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CITY OF PATTERSON, LOUISIANA

Financial Report

Year Ended June 30, 2000

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Release Date 01/17/01

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Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA, CVA
Danny P. Frederick, CPA
Clayton E. Darnall, CPA
Eugene H. Darnall, III, CPA
Paula D. Bihm, CPA
Stephanie M. Higginbotham, CPA

Jennifer S. Ziegler, CPA
Chris A. Miller, CPA
John P. Armato, CPA

Kathleen T. Darnall, CPA
Stephen R. Dischler, MBA, CPA
Alan M. Taylor, CPA
Christine A. Raspberry, CPA
Steven G. Moosa, CPA
Erich G. Loewer, Jr., CPA
Erich G. Loewer, III, CPA
Danny P. Pontiff, CPA
Tawera T. Lawdy, CPA
Carla R. Fontenot, CPA
Raegan D. Stelly, CPA
Jason H. Watson, CPA

Independent Auditor's Report

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

We have audited the accompanying general purpose financial statements of the City of Patterson, Louisiana, as of and for the year ended June 30, 2000. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Other Locations:

125 Rue Beaufort
Lafayette, LA 70508
318.232.3312

1231 E. Laurel Avenue
Lunice, LA 70535
318.457.4146

1201 Brashear Avenue
Suite 301
Morgan City, LA 70380
504.384.6264

404 Pere Megret
Bossier City, LA 70510
318.893.5470

dsfcpas.com

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

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the City of Patterson, Louisiana, as of June 30, 2000, and the results of its operations and the cash flows of its proprietary fund type for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated October 18, 2000, on our consideration of the City of Patterson's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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

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Society of Louisiana
Certified Public Accountants

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

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

Dannall, Sikes & Frederick
A Corporation of Certified Public Accountants

Morgan City, Louisiana
October 18, 2000

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

CITY OF PATTERSON, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups
 June 30, 2000
 With Comparative Totals for Year Ended June 30, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBITS				
Cash	\$ 177,914	\$ 507,544	\$ 70,964	\$ 13,332
Interest-bearing deposits	2,033,831	538,559	763,761	809,050
Investments, at fair value	-	755,691	-	205,678
Receivables:				
Taxes	87,751	40,612	-	-
Accounts	-	-	-	-
Property assessments	-	-	24,734	-
Accrued interest	3,646	1,881	1,679	123
Due from other funds	193,358	-	178,292	22,016
Due from other governmental units	37,306	12,838	-	-
Prepaid insurance	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash	-	-	-	-
Interest-bearing deposits	-	-	-	-
Accrued interest receivable	-	-	-	-
Land	-	-	-	-
Buildings	-	-	-	-
Equipment	-	-	-	-
Utility property, plant and equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Construction in progress	-	-	-	-
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-
Total assets and other debits	<u>\$ 2,533,806</u>	<u>\$ 1,857,125</u>	<u>\$ 1,039,430</u>	<u>\$ 1,050,199</u>

Proprietary Fund Types	Fiduciary Fund Types	Account Groups		Totals	
		General Fixed Assets	General Long-Term Debt	(Memorandum Only)	
Enterprise	Agency			2000	1999
\$ 202,722	\$ 88,280	\$ -	\$ -	\$ 1,060,756	\$ 850,748
211,845	-	-	-	4,357,046	3,219,500
269,150	-	-	-	1,230,519	972,858
-	-	-	-	128,363	127,159
303,816	-	-	-	303,816	269,018
-	-	-	-	24,734	32,346
442	-	-	-	7,771	6,525
147,045	16,297	-	-	557,008	433,036
-	-	-	-	50,144	56,217
11,218	-	-	-	11,218	1,234
125,000	-	-	-	125,000	125,000
186,864	-	-	-	186,864	176,231
1,296,976	-	-	-	1,296,976	1,308,399
271	-	-	-	271	457
-	-	230,244	-	230,244	230,244
-	-	451,040	-	451,040	404,888
-	-	933,269	-	933,269	864,232
10,877,514	-	-	-	10,877,514	10,799,751
(5,575,185)	-	-	-	(5,575,185)	(5,307,421)
-	-	-	-	-	6,000
-	-	-	677,274	677,274	547,427
-	-	-	<u>1,640,133</u>	<u>1,640,133</u>	<u>1,151,798</u>
<u>\$ 8,057,678</u>	<u>\$ 104,577</u>	<u>\$ 1,614,553</u>	<u>\$ 2,317,407</u>	<u>\$ 18,574,775</u>	<u>\$16,275,647</u>

(continued)

CITY OF PATTERSON, LOUISIANA

Combined Balance Sheet - All Fund Types and Account Groups

June 30, 2000

With Comparative Totals for Year Ended June 30, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 63,575	\$ 2,265	\$ -	\$ 37,652
Accrued liabilities	-	-	-	-
Due to other funds	211,804	65,359	182,713	2,093
Payable from restricted assets -				
Revenue bonds	-	-	-	-
Accrued interest	-	-	-	-
Customers' deposits	-	-	-	-
Advances from other funds	125,000	-	-	-
Deferred revenues	-	-	24,734	-
General obligation bonds and notes payable	-	-	-	-
Revenue bonds payable	-	-	-	-
Lease obligation payable	-	-	-	-
Total liabilities	<u>400,379</u>	<u>67,624</u>	<u>207,447</u>	<u>39,745</u>
Fund equity:				
Contributed capital (net of accumulated amortization)	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained earnings (deficit) -				
Reserved for revenue bond retirement	-	-	-	-
Unreserved	-	-	-	-
Total retained earnings	-	-	-	-
Fund balances -				
Reserved for debt service	-	-	681,192	-
Unreserved:				
Designated for subsequent years' expenditures	-	46,877	-	1,010,454
Undesignated	<u>2,133,427</u>	<u>1,742,624</u>	<u>150,791</u>	<u>-</u>
Total fund balances	<u>2,133,427</u>	<u>1,789,501</u>	<u>831,983</u>	<u>1,010,454</u>
Total fund equity	<u>2,133,427</u>	<u>1,789,501</u>	<u>831,983</u>	<u>1,010,454</u>
Total liabilities and fund equity	<u>\$ 2,533,806</u>	<u>\$ 1,857,125</u>	<u>\$ 1,039,430</u>	<u>\$ 1,050,199</u>

Proprietary Fund Types Enterprise	Fiduciary Fund Types Agency	Account Groups		Totals (Memorandum Only)	
		General Fixed Assets	General Long-Term Debt	2000	1999
		\$ 71,861	\$ -	\$ -	\$ -
2,310	25,835	-	-	28,145	15,750
16,297	78,742	-	-	557,008	433,036
57,272	-	-	-	57,272	52,272
10,210	-	-	-	10,210	10,955
213,206	-	-	-	213,206	202,573
-	-	-	-	125,000	125,000
-	-	-	-	24,734	32,346
-	-	-	2,307,189	2,307,189	1,684,377
790,446	-	-	-	790,446	847,718
-	-	-	10,218	10,218	14,848
<u>1,161,602</u>	<u>104,577</u>	<u>-</u>	<u>2,317,407</u>	<u>4,298,781</u>	<u>3,544,410</u>
<u>6,763,846</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,763,846</u>	<u>6,830,791</u>
<u>-</u>	<u>-</u>	<u>1,614,553</u>	<u>-</u>	<u>1,614,553</u>	<u>1,499,364</u>
977,288	-	-	-	977,288	997,130
(845,058)	-	-	-	(845,058)	(984,274)
<u>132,230</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,230</u>	<u>12,856</u>
-	-	-	-	681,192	547,427
-	-	-	-	1,057,331	332,718
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,026,842</u>	<u>3,508,081</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,765,365</u>	<u>4,388,226</u>
<u>6,896,076</u>	<u>-</u>	<u>1,614,553</u>	<u>-</u>	<u>14,275,994</u>	<u>12,731,237</u>
<u>\$ 8,057,678</u>	<u>\$ 104,577</u>	<u>\$ 1,614,553</u>	<u>\$ 2,317,407</u>	<u>\$ 18,574,775</u>	<u>\$ 16,275,647</u>

The accompanying notes are an integral part of this statement.

CITY OF PATTERSON, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Governmental Fund Types
Year Ended June 30, 2000
With Comparative Totals for Year Ended June 30, 1999

	General	Special Revenue	Debt Service
Revenues:			
Taxes	\$ 852,448	\$ 733,961	\$ -
Licenses and permits	110,527	-	-
Intergovernmental	170,209	76,875	-
Charges for services	268,463	-	-
Fines and forfeits	191,754	-	-
Miscellaneous	<u>136,288</u>	<u>53,456</u>	<u>46,491</u>
Total revenues	<u>1,729,689</u>	<u>864,292</u>	<u>46,491</u>
Expenditures:			
Current -			
General government			
Administrative	287,751	140	-
Mechanic shop	38,581	-	-
Public safety:			
Police	706,571	-	-
Fire	28,077	-	-
Streets and drainage	263,908	-	-
Culture and recreation	26,311	-	-
Sanitation and sewer	237,500	-	-
Housing rehabilitation	-	76,875	-
Debt service -			
Principal retirement	4,630	-	227,189
Interest and fiscal charges	834	-	107,306
Capital outlay	<u>67,309</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,661,472</u>	<u>77,015</u>	<u>334,495</u>
Excess (deficiency) of revenues over expenditures	<u>68,217</u>	<u>787,277</u>	<u>(288,004)</u>
Other financing sources (uses):			
Operating transfers in	159,871	-	348,244
Operating transfers out	(40,540)	(458,338)	(55)
Proceeds from the sale of bonds	<u>-</u>	<u>-</u>	<u>76,400</u>
Total other financing sources (uses)	<u>119,331</u>	<u>(458,338)</u>	<u>424,589</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	187,548	328,939	136,585
Fund balances, beginning	<u>1,945,879</u>	<u>1,460,562</u>	<u>695,398</u>
Fund balances, ending	<u>\$ 2,133,427</u>	<u>\$ 1,789,501</u>	<u>\$ 831,983</u>

