-	-	-	-
General obligation bond payable	-	-	-	-
Revenue bond payable (net of deferred amount on refunding)	-	-	-	-
Compensated absences payable	-	-	-	-
Installment purchases payable	-	-	-	-
Bonds payable:				
General obligation	-	-	-	-
Revenue (net of deferred amount on refunding)	-	-	-	-
Deferred Revenue	-	-	-	-
Total liabilities	<u>\$268,183</u>	<u>\$ 2,999</u>	<u>\$ 170</u>	<u>\$ -</u>
Fund equity:				
Contributed capital	\$ -	\$ -	\$ -	\$ -
Less amortization	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings:				
Reserved for bond retirement	-	-	-	-
Reserved for bond capital addition and contingency	-	-	-	-
Reserved for customer deposits	-	-	-	-
Unreserved	-	-	-	-
Fund balances:				
Reserved for debt service	-	-	143,764	-
Reserved for public improvements	-	-	1,268	-
Unreserved - undesignated	<u>90,736</u>	<u>865,054</u>	<u>-</u>	<u>11,189</u>
Total fund equity	<u>\$ 90,736</u>	<u>\$865,054</u>	<u>\$145,032</u>	<u>\$ 11,189</u>
 Total liabilities and fund equity	 <u>\$358,919</u>	 <u>\$868,053</u>	 <u>\$145,202</u>	 <u>\$ 11,189</u>

See Notes to Financial Statements.

Exhibit A
(Continued)

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Agency	General Fixed Assets	General Long- Term Debt	1999	1998
\$ 246,272	\$ -	\$ -	\$ -	\$ -	\$ 264,627	\$ 350,790
-	-	-	-	-	-	44,997
-	-	-	-	-	18,712	43,912
639,669	-	258	-	-	874,212	877,405
-	59,635	-	-	-	59,635	27,072
53,394	-	-	-	-	53,394	52,317
171,884	-	-	-	-	171,884	153,182
45,000	-	-	-	-	45,000	45,000
404,850	-	-	-	-	404,850	364,850
61,890	-	-	-	4,973	66,863	7,164
-	-	-	-	-	-	9,947
395,000	-	-	-	1,590,000	1,985,000	2,125,000
2,530,305	-	-	-	-	2,530,305	2,935,156
52,963	-	-	-	-	52,963	-
<u>\$ 4,601,227</u>	<u>\$ 59,635</u>	<u>\$ 258</u>	<u>\$ -</u>	<u>\$1,594,973</u>	<u>\$ 6,527,445</u>	<u>\$ 7,036,792</u>
\$ 6,843,205	\$ -	\$ -	\$ -	\$ -	\$ 6,843,205	\$ 6,751,780
(643,613)	-	-	-	-	(643,613)	(525,815)
-	-	-	1,794,999	-	1,794,999	1,761,214
95,004	-	-	-	-	95,004	101,314
67,547	-	-	-	-	67,547	27,417
627	-	-	-	-	627	-
986,720	178,631	-	-	-	1,165,351	942,194
-	-	-	-	-	143,764	126,616
-	-	-	-	-	1,268	1,268
-	-	-	-	-	966,979	870,747
<u>\$ 7,349,490</u>	<u>\$178,631</u>	<u>\$ -</u>	<u>\$1,794,999</u>	<u>\$ -</u>	<u>\$10,435,131</u>	<u>\$10,056,735</u>
<u>\$11,950,717</u>	<u>\$238,266</u>	<u>\$ 258</u>	<u>\$1,794,999</u>	<u>\$1,594,973</u>	<u>\$16,962,576</u>	<u>\$17,093,527</u>

CITY OF KAPLAN, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES
Year Ended June 30, 1999

	<u>General</u>	<u>Special Revenue</u>
Revenues:		
Taxes	\$ 55,645	\$ 480,609
Licenses and permits	158,021	-
Intergovernmental revenues	85,674	60,418
Fines	24,536	4,330
Interest	-	-
Miscellaneous	40,872	3,172
Total revenues	<u>\$ 364,748</u>	<u>\$ 548,529</u>
Expenditures:		
Current:		
General government	\$ 570,903	\$ 63,081
Public safety	752,492	36,686
Streets, bridges and drainage	463,462	-
Culture and recreation	22,663	21,445
Capital outlay	-	218,878
Debt service:		
Principal retirement	-	9,946
Interest and fiscal charges	-	334
Total expenditures	<u>\$ 1,809,520</u>	<u>\$ 350,370</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (1,444,772)</u>	<u>\$ 198,159</u>
Other financing sources (uses):		
Operating transfers in	\$ 1,460,000	\$ 21,300
Operating transfers out	-	(130,127)
	<u>\$ 1,460,000</u>	<u>\$ (108,827)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ 15,228	\$ 89,332
Fund balances, beginning	<u>75,508</u>	<u>775,722</u>
Fund balances, ending	<u>\$ 90,736</u>	<u>\$ 865,054</u>

See Notes to Financial Statements.

<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>	
		<u>1999</u>	<u>1998</u>
\$ 81,711	\$ -	\$ 617,965	\$ 599,577
-	-	158,021	134,916
-	-	146,092	146,128
-	-	28,866	28,752
3,373	-	3,373	2,599
-	-	44,044	39,074
<u>\$ 85,084</u>	<u>\$ -</u>	<u>\$ 998,361</u>	<u>\$ 951,046</u>
\$ -	\$ -	\$ 633,984	\$ 610,543
-	-	789,178	723,745
-	8,328	471,790	530,714
-	-	44,108	45,975
-	-	218,878	282,750
95,000	-	104,946	104,242
<u>103,063</u>	<u>-</u>	<u>103,397</u>	<u>110,501</u>
<u>\$ 198,063</u>	<u>\$ 8,328</u>	<u>\$ 2,366,281</u>	<u>\$ 2,408,470</u>
<u>\$ (112,979)</u>	<u>\$ (8,328)</u>	<u>\$ (1,367,920)</u>	<u>\$ (1,457,424)</u>
\$ 130,127	\$ -	\$ 1,611,427	\$ 1,616,779
-	-	(130,127)	(128,779)
<u>\$ 130,127</u>	<u>\$ -</u>	<u>\$ 1,481,300</u>	<u>\$ 1,488,000</u>
\$ 17,148	\$ (8,328)	\$ 113,380	\$ 30,576
127,884	19,517	998,631	968,055
<u>\$ 145,032</u>	<u>\$ 11,189</u>	<u>\$ 1,112,011</u>	<u>\$ 998,631</u>

CITY OF KAPLAN, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL -
GENERAL AND SPECIAL REVENUE FUND TYPES
Year Ended June 30, 1999

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$ 54,450	\$ 55,645	\$ 1,195
Licenses and permits	125,000	158,021	33,021
Intergovernmental revenues	87,000	85,674	(1,326)
Fines	25,000	24,536	(464)
Miscellaneous	<u>13,250</u>	<u>40,872</u>	<u>27,622</u>
Total revenues	<u>\$ 304,700</u>	<u>\$ 364,748</u>	<u>\$ 60,048</u>
Expenditures:			
Current:			
General government	\$ 590,800	\$ 570,903	\$ 19,897
Public safety	711,300	752,492	(41,192)
Streets, bridges and drainage	495,400	463,462	31,938
Culture and recreation	27,275	22,663	4,612
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 1,824,775</u>	<u>\$ 1,809,520</u>	<u>\$ 15,255</u>
Excess (deficiency) of revenues over expenditures	<u>\$(1,520,075)</u>	<u>\$(1,444,772)</u>	<u>\$ 75,303</u>
Other financing sources (uses):			
Operating transfers in	\$ 1,520,075	\$ 1,460,000	\$ (60,075)
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,520,075</u>	<u>\$ 1,460,000</u>	<u>\$ (60,075)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ 15,228</u>	<u>\$ 15,228</u>
Fund balances, beginning		<u>75,508</u>	
Fund balances, ending		<u>\$ 90,736</u>	

See Notes to Financial Statements.

<u>Special Revenue Funds</u>			<u>Totals - (Memorandum Only)</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 470,000	\$ 480,609	\$ 10,609	\$ 524,450	\$ 536,254	\$ 11,804
-	-	-	125,000	158,021	33,021
32,240	60,418	28,178	119,240	146,092	26,852
5,000	4,330	(670)	30,000	28,866	(1,134)
<u>5,250</u>	<u>3,172</u>	<u>(2,078)</u>	<u>18,500</u>	<u>44,044</u>	<u>25,544</u>
<u>\$ 512,490</u>	<u>\$ 548,529</u>	<u>\$ 36,039</u>	<u>\$ 817,190</u>	<u>\$ 913,277</u>	<u>\$ 96,087</u>
\$ 30,100	\$ 63,081	\$ (32,981)	\$ 620,900	\$ 633,984	\$ (13,084)
41,490	36,686	4,804	752,790	789,178	(36,388)
-	-	-	495,400	463,462	31,938
22,550	21,445	1,105	49,825	44,108	5,717
312,270	218,878	93,392	312,270	218,878	93,392
-	9,946	(9,946)	-	9,946	(9,946)
-	334	(334)	-	334	(334)
<u>\$ 406,410</u>	<u>\$ 350,370</u>	<u>\$ 56,040</u>	<u>\$ 2,231,185</u>	<u>\$ 2,159,890</u>	<u>\$ 71,295</u>
<u>\$ 106,080</u>	<u>\$ 198,159</u>	<u>\$ 92,079</u>	<u>\$(1,413,995)</u>	<u>\$(1,246,613)</u>	<u>\$ 167,382</u>
\$ 22,550	\$ 21,300	\$ (1,250)	\$ 1,542,625	\$ 1,481,300	\$ (61,325)
(128,630)	(130,127)	(1,497)	(128,630)	(130,127)	(1,497)
<u>\$ (106,080)</u>	<u>\$ (108,827)</u>	<u>\$ (2,747)</u>	<u>\$ 1,413,995</u>	<u>\$ 1,351,173</u>	<u>\$ (62,822)</u>
<u>\$ -</u>	\$ 89,332	<u>\$ 89,332</u>	<u>\$ -</u>	\$ 104,560	<u>\$ 104,560</u>
	<u>775,722</u>			<u>851,230</u>	
	<u>\$ 865,054</u>			<u>\$ 955,790</u>	

CITY OF KAPLAN, LOUISIANA

COMBINED STATEMENTS OF REVENUES, EXPENSES, AND
 CHANGES IN RETAINED EARNINGS -
 PROPRIETARY FUND TYPES
 Year Ended June 30, 1999

	Enterprise Fund	Internal Service Fund	Totals (Memorandum Only)	
			1999	1998
Operating revenue:				
Charges for services	<u>\$5,383,707</u>	<u>\$ 349,877</u>	<u>\$5,733,584</u>	<u>\$5,849,989</u>
Operating expenses:				
Salaries	\$ 408,010	\$ -	\$ 408,010	\$ 368,023
Benefit payments:				
Payroll taxes	28,635	-	28,635	27,222
Insurance	90,374	102,039	192,413	203,066
Retirement	11,605	-	11,605	7,982
Claims	-	251,184	251,184	198,898
Electricity/gas purchased	2,243,861	-	2,243,861	2,444,661
Repairs and maintenance	68,692	-	68,692	90,420
Utilities	81,747	-	81,747	77,998
Insurance	55,024	-	55,024	65,446
Operating supplies	124,865	-	124,865	134,597
Office supplies and expense	3,678	-	3,678	4,085
Engineering fees	9,476	-	9,476	10,565
Administrative fees	-	15,845	15,845	16,961
Bad debt expense	23,527	-	23,527	38,840
Depreciation	333,936	-	333,936	308,835
Legal	10	-	10	4,759
Other	<u>28,705</u>	<u>42</u>	<u>28,747</u>	<u>20,248</u>
Total operating expenses	<u>\$3,512,145</u>	<u>\$ 369,110</u>	<u>\$3,881,255</u>	<u>\$4,022,606</u>
Operating income	<u>\$1,871,562</u>	<u>\$ (19,233)</u>	<u>\$1,852,329</u>	<u>\$1,827,383</u>
Nonoperating revenue (expense):				
Interest expense	\$ (258,794)	\$ -	\$ (258,794)	\$ (303,842)
Interest income	32,821	-	36,452	47,659
Bond issue cost	(9,031)	3,631	(9,031)	(6,217)
Other	150	-	150	-
	<u>\$ (234,854)</u>	<u>\$ 3,631</u>	<u>\$ (231,223)</u>	<u>\$ (262,400)</u>
Income before other operating transfers (totals forward)	<u>\$1,636,708</u>	<u>\$ (15,602)</u>	<u>\$1,621,106</u>	<u>\$1,564,983</u>

CITY OF KAPLAN, LOUISIANA

COMBINED STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS -
PROPRIETARY FUND TYPES (CONTINUED)
Year Ended June 30, 1999

	<u>Enterprise</u> <u>Fund</u>	<u>Internal</u> <u>Service</u> <u>Fund</u>	<u>Totals</u> <u>(Memorandum Only)</u>	
			<u>1999</u>	<u>1998</u>
Income before other operating transfers (totals forwarded)	\$ 1,636,708	\$ (15,602)	\$ 1,621,106	\$ 1,564,983
Other operating transfers:				
Operating transfers out	<u>(1,481,300)</u>	<u>-</u>	<u>(1,481,300)</u>	<u>(1,488,000)</u>
Net income (loss)	\$ 155,408	\$ (15,602)	\$ 139,806	\$ 76,983
Add depreciation on fixed assets acquired by grants, entitlements, and shared revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>117,798</u>	<u>-</u>	<u>117,798</u>	<u>69,798</u>
Increase (decrease) in retained earnings	\$ 273,206	\$ (15,602)	\$ 257,604	\$ 146,781
Retained earnings, beginning of year	<u>876,692</u>	<u>194,233</u>	<u>1,070,925</u>	<u>924,144</u>
Retained earnings, end of year	<u>\$ 1,149,898</u>	<u>\$ 178,631</u>	<u>\$ 1,328,529</u>	<u>\$ 1,070,925</u>

See Notes to Financial Statements.

CITY OF KAPLAN, LOUISIANA
 PROPRIETARY FUND TYPES

COMBINED STATEMENTS OF CASH FLOWS
 Year Ended June 30, 1999

	Enterprise Fund	Internal Service Fund	Totals (Memorandum Only)	
			1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$1,871,562	\$ (19,233)	\$1,852,329	\$1,827,383
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	333,936	-	333,936	308,835
Other	3,839	-	3,839	-
Increase (decrease) in allowance for uncollectible accounts	22,689	-	22,689	(17,866)
(Increase) decrease in accounts receivable	23,804	49,810	73,614	(113,148)
(Increase) decrease in prepaid expenses	2,126	-	2,126	-
(Increase) decrease in unbilled revenue	19,612	-	19,612	(35,024)
(Increase) decrease in due from other funds	-	-	-	2,216
(Increase) decrease in other receivable	6,366	-	6,366	39,813
Increase (decrease) in accounts payable	(58,786)	-	(58,786)	15,084
Increase (decrease) in retainages payable	(44,997)	-	(44,997)	10,693
Increase (decrease) in accrued expenses	33,700	33,223	66,923	(25,832)
Increase (decrease) in due to other funds	(3,729)	-	(3,729)	53,489
Increase (decrease) in deferred revenue	<u>52,963</u>	<u>-</u>	<u>52,963</u>	<u>-</u>
Net cash provided by operating activities (totals forward)	<u>\$2,263,085</u>	<u>\$ 63,800</u>	<u>\$2,326,885</u>	<u>\$2,065,643</u>

(Continued)

CITY OF KAPLAN, LOUISIANA
PROPRIETARY FUND TYPES

COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)
Year Ended June 30, 1999

	Enterprise Fund	Internal Service Fund	Totals (Memorandum Only)	
			1999	1998
Totals forwarded	\$ 2,263,085	\$ 63,800	\$ 2,326,885	\$ 2,065,643
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Operating transfers to other funds	\$(1,481,300)	\$ -	\$(1,481,300)	(1,488,000)
Increase in customer deposits, net of refunds	18,702	-	18,702	7,393
Net cash used in non-capital financing activities	\$(1,462,598)	\$ -	\$(1,462,598)	\$(1,480,607)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from revenue bond	\$ -	\$ -	\$ -	\$ 1,521,761
Payments to escrow account to advance refund bond	-	-	-	(1,546,000)
Principal paid on bonds	(441,000)	-	(441,000)	(381,300)
Interest paid on bonds and other financing cost	(257,717)	-	(257,717)	(232,892)
Acquisition and construction of capital assets	(11,248)	-	(11,248)	(661,337)
Net cash used in capital and related financing activities	\$(709,965)	\$ -	\$(709,965)	\$(1,299,768)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest earned on investments	\$ 32,638	\$ 3,631	\$ 36,269	\$ 50,609
Net increase (decrease) in cash and cash equivalents (totals forward)	\$ 123,160	\$ 67,431	\$ 190,591	\$ (664,123)

CITY OF KAPLAN, LOUISIANA
PROPRIETARY FUND TYPES

COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)
Year Ended June 30, 1999

	Enterprise Fund	Internal Service Fund	Totals (Memorandum Only)	
			1999	1998
Totals forwarded	\$ 123,160	\$ 67,431	\$ 190,591	\$ (664,123)
Cash and cash equivalents at beginning of year, (including \$798,759 and \$1,331,513 in restricted cash at July 1, 1998 and 1997, respectively)	<u>812,260</u>	<u>168,385</u>	<u>980,645</u>	<u>1,644,768</u>
Cash and cash equivalents at end of year, (including \$845,205 and \$798,759 in restricted cash at June 30, 1999 and 1998, respectively)	<u>\$ 935,420</u>	<u>\$ 235,816</u>	<u>\$1,171,236</u>	<u>\$ 980,645</u>
Noncash investing, capital, and financing activities:				
Contributions of fixed assets from government	<u>\$ 91,425</u>	<u>\$ -</u>	<u>\$ 91,425</u>	<u>\$ 51,044</u>

See Notes to Financial Statements.

CITY OF KAPLAN, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The City of Kaplan was incorporated in 1902 under the Lawrason Act, and is administered under the Mayor and Board of Aldermen form of government.

The financial statements of the City of Kaplan 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 government's accounting policies are described below:

A. Reporting Entity

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

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

The Kaplan Housing Authority was chartered by the City, and its Board of Directors is appointed by the Mayor and Board of Aldermen. However, the City's oversight responsibilities in the management of operations and financial accountability is remote.

The City of Kaplan has no authority over nor is it involved with the record keeping of the Kaplan Volunteer Fire Department.

The Kaplan City Court is operated under the directorship of the Kaplan City Judge who is an elected public official. Revenues are derived from court costs and appropriations from the City's general fund. However, the City cannot significantly influence operations nor does it have responsibility for fiscal management.

NOTES TO FINANCIAL STATEMENTS

B. Measurement Focus, Basis of Presentation

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

Governmental Funds

General Fund:

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

Special revenue funds:

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

Debt service funds:

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

Capital projects funds:

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

NOTES TO FINANCIAL STATEMENTS

Proprietary Funds

Enterprise funds:

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

Internal service fund:

Internal service funds are used to account for the financing on a cost reimbursement basis of goods or services provided by one department or agency to other departments or agencies within the same government or to other governments or not-for-profit organizations.

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

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

Fiduciary Funds

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.

NOTES TO FINANCIAL STATEMENTS

Account Groups

General fixed assets account group:

The general fixed assets account group is used to account for fixed assets not accounted for in proprietary funds.

General long-term debt account group:

The general long-term debt account group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary funds.

C. Basis of Accounting

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

All governmental funds 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.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that principal and interest on general long-term debt is recognized as an expenditure when due.

Those revenues susceptible to accrual are taxes, interest revenue and charges for services. Fines, permits, and licenses are not susceptible to accrual because generally they are not measured until received in cash.

Purchases of operating supplies are regarded as expenditures at the time purchased, and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year.

The proprietary funds are accounted for using the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when incurred.

D. Assets, Liabilities and Equity

Cash, cash equivalents and investments:

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government.

NOTES TO FINANCIAL STATEMENTS

For purposes of reporting cash flows, the City considers all demand deposit account balances, repurchase agreements, and certificates of deposits with an original maturity of three months or less to be cash equivalents.

All repurchase agreements outstanding at June 30, 1999 have an original maturity of three months or less and are therefore not subject to GASB Statement No. 31 requirements. These agreements are stated at cost.

Restricted assets:

Certain proceeds of the City's enterprise fund revenue bonds and general obligation bond as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. The "bond construction" account is used to report those proceeds of general obligation bond issuance that are restricted for use in construction. The "bond sinking fund" account is used to segregate resources accumulated for debt service payments over the next twelve months. The "bond reserve fund" account is used to report resources set aside to make up potential future deficiencies in the bond sinking fund account. The "bond capital addition and contingency" account is used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements. In addition, certain assets are classified as restricted because they represent customers' deposits being held by the city.

Fixed assets:

Fixed assets used in governmental fund types of the City are recorded in the general fixed assets account group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are not depreciated. Interest incurred during construction is not capitalized on general fixed assets.

Public domain (infrastructure) general fixed assets (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the City) are not capitalized.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not included in the general fixed assets account group or capitalized in the proprietary funds.

Property, plant and equipment in the proprietary funds of the City are recorded at cost. Property, plant and equipment donated to these proprietary fund type operations are recorded at their estimated fair value at the date of donation.

NOTES TO FINANCIAL STATEMENTS

Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Interest incurred during the construction phase of proprietary fund fixed assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Property, plant and equipment are depreciated in the proprietary fund of the City using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	20
System infrastructure	50
Vehicles	5
Office equipment	5
Computer equipment	5

Effective July 1, 1995, the City has elected to apply GASB's Codification, Section G60.116 which allows enterprise funds to close out depreciation expense recognized on assets contributed by governments outside the financial reporting entity (i.e., grants, entitlements, or shared revenues) to contributed capital rather than to retained earnings.

Compensated absences:

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. Sick leave vests only upon retirement, therefore an accrual is made only when an employee is eligible for retirement. Amounts are accrued when incurred in proprietary funds and reported as a fund liability. Amounts that are expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group.

Long-term obligations:

The City reports long-term debt of governmental funds at face value in the general long-term debt account group. Certain other governmental fund obligations not expected to be financed with current available financial resources are also reported in the general long-term debt account group. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate funds.

NOTES TO FINANCIAL STATEMENTS

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. For proprietary fund types, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges.

Fund equity:

Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Reservations of retained earnings are limited to outside third-party restrictions. Designations of fund balance represent tentative management plans that are subject to change. The proprietary fund's contributed capital represents equity acquired through capital grants and capital contributions from other funds.

Comparative data/reclassification:

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation. Such reclassifications had no material effect on fund equity as previously reported.

Memorandum only - total columns:

Total columns on the general purpose financial statements are captioned as "memorandum only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position, results of operations, or cash flows in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

NOTES TO FINANCIAL STATEMENTS

Note 2. Stewardship, Compliance and Accountability

Budgetary information:

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

1. Prior to July 1, the Mayor submits to the Board of Aldermen a proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the City Hall to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution.
4. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. The budget is used as a tool to control expenditures at the individual fund level.

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

Note 3. Cash, Cash Equivalents and Investments

For reporting purposes, cash and cash equivalents include demand deposits, certificates of deposits and repurchase agreements with an original maturity of 90 days or less.

The City is authorized by LRS 39:1211-1245 and 33:2955 to invest in the following:

1. United States Treasury Bonds
2. United States Treasury Notes
3. United States Treasury Bills
4. Obligations of U. S. Government Agencies, including Federal Home Loan Bank bonds, Government National Mortgage Association bonds, or a variety of "Federal Farm Credit" bonds.
5. Fully collateralized certificates of deposits issued by qualified commercial banks and savings and loan associations located within the State of Louisiana.
6. Fully collateralized repurchase agreements.

NOTES TO FINANCIAL STATEMENTS

7. Fully collateralized interest - bearing checking accounts.
8. Mutual or Trust Fund institutions which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States Government or its agencies.
9. Any other investment allowed by state statute for local governments.

The City's deposits at June 30, 1999 were secured as follows:

	<u>Bank Balance</u>	<u>FDIC Insurance</u>	<u>Balance Uninsured</u>
Checking	\$ 1,003,417	\$ 200,000	\$ 803,417
Savings and CD's	30,296	30,296	-
Repurchase agreements	<u>680,972</u>	<u>-</u>	<u>680,972</u>
Total	<u>\$ 1,714,685</u>	<u>\$ 230,296</u>	\$ 1,484,389
Securities pledged and held by 3rd party bank in the City's name (Category I)			<u>3,207,228</u>
Excess of FDIC insurance plus pledged securities over cash plus cash equivalents			<u>\$1,722,839</u>

NOTES TO FINANCIAL STATEMENTS

Note 4. Receivables

Receivables at June 30, 1999, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>
Receivables:			
Grant	\$ -	\$ 7,051	\$ -
Accounts	829	-	-
Interest	<u>-</u>	<u>-</u>	<u>706</u>
Gross receivables	\$ 829	\$ 7,051	\$ 706
Less:			
Allowance for uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>
Total net receivables	<u>\$ 829</u>	<u>\$ 7,051</u>	<u>\$ 706</u>

NOTES TO FINANCIAL STATEMENTS

<u>Enterprise</u>	<u>Internal Service</u>	<u>Total</u>
\$ -	\$ -	\$ 7,051
716,080	2,450	719,359
<u>4,769</u>	<u>-</u>	<u>5,475</u>
\$720,849	\$ 2,450	\$731,885
<u>253,404</u>	<u>-</u>	<u>253,404</u>
<u>\$467,445</u>	<u>\$ 2,450</u>	<u>\$478,481</u>

NOTES TO FINANCIAL STATEMENTS

Note 5. Fixed Assets

A summary of changes in general fixed assets account group is as follows:

	Balance July 1, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>1999</u>
Land	\$ 114,547	\$ -	\$ -	\$ 114,547
Buildings	910,503	12,012	1,741	920,774
Equipment	<u>736,164</u>	<u>80,743</u>	<u>57,229</u>	<u>759,678</u>
Total	<u>\$1,761,214</u>	<u>\$ 92,755</u>	<u>\$ 58,970</u>	<u>\$1,794,999</u>

A summary of proprietary fund fixed assets at June 30, 1999 is as follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Buildings and systems	\$14,630,573	\$ 4,608,829	\$10,021,744
Machinery and equipment	156,935	98,855	58,080
Vehicles	<u>135,314</u>	<u>113,181</u>	<u>22,133</u>
Totals	<u>\$14,922,822</u>	<u>\$ 4,820,865</u>	<u>\$10,101,957</u>

Note 6. Interfund Receivables and Payables

The composition of interfund receivable and payable balances as of June 30, 1999, is as follows:

<u>Receivable Fund</u>	<u>Payable fund</u>	<u>Amount</u>
General	Utilities	\$330,000
	Police special	500
	Payroll	258
Sales Tax	Utilities	309,669
	Recreation Center Maintenance	681
	General	232,302
Utilities	1992 Certificate of Indebtedness	170
Bonded Debt	General	400
Recreation Center Maintenance	General	<u>232</u>
Total		<u>\$874,212</u>

NOTES TO FINANCIAL STATEMENTS

Note 7. Leases

Operating leases:

The City leases a 1995 Ford Crown Victoria which expires in September 1999. Total expenditures for the above lease were \$5,253 for the year ended June 30, 1999. The future minimum lease payments for this lease are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2000	<u>1,312</u>
Total	<u>\$ 1,312</u>

During fiscal year 1999, the City entered into an operating lease for the use of a 1996 Case 580 L Backhoe. The lease was entered into on September 28, 1998 and has a five year term, ending on September 28, 2003. Total expenditures for the lease were \$6,297 for the year ended June 30, 1999. The future minimum lease payments for this lease are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2000	\$ 7,556
2001	7,556
2002	7,556
2003	7,556
2004	<u>1,891</u>
	<u>\$32,115</u>

Note 8. Long-Term Bonded Debt

The following is a summary of long-term bonded debt transactions of the City of Kaplan for the year ended June 30, 1999:

	<u>General Obligation</u>	<u>Revenue</u>	<u>Total</u>
Long-term obligations at June 30, 1998	\$2,170,000	\$3,300,006	\$5,470,006
Reductions:			
Bonds retired	<u>140,000</u>	<u>364,851</u>	<u>504,851</u>
Long-term obligations at June 30, 1999	<u>\$2,030,000</u>	<u>\$2,935,155</u>	<u>\$4,965,155</u>

NOTES TO FINANCIAL STATEMENTS

Bonds payable at June 30, 1999 are composed of the following individual issues:

General obligation bonds (secured by ad valorem tax assessments and proceeds of 1% sales and use tax, and excess annual revenues) are direct obligations and pledge the full faith and credit of the City. General obligation bonds have been issued for both general government and proprietary activities. The bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues.