Capital Projects	Totals (Memorandum Only)	
	2000	1999
\$ -	\$ 1,586,409	\$ 1,605,265
-	110,527	113,220
-	247,084	247,677
-	268,463	255,253
-	191,754	214,221
<u>10,596</u>	<u>246,831</u>	<u>196,702</u>
<u>10,596</u>	<u>2,651,068</u>	<u>2,632,338</u>
17,472	305,363	291,579
-	38,581	33,408
-	706,571	634,958
-	28,077	25,802
-	263,908	193,763
-	26,311	29,446
-	237,500	242,229
-	76,875	40,260
-	231,819	226,527
-	108,140	90,912
<u>46,151</u>	<u>113,460</u>	<u>239,358</u>
<u>63,623</u>	<u>2,136,605</u>	<u>2,048,242</u>
<u>(53,027)</u>	<u>514,463</u>	<u>584,096</u>
100	508,215	403,993
-	(498,933)	(406,403)
<u>776,994</u>	<u>853,394</u>	<u>-</u>
<u>777,094</u>	<u>862,676</u>	<u>(2,410)</u>
724,067	1,377,139	581,686
<u>286,387</u>	<u>4,388,226</u>	<u>3,806,540</u>
<u>\$ 1,010,454</u>	<u>\$ 5,765,365</u>	<u>\$ 4,388,226</u>

The accompanying notes are an integral part of this statement.

CITY OF PATTERSON, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual -
All Governmental Fund Types
Year Ended June 30, 2000

	General Fund		Variance - Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Taxes	\$ 873,797	\$ 852,448	\$ (21,349)
Licenses and permits	114,123	110,527	(3,596)
Intergovernmental	183,993	170,209	(13,784)
Charges for services	270,075	268,463	(1,612)
Fines and forfeits	173,668	191,754	18,086
Miscellaneous	<u>112,855</u>	<u>136,288</u>	<u>23,433</u>
Total revenues	<u>1,728,511</u>	<u>1,729,689</u>	<u>1,178</u>
Expenditures:			
Current -			
General government			
Administrative	312,911	287,751	25,160
Mechanic shop	38,069	38,581	(512)
Public safety:			
Police	694,763	706,571	(11,808)
Fire	25,098	28,077	(2,979)
Streets and drainage	248,312	263,908	(15,596)
Culture and recreation	29,202	26,311	2,891
Sanitation and sewer	260,953	237,500	23,453
Housing rehabilitation	-	-	-
Debt service -			
Principal retirement	4,477	4,630	(153)
Interest and fiscal charges	987	834	153
Capital outlay	<u>51,213</u>	<u>67,309</u>	<u>(16,096)</u>
Total expenditures	<u>1,665,985</u>	<u>1,661,472</u>	<u>4,513</u>
Excess (deficiency) of revenues over expenditures	<u>62,526</u>	<u>68,217</u>	<u>5,691</u>
Other financing sources (uses):			
Operating transfers in	118,048	159,871	41,823
Operating transfers out	(40,240)	(40,540)	(300)
Proceeds from the sale of bonds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>77,808</u>	<u>119,331</u>	<u>41,523</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	140,334	187,548	47,214
Fund balances, beginning	<u>1,945,879</u>	<u>1,945,879</u>	<u>-</u>
Fund balances, ending	<u>\$ 2,086,213</u>	<u>\$ 2,133,427</u>	<u>\$ 47,214</u>

Special Revenue Funds			Debt Service Funds		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 667,458	\$ 733,961	\$ 66,503	\$ -	\$ -	\$ -
-	-	-	-	-	-
76,875	76,875	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>41,440</u>	<u>53,456</u>	<u>12,016</u>	<u>31,641</u>	<u>46,491</u>	<u>14,850</u>
<u>785,773</u>	<u>864,292</u>	<u>78,519</u>	<u>31,641</u>	<u>46,491</u>	<u>14,850</u>
24,570	140	24,430	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
76,875	76,875	-	-	-	-
-	-	-	227,189	227,189	-
-	-	-	107,423	107,306	117
-	-	-	-	-	-
<u>101,445</u>	<u>77,015</u>	<u>24,430</u>	<u>334,612</u>	<u>334,495</u>	<u>117</u>
<u>684,328</u>	<u>787,277</u>	<u>102,949</u>	<u>(302,971)</u>	<u>(288,004)</u>	<u>14,967</u>
-	-	-	331,192	348,244	17,052
(409,000)	(458,338)	(49,338)	-	(55)	(55)
-	-	-	<u>76,400</u>	<u>76,400</u>	-
<u>(409,000)</u>	<u>(458,338)</u>	<u>(49,338)</u>	<u>407,592</u>	<u>424,589</u>	<u>16,997</u>
275,328	328,939	53,611	104,621	136,585	31,964
<u>1,460,562</u>	<u>1,460,562</u>	<u>-</u>	<u>695,398</u>	<u>695,398</u>	<u>-</u>
<u>\$ 1,735,890</u>	<u>\$ 1,789,501</u>	<u>\$ 53,611</u>	<u>\$ 800,019</u>	<u>\$ 831,983</u>	<u>\$ 31,964</u>

(continued)

CITY OF PATTERSON, LOUISIANA

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Budget (GAAP Basis) and Actual -
 All Governmental Fund Types – (Continued)
 Year Ended June 30, 2000

	Capital Projects Funds		
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeits	-	-	-
Miscellaneous	<u>19,105</u>	<u>10,596</u>	<u>(8,509)</u>
Total revenues	<u>19,105</u>	<u>10,596</u>	<u>(8,509)</u>
Expenditures:			
Current -			
General government			
Administrative	17,460	17,472	(12)
Mechanic shop	-	-	-
Public safety:			
Police	-	-	-
Fire	-	-	-
Streets and drainage	-	-	-
Culture and recreation	-	-	-
Sanitation and sewer	-	-	-
Housing rehabilitation	-	-	-
Debt service -			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Capital outlay	<u>46,152</u>	<u>46,151</u>	<u>1</u>
Total expenditures	<u>63,612</u>	<u>63,623</u>	<u>(11)</u>
Excess (deficiency) of revenues over expenditures	<u>(44,507)</u>	<u>(53,027)</u>	<u>(8,520)</u>
Other financing sources (uses):			
Operating transfers in	-	100	100
Operating transfers out	-	-	-
Proceeds from the sale of bonds	<u>776,994</u>	<u>776,994</u>	<u>-</u>
Total other financing sources (uses)	<u>776,994</u>	<u>777,094</u>	<u>100</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	732,487	724,067	(8,420)
Fund balances, beginning	<u>286,387</u>	<u>286,387</u>	<u>-</u>
Fund balances, ending	<u>\$ 1,018,874</u>	<u>\$ 1,010,454</u>	<u>\$ (8,420)</u>

The accompanying notes are an integral part of this statement.

CITY OF PATTERSON, LOUISIANA

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings -
 Proprietary Fund Type
 Year Ended June 30, 2000
 With Comparative Totals for Year Ended June 30, 1999

	Enterprise	
	2000	1999
Operating revenues:		
Charges for services -		
Gas sales and services	\$ 815,113	\$ 736,632
Water sales and services	428,256	435,286
Sewerage service	336,438	335,500
Delinquent charges	32,292	36,807
Commissions, transfers and reconnections	10,451	11,321
Miscellaneous	<u>13,967</u>	<u>10,055</u>
Total operating revenues	<u>1,636,517</u>	<u>1,565,601</u>
Operating expenses:		
Administrative	222,057	218,025
Gas department	631,037	584,307
Water department	260,455	246,563
Sewerage department	176,168	188,260
Depreciation	<u>267,765</u>	<u>301,557</u>
Total operating expenses	<u>1,557,482</u>	<u>1,538,712</u>
Operating income	<u>79,035</u>	<u>26,889</u>
Nonoperating revenues (expenses):		
Interest income	50,389	55,073
Interest and fiscal charges	<u>(67,713)</u>	<u>(71,667)</u>
Total nonoperating revenues (expenses)	<u>(17,324)</u>	<u>(16,594)</u>
Income before operating transfers	61,711	10,295
Operating transfers in (out)	<u>(9,282)</u>	<u>2,410</u>
Net income	52,429	12,705
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>66,945</u>	<u>66,945</u>
Increase in retained earnings	119,374	79,650
Retained earnings (deficit), beginning	<u>12,856</u>	<u>(66,794)</u>
Retained earnings, ending	<u>\$ 132,230</u>	<u>\$ 12,856</u>

The accompanying notes are an integral part of this statement.