General government

Certificates of Indebtedness, Series 1992, dated 12-1-92, original issue of \$680,000 retired annually in various installment amounts, interest rates from 4.5% to 6.25%, final maturity 12-1-2002	\$ 315,000
Refunding Bonds, Series 1992, dated 12-1-92, original issue of \$550,000 retired annually in various installment amounts beginning in 2003, interest rates from 6.35% to 6.65%, final maturity 12-1-2007	550,000
General obligation bonds, Series A of 1995, dated 8-1-95, original issue of \$500,000 retired annually in various installment amounts, interest rates from 5.0% to 9.0%, final maturity 2-1-2015	455,000
General obligation bonds, Series B of 1995, dated 8-1-95, original issue of \$300,000 retired annually in various installment amounts, interest rates from 5.0% to 9.0%, final maturity 2-1-2015	270,000
Total general government	<u>\$1,590,000</u>

Enterprise fund

Certificate of indebtedness, Series 1997, dated 03-01-97, issue of \$525,000, retired in various annual installments, interest rate of 5.1% to 6.0%, final maturity 03-01-2007	<u>440,000</u>
Total general obligation bonds	<u>\$2,030,000</u>

NOTES TO FINANCIAL STATEMENTS

Annual debt service requirements to maturity for general obligation bonds, including interest of \$798,060 are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Enterprise</u> <u>Fund</u>	<u>General long-term</u> <u>Debt Account Group</u>	<u>Total</u>
2000	\$ 69,995	\$ 195,555	\$ 265,550
2001	67,610	193,805	261,415
2002	70,180	191,358	261,538
2003	72,430	188,541	260,971
2004	69,350	258,914	328,264
Thereafter	<u>212,850</u>	<u>1,237,472</u>	<u>1,450,322</u>
Total	<u>\$ 562,415</u>	<u>\$2,265,645</u>	<u>\$2,828,060</u>

Revenue bonds are obligations where the City pledges income derived from the acquired or constructed assets to pay debt service.

Series 1994, dated 4-1-94, issue of \$100,000 retired in annual installments, interest rate of 5.40%, final maturity of 4-1-2009 \$ 73,000

Series 1997 refunding, dated 4-1-97, issue of \$1,790,000, retired in annual installments, interest rate of 5.00%, final maturity of 4-1-2005 1,740,000

Less: Deferred amount on refunding (77,094)

Series 1998 refunding, dated 5-1-98, issue of \$1,520,000, retired in annual installments, interest rate of 6.95%, final maturity of 4-1-2004 1,285,000

Less: Deferred amount on refunding (85,751)

Total revenue bonds \$2,935,155

The annual requirements to service the revenue bond debt outstanding at June 30, 1999, including interest payments of \$647,534 are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Amount</u>
2000	\$ 616,250
2001	619,258
2002	621,279
2003	615,356
2004	617,696
Thereafter	<u>655,695</u>
Total	<u>\$3,745,534</u>

NOTES TO FINANCIAL STATEMENTS

Advance Refunding:

On April 1, 1997, the City issued \$1,790,000 of Utilities Revenue Refunding Bonds, Series 1997, with an interest rate of 5.0% for the purpose of advance refunding \$1,645,000 of outstanding Utilities Revenue Bonds Series 1990 which mature April 1, 2000 to April 1, 2005, bearing interest of 7.5% to 7.75%. The proceeds of \$1,752,261 (after payment of \$37,739 in issuance cost and fees) were deposited into an irrevocable trust with an escrow agent to defease the Utilities Revenue Bonds, Series 1990 on April 1, 1999 at a 1.5% redemption premium. As a result, the Utilities Revenue Bonds, Series 1990 which mature April 1, 2000 to April 1, 2005, are considered to be defeased and the liability has been removed from the City's books. This advance refunding was undertaken to reduce total debt service payments over the next 8 years by \$119,417 and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$98,697. The reacquisition price exceeded the net carrying amount of the old debt by \$107,261. This amount is being netted against the new debt and amortized over the new debt's life.

On May 1, 1998, the City issued \$1,520,000 of Utilities Revenue Refunding Bonds, Series 1998, with an interest rate of 6.95% for the purpose of advance refunding \$1,415,500 of outstanding Utilities Revenue Bonds Series 1989 which mature April 1, 1999 to April 1, 2004, bearing interest of 11.0%. The proceeds of \$1,495,054 (after payment of \$24,946 in issuance cost fees and deposits) and \$26,000 transferred from the Sinking Fund were deposited into an irrevocable trust with an escrow agent to defease the Utilities Revenue Bonds, Series 1989 on April 1, 1999 at a 2% redemption premium. As a result, the Utilities Revenue Bonds, Series 1989 which mature April 1, 1999 to April 1, 2004, are considered to be defeased and the liability has been removed from the City's books. This advance refunding was undertaken to reduce total debt service payments over the next 6 years by \$60,601 and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$51,474. The reacquisition price exceeded the net carrying amount of the old debt by \$106,450. This amount is being netted against the new debt and amortized over the new debt's life.

Bond Covenants:

The various bond indentures identified above contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages. The City is substantially in compliance with all such significant limitations and restrictions except for the Utility Sinking Fund Account which was underfunded by \$17,518 at June 30, 1999.

NOTES TO FINANCIAL STATEMENTS

Note 9. Contributed Capital

The changes in the City's contributed capital account for the enterprise fund are as follows:

Beginning balance, contributed capital	\$6,751,780
Contributing sources:	
Sales tax fund	<u>91,425</u>
Ending balance, contributed capital	<u>\$6,843,205</u>

Effective July 1, 1995, the City has elected to apply GASB's Codification, Section G60.116 which allows enterprise funds to close out depreciation expense recognized on assets contributed by governments outside the financial reporting entity (i.e., grants, entitlements, or shared revenues) to contributed capital rather than to retained earnings. In addition, contributions from other funds within the City are handled the same.

Note 10. Risk Management

Effective August 1, 1990, the City has established a risk management program for its group health and life insurance coverage and accounts for it in the Group Insurance Fund. This program provides employees and their dependents health benefits up to \$1,000,000 in a lifetime maximum. The City purchases commercial insurance for claims in excess of \$25,000 per individual per year of coverage provided by the program.

During the fiscal year 1991, the City adopted the provisions of GASB Statement Number 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues." As required by the statement, a Reconciliation of Claims Liabilities is shown below. All funds of the City participate in the program and make payments to the Group Insurance Fund based on premiums needed to pay prior and current year claims, administrative cost, and commercial insurance premiums. The claims liability of \$59,635 reported in the fund at June 30, 1999, is based on the requirements of GASB Statement Number 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Reconciliation of Claims Liabilities

Unpaid claims at June 30, 1998	\$ 26,412
Claims incurred	266,484
Claim payments	<u>(233,261)</u>
Unpaid claims at June 30, 1999	<u>\$ 59,635</u>

NOTES TO FINANCIAL STATEMENTS

Note 11. Dedication of Sales Tax Proceeds

Proceeds of the 1% sales and use tax are dedicated to the following purposes:

1. Constructing, acquiring, extending and/or improving public parks and recreational facilities, drainage facilities, streets and street lighting facilities, sewers and sewerage disposal works, waterworks, natural gas facilities, electrical distribution facilities, public buildings (including a jail and/or fire department stations and equipment); purchasing and acquiring equipment and furnishings for the aforesaid public works, buildings, improvements and facilities, title to which improvements shall be in the public.
2. Paying principal and interest on any bonded or funded indebtedness of said City or for any one or more of said purposes, and such tax to be subject to funding into bonds by said City in the manner authorized by Sub Part D, Part I, Chapter 6, Title 33 of the Louisiana Revised Statutes of 1950.

Proceeds of the sales and use tax have been pledged and dedicated to the retirement of Refunding Bonds, Series 1992, dated December 1, 1992, and Certificates of Indebtedness, Series 1992, dated December 1, 1992.

Note 12. Enterprise Fund - Segment Information

Operations of the City of Kaplan Utility System consist of electric and gas distribution systems and of water and sewer utilities. The City purchases electricity and gas for resale in its distribution systems from Entergy and Magnum Gas Marketing Company, respectively.

Plant and equipment acquired by the Utilities Fund in years prior to 1975 have not been segregated on the accounting records in such a manner that the actual investment in each of the operating utility systems can be determined. For financial statement purposes, depreciation on such plant and equipment during the current fiscal year has been allocated to the individual operating departments on the ratio of gross utility sales in each department. Depreciation on additions to plant and equipment since 1975 have been charged directly to the applicable department. Other operating expenses which cannot be identified as applicable to a single department have been allocated on the basis of gross utility sales or, if associated with payroll, on the basis of payroll costs in the individual departments.

NOTES TO FINANCIAL STATEMENTS

Operating results of the individual utilities were as follows:

	Year Ended <u>June 30,</u>	Charges for <u>Services</u>	Operating <u>Expenses</u>	Operating <u>Income</u>
Electric Utility	1999	\$3,926,785	\$2,343,801	\$1,582,984
	1998	\$3,796,225	\$2,398,053	\$1,398,172
Gas Utility	1999	\$ 656,201	\$ 473,391	\$ 182,810
	1998	\$ 881,488	\$ 616,882	\$ 264,606
Water Utility	1999	\$ 472,201	\$ 370,487	\$ 101,714
	1998	\$ 488,899	\$ 396,790	\$ 92,109
Sewerage Utility	1999	\$ 328,520	\$ 324,466	\$ 4,054
	1998	\$ 313,548	\$ 282,639	\$ 30,909

At June 30, 1999, service was provided to the following number of customers:

Electricity	2,113	Customers
Gas	1,903	Customers
Water	2,299	Customers
Sewerage	2,101	Customers

Current rates charged to customers for these services have been in effect since the following dates:

Electric rates	December, 1990
Gas rates	May, 1987
Sewerage rates	December 1, 1996
Water rates	January, 1988

Other required segment information as of June 30, 1999 is as follows:

Net working capital	<u>\$ 951</u>
Total assets	<u>\$11,950,717</u>
Long-term liabilities	<u>\$ 2,970,120</u>
Total equity	<u>\$ 7,349,490</u>

NOTES TO FINANCIAL STATEMENTS

Note 13. Restricted Assets - Enterprise Fund

Restricted assets were applicable to the following at June 30:

	<u>1999</u>	<u>1998</u>
Bond sinking fund account	\$ 161,088	\$ 157,074
Bond reserve fund account	437,160	406,407
Bond capital additions and contingencies account	67,547	27,417
Bond construction account	6,899	55,248
Customer's deposit account	<u>172,511</u>	<u>152,613</u>
	<u>\$ 845,205</u>	<u>\$ 798,759</u>

Note 14. Judgement Outstanding

In August of 1973, a judgement in the amount of \$189,540, plus interest, was rendered in favor of the plaintiff in the case of Leroy J. Romero, et al vs. the City of Kaplan. The United States Fidelity & Guaranty Insurance Company, the City's insurer, has paid its policy limits of \$100,000 plus interest, leaving an outstanding judgement against the City of Kaplan for \$89,540, plus legal interest.

On January 3, 1994, the City has entered into a consent judgement awarding Washington National Insurance Company \$25,988, plus attorney fees in the amount of \$6,000, plus legal interest from May 1, 1990 until paid for sums due on the group health and accident insurance policy.

In the opinion of the City's legal counsel, such judgements operate as an encumbrance against the City, although it is judicially unenforceable based on legal precedents which have held that property which is owned by the public and is being used for public purposes is exempt from seizure. However, legal counsel further states that the property owned by a municipality, but which is being used in a non-governmental profit-making way, may be seized.

As a result of this legal opinion, no provisions have been made in the financial statements for the amount of the outstanding judgements.

The City is also a defendant in various other lawsuits; however management and counsel for the City of Kaplan are unable to reasonably estimate at this time the amount of liability in excess of insurance coverage which may be incurred if adverse decisions are rendered.

NOTES TO FINANCIAL STATEMENTS

Note 15. Ad Valorem Taxes

For the year ended June 30, 1999, taxes of 10.29 mills were levied on property with assessed valuations totaling \$13,366,550 and were dedicated as follows:

General corporate purposes	4.18 mills
Debt retirement	6.11 mills

Total taxes levied and collected were \$137,543.