CITY OF PATTERSON, LOUISIANA

Comparative Statement of Cash Flows
 Proprietary Fund Type
 Year Ended June 30, 2000
 With Comparative Totals for Year Ended June 30, 1999

	Enterprise	
	<u>2000</u>	<u>1999</u>
Cash flows from operating activities:		
Operating income	\$ 79,035	\$ 26,889
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	267,765	301,557
Changes in current assets and liabilities:		
(Increase) decrease in accounts receivable	(34,798)	32,648
(Increase) decrease in prepaid insurance	(9,984)	143
Increase (decrease) in accounts payable	15,812	(3,735)
Increase (decrease) in accrued liabilities	<u>249</u>	<u>(658)</u>
Total adjustments	<u>239,044</u>	<u>329,955</u>
Net cash provided by operating activities	<u>318,079</u>	<u>356,844</u>
Cash flows from noncapital financing activities:		
Operating transfers out to other funds	-	(2,710)
Cash received from other funds	<u>70,591</u>	<u>3,867</u>
Net cash provided by noncapital financing activities	<u>70,591</u>	<u>1,157</u>
Cash flows from capital and related financing activities:		
Acquisition of plant and equipment	(71,764)	(31,060)
Principal paid on revenue bond maturities	(55,000)	(55,000)
Interest paid on revenue bonds	(65,730)	(69,580)
Increase in customers' meter deposits	<u>10,633</u>	<u>2,115</u>
Net cash used by capital and related financing activities	<u>(181,861)</u>	<u>(153,525)</u>

(continued)

CITY OF PATTERSON, LOUISIANA

Comparative Statement of Cash Flows (Continued)
 Proprietary Fund Type
 Year Ended June 30, 2000
 With Comparative Totals for Year Ended June 30, 1999

	Enterprise	
	<u>2000</u>	<u>1999</u>
Cash flows from investing activities:		
Purchase of interest-bearing deposits	(356,366)	(177,125)
Purchase of investments	(269,150)	(255,751)
Proceeds from the sale and maturities of interest-bearing deposits	354,932	175,623
Proceeds from maturities of investments	255,751	599,750
Interest on interest-bearing deposits	<u>50,276</u>	<u>55,133</u>
Net cash provided by investing activities	<u>35,443</u>	<u>397,630</u>
Net increase in cash and cash equivalents	242,252	602,106
Cash and cash equivalents, beginning of period	<u>1,477,596</u>	<u>875,490</u>
Cash and cash equivalents, end of period	<u>\$ 1,719,848</u>	<u>\$ 1,477,596</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet -		
Cash and cash equivalents beginning of period -		
Cash - unrestricted	\$ 122,348	\$ 136,280
Interest-bearing deposits - unrestricted	47,743	135,118
Cash - restricted	176,231	174,116
Interest-bearing deposits - restricted	1,308,399	605,599
Less: Interest-bearing deposits with a maturity over three months	<u>(177,125)</u>	<u>(175,623)</u>
Total cash and cash equivalents	<u>1,477,596</u>	<u>875,490</u>
Cash and cash equivalents, end of period -		
Cash - unrestricted	202,722	122,348
Interest-bearing deposits - unrestricted	211,845	47,743
Cash - restricted	186,864	176,231
Interest-bearing deposits - restricted	1,296,976	1,308,399
Less: Interest-bearing deposits with a maturity over three months	<u>(178,559)</u>	<u>(177,125)</u>
Total cash and cash equivalents	<u>1,719,848</u>	<u>1,477,596</u>
Net increase	<u>\$ 242,252</u>	<u>\$ 602,106</u>

The accompanying notes are an integral part of this statement.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The following is a summary of certain significant accounting policies:

Financial Reporting Entity

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

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

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

Related Organizations

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

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

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

Governmental Funds -

General Fund

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

Special revenue funds

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

Debt service funds

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

Capital projects funds

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

Proprietary Fund -

Enterprise fund

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

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary Funds -

Agency funds

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

Fixed Assets and Long-Term Liabilities

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

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

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

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

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

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

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

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

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus/Basis of Accounting

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

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

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

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

Budgets and Budgetary Accounting

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

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

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Encumbrances

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

Interest-Bearing Deposits

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

Statement of Cash Flows

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

Advances To/From Other Funds

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

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Bad Debts

Uncollectible amounts due for ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible taxes receivable was made due to immateriality at June 30, 2000.

Accounts receivable in the Utility Fund is presented net of an allowance for doubtful accounts of \$39,720 and \$32,219 at June 30, 2000 and 1999, respectively.

Vacation and Sick Leave

Vacation and sick leave are recorded as expenditures of the period in which paid. Sick leave does not accumulate and is not payable at termination of employment. Vacation must be taken in the year accrued and cannot be carried over. Any liability the City might have in this regard at June 30, 2000 is considered immaterial; therefore, no liability has been recorded in the accounts.

Capitalization of Interest Expense

It is the policy of the City of Patterson to capitalize material amounts of interest resulting from borrowings in the course of the construction of fixed assets. For the year ended June 30, 2000, no capitalized interest expense was recorded on the books.

Capital Lease

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

Comparative Data

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

Total Columns on Combined Statements - Overview

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

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

NOTE 2 CASH

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2000, the City has cash and interest-bearing deposits (book balances) totaling \$6,901,642, as follows:

Demand deposits	\$ 1,247,620
Money market accounts and time deposits	<u>5,654,022</u>
Total	<u>\$ 6,901,642</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2000, are secured as follows:

Bank balances	<u>\$ 6,905,629</u>
Federal deposit insurance	\$ 400,000
Pledged securities (Category 3)	<u>6,951,019</u>
Total federal deposit insurance and pledged securities	<u>7,351,019</u>
Excess	<u>\$ 445,390</u>

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

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 3 INVESTMENTS

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

	<u>Category 1</u> <u>Market Value/ Carrying Amount</u>
U. S. Government Securities	<u>\$ 1,230,519</u>

NOTE 4 AD VALOREM TAXES

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

For the year ended June 30, 2000, taxes of 22.48 mills were levied on property with assessed valuations totaling \$12,065,088 and were dedicated as follows:

General corporate purposes	10.07 mills
Debt service	12.41 mills

Total taxes levied were \$271,224. The total amount of taxes receivable at June 30, 2000 was \$5,194.

NOTE 5 INTERFUND RECEIVABLES/PAYABLES

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Due to/from other funds:		
General Fund	\$ 193,358	\$ 211,804
Special revenue funds -		
Ad Valorem Tax Collection Fund	-	41,220
Sewerage and Solid Waste Sales Tax Fund	-	24,139
Debt service funds -		
Public Improvement Bonds Fund	146,346	54,697

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 5 INTERFUND RECEIVABLES/PAYABLES (CONTINUED)

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
1990 Paving Assessment Fund	5,392	123,590
Sales Tax Refunding Bonds, Series 1990 Fund	26,554	4,426
Capital projects funds -		
Drainage and Relocation Fund	21,443	1,701
Regional Sewerage Facility Project Fund	573	-
Murphy St. Paving Fund	-	392
Utility Fund	147,045	16,297
Agency Funds -		
Disbursement Fund	16,297	21,383
Payroll Fund	-	57,359
Total due to/from other funds	<u>\$ 557,008</u>	<u>\$ 557,008</u>
Advances to/from other funds:		
General Fund	\$ -	\$ 125,000
Utility Fund	<u>125,000</u>	<u>-</u>
Total advances to/from other funds	<u>\$ 125,000</u>	<u>\$ 125,000</u>

NOTE 6 DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at June 30, 2000 consisted of the following:

Payment in lieu of taxes due from the Patterson Housing Authority	\$ 7,572
Fire insurance rebate due from the St. Mary Parish Council	12,838
Beer and tobacco taxes due from the State of Louisiana	10,245
Video poker receipts due from the State of Louisiana	7,348
Indian gaming revenue due from the State of Louisiana	<u>12,141</u>
	<u>\$ 50,144</u>

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 7 RESTRICTED ASSETS - PROPRIETARY FUND TYPE

Restricted assets consisted of the following at June 30:

	<u>2000</u>	<u>1999</u>
Revenue bond and interest sinking fund	\$ 73,383	\$ 90,071
Revenue bond reserve fund	128,388	128,388
Revenue bond capital additions and contingencies fund	842,999	841,898
Revenue bond construction fund	226,135	222,157
Customers' deposits	<u>213,206</u>	<u>202,573</u>
	<u>\$1,484,111</u>	<u>\$1,485,087</u>

NOTE 8 CHANGES IN FIXED ASSETS

	<u>Balance July 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2000</u>
Land	\$ 230,244	\$ -	\$ -	\$ 230,244
Buildings	404,888	46,152	-	451,040
Equipment	<u>864,232</u>	<u>69,037</u>	<u>-</u>	<u>933,269</u>
Total general fixed assets	<u>\$ 1,499,364</u>	<u>\$ 115,189</u>	<u>\$ -</u>	<u>\$ 1,614,553</u>

A summary of proprietary fund type property, plant and equipment at June 30, 2000 follows:

Land	\$ 107,200
Administrative equipment	132,542
Gas utility:	
System	1,651,420
Equipment	275,099
Water utility:	
System	2,140,215
Tank	303,842
Equipment	186,176
Sewerage utility:	
System	6,014,305
Equipment	<u>66,715</u>
	10,877,514
Less: Accumulated depreciation	<u>5,575,185</u>
Net proprietary fund type property, plant and equipment	<u>\$5,302,329</u>

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 9 CAPITAL LEASE

In July 1997, the City entered into an agreement for the lease of equipment. The lease is paid in monthly installments, final payment is due in June 2002. The book value of the equipment under capital lease at June 30, 2000 as capitalized in the General Fixed Assets Account Group is \$23,250.