Taxes are levied on September 1 and are due by December 31. Taxes attach as an enforceable lien on property as of January 1.

Note 16. Compensated Absences

Employees of the City earn sick leave at the rate of one day per month, up to a maximum of 120 days. No sick leave is paid upon resignation. Employees separated due to retirement are paid for accumulated sick leave at the hourly rates being earned by that employee at separation. As of June 30, 1999, an accrual of \$55,115 for accumulated sick leave was recorded. The amount applicable to the Enterprise Fund of \$50,142 has been recorded as a fund liability and the amount applicable to the governmental funds of \$4,973 has been recorded in the general long-term debt account group.

Employees of the City earn vacation leave from the beginning of employment and is based upon the number of years of full-time service and varies from 5 days to 15 days. Vacation leave cannot carryover to the following year. As of June 30, 1999, unpaid accumulated vacation leave was \$30,460. The amount applicable to the Enterprise Fund of \$11,748 has been recorded as a fund liability and the amount applicable to the governmental funds of \$18,712 has been recorded in those funds since it is anticipated the liability will be liquidated with available financial resources.

Note 17. Unbilled Revenue

In the utility fund, unbilled revenue as of June 30, 1999 is \$399,100 which represents revenue earned in the year ended June 30, 1999, but is not billed out until the next billing cycle in July, 1999.

Note 18. Deficit Fund Equity

At June 30, 1999, the Recreation Center Maintenance Fund had a deficit fund balance of \$427. Management intends to eliminate this deficit through appropriations from other funds.

NOTES TO FINANCIAL STATEMENTS

Note 19. Post-Employment Health Care Benefits

A) Retiree benefits -

In addition to the pension benefits described in Note 20, the City provides post-retirement health care benefits to employees and their dependents who retired from the City before January 1, 1989 up until attaining age 65. The City funds the benefits on a pay-as-you-go basis. Currently, no retirees meet these eligibility requirements.

B) Cobra

Under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the City provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium plus 2% administration fee is paid in full by the insured on or before the tenth (10th) day of the month for the actual month covered. This program is offered for a duration of 18 months after the termination date. The City funds the benefits on a pay-as-you-go basis. There is one participant in the program as of June 30, 1999.

Note 20. Pension Plans

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

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

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

1. Municipal Employees' Retirement System of Louisiana

Plan description:

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

NOTES TO FINANCIAL STATEMENTS

Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least thirty-five hours per week, not participating in another public funded retirement system and under age sixty (60) at date of employment. Those individuals paid jointly by a participating employer and the parish are not eligible for membership in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of credited service or at or after age 55 with 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

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

Funding policy:

Plan members are required to contribute 5.0% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 2.75% of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by the System's Board of Trustees. The City's contributions to the System for the years ended June 30, 1999, 1998 and 1997 were \$31,603, \$19,211, and \$21,857, respectively, equal to the required contributions for each year.

2. State of Louisiana - Municipal Police Employees' Retirement System

Plan description:

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

Membership is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrest, providing they do not have to pay social security and providing they meet the statutory criteria. Employees who retire at or after age 50 with at least 20 years of credited service, or at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 3-1/3 percent of their average final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

NOTES TO FINANCIAL STATEMENTS

The Municipal Police Employee's Retirement System issues a publicly available report that includes financial statements and required supplemental information. That report may be obtained by writing to Municipal Police Employee's Retirement System, 8401 United Plaza Blvd., Suite 270, Baton Rouge, LA 70809-7017.

Funding policy:

Plan members are required to contribute 7.5% of their annual covered salary and the City is required to contribute 9.0% as established by the state statute. The City's contributions to the System for the years ended June 30, 1999, 1998, and 1997 were \$4,627, \$6,120, and \$9,717, respectively, equal to the required contributions for each year.

3. State of Louisiana - Firefighters' Retirement System

Plan description:

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

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

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

Funding policy:

Plan members are required to contribute 8.0% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 9.0% of annual covered payroll. The contribution requirements of Plan members are established and may be amended by the System's Board of Trustees. The City's contributions to the System for the years ended June 30, 1999, 1998, and 1997 were \$8,561, \$8,011, and \$7,585, respectively, equal to the required contributions for each year.

NOTES TO FINANCIAL STATEMENTS

4. Louisiana State Employees' Retirement System

Plan description:

The Louisiana State Employees' Retirement System (the System) is a single-employer public employee retirement system established under the provisions of Title II, Section 401, of the Louisiana Revised Statutes of 1991, controlled and administered by a separate board of trustees.

All State permanent employees are mandated by State law to participate in the System and all elected or appointed officials are eligible to participate in the System. Employees who retire at or after age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 2-1/2 percent of their average annual compensation for every year of credible service plus \$300. Average compensation is the employee's monthly earnings during the 36 consecutive months that produce the highest average. Employees who terminate with at least the amount of credited service stated previously and who 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 by state statute.

The Louisiana State Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, LA 70804-4213.

Funding policy:

Plan members (judges) are required to contribute 11.5% of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 13% of annual covered payroll. The contribution requirements of Plan members and the City are established and may be amended by the System's Board of Trustees. The City's contributions to the System for the years ended June 30, 1999, 1998, and 1997 were \$1,296, \$1,348, and \$1,114, respectively, equal to the required contributions for each year.

Note 21. Year 2000 Issue

The Year 2000 issue is the result of shortcomings of many electronic data processing systems and other electronic equipments that may adversely affect the City's operations.

NOTES TO FINANCIAL STATEMENTS

The City has completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 issue and that are necessary to conducting the City's operations. The City is currently in the remediation phase for some of the systems and in the validation phase for others.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Management cannot assure that the City is or will be completely Year 2000 compliant or that parties with whom the City does business will be Year 2000 ready.

GENERAL FUND

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

CITY OF KAPLAN, LOUISIANA
GENERAL FUND

BALANCE SHEETS
June 30, 1999 and 1998

ASSETS	<u>1999</u>	<u>1998</u>
Cash	\$ 17,532	\$ 2,666
Receivables:		
Accounts receivable	829	829
Ad valorem taxes receivable, net of allowance for uncollectible taxes (1999 - -0-; 1998 - \$ -0-)	-	-
Due from other governments	9,800	11,363
Due from other funds	<u>330,758</u>	<u>337,846</u>
Total assets	<u>\$ 358,919</u>	<u>\$ 352,704</u>
 LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 16,537	\$ 28,659
Accrued compensated absences	18,712	15,620
Due to other funds	232,934	232,302
Other payable	<u>-</u>	<u>615</u>
Total liabilities	\$ 268,183	\$ 277,196
 FUND BALANCE		
Unreserved - undesignated	<u>90,736</u>	<u>75,508</u>
Total liabilities and fund balance	<u>\$ 358,919</u>	<u>\$ 352,704</u>

CITY OF KAPLAN, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999			1998
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues:				
Taxes - Ad valorem	\$ 54,450	\$ 55,645	\$ 1,195	\$ 57,429
Licenses and permits -				
Occupational licenses	110,000	136,329	26,329	117,226
Franchise fees	12,000	10,220	(1,780)	8,503
Other	1,600	2,252	652	2,362
Beer permits	1,400	9,220	7,820	6,825
Intergovernmental revenues -				
Housing Authority payment in lieu of taxes	5,000	3,646	(1,354)	4,511
Beer taxes	11,000	13,948	2,948	11,697
Tobacco taxes	23,000	22,990	(10)	22,990
State revenue sharing	13,000	8,393	(4,607)	8,914
Video Poker machine tax	35,000	36,697	1,697	41,546
Fines	25,000	24,536	(464)	24,439
Miscellaneous revenues -				
Mineral lease and royalties	6,000	24,232	18,232	28,164
Museum receipts	1,500	3,110	1,610	2,870
Other	5,750	13,530	7,780	6,063
Total revenues	\$ 304,700	\$ 364,748	\$ 60,048	\$ 343,539
Expenditures:				
Current:				
General government	\$ 590,800	\$ 570,903	\$ 19,897	\$ 596,445
Public safety	711,300	752,492	(41,192)	691,003
Streets and bridges	495,400	463,462	31,938	530,714
Culture and recreation	27,275	22,663	4,612	23,291
Total expenditures	\$ 1,824,775	\$ 1,809,520	\$ 15,255	\$ 1,841,453
(Deficiency) of revenues over expenditures (subtotals forward)	\$(1,520,075)	\$(1,444,772)	\$ 75,303	\$(1,497,914)

CITY OF KAPLAN, LOUISIANA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL (CONTINUED)
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	<u>1999</u>		Variance Favorable (Unfavorable)	<u>1998</u>
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
(Deficiency) of revenues over expenditures (subtotals forwarded)	\$ (1,520,075)	\$ (1,444,772)	\$ 75,303	\$ (1,497,914)
Other financing sources: Operating transfers in	<u>1,520,075</u>	<u>1,460,000</u>	<u>(60,075)</u>	<u>1,474,000</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>\$ -</u>	\$ 15,228	<u>\$ 15,228</u>	\$ (23,914)
Fund balance, beginning of year		<u>75,508</u>		<u>99,422</u>
Fund balance, end of year		<u>\$ 90,736</u>		<u>\$ 75,508</u>

CITY OF KAPLAN, LOUISIANA
GENERAL FUND

STATEMENT OF EXPENDITURES - BUDGET
(GAAP BASIS) AND ACTUAL

Year Ended June 30, 1999

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

	<u>1999</u>		Variance	<u>1998</u>
	<u>Budget</u>	<u>Actual</u>	Favorable	<u>Actual</u>
			(Unfavorable)	
General government:				
Legislative -				
Salaries - Mayor and Aldermen	\$ 45,000	\$ 45,000	\$ -	\$ 45,000
Payroll taxes	3,600	3,626	(26)	3,626
Retirement	1,100	1,133	(33)	781
Insurance	14,800	5,805	8,995	12,305
Miscellaneous	<u>2,000</u>	<u>2,400</u>	<u>(400)</u>	<u>2,400</u>
Total legislative	<u>\$ 66,500</u>	<u>\$ 57,964</u>	<u>\$ 8,536</u>	<u>\$ 64,112</u>
Judicial -				
Salaries	\$ 49,056	\$ 51,324	\$ (2,268)	\$ 47,532
Payroll taxes	3,210	3,127	83	2,837
Retirement	2,400	2,822	(422)	2,476
Insurance	28,048	30,016	(1,968)	30,385
Other	<u>5,350</u>	<u>5,429</u>	<u>(79)</u>	<u>6,003</u>
Total judicial	<u>\$ 88,064</u>	<u>\$ 92,718</u>	<u>\$ (4,654)</u>	<u>\$ 89,233</u>
General and administrative -				
Payroll	\$ 121,000	\$ 124,889	\$ (3,889)	\$ 116,526
Payroll taxes	9,300	9,487	(187)	9,410
Insurance	81,000	69,389	11,611	77,912
Legal and accounting	91,000	70,606	20,394	82,437
Office supplies	14,861	9,855	5,006	13,121
Travel and convention expense	8,000	6,095	1,905	8,425
Official journal publication and advertisement	<u>10,000</u>	<u>17,487</u>	<u>(7,487)</u>	<u>18,194</u>
General and administrative (subtotals forward)	<u>\$ 335,161</u>	<u>\$ 307,808</u>	<u>\$ 27,353</u>	<u>\$ 326,025</u>
General government (subtotals forward)	<u>\$ 154,564</u>	<u>\$ 150,682</u>	<u>\$ 3,882</u>	<u>\$ 153,345</u>

CITY OF KAPLAN, LOUISIANA
GENERAL FUND

STATEMENT OF EXPENDITURES - BUDGET
(GAAP BASIS) AND ACTUAL (CONTINUED)
Year Ended June 30, 1999

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

	1999			1998
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
General government (subtotals forwarded)	\$ 154,564	\$ 150,682	\$ 3,882	\$ 153,345
General and administrative -				
Subtotals forwarded	\$ 335,161	\$ 307,808	\$ 27,353	\$ 326,025
Retirement	4,000	4,576	(576)	3,235
Repairs and maintenance	4,000	6,155	(2,155)	9,114
Computer services	-	4,956	(4,956)	16,192
Dues	1,550	4,161	(2,611)	3,837
Utilities and telephone	37,700	39,086	(1,386)	35,165
Engineering fees	9,700	11,532	(1,832)	6,586
Unemployment	2,000	-	2,000	29
Miscellaneous	19,550	21,568	(2,018)	25,535
Total general and administrative	\$ 413,661	\$ 399,842	\$ 13,819	\$ 425,718
Civil Service -				
Salaries	\$ 11,000	\$ 11,726	\$ (726)	\$ 8,040
Payroll taxes	850	897	(47)	615
Insurance	7,100	5,466	1,634	5,878
Office supplies	850	506	344	327
Utilities	800	209	591	-
Dues	500	389	111	-
Legal services	675	431	244	1,038
Miscellaneous	800	755	45	1,484
Total civil service	\$ 22,575	\$ 20,379	\$ 2,196	\$ 17,382
Total general government (subtotals forward)	\$ 590,800	\$ 570,903	\$ 19,897	\$ 596,445

CITY OF KAPLAN, LOUISIANA
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET
(GAAP BASIS) AND ACTUAL (CONTINUED)
Year Ended June 30, 1999