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

	<u>Equipment</u>
2001	\$ 5,464
2002	<u>5,464</u>
	10,928
Less: Amount representing interest	<u>710</u>
Present value of minimum lease payments	<u>\$ 10,218</u>

NOTE 10 CHANGES IN LONG-TERM DEBT

The following is a summary of bonds and certificates of indebtedness transactions of the City of Patterson for the year ended June 30, 2000:

	<u>General Obligation</u>	<u>Revenue</u>	<u>Total</u>
Bonds and certificates, payable July 1, 1999	\$ 1,684,377	\$ 930,000	2,614,377
Bonds and certificates, issued	850,000	-	850,000
Bonds and certificates, retired	<u>(227,188)</u>	<u>(55,000)</u>	<u>(282,188)</u>
Bonds and certificates, payable June 30, 2000	<u>\$ 2,307,189</u>	<u>\$ 875,000</u>	<u>\$ 3,182,189</u>

Bonds and certificates payable at June 30, 2000 are comprised of the following individual issues:

General obligation bonds and certificates:

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

\$ 22,189

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 10 CHANGES IN LONG-TERM DEBT (CONTINUED)

\$830,000 1997 Public Improvement Sewer Refunding Bonds, due in annual installments of \$105,000 to \$125,000 through December 1, 2005; interest at 5 percent; secured by levy and collection of 3/4 percent sales tax revenue	705,000
\$930,000 1998 General Obligation Refunding Bonds, due in annual installments of \$45,000 to \$95,000 through March 1, 2010, interest at 4.55 to 5.20 percent; secured by levy and collection of ad valorem taxes	730,000
\$850,000 Public Improvement Sales Tax Bonds, Series 2000, due in annual installments of \$25,000 to \$70,000 through January 1, 2020; interest at 5.75%, secured by levy and collection of 1 percent sales tax revenue	<u>850,000</u>
Total general obligation bonds and certificates payable	<u>\$ 2,307,189</u>
Revenue bonds:	
\$1,290,000 Utilities Revenue Bonds, Series 1990, due in annual installments of \$60,000 to \$120,000 through May 1, 2010; interest at 7.25	\$ 875,000
Less: Unamortized bond discount	<u>27,282</u>
Net utility revenue bonds	<u>\$ 847,718</u>

The annual requirements to amortize all debt outstanding as of June 30, 2000, including interest payments of \$1,294,194 are as follows:

Year Ending <u>June, 30</u>	General Obligation	Revenue	Total
2001	\$ 315,641	\$ 121,880	\$ 437,521
2002	297,929	122,680	420,609
2003	303,309	123,130	426,439
2004	307,784	123,160	430,944
2005	306,592	127,835	434,427
2006-2010	968,755	634,038	1,602,793
2011-2015	361,356	-	361,356
2016-2020	<u>362,294</u>	<u>-</u>	<u>362,294</u>
	<u>\$ 3,223,660</u>	<u>\$ 1,252,723</u>	<u>\$ 4,476,383</u>

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 10 CHANGES IN LONG-TERM DEBT (CONTINUED)

Covenants/Restrictions:

Property assessment bonds:

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

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

Utility revenue bonds:

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

Sales tax sewer public improvement bonds:

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

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

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

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

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

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

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

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

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

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

Proceeds of a 1% parish wide sales and use tax levied in 1966 (2000 collections \$392,992; 1999 \$443,772). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is remitted to each participating municipality on a monthly basis. The City of Patterson's allocation is 4.7818% of the first \$1,500,000 of net taxes collected. Fifty percent of any collection in excess of \$1,500,000 is divided proportionately among the participating municipalities according to their respective populations as reflected by the most recent federal census or most recent special census. Proceeds of this tax shall be used for the following purposes: construction, acquisition, improvement, maintenance and repairs of streets, capital improvements, public works and buildings (including the acquisition of sites and necessary fixtures, equipment, furnishings and appurtenances, and the payment of obligations and refunding obligations which have been or may be issued for the purpose of acquiring and improving public works and buildings); for payment or supplementing salaries of all municipal employees; for the operation of recreational facilities; for the acquisition, maintenance, repairs and payment of operating expenses of equipment, vehicles, and other machinery owned by the municipality; and for any other public purpose authorized by state law.

Proceeds of a 3/4 of 1% sales and use tax levied in 1974 (2000 collections \$435,739; 1999 \$441,533). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is allocated and distributed monthly as above. Proceeds are to be used for the construction, acquisition, extension, improvement, operation and maintenance of solid waste collection and disposal facilities, sewers and sewerage disposal works, and other facilities for pollution control and abatement; and to pay debt service requirements on bonds issued for any of the above-mentioned purposes. This tax is to be collected until all bonds payable shall have been paid in full in principal and interest or 1/1/99, whichever is later.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

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

Proceeds of a 3/10 of 1% sales and use tax levied in 1982 (2000 collections \$166,391; 1999 170,351) Tax is collected by the St. Mary Parish Sales and Use Tax Department and is allocated and distributed monthly as above. Proceeds are dedicated to the following purposes: operating and maintaining the police department, including the acquisition and maintenance of equipment and supplies; paying or supplementing the salaries of municipal employees; and purchasing, constructing, acquiring, extending and/or improving all or any portion of public works or capital improvements, including but not limited to the construction, improvement and maintenance of drainage, water, and flood control extensions and improvements and the acquisition, construction, improvement, maintenance and repair of streets, roads, and bridges.

Proceeds of a 1/2% parish wide sales and use tax levied in 1999 (2000 collections \$141,456; 1999 \$140,700). Tax is collected by the St. Mary Parish Sales and Use Tax Department and is remitted to the St. Mary Parish Sheriff, the Parish of St. Mary and each participating municipality on a monthly basis. Proceeds of this tax may be used by the municipalities for any lawful law enforcement purpose.

NOTE 13 PENSION PLAN

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

Municipal Employees' Retirement System

Plan members are required to contribute 5.0 percent of their annual covered salary to the system while the City is required to contribute the statutory rate of 2.75 percent of the total annual covered salary. The City's contributions to the system for the years ended June 30, 2000, 1999 and 1998 were \$19,764, \$12,916, and \$12,980, respectively, equal to the required contribution for each year.

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

Municipal and State Police Retirement System of Louisiana

Plan members are required to contribute 7.5 percent of their annual covered salary to the system while the City is required to contribute the statutory rate of 9.0 percent of the total annual covered salary. The City's contributions to the system for the years ended June 30, 2000, 1999 and 1998 were \$10,724, \$10,469 and \$7,106, respectively, equal to the required contribution for each year.

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 13 PENSION PLAN (CONTINUED)

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

NOTE 14 SOCIAL SECURITY SYSTEM

All employees of the City of Patterson participate in the Social Security System. The City and its employees contribute a percentage of each employee's salary to the System (7.65% contributed by the City and 7.65% by the employee). The City's contribution during the year ended June 30, 2000 amounted to \$79,672.

NOTE 15 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has elected to purchase insurance coverage through the commercial insurance market to cover its exposure to loss. The City is insured up to policy limits for each of the above risks. There were no significant changes in coverages, retentions, or limits during the year ended June 30, 2000. Settled claims have not exceeded the commercial coverages in any of the previous three fiscal years.

NOTE 16 PENDING LITIGATION

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

NOTE 17 SEGMENT INFORMATION FOR THE ENTERPRISE FUND

The City of Patterson maintains one enterprise fund with three departments which provide gas, water and sewerage services. Segment information for the year ended June 30, 2000 was as follows:

	Gas Department	Water Department	Sewerage Department	Total Enterprise Fund
Operating revenues	\$ 834,512	\$ 443,643	\$ 358,362	\$ 1,636,517
Operating expenses	<u>(767,269)</u>	<u>(411,469)</u>	<u>(378,744)</u>	<u>(1,557,482)</u>
Operating income (loss)	<u>\$ 67,243</u>	<u>\$ 32,174</u>	<u>\$ (20,382)</u>	<u>\$ 79,035</u>

CITY OF PATTERSON, LOUISIANA

Notes to Financial Statements

NOTE 18 CONTRIBUTED CAPITAL

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

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

	<u>Municipality</u>	<u>Federal Grants</u>	<u>State Grants</u>	<u>Customers</u>	<u>Total</u>
Total contributed capital	\$ 5,440,367	\$ 880,125	\$ 1,254,320	\$ 87,281	\$ 7,662,093
Less: Accumulated amortization	-	(497,870)	(400,379)	-	(898,249)
Net contributed capital	<u>\$ 5,440,367</u>	<u>\$ 382,255</u>	<u>\$ 853,941</u>	<u>\$ 87,281</u>	<u>\$ 6,763,844</u>

NOTE 19 COMPENSATION OF CITY OFFICIALS

A detail of compensation paid to the Mayor and City Council for the year ended June 30, 2000 follows:

Mayor:

James L. Bernauer \$ 20,261

Council:

Michael Accardo 3,420

David Bourdier 3,420

Larry Mendoza 3,420

C. A. "Gus" Lipari 3,420

Peg Rentrop 3,420

\$ 37,361

SUPPLEMENTAL INFORMATION

**SCHEDULE OF INDIVIDUAL FUNDS
AND ACCOUNT GROUPS**

GENERAL FUND

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

CITY OF PATTERSON, LOUISIANA
General Fund

Comparative Balance Sheet
June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
ASSETS		
Cash	\$ 177,914	\$ 343,538
Interest-bearing deposits	2,033,831	1,784,864
Receivables:		
Sales tax receivable	50,693	55,677
Utility franchise taxes receivable	37,058	32,998
Accrued interest receivable	3,646	3,274
Due from other funds	193,358	52,169
Due from other governmental units	<u>37,306</u>	<u>43,326</u>
 Total assets	 <u>\$ 2,533,806</u>	 <u>\$ 2,315,846</u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 63,575	\$ 68,098
Due to other funds	211,804	176,869
Advances from other funds	<u>125,000</u>	<u>125,000</u>
Total liabilities	400,379	369,967
 Fund balances - unreserved, undesignated	 <u>2,133,427</u>	 <u>1,945,879</u>
 Total liabilities and fund balances	 <u>\$ 2,533,806</u>	 <u>\$ 2,315,846</u>