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

	1999		Variance Favorable (Unfavorable)	1998
	Budget	Actual		Actual
Subtotals forward	\$ 590,800	\$ 570,903	\$ 19,897	\$ 596,445
Public safety:				
Police department -				
Payroll	\$ 319,000	\$ 356,404	\$ (37,404)	\$ 305,889
Payroll taxes	26,800	27,994	(1,194)	25,832
Police retirement	9,500	6,646	2,854	6,120
Uniforms and supplies	19,000	20,475	(1,475)	15,666
Training/travel	7,000	7,556	(556)	4,313
Repairs and maintenance	18,200	26,275	(8,075)	20,708
Prisoners' board	4,000	6,866	(2,866)	6,408
Insurance	117,600	95,930	21,670	107,122
Auxiliary police	6,000	6,000	-	6,000
Miscellaneous	14,900	22,901	(8,001)	17,919
Total police department	\$ 564,000	\$ 598,967	\$ (34,967)	\$ 537,208
Fire department -				
Payroll	\$ 79,000	\$ 78,185	\$ 815	\$ 78,835
Payroll taxes	5,500	7,216	(1,716)	7,193
Volunteer fire department	16,500	16,000	500	16,500
Retirement	7,550	8,562	(1,012)	8,146
Insurance	36,550	40,572	(4,022)	40,692
Repairs and maintenance	1,000	1,906	(906)	1,207
Miscellaneous	200	311	(111)	309
Total fire department	\$ 146,300	\$ 152,752	\$ (6,452)	\$ 152,882
Civil defense -				
Telephone	\$ 1,000	\$ 773	\$ 227	\$ 913
Total public safety	\$ 711,300	\$ 752,492	\$ (41,192)	\$ 691,003
Subtotals forward	\$ 1,302,100	\$ 1,323,395	\$ (21,295)	\$ 1,287,448

CITY OF KAPLAN, LOUISIANA
GENERAL FUND

STATEMENT OF EXPENDITURES - BUDGET
(GAAP BASIS) AND ACTUAL (CONTINUED)
Year Ended June 30, 1999

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

	1999		Variance Favorable (Unfavorable)	1998
	Budget	Actual		Actual
Subtotals forwarded	\$ 1,302,100	\$ 1,323,395	\$ (21,295)	\$ 1,287,448
Streets and bridges:				
Payroll	\$ 229,500	\$ 227,396	\$ 2,104	\$ 228,839
Payroll taxes	17,100	17,457	(357)	17,592
Retirement	7,000	10,083	(3,083)	5,994
Gravel, shell and supplies	21,000	22,028	(1,028)	20,068
Repairs and maintenance	68,000	62,699	5,301	118,184
Telephone and utilities	9,500	7,298	2,202	7,903
Insurance	124,000	105,423	18,577	118,434
Miscellaneous	19,300	11,078	8,222	13,700
Total streets and bridges	\$ 495,400	\$ 463,462	\$ 31,938	\$ 530,714
Culture and recreation:				
Payroll	\$ 12,000	\$ 12,857	\$ (857)	\$ 11,560
Payroll taxes	925	983	(58)	902
Retirement	400	482	(82)	329
Telephone and utilities	800	1,031	(231)	753
Repairs and maintenance	1,000	1,286	(286)	1,238
Insurance	6,650	1,986	4,664	6,356
Supplies	1,750	1,133	617	733
Travel	2,000	611	1,389	130
Miscellaneous	1,750	2,294	(544)	1,290
Total culture and recreation	\$ 27,275	\$ 22,663	\$ 4,612	\$ 23,291
Total expenditures	\$ 1,824,775	\$ 1,809,520	\$ 15,255	\$ 1,841,453

SPECIAL REVENUE FUNDS

Recreation Center Maintenance Fund -

To account for operations of a recreation center. Financing is primarily from appropriations from other funds.

Sales Tax Fund -

To account for the collection of a 1% sales and use tax and its subsequent disbursement in accordance with the sales tax dedication.

Parish Fire Protection Fund -

To account for monies received from the Vermilion Parish Police Jury to defray costs of the fire department.

Police Special Fund -

To account for monies received from a 15% dedication of court fines received by the General Fund and used to defray costs of the police department.

CITY OF KAPLAN, LOUISIANA
ALL SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET
June 30, 1999

With Comparative Totals for June 30, 1998

ASSETS	<u>Recreation Center Maintenance Fund</u>	<u>Sales Tax Fund</u>
Cash	\$ 22	\$235,069
Grant receivable	-	7,051
Due from other funds	232	542,652
Due from other governments	-	39,039
Other	<u>-</u>	<u>881</u>
Total assets	<u>\$ 254</u>	<u>\$824,692</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ -	\$ 930
Due to other funds	<u>681</u>	<u>-</u>
Total liabilities	\$ 681	\$ 930
Fund balances - unreserved and undesignated	<u>(427)</u>	<u>823,762</u>
Total liabilities and fund balances	<u>\$ 254</u>	<u>\$824,692</u>

Parish Fire Protection Fund	Police Special Fund	Totals	
		1999	1998
\$ 36,216	\$ 6,447	\$277,754	\$191,870
-	-	7,051	9,000
-	-	542,884	539,389
-	444	39,483	37,892
-	-	881	425
<u>\$ 36,216</u>	<u>\$ 6,891</u>	<u>\$868,053</u>	<u>\$778,576</u>
\$ 888	\$ -	\$ 1,818	\$ 1,622
-	500	1,181	1,232
<u>\$ 888</u>	<u>\$ 500</u>	<u>\$ 2,999</u>	<u>\$ 2,854</u>
<u>35,328</u>	<u>6,391</u>	<u>865,054</u>	<u>775,722</u>
<u>\$ 36,216</u>	<u>\$ 6,891</u>	<u>\$868,053</u>	<u>\$778,576</u>

CITY OF KAPLAN, LOUISIANA
ALL SPECIAL REVENUE FUNDS

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

Year Ended June 30, 1999

With Comparative Totals for the Year Ended June 30, 1998

	<u>Recreation Center Maintenance Fund</u>	<u>Sales Tax Fund</u>
Revenues:		
Taxes	\$ -	\$ 480,609
Intergovernmental revenues	-	28,178
Fines	-	-
Miscellaneous revenue	-	2,747
Total revenues	<u>\$ -</u>	<u>\$ 511,534</u>
Expenditures:		
Current:		
General government	\$ -	\$ 63,081
Public safety	-	-
Culture and recreation	21,445	-
Capital outlays:		
Public safety	-	5,932
Streets and bridges	-	82,516
Culture and recreation	-	24,416
Public works	-	98,838
Administration	-	7,176
Judicial	-	-
Debt service:		
Principal payments	-	9,946
Interest paid	-	334
Total expenditures	<u>\$ 21,445</u>	<u>\$ 292,239</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (21,445)</u>	<u>\$ 219,295</u>
Other financing sources (uses):		
Operating transfers in	\$ 21,300	\$ -
Operating transfers out	-	(130,127)
Total other financing sources (uses)	<u>\$ 21,300</u>	<u>\$ (130,127)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (subtotals forward)	<u>\$ (145)</u>	<u>\$ 89,168</u>

Parish Fire Protection Fund	Police Special Fund	Totals	
		1999	1998
\$ -	\$ -	\$ 480,609	\$ 458,220
32,240	-	60,418	56,470
-	4,330	4,330	4,313
-	425	3,172	1,635
<u>\$ 32,240</u>	<u>\$ 4,755</u>	<u>\$ 548,529</u>	<u>\$ 520,638</u>
\$ -	\$ -	\$ 63,081	\$ 14,098
33,676	3,010	36,686	32,742
-	-	21,445	22,684
-	-	5,932	16,829
-	-	82,516	84,730
-	-	24,416	8,613
-	-	98,838	51,996
-	-	7,176	47,048
-	-	-	13,581
-	-	9,946	14,242
-	-	334	1,566
<u>\$ 33,676</u>	<u>\$ 3,010</u>	<u>\$ 350,370</u>	<u>\$ 308,129</u>
<u>\$ (1,436)</u>	<u>\$ 1,745</u>	<u>\$ 198,159</u>	<u>\$ 212,509</u>
\$ -	\$ -	\$ 21,300	\$ 14,000
-	-	(130,127)	(128,779)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (108,827)</u>	<u>\$ (114,779)</u>
<u>\$ (1,436)</u>	<u>\$ 1,745</u>	<u>\$ 89,332</u>	<u>\$ 97,730</u>

CITY OF KAPLAN, LOUISIANA
 ALL SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 Year Ended June 30, 1999
 With Comparative Totals for the Year Ended June 30, 1998

	Recreation Center Maintenance <u>Fund</u>	Sales Tax <u>Fund</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (subtotals forwarded)	\$ (145)	\$ 89,168
Fund balances, beginning of year	<u>(282)</u>	<u>734,594</u>
Fund balances, end of year	<u>\$ (427)</u>	<u>\$823,762</u>

Parish Fire Protection Fund	Police Special Fund	Total	
		1999	1998
\$ (1,436)	\$ 1,745	\$ 89,332	\$ 97,730
<u>36,764</u>	<u>4,646</u>	<u>775,722</u>	<u>677,992</u>
<u>\$ 35,328</u>	<u>\$ 6,391</u>	<u>\$865,054</u>	<u>\$775,722</u>

CITY OF KAPLAN, LOUISIANA
SPECIAL REVENUE FUNDS
RECREATION CENTER MAINTENANCE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1999

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

	<u>1999</u>			<u>1998</u>
	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	<u>Actual</u>
Revenues:				
Intergovernmental revenue				
- grant	\$ -	\$ -	\$ -	\$ 4,230
Expenditures:				
Current:				
Culture and recreation -				
Insurance	\$ 1,500	\$ 1,082	\$ 418	\$ 1,329
Chemicals and supplies	500	165	335	459
Repairs and maintenance	8,250	9,239	(989)	10,967
Telephone and utilities	12,300	10,959	1,341	9,929
Miscellaneous	-	-	-	-
Total expenditures	<u>\$ 22,550</u>	<u>\$ 21,445</u>	<u>\$ 1,105</u>	<u>\$ 22,684</u>
(Deficiency) of revenues				
over expenditures	\$(22,550)	\$(21,445)	\$ 1,105	\$(18,454)
Other financing sources:				
Operating transfers in	<u>22,550</u>	<u>21,300</u>	<u>(1,250)</u>	<u>14,000</u>
Deficiency of revenues				
and other sources over				
expenditures (subtotals				
forward)	<u>\$ -</u>	<u>\$ (145)</u>	<u>\$ (145)</u>	<u>\$ (4,454)</u>

CITY OF KAPLAN, LOUISIANA
SPECIAL REVENUE FUNDS
RECREATION CENTER MAINTENANCE FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	<u>1999</u>		Variance Favorable (Unfavorable)	<u>1998</u>
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
Deficiency of revenues and other sources over expenditures (subtotals forwarded)	\$ <u>-</u>	\$ (145)	\$ <u>(145)</u>	\$ (4,454)
Fund balance (deficit), beginning of year		<u>(282)</u>		<u>4,172</u>
Fund balance (deficit), end of year		\$ <u>(427)</u>		\$ <u>(282)</u>

CITY OF KAPLAN, LOUISIANA
SPECIAL REVENUE FUNDS
SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1999

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

	<u>1999</u>		Variance	<u>1998</u>
	<u>Budget</u>	<u>Actual</u>	Favorable	<u>Actual</u>
			(Unfavorable)	
Revenues:				
Taxes - sales taxes	\$470,000	\$480,609	\$ 10,609	\$458,220
Intergovernmental revenues				
- grant	-	28,178	28,178	20,000
Miscellaneous revenues:				
Interest	1,000	1,515	515	1,085
Other	-	1,232	1,232	-
Total revenues	<u>\$471,000</u>	<u>\$511,534</u>	<u>\$ 40,534</u>	<u>\$479,305</u>
Expenditures:				
Current:				
General government	<u>\$ 30,100</u>	<u>\$ 63,081</u>	<u>\$ (32,981)</u>	<u>\$ 14,098</u>
Capital outlays:				
Public safety	\$ 91,000	\$ 5,932	\$ 85,068	\$ 16,829
Streets and bridges	114,420	82,516	31,904	84,730
Culture and recreation	11,000	24,416	(13,416)	8,613
Public works	42,750	98,838	(56,088)	51,996
Administration	43,100	7,176	35,924	47,048
Judicial	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>13,581</u>
Total capital outlays	<u>\$312,270</u>	<u>\$218,878</u>	<u>\$ 93,392</u>	<u>\$222,797</u>
Debt service:				
Principal payments	\$ -	\$ 9,946	\$ (9,946)	\$ 14,242
Interest paid	<u>-</u>	<u>334</u>	<u>(334)</u>	<u>1,566</u>
Total debt service	<u>\$ -</u>	<u>\$ 10,280</u>	<u>\$ (10,280)</u>	<u>\$ 15,808</u>
Total expenditures	<u>\$342,370</u>	<u>\$292,239</u>	<u>\$ 50,131</u>	<u>\$252,703</u>
Excess of revenues over expenditures (subtotals forward)	<u>\$128,630</u>	<u>\$219,295</u>	<u>\$ 90,665</u>	<u>\$226,602</u>

CITY OF KAPLAN, LOUISIANA
SPECIAL REVENUE FUNDS
SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1999

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

	<u>1999</u>		Variance Favorable (Unfavorable)	<u>1998</u>
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
Excess of revenues over expenditures (subtotals forwarded)	\$ 128,630	\$ 219,295	\$ 90,665	\$ 226,602
Other financing sources (uses): Operating transfers out	<u>(128,630)</u>	<u>(130,127)</u>	<u>(1,497)</u>	<u>(128,779)</u>
Excess of revenues over expenditures and other uses	<u>\$ -</u>	\$ 89,168	<u>\$ 89,168</u>	\$ 97,823
Fund balance, beginning of year		<u>734,594</u>		<u>636,771</u>
Fund balance, end of year		<u>\$ 823,762</u>		<u>\$ 734,594</u>