CITY OF PATTERSON, LOUISIANA
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
Revenues:				
Taxes	\$ 873,797	\$ 852,448	\$ (21,349)	\$ 900,844
Licenses and permits	114,123	110,527	(3,596)	113,220
Intergovernmental	183,993	170,209	(13,784)	207,417
Charges for services	270,075	268,463	(1,612)	255,253
Fines and forfeits	173,668	191,754	18,086	214,221
Miscellaneous	<u>112,855</u>	<u>136,288</u>	<u>23,433</u>	<u>116,378</u>
Total revenues	<u>1,728,511</u>	<u>1,729,689</u>	<u>1,178</u>	<u>1,807,333</u>
Expenditures:				
Current -				
General government:				
Administrative	312,911	287,751	25,160	291,495
Mechanic shop	38,069	38,581	(512)	33,408
Public safety:				
Police	694,763	706,571	(11,808)	634,958
Fire	25,098	28,077	(2,979)	24,113
Streets and drainage	248,312	263,908	(15,596)	193,763
Culture and recreation	29,202	26,311	2,891	29,446
Sanitation	260,953	237,500	23,453	242,229
Capital outlay	51,213	67,309	(16,096)	235,668
Debt service	<u>5,464</u>	<u>5,464</u>	<u>-</u>	<u>5,465</u>
Total expenditures	<u>1,665,985</u>	<u>1,661,472</u>	<u>4,513</u>	<u>1,690,545</u>
Excess of revenues over expenditures	<u>62,526</u>	<u>68,217</u>	<u>5,691</u>	<u>116,788</u>

(continued)

CITY OF PATTERSON, LOUISIANA
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual (Continued)
Year Ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
Other financing sources (uses):				
Operating transfers out	\$ (40,240)	\$ (40,540)	\$ (300)	\$ -
Operating transfers in	<u>118,048</u>	<u>159,871</u>	<u>41,823</u>	<u>132,034</u>
Total other financing sources (uses)	<u>77,808</u>	<u>119,331</u>	<u>41,523</u>	<u>132,034</u>
 Excess of revenues and other financing sources over expenditures and other financing uses	 140,334	 187,548	 47,214	 248,822
Fund balance, beginning	<u>1,945,879</u>	<u>1,945,879</u>	<u>-</u>	<u>1,697,057</u>
Fund balance, ending	<u>\$ 2,086,213</u>	<u>\$ 2,133,427</u>	<u>\$ 47,214</u>	<u>\$ 1,945,879</u>

CITY OF PATTERSON, LOUISIANA
General Fund

Statement of Revenues Compared to Budget (GAAP Basis)
Year Ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
Taxes -				
Sales	\$ 722,349	\$ 697,839	\$ (24,510)	\$ 754,823
Utility franchise	143,769	144,429	660	140,950
Housing authority payment in lieu of taxes	<u>7,679</u>	<u>10,180</u>	<u>2,501</u>	<u>5,071</u>
	<u>873,797</u>	<u>852,448</u>	<u>(21,349)</u>	<u>900,844</u>
Licenses and permits -				
Occupational licenses	<u>114,123</u>	<u>110,527</u>	<u>(3,596)</u>	<u>113,220</u>
Intergovernmental -				
Federal government -				
Police grant	16,065	12,540	(3,525)	-
State of Louisiana -				
Beer taxes	6,193	7,777	1,584	6,619
Tobacco taxes	26,241	26,241	-	26,241
Video Poker	44,124	43,861	(263)	46,140
Indian gaming revenue	47,743	47,069	(674)	44,706
Patterson Housing Authority	-	-	-	3,270
St. Mary Parish Council	<u>43,627</u>	<u>32,721</u>	<u>(10,906)</u>	<u>80,441</u>
	<u>183,993</u>	<u>170,209</u>	<u>(13,784)</u>	<u>207,417</u>
Charges for services:				
Garbage fees	231,406	227,737	(3,669)	221,249
Summer recreation fees	600	70	(530)	598
Mechanic shop fees	<u>38,069</u>	<u>40,656</u>	<u>2,587</u>	<u>33,406</u>
	<u>270,075</u>	<u>268,463</u>	<u>(1,612)</u>	<u>255,253</u>
Fines and forfeits	<u>173,668</u>	<u>191,754</u>	<u>18,086</u>	<u>214,221</u>
Miscellaneous:				
Interest	53,692	55,722	2,030	59,911
Oil and gas royalties	126	194	68	138
Other sources	<u>59,037</u>	<u>80,372</u>	<u>21,335</u>	<u>56,329</u>
	<u>112,855</u>	<u>136,288</u>	<u>23,433</u>	<u>116,378</u>
Total revenues	<u>\$1,728,511</u>	<u>\$1,729,689</u>	<u>\$ 1,178</u>	<u>\$1,807,333</u>

CITY OF PATTERSON, LOUISIANA
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis)
Year Ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
General government:				
Administrative -				
Salaries:				
Office	\$ 57,600	\$ 50,284	\$ 7,316	\$ 65,652
Mayor	20,261	20,261	-	20,261
Council	17,100	17,100	-	17,100
Payroll taxes	6,634	7,760	(1,126)	7,998
Retirement contributions	2,012	6,059	(4,047)	2,112
Group insurance	5,464	6,825	(1,361)	2,662
Magistrate fees	4,200	4,200	-	4,200
Travel and employee expense	3,007	3,733	(726)	1,911
Telephone	4,016	2,757	1,259	2,346
Utilities	99	97	2	90
Office supplies	4,675	4,260	415	5,039
Operating supplies	3,830	1,332	2,498	4,630
Office equipment maintenance	3,979	3,239	740	1,569
City Hall maintenance	513	447	66	1,054
Training and seminars	1,242	1,536	(294)	45
Professional fees	17,301	13,646	3,655	14,049
Research and surveys	1,908	2,138	(230)	2,026
Employee physicals	138	138	-	69
Planning Commission	318	252	66	301
Small animal control	5,935	2,828	3,107	6,031
Dues and subscriptions	2,957	3,007	(50)	2,582
Council on Aging grants	3,500	3,500	-	3,500
Indigent Defenders Board	45,975	36,242	9,733	50,347
Donations and grants	359	-	359	359
Advertising and publishing	6,975	8,173	(1,198)	5,622
General insurance	59,454	56,914	2,540	57,847
Public activities and awards	8,588	9,608	(1,020)	6,427
Miscellaneous	24,871	21,415	3,456	5,666
Total administrative	<u>312,911</u>	<u>287,751</u>	<u>25,160</u>	<u>291,495</u>

(continued)

CITY OF PATTERSON, LOUISIANA
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)
Year Ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
Mechanic shop -				
Salaries	\$ 25,802	\$ 27,116	\$ (1,314)	\$ 17,309
Payroll taxes	1,981	2,389	(408)	1,316
Retirement contribution	140	378	(238)	643
Group insurance	946	1,019	(73)	4,353
Casual labor	-	-	-	-
Vehicle oil, gas and parts	6,500	6,845	(345)	6,846
Vehicle maintenance	<u>2,700</u>	<u>834</u>	<u>1,866</u>	<u>2,941</u>
Total mechanic	<u>38,069</u>	<u>38,581</u>	<u>(512)</u>	<u>33,408</u>
Total general government	<u>350,980</u>	<u>326,332</u>	<u>24,648</u>	<u>324,903</u>
Public safety:				
Police -				
Salaries	415,448	418,917	(3,469)	374,117
Payroll taxes	35,464	24,572	10,892	33,516
Retirement contributions	9,712	11,066	(1,354)	10,464
Group insurance	67,382	59,367	8,015	63,382
Uniform allowances	5,903	4,294	1,609	5,695
Prisoner expense	10,985	14,596	(3,611)	978
Telephone	3,831	3,757	74	2,920
Utilities	5,996	5,500	496	10,485
Office supplies	6,499	7,887	(1,388)	3,627
Operating supplies	25,280	22,916	2,364	13,680
Police station maintenance & improvements	2,643	1,567	1,076	1,633
Equipment maintenance	3,808	3,720	88	8,720
Equipment rentals	10,917	11,003	(86)	-
Vehicle oil and gas	23,243	25,861	(2,618)	24,529
Vehicle maintenance	23,800	33,089	(9,289)	36,697
Crime lab	20,088	19,188	900	21,822
Training seminars	967	457	510	800
Travel and employee expense	5,214	4,833	381	4,073
Narcotics expenses	8,032	18,965	(10,933)	11,357
Miscellaneous	<u>9,551</u>	<u>15,016</u>	<u>(5,465)</u>	<u>6,463</u>
Total police	<u>694,763</u>	<u>706,571</u>	<u>(11,808)</u>	<u>634,958</u>

(continued)

CITY OF PATTERSON, LOUISIANA
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)
Year Ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
Fire -				
Salaries	\$ 2,520	\$ 2,835	\$ (315)	\$ 2,730
Payroll taxes	156	273	(117)	211
Telephone	2,706	3,094	(388)	2,099
Utilities	3,160	3,603	(443)	2,482
Operating supplies	3,180	3,428	(248)	3,291
Equipment maintenance	2,609	3,456	(847)	2,586
Fire station maintenance	573	302	271	2,346
Fire station improvements	-	-	-	-
Fire hydrant rentals	6,000	6,000	-	6,000
Vehicle oil and gas	284	68	216	340
Vehicle maintenance	2,679	4,174	(1,495)	907
Miscellaneous	<u>1,231</u>	<u>844</u>	<u>387</u>	<u>1,121</u>
Total fire	<u>25,098</u>	<u>28,077</u>	<u>(2,979)</u>	<u>24,113</u>
Total public safety	<u>719,861</u>	<u>734,648</u>	<u>(14,787)</u>	<u>659,071</u>
Streets and drainage:				
Salaries	55,820	58,772	(2,952)	39,383
Payroll taxes	4,269	5,191	(922)	3,048
Retirement contributions	1,461	2,029	(568)	1,231
Group insurance	5,730	4,840	890	3,917
Casual labor	9,260	9,486	(226)	1,348
Uniform allowance	3,504	3,595	(91)	2,534
Utilities	33,488	34,467	(979)	31,404
Operating supplies	10,199	12,499	(2,300)	7,720
Surfacing materials	75,560	62,535	13,025	57,691
Equipment maintenance	13,972	15,724	(1,752)	10,459
Vehicle oil and gas	7,489	14,194	(6,705)	6,156
Vehicle maintenance	6,807	20,573	(13,766)	18,030
Railroad rental/maintenance	2,560	2,552	8	2,550
Employee physicals	645	592	53	-
Drainage maintenance	3,548	3,402	146	5,380
Miscellaneous	<u>14,000</u>	<u>13,457</u>	<u>543</u>	<u>2,912</u>
Total streets and drainage	<u>248,312</u>	<u>263,908</u>	<u>(15,596)</u>	<u>193,763</u>