CITY OF KAPLAN, LOUISIANA
SPECIAL REVENUE FUNDS
PARISH FIRE PROTECTION FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		1998	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues:				
Intergovernmental revenues -				
Appropriation from				
Vermilion Parish Police				
Jury	\$ 32,240	\$ 32,240	\$ -	\$ 32,240
Expenditures:				
Current:				
Public safety - fire:				
Repairs and maintenance	\$ 8,000	\$ 9,829	\$ (1,829)	\$ 9,221
Uniforms and supplies	6,100	6,809	(709)	3,851
Travel/convention	1,750	945	805	766
Telephone and utilities	10,200	9,909	291	10,552
Equipment	2,840	4,132	(1,292)	2,920
Other	<u>3,350</u>	<u>2,052</u>	<u>1,298</u>	<u>2,718</u>
Total expenditures	<u>\$ 32,240</u>	<u>\$ 33,676</u>	<u>\$ (1,436)</u>	<u>\$ 30,028</u>
Excess (deficiency) of revenues				
over expenditures	<u>\$ -</u>	\$ (1,436)	<u>\$ (1,436)</u>	\$ 2,212
Fund balance, beginning of year		<u>36,764</u>		<u>34,552</u>
Fund balance, end of year		<u>\$ 35,328</u>		<u>\$ 36,764</u>

CITY OF KAPLAN, LOUISIANA
SPECIAL REVENUE FUNDS
POLICE SPECIAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 1999
With Comparative Actual Amounts for the Year Ended June 30, 1998

	1999		Variance	1998
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Court fines	\$ 5,000	\$ 4,330	\$ (670)	\$ 4,313
Miscellaneous	<u>4,250</u>	<u>425</u>	<u>(3,825)</u>	<u>550</u>
Total revenues	<u>\$ 9,250</u>	<u>\$ 4,755</u>	<u>\$ (4,495)</u>	<u>\$ 4,863</u>
Expenditures:				
Current:				
Public safety - police:				
Travel/convention	\$ 1,500	\$ -	\$ 1,500	\$ -
Repairs and maintenance	1,375	350	1,025	220
Dues and subscriptions	-	-	-	174
Supplies	4,625	-	4,625	-
Other	<u>1,750</u>	<u>2,660</u>	<u>(910)</u>	<u>2,320</u>
Total expenditures	<u>\$ 9,250</u>	<u>\$ 3,010</u>	<u>\$ 6,240</u>	<u>\$ 2,714</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ 1,745</u>	<u>\$ 1,745</u>	<u>\$ 2,149</u>
Fund balance, beginning of year		<u>4,646</u>		<u>2,497</u>
Fund balance, end of year		<u>\$ 6,391</u>		<u>\$ 4,646</u>

This page is intentionally left blank.

DEBT SERVICE FUNDS

General Obligation Debt Service A & B - To accumulate monies for payment of \$500,000 of General Obligation Bonds, Series A of 1995 for the purpose of constructing, improving and resurfacing public streets, and for the payment of \$300,000 General Obligation Bonds, Series B of 1995 for the purpose of constructing and improving drains and drainage facilities. Financed by specifically dedicated property tax levies.

1992 Certificates of Indebtedness - To accumulate monies for payment of \$680,000 of Certificates of Indebtedness due in various installments and interest rates for the purpose of constructing and acquiring improvements to the utility system and City jail and to refund the 1986 Certificate of Indebtedness. Financed by excess annual revenues.

Refunded Bonds, Series 1992 - To accumulate monies for payment of \$550,000 of bonds due in various installments and interest rates for the purpose of refunding 1991 Certificate of Indebtedness and financed by proceeds of a 1% sales and use tax.

General Bonded Debt - To accumulate monies for the retirement of \$630,000 of bonds due in various installments and interest rates for various public improvements and financed by specifically dedicated property tax levies. This debt was paid off in a prior fiscal year. The money remaining in this fund will be used for public improvements.

CITY OF KAPLAN, LOUISIANA
ALL DEBT SERVICE FUNDS

COMBINING BALANCE SHEET
June 30, 1999
With Comparative Totals for June 30, 1998

ASSETS	General Obligation Bonds A and B Sinking Fund	1992 Certificate of Indebtedness Sinking Fund
Cash and cash equivalents	\$ 91,481	\$ 48,738
Due from other funds	-	-
Accrued interest receivable	<u>706</u>	<u>-</u>
Total assets	<u>\$ 92,187</u>	<u>\$ 48,738</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Due to other funds	\$ -	\$ 170
Other payable	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ -</u>	<u>\$ 170</u>
Fund balances:		
Reserved for debt retirement	\$ 92,187	\$ 48,568
Reserved for public improvements	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 92,187</u>	<u>\$ 48,568</u>
Total liabilities and fund balances	<u>\$ 92,187</u>	<u>\$ 48,738</u>

Refunding Bonds Series 1992 Sinking Fund	General Bonded Debt	Total	
		1999	1998
\$ 3,009	\$ 868	\$144,096	\$127,860
-	400	400	-
-	-	706	239
<u>\$ 3,009</u>	<u>\$ 1,268</u>	<u>\$145,202</u>	<u>\$128,099</u>
\$ -	\$ -	\$ 170	\$ 170
-	-	-	45
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 170</u>	<u>\$ 215</u>
\$ 3,009	\$ -	\$143,764	\$126,616
-	1,268	1,268	1,268
<u>\$ 3,009</u>	<u>\$ 1,268</u>	<u>\$145,032</u>	<u>\$127,884</u>
<u>\$ 3,009</u>	<u>\$ 1,268</u>	<u>\$145,202</u>	<u>\$128,099</u>

CITY OF KAPLAN, LOUISIANA
ALL DEBT SERVICE FUNDS

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

Year Ended June 30, 1999

With Comparative Totals for the Year Ended June 30, 1998

	<u>General Obligation Bonds A and B Sinking Fund</u>	<u>1992 Certificate of Indebtedness Sinking Fund</u>
Revenues:		
Ad valorem taxes	\$ 81,711	\$ -
Interest on investments	<u>2,874</u>	<u>499</u>
Total revenues	<u>\$ 84,585</u>	<u>\$ 499</u>
Expenditures:		
Debt service:		
Bonds paid	\$ 25,000	\$ 70,000
Coupons paid	44,820	21,228
Paying agent fees	<u>700</u>	<u>-</u>
Total expenditures	<u>\$ 70,520</u>	<u>\$ 91,228</u>
Excess (deficiency) of revenue over expenditures	\$ 14,065	\$ (90,729)
Other financing sources:		
Operating transfers in	<u>-</u>	<u>93,812</u>
Excess of revenues and other sources over expenditures	\$ 14,065	\$ 3,083
Fund balances, beginning of year	<u>78,122</u>	<u>45,485</u>
Fund balances, end of year	<u>\$ 92,187</u>	<u>\$ 48,568</u>

Refunding Bonds Series 1992 Sinking Fund	General Bonded Debt	Total	
		1999	1998
\$ -	\$ -	\$ 81,711	\$ 83,928
-	-	3,373	2,599
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 85,084</u>	<u>\$ 86,527</u>
\$ -	\$ -	\$ 95,000	\$ 90,000
35,965	-	102,013	108,045
<u>350</u>	<u>-</u>	<u>1,050</u>	<u>890</u>
<u>\$ 36,315</u>	<u>\$ -</u>	<u>\$ 198,063</u>	<u>\$ 198,935</u>
(36,315)	-	(112,979)	(112,408)
<u>\$ 36,315</u>	<u>\$ -</u>	<u>\$ 130,127</u>	<u>\$ 128,779</u>
\$ -	\$ -	\$ 17,148	\$ 16,371
3,009	1,268	127,884	111,513
<u>\$ 3,009</u>	<u>\$ 1,268</u>	<u>\$ 145,032</u>	<u>\$ 127,884</u>

This page intentionally left blank.

CAPITAL PROJECT FUNDS

1995 Street and Drainage Improvement Fund - To account for the collection and disbursement of funds for constructing, resurfacing and improving public streets, and drainage facilities in the City.

1992 Construction Fund - To account for the collection and disbursement of funds for utility extensions and improvements to the City jail and power plant.

CITY OF KAPLAN, LOUISIANA
ALL CAPITAL PROJECT FUNDS

COMBINING BALANCE SHEET
June 30, 1999
With Comparative Totals for June 30, 1998

	1995 Street & Drainage Improve- ment Fund	1992 Construction Fund	<u>Totals</u>	
ASSETS	<u>Fund</u>	<u>Fund</u>	<u>1999</u>	<u>1998</u>
Cash and cash equivalents	\$ 7,074	\$ 4,115	\$ 11,189	\$ 21,238
Total assets	<u>\$ 7,074</u>	<u>\$ 4,115</u>	<u>\$ 11,189</u>	<u>\$ 21,238</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 1,721
Fund balance - unreserved and undesignated	<u>7,074</u>	<u>4,115</u>	<u>11,189</u>	<u>19,517</u>
Total liabilities and fund balance	<u>\$ 7,074</u>	<u>\$ 4,115</u>	<u>\$ 11,189</u>	<u>\$ 21,238</u>

CITY OF KAPLAN, LOUISIANA
ALL CAPITAL PROJECT FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
Year Ended June 30, 1999
With Comparative Totals for the Year Ended June 30, 1998

	1995 Street & Drainage Improve- ment <u>Fund</u>	1992 Construction <u>Fund</u>	<u>Totals</u>	
			<u>1999</u>	<u>1998</u>
Revenues:				
Interest	\$ -	\$ -	\$ -	\$ 342
Expenditures:				
Current:				
Streets and drainage	\$ 8,328	\$ -	\$ 8,328	\$ -
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,953</u>
Total expenditures	<u>\$ 8,328</u>	<u>\$ -</u>	<u>\$ 8,328</u>	<u>\$ 59,953</u>
Deficiency of revenues over expenditures	\$ (8,328)	\$ -	\$ (8,328)	\$ (59,611)
Fund balance, beginning	<u>15,402</u>	<u>4,115</u>	<u>19,517</u>	<u>79,128</u>
Fund balance, ending	<u>\$ 7,074</u>	<u>\$ 4,115</u>	<u>\$ 11,189</u>	<u>\$ 19,517</u>

This page is intentionally left blank.

ENTERPRISE FUND

Utilities Fund - To account for the provision of electric, gas, water and sewer services to 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, billing and collections.

CITY OF KAPLAN, LOUISIANA
 ENTERPRISE FUND
 UTILITIES FUND

BALANCE SHEETS
 June 30, 1999 and 1998

ASSETS	<u>1999</u>	<u>1998</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 90,215	\$ 13,501
Customers' accounts receivable; net of allowance for uncollectible accounts 1999 - \$253,404; 1998 - \$230,715	462,676	509,169
Unbilled revenue	399,100	418,712
Prepaid insurance	-	2,126
Accrued interest receivable	4,769	4,586
Due from other funds	170	170
Other receivables	<u>-</u>	<u>6,366</u>
Total current assets	<u>\$ 956,930</u>	<u>\$ 954,630</u>
RESTRICTED ASSETS		
Customer deposits	\$ 172,511	\$ 152,613
Bond sinking fund account	161,088	157,074
Bond reserve fund account	437,160	406,407
Bond capital addition and contingency account	67,547	27,417
Bond construction account	<u>6,899</u>	<u>55,248</u>
Total restricted assets	<u>\$ 845,205</u>	<u>\$ 798,759</u>
DEFERRED CHARGES	<u>\$ 46,625</u>	<u>\$ 55,656</u>
PLANT AND EQUIPMENT, at cost, net of accumulated depreciation 1999 - \$4,820,865; 1998 \$4,486,929	<u>\$10,101,957</u>	<u>\$10,319,490</u>
	<u>\$11,950,717</u>	<u>\$12,128,535</u>

LIABILITIES AND FUND EQUITY	<u>1999</u>	<u>1998</u>
CURRENT LIABILITIES (payable from current assets)		
Accounts payable	\$ 246,272	\$ 318,788
Compensated absences payable	61,890	28,190
Due to other funds	639,669	643,398
Retainage payable	-	44,997
Deferred Revenue	<u>8,148</u>	<u>-</u>
	<u>\$ 955,979</u>	<u>\$ 1,035,373</u>
CURRENT LIABILITIES (payable from restricted assets)		
Customers deposits	\$ 171,884	\$ 153,182
Accrued interest payable	53,394	52,317
General obligation bond payable	45,000	45,000
Revenue bonds payable (net of deferred amount on refunding)	<u>404,850</u>	<u>364,850</u>
	<u>\$ 675,128</u>	<u>\$ 615,349</u>
Total current liabilities	<u>\$ 1,631,107</u>	<u>\$ 1,650,722</u>
NONCURRENT LIABILITIES		
General obligation bond payable	\$ 395,000	\$ 440,000
Revenue bonds payable (net of deferred amount on refunding)	2,530,305	2,935,156
Deferred Revenue	<u>44,815</u>	<u>-</u>
Total noncurrent liabilities	<u>\$ 2,970,120</u>	<u>\$ 3,375,156</u>
Total liabilities	<u>\$ 4,601,227</u>	<u>\$ 5,025,878</u>
FUND EQUITY		
Contributed capital	\$ 6,843,205	\$ 6,751,780
Less amortization	<u>643,613</u>	<u>525,815</u>
Total contributed capital	<u>\$ 6,199,592</u>	<u>\$ 6,225,965</u>
Retained earnings -		
Reserved for bond retirement	\$ 95,004	\$ 101,314
Reserved for bond capital addition and contingency	67,547	27,417
Reserved for customer deposits	627	-
Unreserved	<u>986,720</u>	<u>747,961</u>
Total retained earnings	<u>\$ 1,149,898</u>	<u>\$ 876,692</u>
Total fund equity	<u>\$ 7,349,490</u>	<u>\$ 7,102,657</u>
	<u>\$11,950,717</u>	<u>\$12,128,535</u>

CITY OF KAPLAN, LOUISIANA
ENTERPRISE FUND
UTILITIES FUND

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
Years Ended June 30, 1999 and 1998