(continued)

CITY OF PATTERSON, LOUISIANA
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)
Year Ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
Culture and recreation:				
Referee and umpire fees	\$ 8,300	\$ 3,450	\$ 4,850	\$ 8,156
Insurance	1,400	1,940	(540)	1,389
Utilities	3,500	(71)	3,571	3,418
Operating supplies	-	3,192	(3,192)	3
Facilities maintenance	500	95	405	423
Rental fee	3,002	3,002	-	3,002
Appropriation to Civic Center	12,500	12,500	-	12,500
Miscellaneous	-	2,203	(2,203)	555
Total culture and recreation	<u>29,202</u>	<u>26,311</u>	<u>2,891</u>	<u>29,446</u>
Sanitation:				
Salaries	14,074	14,374	(300)	13,721
Payroll taxes	1,179	1,274	(95)	1,063
Retirement contributions	574	902	(328)	515
Group insurance	4,327	3,585	742	3,604
Garbage services rendered	225,285	190,447	34,838	207,622
Regional facility fee	15,514	26,918	(11,404)	15,554
Miscellaneous	-	-	-	150
Total sanitation	<u>260,953</u>	<u>237,500</u>	<u>23,453</u>	<u>242,229</u>
Capital outlay:				
Mechanic shop equipment	2,075	2,075	-	-
Police equipment	45,172	61,175	(16,003)	36,672
Street equipment	2,350	2,350	-	87,018
Recreation Equipment	-	-	-	3,420
Administrative equipment	-	622	(622)	49,876
Fire department equipment	1,616	1,087	529	58,682
Total capital outlay	<u>51,213</u>	<u>67,309</u>	<u>(16,096)</u>	<u>235,668</u>
Debt service:				
Principal paid	4,477	4,630	(153)	4,338
Interest and fiscal charges	987	834	153	1,127
Total debt service	<u>5,464</u>	<u>5,464</u>	<u>-</u>	<u>5,465</u>
Total expenditures	<u>\$ 1,665,985</u>	<u>\$ 1,661,472</u>	<u>\$ 4,513</u>	<u>\$ 1,690,545</u>

CITY OF PATTERSON, LOUISIANA
General Fund

Statement of Other Financing Sources (Uses) -
Compared to Budget (GAAP Basis)
Year Ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
Other financing sources:				
Operating transfers out:				
Construction Fund	\$ -	\$ (100)	\$ 100	\$ -
1990 Paving Project Fund	(5,000)	(5,000)	-	-
Public Improvement 2000 Bond	<u>(35,240)</u>	<u>(35,440)</u>	<u>200</u>	<u>-</u>
Total transfers to other funds	<u>(40,240)</u>	<u>(40,540)</u>	<u>300</u>	<u>-</u>
Transfers from other funds -				
Ad Valorem Tax Collection Fund	118,048	121,762	(3,714)	112,096
Sewerage and Solid Waste Fund	-	28,772	(28,772)	19,741
Public Improvement Fund of 1964	-	55	(55)	197
Utility Fund	<u>-</u>	<u>9,282</u>	<u>(9,282)</u>	<u>-</u>
Total transfers from other funds	<u>118,048</u>	<u>159,871</u>	<u>(41,823)</u>	<u>132,034</u>
Total other financing sources	<u>\$ 77,808</u>	<u>\$ 119,331</u>	<u>\$ (41,523)</u>	<u>\$ 132,034</u>

SPECIAL REVENUE FUNDS

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

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

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

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

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

CITY OF PATTERSON, LOUISIANA
Special Revenue Funds

Combining Balance Sheet
June 30, 2000
With Comparative Totals for June 30, 1999

	Sewerage and Solid Waste Sales Tax	Ad Valorem Tax Collection	Fire Department Equipment	Emergency Management
ASSETS				
Cash	\$ 481,996	\$ 923	\$ -	\$ 24,592
Interest-bearing deposits, at cost	351,071	35,103	130,100	22,285
Investments, at fair value	755,691	-	-	-
Accrued interest receivable	519	-	1,362	-
Ad valorem taxes receivable	-	5,194	-	-
Sales taxes receivable	35,418	-	-	-
Due from other governmental units	-	-	12,838	-
Total assets	\$ 1,624,695	\$ 41,220	\$ 144,300	\$ 46,877
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 2,265	\$ -	\$ -	\$ -
Due to other funds	24,139	41,220	-	-
Total liabilities	26,404	41,220	-	-
Fund balances - unreserved:				
Designated for subsequent years' expenditures	-	-	-	46,877
Undesignated	1,598,291	-	144,300	-
Total fund balances	1,598,291	-	144,300	46,877
Total liabilities and fund balances	\$ 1,624,695	\$ 41,220	\$ 144,300	\$ 46,877

LCDBG Fund	Totals	
	2000	1999
\$ 33	\$ 507,544	\$ 262,639
-	538,559	486,120
-	755,691	717,107
-	1,881	1,626
-	5,194	7,772
-	35,418	30,712
-	<u>12,838</u>	<u>12,891</u>
<u>\$ 33</u>	<u>\$ 1,857,125</u>	<u>\$ 1,518,867</u>
\$ -	\$ 2,265	\$ 1,388
-	<u>65,359</u>	<u>56,917</u>
-	<u>67,624</u>	<u>58,305</u>
-	46,877	46,331
<u>33</u>	<u>1,742,624</u>	<u>1,414,231</u>
<u>33</u>	<u>1,789,501</u>	<u>1,460,562</u>
<u>\$ 33</u>	<u>\$ 1,857,125</u>	<u>\$ 1,518,867</u>

CITY OF PATTERSON, LOUISIANA
Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2000
With Comparative Totals for Year Ended June 30, 1999

	Sewerage and Solid Waste Sales Tax	Ad Valorem Tax Collection	Fire Department Equipment	Emergency Management
Revenues:				
Taxes	\$ 435,739	\$ 270,850	\$ 27,372	\$ -
Intergovernmental	-	-	-	-
Miscellaneous	<u>49,630</u>	<u>1,231</u>	<u>2,049</u>	<u>546</u>
Total revenues	<u>485,369</u>	<u>272,081</u>	<u>29,421</u>	<u>546</u>
Expenditures:				
Current -				
General government	-	140	-	-
Supporting services - housing rehabilitation	-	-	-	-
Capital outlay				
Fire department equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>140</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures and other uses	<u>485,369</u>	<u>271,941</u>	<u>29,421</u>	<u>546</u>
Other uses:				
Operating transfers out	<u>(186,397)</u>	<u>(271,941)</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures and other uses	298,972	-	29,421	546
Fund balances, beginning	<u>1,299,319</u>	<u>-</u>	<u>114,879</u>	<u>46,331</u>
Fund balances, ending	<u>\$ 1,598,291</u>	<u>\$ -</u>	<u>\$ 144,300</u>	<u>\$ 46,877</u>

LCDBG Fund	Totals	
	2000	1999
\$ -	\$ 733,961	\$ 704,421
76,875	76,875	40,260
-	53,456	42,643
<u>76,875</u>	<u>864,292</u>	<u>787,324</u>
-	140	1,773
76,875	76,875	40,260
-	-	3,690
<u>76,875</u>	<u>77,015</u>	<u>45,723</u>
-	<u>787,277</u>	<u>741,601</u>
-	<u>(458,338)</u>	<u>(406,206)</u>
-	328,939	335,395
<u>33</u>	<u>1,460,562</u>	<u>1,125,167</u>
<u>\$ 33</u>	<u>\$ 1,789,501</u>	<u>\$ 1,460,562</u>

CITY OF PATTERSON, LOUISIANA
Special Revenue Fund
Sewerage and Solid Waste Sales Tax Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
Revenues:				
Taxes - sales taxes	\$ 392,403	\$ 435,739	\$ 43,336	\$ 441,533
Miscellaneous -				
Interest on deposits	<u>37,790</u>	<u>49,630</u>	<u>11,840</u>	<u>40,682</u>
Total revenues	430,193	485,369	55,176	482,215
Expenditures	<u>24,545</u>	<u>-</u>	<u>(24,545)</u>	<u>-</u>
Excess of revenues over expenditures	<u>405,648</u>	<u>485,369</u>	<u>79,721</u>	<u>482,215</u>
Other financing uses:				
Transfers to other funds -				
General Fund	-	(28,772)	(28,772)	(19,741)
1983 Public Improvement				
Bonds Fund	(145,500)	(157,625)	(12,125)	(133,375)
Utility Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,410)</u>
Total other financing uses	<u>(145,500)</u>	<u>(186,397)</u>	<u>(40,897)</u>	<u>(155,526)</u>
Excess of revenues over expenditures and other uses	260,148	298,972	38,824	326,689
Fund balance, beginning	<u>1,299,319</u>	<u>1,299,319</u>	<u>-</u>	<u>972,630</u>
Fund balance, ending	<u>\$ 1,559,467</u>	<u>\$ 1,598,291</u>	<u>\$ 38,824</u>	<u>\$ 1,299,319</u>