	<u>Totals</u>		<u>Electric</u>	
	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
Operating revenue:				
Charges for services	\$ 5,383,707	\$ 5,480,160	\$ 3,926,785	\$ 3,796,225
Operating expenses:				
Salaries	\$ 408,010	\$ 368,023	\$ 143,027	\$ 105,715
Benefit payments:				
Payroll taxes	28,635	27,222	9,999	7,560
Insurance	90,374	90,760	27,398	24,126
Retirement	11,605	7,982	3,684	1,941
Electricity/gas purchased	2,243,861	2,444,661	2,002,059	2,069,346
Repairs and maintenance	68,692	90,420	27,679	34,601
Utilities	81,747	77,998	3,692	3,733
Insurance	55,024	65,446	14,612	17,010
Operating supplies	124,865	134,597	30,081	42,410
Office supplies and expense	3,678	4,085	764	974
Engineering fees	9,476	10,565	6,899	3,447
Bad debt expense	23,527	38,840	17,128	26,877
Depreciation	333,936	308,835	47,045	46,018
Legal	10	4,759	10	3,294
Other	<u>28,705</u>	<u>20,171</u>	<u>9,724</u>	<u>11,001</u>
Total operating expenses	<u>\$ 3,512,145</u>	<u>\$ 3,694,364</u>	<u>\$ 2,343,801</u>	<u>\$ 2,398,053</u>
Operating income	<u>\$ 1,871,562</u>	<u>\$ 1,785,796</u>	<u>\$ 1,582,984</u>	<u>\$ 1,398,172</u>
Nonoperating revenue (expense):				
Interest expense	\$ (258,794)	\$ (303,842)		
Interest income	32,821	44,748		
Bond issue cost	(9,031)	(6,217)		
Other	<u>150</u>	<u>-</u>		
	<u>\$ (234,854)</u>	<u>\$ (265,311)</u>		
Income before other operating transfers (subtotals forward)	<u>\$ 1,636,708</u>	<u>\$ 1,520,485</u>		

<u>Gas</u>		<u>Water</u>		<u>Sewerage</u>	
<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
\$ 656,201	\$ 881,488	\$ 472,201	\$ 488,899	\$ 328,520	\$ 313,548
\$ 59,446	\$ 62,246	\$ 111,106	\$ 126,063	\$ 94,431	\$ 73,999
4,587	4,740	8,240	9,257	5,809	5,665
17,725	18,311	25,042	28,109	20,209	20,214
2,044	1,463	3,307	2,743	2,570	1,835
241,802	375,315	-	-	-	-
4,812	15,339	18,457	16,145	17,744	24,335
851	899	51,378	51,603	25,826	21,763
9,478	12,934	21,433	25,392	9,501	10,110
37,457	31,084	36,844	42,998	20,483	18,105
862	984	994	1,176	1,058	951
1,156	6,462	843	656	578	-
2,870	6,253	2,094	3,496	1,435	2,214
78,309	77,040	89,325	87,197	119,257	98,580
-	766	-	428	-	271
<u>11,992</u>	<u>3,046</u>	<u>1,424</u>	<u>1,527</u>	<u>5,565</u>	<u>4,597</u>
\$ 473,391	\$ 616,882	\$ 370,487	\$ 396,790	\$ 324,466	\$ 282,639
<u>\$ 182,810</u>	<u>\$ 264,606</u>	<u>\$ 101,714</u>	<u>\$ 92,109</u>	<u>\$ 4,054</u>	<u>\$ 30,909</u>

CITY OF KAPLAN, LOUISIANA
ENTERPRISE FUND
UTILITIES FUND

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
Years Ended June 30, 1999 and 1998

	<u>Totals</u>	
	<u>1999</u>	<u>1998</u>
Income before other operating transfers (subtotals forwarded)	\$ 1,636,708	\$ 1,520,485
Other operating transfers:		
Operating transfers out	<u>(1,481,300)</u>	<u>(1,488,000)</u>
Net income	\$ 155,408	\$ 32,485
Add depreciation on fixed assets acquired by grants, entitlements, and shared revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>117,798</u>	<u>69,798</u>
Increase in retained earnings	\$ 273,206	\$ 102,283
Retained earnings, beginning of year	<u>876,692</u>	<u>774,409</u>
Retained earnings, end of year	<u>\$ 1,149,898</u>	<u>\$ 876,692</u>

CITY OF KAPLAN, LOUISIANA
ENTERPRISE FUND
UTILITIES FUND

STATEMENTS OF CASH FLOWS
Years Ended June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 1,871,562	\$ 1,785,796
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	333,936	308,835
Other	3,839	-
Increase (decrease) in allowance for uncollectible accounts	22,689	(17,866)
(Increase) decrease in accounts receivable	23,804	(92,539)
(Increase) decrease in prepaid expenses	2,126	-
(Increase) decrease in unbilled revenue	19,612	(35,024)
(Increase) decrease in due from other funds	-	2,216
(Increase) decrease in other receivables	6,366	39,813
Increase (decrease) in accounts payable	(58,786)	15,084
Increase (decrease) in retainages payable	(44,997)	10,693
Increase (decrease) in accrued expenses	33,700	(17,741)
Increase (decrease) in due to other funds	(3,729)	53,489
Increase (decrease) in deferred revenue	<u>52,963</u>	<u>-</u>
Net cash provided by operating activities	<u>\$ 2,263,085</u>	<u>\$ 2,052,756</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating transfers to other funds	\$(1,481,300)	\$(1,488,000)
Increase in customer deposits, net of refunds	<u>18,702</u>	<u>7,393</u>
Net cash used in noncapital financing activities	<u>\$(1,462,598)</u>	<u>\$(1,480,607)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from revenue bond	\$ -	\$ 1,521,761
Payments to escrow account to advance refund bond	-	(1,546,000)
Principal paid on bonds	(441,000)	(381,300)
Interest paid on bonds and other financing costs	(257,717)	(232,892)
Acquisition and construction of capital assets	<u>(11,248)</u>	<u>(661,337)</u>
Net cash used in capital and related financing activities	<u>\$ (709,965)</u>	<u>\$(1,299,768)</u>
Subtotals forward	<u>\$ 90,522</u>	<u>\$ (727,619)</u>

CITY OF KAPLAN, LOUISIANA
ENTERPRISE FUND
UTILITIES FUND

STATEMENTS OF CASH FLOWS (CONTINUED)
Years Ended June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Subtotals forwarded	\$ 90,522	\$ (727,619)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earned on investments	<u>32,638</u>	<u>47,698</u>
Net increase (decrease) in cash and cash equivalents	\$ 123,160	\$ (679,921)
Cash and cash equivalents at beginning of year, (including \$798,759 and \$1,331,513 in restricted cash at July 1, 1998 and 1997, respectively)	<u>812,260</u>	<u>1,492,181</u>
Cash and cash equivalents at end of year, (including \$845,205 and \$798,759 in restricted cash at June 30, 1999 and 1998, respectively)	<u>\$ 935,420</u>	<u>\$ 812,260</u>
Noncash investing, capital, and financing activities:		
Contributions of fixed assets from government	<u>\$ 91,425</u>	<u>\$ 51,044</u>

CITY OF KAPLAN, LOUISIANA
ENTERPRISE FUND
UTILITIES FUND

SCHEDULE OF CHANGES IN ASSETS RESTRICTED
FOR REVENUE BOND DEBT SERVICE
Year Ended June 30, 1999

	<u>Total</u>	<u>Bond Sinking Fund</u>	<u>Bond Reserve Fund</u>	<u>Capital Additions and Contingencies Fund</u>
Assets restricted for revenue bond debt service, June 30, 1998	\$ 590,898	\$ 157,074	\$ 406,407	\$ 27,417
Changes:				
Payment of principal	(441,000)	(441,000)	-	-
Payment of interest and fees	(228,157)	(228,157)	-	-
Payment of extensions, improvements, and replacements of the system	(7,895)	-	-	(7,895)
Transfers from operating fund	751,220	673,171	30,024	48,025
Interest earned	<u>729</u>	<u>-</u>	<u>729</u>	<u>-</u>
Assets restricted for revenue bond debt service, June 30, 1999	<u>\$ 665,795</u>	<u>\$ 161,088</u>	<u>\$ 437,160</u>	<u>\$ 67,547</u>

This page is intentionally left blank.

INTERNAL SERVICE FUND

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

CITY OF KAPLAN, LOUISIANA
INTERNAL SERVICE FUND
GROUP INSURANCE

BALANCE SHEETS
June 30, 1999 and 1998

ASSETS	<u>1999</u>	<u>1998</u>
Current assets:		
Cash	\$235,816	\$168,385
Reimbursement receivable	2,450	17,727
Aggregate receivable	<u> -</u>	<u>34,533</u>
Total assets	<u>\$238,266</u>	<u>\$220,645</u>
 LIABILITIES AND FUND EQUITY		
Liabilities:		
Claims in process	\$ 59,635	\$ 26,412
Retained earnings	<u>178,631</u>	<u>194,233</u>
Total liabilities and fund equity	<u>\$238,266</u>	<u>\$220,645</u>

CITY OF KAPLAN, LOUISIANA
INTERNAL SERVICE FUND
GROUP INSURANCE

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
Years Ended June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Operating revenues:		
Charges for services -		
Group insurance - employer	\$321,645	\$339,189
Group insurance - employee	<u>28,232</u>	<u>30,640</u>
Total operating revenues	<u>\$349,877</u>	<u>\$369,829</u>
Operating expenses:		
Insurance premiums	\$102,039	\$112,306
Administrative fees	15,845	16,961
Claims	251,184	198,898
Miscellaneous	<u>42</u>	<u>77</u>
Total operating expenses	<u>\$369,110</u>	<u>\$328,242</u>
Operating income (loss)	\$(19,233)	\$ 41,587
Nonoperating revenue:		
Interest income	<u>3,631</u>	<u>2,911</u>
Net income (loss)	\$(15,602)	\$ 44,498
Retained earnings, beginning	<u>194,233</u>	<u>149,735</u>
Retained earnings, ending	<u>\$178,631</u>	<u>\$194,233</u>

CITY OF KAPLAN, LOUISIANA
INTERNAL SERVICE FUND
GROUP INSURANCE

STATEMENTS OF CASH FLOWS
Years Ended June 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$(19,233)	\$ 41,587
Adjustments to reconcile operating income to net cash provided by operations:		
Decrease (increase) in receivables	49,810	(20,609)
Increase (decrease) in claims in process	<u>33,223</u>	<u>(8,091)</u>
Net cash provided by operating activities	\$ 63,800	\$ 12,887
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	<u>3,631</u>	<u>2,911</u>
Net increase in cash and cash equivalents	\$ 67,431	\$ 15,798
Cash and cash equivalents at beginning of year	<u>168,385</u>	<u>152,587</u>
Cash and cash equivalents at end of year	<u>\$235,816</u>	<u>\$168,385</u>

AGENCY FUND

Payroll Fund - To account for payroll expenditures of the City. Individual funds transmit monies needed to cover their share of payroll costs.

CITY OF KAPLAN, LOUISIANA
PAYROLL FUND

BALANCE SHEETS
June 30, 1999 and 1998

ASSETS	<u>1999</u>	<u>1998</u>
Cash	\$ 258	\$ 405
Total assets	<u>\$ 258</u>	<u>\$ 405</u>
LIABILITIES		
Accrued liabilities	\$ -	\$ 102
Due to other funds	<u>258</u>	<u>303</u>
Total liabilities	<u>\$ 258</u>	<u>\$ 405</u>

CITY OF KAPLAN, LOUISIANA
PAYROLL FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year Ended June 30, 1999

ASSETS	Balance July 1, <u>1998</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>1999</u>
Cash	\$ 405	\$1,426,692	\$1,426,839	\$ 258
Due from other funds	<u>-</u>	<u>1,464,702</u>	<u>1,464,702</u>	<u>-</u>
Total assets	<u>\$ 405</u>	<u>\$2,891,394</u>	<u>\$2,891,541</u>	<u>\$ 258</u>
 LIABILITIES				
Accrued liabilities	\$ 102	\$ 490,371	\$ 490,473	\$ -
Due to other funds	<u>303</u>	<u>-</u>	<u>45</u>	<u>258</u>
Total liabilities	<u>\$ 405</u>	<u>\$ 490,371</u>	<u>\$ 490,518</u>	<u>\$ 258</u>

This page is intentionally left blank.

GENERAL FIXED ASSETS ACCOUNT GROUP

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

CITY OF KAPLAN, LOUISIANA
GENERAL FIXED ASSETS
ACCOUNT GROUP

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS
Year Ended June 30, 1999

	Balance, July 1, <u>1998</u>	<u>Additions</u>	<u>Deductions</u>	Balance, June 30, <u>1999</u>
General fixed assets, at cost:				
Land	\$ 114,547	\$ -	\$ -	\$ 114,547
Buildings	910,503	12,012	1,741	920,774
Equipment	<u>736,164</u>	<u>80,743</u>	<u>57,229</u>	<u>759,678</u>
Total general fixed assets	<u>\$1,761,214</u>	<u>\$ 92,755</u>	<u>\$ 58,970</u>	<u>\$1,794,999</u>
Investment in general fixed assets:				
Property acquired from -				
General obligation bonds	\$ 488,992	\$ -	\$ -	\$ 488,992
General fund revenues	22,193	2,413	715	23,891
Sales tax revenues	768,381	76,336	45,880	798,837
Recreation center maintenance fund revenues	8,644	-	-	8,644
Federal revenue funds	10,769	-	-	10,769
Donations and grants	367,380	14,006	2,452	378,934
Parish fire protection fund	83,629	-	9,923	73,706
Other	<u>11,226</u>	<u>-</u>	<u>-</u>	<u>11,226</u>
Total investment in general fixed assets	<u>\$1,761,214</u>	<u>\$ 92,755</u>	<u>\$ 58,970</u>	<u>\$1,794,999</u>

GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds. Payment of maturing obligations, including interest, are accounted for in the debt service funds. Payment of accrued compensated absences is accounted for in the governmental fund from which the applicable employee's salary is normally paid.