CITY OF PATTERSON, LOUISIANA
Special Revenue Fund
Ad Valorem Tax Collection Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
Revenues:				
Taxes	\$ 262,164	\$ 270,850	\$ 8,686	\$ 249,997
Miscellaneous	<u>1,361</u>	<u>1,231</u>	<u>(130)</u>	<u>683</u>
Total revenues	263,525	272,081	8,556	250,680
Expenditures	<u>25</u>	<u>140</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>263,500</u>	<u>271,941</u>	<u>8,441</u>	<u>250,680</u>
Other uses:				
Transfers to General Fund	(118,048)	(121,762)	(3,714)	(112,096)
Transfers to Public Improvement Bonds Fund	<u>(145,452)</u>	<u>(150,179)</u>	<u>(4,727)</u>	<u>(138,584)</u>
Total other financing uses	<u>(263,500)</u>	<u>(271,941)</u>	<u>(8,441)</u>	<u>(250,680)</u>
Excess of revenues over expenditures and other uses	-	-	-	-
Fund balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF PATTERSON, LOUISIANA
Special Revenue Fund
Fire Department Equipment Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
Revenues:				
Taxes	\$ 12,891	\$ 27,372	\$ 14,481	\$ 12,891
Miscellaneous	<u>1,741</u>	<u>2,049</u>	<u>308</u>	<u>787</u>
Total revenues	<u>14,632</u>	<u>29,421</u>	<u>14,789</u>	<u>13,678</u>
Expenditures:				
General government	-	-	-	1,689
Capital outlay - equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,690</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,379</u>
Excess of revenues over expenditures	14,632	29,421	14,789	8,299
Fund balance, beginning	<u>114,879</u>	<u>114,879</u>	<u>-</u>	<u>106,580</u>
Fund balance, ending	<u>\$ 129,511</u>	<u>\$ 144,300</u>	<u>\$ 14,789</u>	<u>\$ 114,879</u>

CITY OF PATTERSON, LOUISIANA
Special Revenue Fund
Emergency Management Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
Revenues:				
Miscellaneous -				
Interest	\$ 548	\$ 546	\$ (2)	\$ 491
Expenditures	-	-	-	84
Excess of revenues over expenditures	548	546	(2)	407
Fund balance, beginning	<u>46,331</u>	<u>46,331</u>	-	<u>45,924</u>
Fund balance, ending	<u>\$ 46,879</u>	<u>\$ 46,877</u>	<u>\$ (2)</u>	<u>\$ 46,331</u>

CITY OF PATTERSON, LOUISIANA
Special Revenue Fund
LCDBG

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
Year Ended June 30, 2000
With Comparative Actual Amounts for Year Ended June 30, 1999

	2000		Variance - Favorable (Unfavorable)	1999 Actual
	Budget	Actual		
Revenues:				
Intergovernmental	\$ 76,875	\$ 76,875	\$ -	\$ 40,260
Expenditures:				
Supporting services - housing rehabilitation	<u>76,875</u>	<u>76,875</u>	<u>-</u>	<u>40,260</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance, beginning	<u>33</u>	<u>33</u>	<u>-</u>	<u>33</u>
Fund balance, ending	<u><u>\$ 33</u></u>	<u><u>\$ 33</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 33</u></u>

DEBT SERVICE FUNDS

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

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

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

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

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

CITY OF PATTERSON, LOUISIANA
Debt Service Funds

Combining Balance Sheet
June 30, 2000
With Comparative Totals for June 30, 1999

	Public Improvement Bonds	Sales Tax Refunding Bonds	1973 Paving Assessments Certificates of Indebtedness	1966, 1967, 1969, 1980 and 1982 Paving Assessment Funds
ASSETS				
Cash	\$ -	\$ -	\$ 4,277	\$ 21,706
Interest-bearing deposits	122,343	352,162	-	124,092
Receivables:				
Assessments receivable	-	-	6	11,627
Accrued interest	-	963	-	716
Due from other funds	146,346	26,554	-	-
Total assets	\$ 268,689	\$ 379,679	\$ 4,283	\$ 158,141
LIABILITIES AND FUND BALANCES				
Liabilities:				
Deferred property assessments	\$ -	\$ -	\$ 6	\$ 11,627
Due to other funds	54,697	4,426	-	-
Total liabilities	54,697	4,426	6	11,627
Fund balances:				
Reserved for debt service	213,992	375,253	-	-
Unreserved, undesignated	-	-	4,277	146,514
Total fund balances	213,992	375,253	4,277	146,514
Total liabilities and fund balances	\$ 268,689	\$ 379,679	\$ 4,283	\$ 158,141

1990 Paving Assessment Fund	Public Improvement Sales Tax Bonds	Totals	
		2000	1999
\$ 44,981	\$ -	\$ 70,964	\$ 61,275
77,135	88,029	763,761	646,844
13,101	-	24,734	32,346
-	-	1,679	1,373
<u>5,392</u>	<u>-</u>	<u>178,292</u>	<u>128,802</u>
<u>\$ 140,609</u>	<u>\$ 88,029</u>	<u>\$ 1,039,430</u>	<u>\$ 870,640</u>
\$ 13,101	\$ -	\$ 24,734	\$ 32,346
<u>123,590</u>	<u>-</u>	<u>182,713</u>	<u>142,896</u>
<u>136,691</u>	<u>-</u>	<u>207,447</u>	<u>175,242</u>
3,918	88,029	681,192	547,427
<u>-</u>	<u>-</u>	<u>150,791</u>	<u>147,971</u>
<u>3,918</u>	<u>88,029</u>	<u>831,983</u>	<u>695,398</u>
<u>\$ 140,609</u>	<u>\$ 88,029</u>	<u>\$ 1,039,430</u>	<u>\$ 870,640</u>

CITY OF PATTERSON, LOUISIANA
Debt Service Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2000
With Comparative Totals for Year Ended June 30, 1999

	Public Improvement Bonds	Sales Tax Refunding Bonds	1973 Paving Assessments Certificates of Indebtedness
Revenues:			
Miscellaneous -			
Property assessments earned	\$ -	\$ -	\$ -
Interest on assessments	-	-	-
Interest on deposits	2,867	14,594	-
Penalties on assessments	-	-	-
Other	<u>-</u>	<u>14,810</u>	<u>-</u>
Total revenues	<u>2,867</u>	<u>29,404</u>	<u>-</u>
Expenditures:			
Debt service -			
Principal retirement	100,000	105,000	-
Interest	40,457	37,875	-
Paying agents' fees and fiscal charges	<u>325</u>	<u>660</u>	<u>-</u>
Total debt service	<u>140,782</u>	<u>143,535</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(137,915)</u>	<u>(114,131)</u>	<u>-</u>
Other financing sources (uses):			
Operating transfers in	150,179	157,625	-
Operating transfers out	(55)	-	-
Proceeds from the sale of bonds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>150,124</u>	<u>157,625</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	12,209	43,494	-
Fund balances, beginning	<u>201,783</u>	<u>331,759</u>	<u>4,277</u>
Fund balances, ending	<u><u>\$ 213,992</u></u>	<u><u>\$ 375,253</u></u>	<u><u>\$ 4,277</u></u>

1966, 1967, 1969, 1980 and 1982 Paving Assessment Funds	1990 Paving Assessment Fund	Public Improvement Sales Tax Bonds	Totals	
			2000	1999
\$ 9	\$ 7,415	\$ -	\$ 7,424	\$ 8,794
150	1,239	-	1,389	2,821
2,661	1,896	850	22,868	21,665
-	-	-	-	235
-	-	-	14,810	-
<u>2,820</u>	<u>10,550</u>	<u>850</u>	<u>46,491</u>	<u>33,515</u>
-	22,189	-	227,189	222,189
-	3,328	24,437	106,097	82,854
-	-	224	1,209	6,931
-	<u>25,517</u>	<u>24,661</u>	<u>334,495</u>	<u>311,974</u>
<u>2,820</u>	<u>(14,967)</u>	<u>(23,811)</u>	<u>(288,004)</u>	<u>(278,459)</u>
-	5,000	35,440	348,244	271,959
-	-	-	(55)	(197)
-	-	76,400	76,400	-
-	<u>5,000</u>	<u>111,840</u>	<u>424,589</u>	<u>271,762</u>
2,820	(9,967)	88,029	136,585	(6,697)
<u>143,694</u>	<u>13,885</u>	<u>-</u>	<u>695,398</u>	<u>702,095</u>
<u>\$ 146,514</u>	<u>\$ 3,918</u>	<u>\$ 88,029</u>	<u>\$ 831,983</u>	<u>\$ 695,398</u>

CAPITAL PROJECTS FUNDS

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

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

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

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

CITY OF PATTERSON, LOUISIANA
Capital Projects Funds

Combining Balance Sheet
June 30, 2000
With Comparative Totals For June 30, 1999

	Drainage and Relocation Project	Regional Sewerage Facility Project	Third Street Paving Project	Murphy Street Paving Project
ASSETS				
Cash	\$ 1,473	\$ 11,759	\$ -	\$ -
Interest-bearing deposits	104,060	100,858	21,030	31,827
Investments, at fair value	-	-	-	-
Receivables:				
Accrued interest receivable	-	123	-	-
Due from other funds	<u>21,443</u>	<u>573</u>	<u>-</u>	<u>-</u>
 Total assets	<u>\$ 126,976</u>	<u>\$ 113,313</u>	<u>\$ 21,030</u>	<u>\$ 31,827</u>
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	<u>1,701</u>	<u>-</u>	<u>-</u>	<u>392</u>
Total liabilities	<u>1,701</u>	<u>-</u>	<u>-</u>	<u>392</u>
 Fund balances - unreserved:				
Designated for subsequent years' expenditures	<u>125,275</u>	<u>113,313</u>	<u>21,030</u>	<u>31,435</u>

City Hall & Jail Complex Project	Totals	
	2000	1999
\$ 100	\$ 13,332	\$ 12,426
551,275	809,050	253,929
205,678	205,678	109
-	123	109
<u>-</u>	<u>22,016</u>	<u>22,016</u>
<u>\$ 757,053</u>	<u>\$ 1,050,199</u>	<u>\$ 288,589</u>
\$ 37,652	\$ 37,652	\$ -
<u>-</u>	<u>2,093</u>	<u>2,093</u>
<u>37,652</u>	<u>39,745</u>	<u>2,093</u>
<u>719,401</u>	<u>1,010,454</u>	<u>286,387</u>