CITY OF KAPLAN, LOUISIANA

COMBINING STATEMENT OF GENERAL LONG-TERM DEBT

June 30, 1999

With Comparative Totals for June 30, 1998

	1992 Certificates of <u>Indebtedness</u>	Refunding Bonds, <u>Series 1992</u>
AMOUNT AVAILABLE AND TO BE PROVIDED FOR PAYMENT OF GENERAL LONG-TERM DEBT		
Amount available in Debt Service Funds	\$ 48,568	\$ 3,009
Amount available for other purposes	-	-
Amount to be provided	<u>266,432</u>	<u>546,991</u>
Total available and to be provided	<u>\$315,000</u>	<u>\$550,000</u>
GENERAL LONG-TERM DEBT PAYABLE		
Compensated absences payable	\$ -	\$ -
Installment purchases payable	-	-
Bonds payable:		
Due within one year	75,000	-
Due after one year	<u>240,000</u>	<u>550,000</u>
Total general long-term debt	<u>\$315,000</u>	<u>\$550,000</u>

General Bonded Debt	General Obligation Debt Service A & B	Compensated Absences	Totals	
			1999	1998
\$ 1,268	\$ 92,188	\$ -	\$ 145,033	\$ 127,884
(1,268)	-	-	(1,268)	(1,268)
<u>-</u>	<u>632,812</u>	<u>4,973</u>	<u>1,451,208</u>	<u>1,575,495</u>
<u>\$ -</u>	<u>\$725,000</u>	<u>\$ 4,973</u>	<u>\$1,594,973</u>	<u>\$1,702,111</u>
\$ -	\$ -	\$ 4,973	\$ 4,973	\$ 7,164
-	-	-	-	9,947
-	25,000	-	100,000	95,000
<u>-</u>	<u>700,000</u>	<u>-</u>	<u>1,490,000</u>	<u>1,590,000</u>
<u>\$ -</u>	<u>\$725,000</u>	<u>\$ 4,973</u>	<u>\$1,594,973</u>	<u>\$1,702,111</u>

CITY OF KAPLAN, LOUISIANA

SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT
Year Ended June 30, 1999

	Balance , July 1, <u>1998</u>	Compensated Absences <u>Payable</u>	Long- Term Debt <u>Retired</u>	Debt Service Fund <u>Operations</u>	Balance, June 30, <u>1999</u>
Amount available in Debt Service Funds	\$ 127,884	\$ -	\$ -	\$ 17,149	\$ 145,033
Amount available for other purposes	(1,268)	-	-	-	(1,268)
Amount to be provided for retirement of long-term debt	<u>1,575,495</u>	<u>(2,191)</u>	<u>(104,947)</u>	<u>(17,149)</u>	<u>1,451,208</u>
Total available and to be provided	<u>\$1,702,111</u>	<u>\$ (2,191)</u>	<u>\$ (104,947)</u>	<u>\$ -</u>	<u>\$1,594,973</u>
General long-term debt payable	<u>\$1,702,111</u>	<u>\$ (2,191)</u>	<u>\$ (104,947)</u>	<u>\$ -</u>	<u>\$1,594,973</u>

OTHER SUPPLEMENTARY INFORMATION

This page intentionally left blank.

CITY OF KAPLAN, LOUISIANA
 SUMMARY OF AD VALOREM TAX
 ASSESSMENTS AND COLLECTIONS
 Year Ended June 30, 1999

	<u>Total</u>	<u>General Fund</u>	<u>Debt Service Fund</u>
Total assessed valuation 1998 roll -			
Original roll	\$ 13,496,410		
Deductions from roll	<u>(129,860)</u>		
Net roll	<u>\$ 13,366,550</u>		
Taxes levied -			
	<u>10.29 Mills</u>	<u>4.18 Mills</u>	<u>6.11 Mills</u>
Total taxes - 1998 roll	\$ 137,543	\$ 55,872	\$ 81,671
Taxes collected or adjudicated	<u>137,543</u>	<u>55,872</u>	<u>81,671</u>
Taxes receivable -			
1998 roll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KAPLAN, LOUISIANA
 COMBINED SCHEDULE OF BONDS PAYABLE
 June 30, 1999

	<u>Issue Date</u>	<u>Final Maturity Date</u>
Public Improvement Bonds -		
General obligation bonds:		
Series A (streets)	8-1-95	2-1-15
Series B (drainage)	8-1-95	2-1-15
Certificate of Indebtedness - Series 1992	12-1-92	12-1-02
Refunded Bonds, Series 1992	12-1-92	12-1-07
Certificate of Indebtedness - Series 1997 (sewer plant)	3-1-97	3-1-07
Total General Obligation Bonds		
Utilities Revenue Bonds, Series 1994	4-1-94	4-1-09
Utilities Revenue Refunding Bonds, Series 1997	4-1-97	4-1-05
Less: Deferred amount on refunding		
Utilities Revenue Refunding Bonds, Series 1998	5-1-98	4-1-04
Less: Deferred amount on refunding		
Total Revenue Bonds		
Total General Obligation and Revenue Bonds		

<u>Interest</u>		<u>Bonds</u>			<u>Unmatured</u>
<u>Rates</u>	<u>Payment Dates</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding</u>	<u>Interest Coupons</u>
5.0 to 9.0%	2-1; 8-1	\$ 500,000	\$ 45,000	\$ 455,000	\$ 248,455
5.0 to 9.0%	2-1; 8-1	300,000	30,000	270,000	148,125
4.50 to 6.25%	6-1; 12-1	680,000	365,000	315,000	39,968
6.35 to 6.65%	6-1; 12-1	550,000	-	550,000	239,097
5.1 to 6.0%	3-1; 9-1	<u>525,000</u>	<u>85,000</u>	<u>440,000</u>	<u>122,415</u>
		<u>\$2,555,000</u>	<u>\$ 525,000</u>	<u>\$2,030,000</u>	<u>\$ 798,060</u>
5.40%	4-1; 10-1	\$ 100,000	\$ 27,000	\$ 73,000	\$ 23,004
5.00%	4-1; 10-1	1,790,000 (107,261)	50,000 (30,167)	1,740,000 (77,094)	378,500 -
6.95%	4-1; 10-1	1,520,000 (106,450)	235,000 (20,699)	1,285,000 (85,751)	246,030 -
		<u>\$3,196,289</u>	<u>\$ 261,134</u>	<u>\$2,935,155</u>	<u>\$ 647,534</u>
		<u>\$5,751,289</u>	<u>\$ 786,134</u>	<u>\$4,965,155</u>	<u>\$1,445,594</u>

CITY OF KAPLAN, LOUISIANA
 SCHEDULE OF INSURANCE IN FORCE
 (Unaudited)
 June 30, 1999

<u>Insurer</u>	<u>Assets Covered</u>
Louisiana Municipal Risk Management Association	Municipal employees
Hanover Insurance Company	All assets, with certain listed exceptions
Louisiana Municipal Risk Management Association	Automobiles
Louisiana Municipal Risk Management Association	Operations of insured (with listed exclusions)
Louisiana Municipal Risk Management Association	Police operations
Louisiana Municipal Risk Management Association	Public officials
U.S. Fidelity	Municipal employees
Audubon Insurance Agency	Automobile
Agency Management Corp.	John Deer tractor
Western Surety	Notary bonds
Scottsdale Insurance	Mardi Gras parade

<u>Risks Covered</u>	<u>Limits of Coverage (in Dollars)</u>	<u>Expiration Date</u>
Workmen's compensation Employer's liability	Unlimited	04-07-00
Fire, lightning and extended coverage; malicious mischief	\$7,023,300	09-01-99
Bodily injury Property damage Uninsured motorist	500M	07-07-99
Bodily injury Property damage	500M 500M	01-01-00
General liability	500M	01-01-00
General liability	500M	01-28-00
Blanket bond	100M	01-01-00
Physical damage	\$ 29,644	12-05-99
Equipment Floater	\$ 67,516	07-01-00
Blanket bonds	100M 100M 100M 100M	01-23-01 02-01-01 06-27-02 01-01-03
General liability	Unlimited	02-01-00

CITY OF KAPLAN, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO ELECTED OFFICIALS
Year Ended June 30, 1999

<u>Name</u>	<u>Amount</u>
Levi Schexnider (Mayor)	\$ 26,400
Presley Griffin	4,200
J. J. Landry	4,200
John M. LeBlanc	4,200
Warren Whaley, Sr.	4,200
Delores B. Meaux	<u>4,200</u>
	<u>\$ 47,400</u>

The schedule of compensation paid to board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

The board members receive \$350 per diem per month for attendance at meetings and the mayor receives \$2,200 per month salary.



BROUSSARD, POCHE', LEWIS & BREAU, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

122 East 5th St.
P.O. Drawer 307
Crowley, Louisiana
70527-0307
phone: (318) 783-0650
fax: (318) 783-7238

Lafayette, LA
(318) 988-4930
Opelousas, LA
(318) 942-5217
Abbeville, LA
(318) 898-1497
New Iberia, LA
(318) 364-4554
Church Point, LA
(318) 684-2855
Eunice, LA
(318) 457-0071

Lawrence A. Cramet, CPA*
Eugene C. Gilder, CPA*
Donald W. Kelley, CPA*
Herbert Lemone II, CPA*
Frank A. Stupno, CPA*
Scott J. Broussard, CPA*
L. Charles Abshire, CPA*
Kenneth R. Dugas, CPA*
P. John Blanchet III, CPA*
Stephen L. Lambousy, CPA*
Craig C. Babinemx, CPA*
Peter C. Borrello, CPA*
Michael P. Crochet, CPA*
George J. Trappey III, CPA*
Daniel E. Gilder, CPA*
Gregory B. Milton, CPA*
S. Scott Soileau, CPA*
Patrick D. McCarthy, CPA*
Martha B. Wyatt, CPA*

Retired:

Sidney L. Broussard, CPA 1980
Leon K. Poche, CPA 1984
James H. Breau, CPA 1987
Erna R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberly, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1996

*Members of American Institute of
Certified Public Accountants
Society of Louisiana Certified
Public Accountants*

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

The Honorable Mayor
and the Board of Aldermen
City of Kaplan, Louisiana

We have audited the general purpose financial statements of the City of Kaplan, Louisiana, as of and for the year ended June 30, 1999, and have issued our report thereon dated October 22, 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 Kaplan'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 an instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs as item 99-2.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and

The Honorable Mayor
and the Board of Aldermen
City of Kaplan, Louisiana

its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 99-1.

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

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

BROUSSARD, POCHÉ, LEWIS & BREAU, L.L.P.

Crowley, Louisiana
October 22, 1999

CITY OF KAPLAN, LOUISIANA
KAPLAN, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 1999

We have audited the financial statements of the City of Kaplan, Louisiana as of and for the year ended June 30, 1999, and have issued our report thereon dated October 22, 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. Our audit of the financial statements as of June 30, 1999 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Compliance

Compliance Material to Financial Statements Yes No

99-1 Gas Rates

Finding: In a test of nine customer accounts for gas services provided by the City, six of the customers were not charged the correct amount. It appears that the computer program is incorrectly applying the current rate schedule.

Recommendation: The City should take appropriate action immediately to determine why the bills are not being computed correctly. In addition, billing amounts should be tested periodically during the year to ensure that proper amounts are being billed to the customers.

Questioned costs: \$ -0-

99-2 Bond Indenture

Finding: In reviewing bond compliance requirements, it was noted that the balance in the Utility Sinking Fund was \$17,518 below the required amount at June 30, 1999.

Recommendation: The balance in the Utility Sinking Fund should be brought up to the required amount.

Questioned costs: \$ -0-

CITY OF KAPLAN, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year ending June 30, 1999

I. Internal Control and Compliance Material to the Financial Statements

98-1 Bond Indenture

Recommendation: The required amount should be funded to the Utility Capital Additions and Contingency Fund.

Status: As of June 30, 1999 the Utility Capital Additions and Contingency Fund is adequately funded.

98-2 IRS Form -1099

Recommendation: All independent contractors meeting Internal Revenue Service regulations should be issued a Form 1099.

Status: All independent contractors are issued a Form 1099 as required.

II Internal Control and Compliance Material to Federal Awards

Not applicable.

III Management Letter

The prior year's report did not include a management letter.

CITY OF KAPLAN, LOUISIANA
MANAGEMENTS CORRECTIVE ACTION PLAN

For the Year Ended June 30, 1999

Section I. Internal Control and Compliance Material to the Financial Statement

99-1 - Gas Rates

Finding: In a test of nine customer accounts for gas service provided by the City, six of the customers were not charged the correct amount. It appears that the computer program is incorrectly applying the current rate schedule.

Recommendation: The City should take appropriate action immediately to determine why the bills are not being computed correctly. In addition, billing amounts should be tested periodically during the year to ensure that the proper amounts are being billed to the customers.

Response: The computer program used to generate gas bills was tested and corrected so the customers are charged the correct amount for gas usage. Also, billing amounts will be tested periodically for accuracy.

99-2 - Bond Indenture

Finding: In reviewing bond compliance requirements, it was noted that the balance in the Utility Sinking Fund was \$17,518 below the required amount at June 30, 1999.

Recommendation: The balance in the Utility Sinking Fund should be brought up to the required amount.

Response: Required amounts were funded to the Utility Sinking Fund subsequent to June 30, 1999.

Section II. Internal Control and Compliance Material to Federal Awards

The City does not have any federal awards for the year ended June 30, 1999.

Section III. Management Letter

A management letter was not issued for the year ended June 30, 1998.

Responsible Party: Mayor Levi J. Schexnider