CITY OF PATTERSON, LOUISIANA
Capital Projects Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2000
With Comparative Totals for Year Ended June 30, 1999

	<u>Drainage and Relocation Project</u>	<u>Regional Sewerage Facility Project</u>	<u>Third Street Paving Project</u>
Revenues:			
Miscellaneous			
Interest on interest-bearing deposits	\$ <u>2,558</u>	\$ <u>821</u>	\$ <u>517</u>
Expenditures			
General government	12	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>12</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>2,546</u>	<u>821</u>	<u>517</u>
Other financing sources:			
Operating transfers in	-	-	-
Proceeds from sale of bonds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses	2,546	821	517
Fund balances, beginning	<u>122,729</u>	<u>112,492</u>	<u>20,513</u>
Fund balances, ending	<u>\$ 125,275</u>	<u>\$ 113,313</u>	<u>\$ 21,030</u>

Murphy Street Paving Project	City Hall & Jail Complex Project	Totals	
		2000	1999
\$ 782	\$ 5,918	\$ 10,596	\$ 4,166
-	17,460	17,472	-
-	46,151	46,151	-
-	63,611	63,623	-
782	(57,693)	(53,027)	4,166
-	100	100	-
-	776,994	776,994	-
-	777,094	777,094	-
782	719,401	724,067	4,166
30,653	-	286,387	282,221
<u>\$ 31,435</u>	<u>\$ 719,401</u>	<u>\$ 1,010,454</u>	<u>\$ 286,387</u>

ENTERPRISE FUND

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

CITY OF PATTERSON, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Balance Sheet
June 30, 2000 and 1999

	2000	1999
ASSETS		
Current assets:		
Cash	\$ 202,722	\$ 122,348
Interest-bearing deposits	211,845	47,743
Investments, at fair value	269,150	255,751
Receivables:		
Accounts receivable	303,816	269,018
Accrued interest receivable	442	143
Due from other funds	147,045	220,335
Prepaid insurance	11,218	1,234
Total current assets	1,146,238	916,572
Advances to other funds	125,000	125,000
Restricted assets:		
Bond and interest sinking fund -		
Interest-bearing deposits	73,112	89,614
Accrued interest receivable	271	457
Bond reserve fund -		
Interest-bearing deposits	128,388	128,388
Capital additions and contingencies fund -		
Cash	73,028	73,028
Interest-bearing deposits	769,971	768,870
Bond construction fund -		
Cash	40,905	40,905
Interest-bearing deposits	185,230	181,252
Customers' deposits -		
Cash	72,931	62,298
Interest-bearing deposits	140,275	140,275
Total restricted assets	1,484,111	1,485,087
Property, plant and equipment:		
Property, plant and equipment, at cost, net of accumulated depreciation (2000 \$5,575,185; 1999 \$5,307,421)	5,302,329	5,492,330
Construction in progress	-	6,000
Net property, plant and equipment	5,302,329	5,498,330
Total assets	\$ 8,057,678	\$ 8,024,989

LIABILITIES AND FUND EQUITY	2000	1999
Liabilities:		
Current liabilities (payable from current assets) -		
Accounts payable	\$ 71,861	\$ 56,049
Due to other funds	16,297	9,714
Accrued liabilities	<u>2,310</u>	<u>2,061</u>
Total current liabilities (payable from current assets)	<u>90,468</u>	<u>67,824</u>
Current liabilities (payable from restricted assets) -		
Revenue bond payable, net of unamortized		
bond discount (2000 \$2,728; 1999 \$2,728)	57,272	52,272
Accrued interest payable	10,210	10,955
Customers' deposits	<u>213,206</u>	<u>202,573</u>
Total current liabilities (payable from restricted assets)	<u>280,688</u>	<u>265,800</u>
Long-term liabilities -		
Revenue bonds payable, net of current portion and unamortized		
bond discount (2000 \$24,554; 1999 \$27,282)	<u>790,446</u>	<u>847,718</u>
Total liabilities	<u>1,161,602</u>	<u>1,181,342</u>
Fund equity:		
Contributed capital -		
Customers	87,281	87,281
Municipality	5,440,367	5,440,367
Federal grants (net of accumulated amortization)	382,255	404,236
State grants (net of accumulated amortization)	<u>853,943</u>	<u>898,907</u>
Total contributed capital	<u>6,763,846</u>	<u>6,830,791</u>
Retained earnings -		
Reserved for revenue bond retirement	977,288	997,130
Unreserved	<u>(845,058)</u>	<u>(984,274)</u>
Total retained earnings	<u>132,230</u>	<u>12,856</u>
Total fund equity	<u>6,896,076</u>	<u>6,843,647</u>
Total liabilities and fund equity	<u>\$ 8,057,678</u>	<u>\$ 8,024,989</u>

CITY OF PATTERSON, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings
Years Ended June 30, 2000 and 1999

	2000	1999
Operating revenues:		
Charges for services -		
Gas sales and services	\$ 815,113	\$ 736,632
Water sales and services	428,256	435,286
Sewerage services	336,438	335,500
Delinquent charges	32,292	36,807
Commissions, transfers and reconnections	10,451	11,321
Miscellaneous	<u>13,967</u>	<u>10,055</u>
Total operating revenues	<u>1,636,517</u>	<u>1,565,601</u>
Operating expenses:		
Administrative	230,702	228,527
Gas department	688,830	648,247
Water department	328,416	334,754
Sewerage department	<u>309,534</u>	<u>327,184</u>
Total operating expenses	<u>1,557,482</u>	<u>1,538,712</u>
Operating income	<u>79,035</u>	<u>26,889</u>
Nonoperating revenues (expenses):		
Interest income	50,389	55,073
Interest and fiscal charges	<u>(67,713)</u>	<u>(71,667)</u>
Total nonoperating revenues (expenses)	<u>(17,324)</u>	<u>(16,594)</u>
Income before operating transfers	61,711	10,295
Operating transfer in (out)		
Operating transfers out	(9,282)	-
Operating transfers in	<u>-</u>	<u>2,410</u>
Total operating transfers in (out)	<u>(9,282)</u>	<u>2,410</u>
Net income	52,429	12,705
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>66,945</u>	<u>66,945</u>
Increase in retained earnings	119,374	79,650
Retained earnings (deficit), beginning	<u>12,856</u>	<u>(66,794)</u>
Retained earnings, ending	<u>\$ 132,230</u>	<u>\$ 12,856</u>

CITY OF PATTERSON, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Statement of Operating Expenses by Department
Years Ended June 30, 2000 and 1999

	2000	1999
Administrative:		
Salaries	\$ 101,779	\$ 104,783
Payroll taxes	10,526	8,114
Retirement contributions	3,452	2,107
Group insurance	21,843	20,223
Billing and notice processing	12,983	10,199
Telephone	1,025	1,391
Office supplies	10,180	16,093
Office equipment maintenance and rentals	3,866	8,668
Building repairs and maintenance	882	375
Vehicle oil and gas	-	599
Vehicle repairs and maintenance	2,233	1,399
Depreciation	8,645	10,502
Training and seminars	1,506	125
Professional fees	12,704	11,576
General insurance	22,957	24,731
Miscellaneous	16,121	7,642
Total administrative	230,702	228,527
 Gas department:		
Salaries	154,949	170,354
Payroll taxes	16,564	13,207
Retirement contributions	5,487	4,748
Group insurance	17,021	19,833
Uncollectible billings	3,900	5,790
Telephone	1,654	2,209
Utilities	3,199	2,560
Gas purchases	383,458	315,998
Operating supplies	4,391	7,380
Equipment repairs and maintenance	1,071	6,658
Distribution system repairs and maintenance	12,578	8,453
Vehicle oil and gas	4,598	5,420
Vehicle repairs and maintenance	10,636	8,677
Meters, hardware and lines	6,628	7,285
Depreciation	57,793	63,940
Miscellaneous	4,903	5,735
Total gas department	688,830	648,247

(continued)

CITY OF PATTERSON, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Statement of Operating Expenses by Department (Continued)
Years Ended June 30, 2000 and 1999

	2000	1999
Water department:		
Salaries	\$ 125,037	\$ 125,898
Payroll taxes	13,003	9,749
Retirement contributions	2,154	893
Group insurance	17,603	16,726
Uncollectible billings	1,950	3,224
Telephone	1,586	1,520
Depreciation	67,961	88,191
Utilities	16,183	12,289
Chemicals and agents	33,371	18,713
Operating supplies	2,075	4,748
Equipment repairs and maintenance	5,243	1,550
Building repairs and maintenance	1,128	4,588
Distribution system repairs and maintenance	171	17,122
Vehicle oil and gas	4,131	2,144
Vehicle repairs and maintenance	1,433	966
Meters, hardware and maintenance	24,447	17,875
Miscellaneous	<u>10,940</u>	<u>8,558</u>
Total water department	<u>328,416</u>	<u>334,754</u>
 Sewerage department:		
Depreciation	133,366	138,924
Uncollectible billings	1,650	2,629
Utilities	10,513	9,239
Sewerage treatment	159,020	153,570
Operating supplies	2,594	902
Equipment repairs, maintenance and rentals	210	6,630
Distribution system repairs and maintenance	770	14,887
Miscellaneous	<u>1,411</u>	<u>403</u>
Total sewerage department	<u>309,534</u>	<u>327,184</u>
Total operating expenses	<u>\$ 1,557,482</u>	<u>\$ 1,538,712</u>

CITY OF PATTERSON, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Statement of Cash Flows
Years Ended June 30, 2000 and 1999

	2000	1999
Cash flows from operating activities:		
Operating income	\$ 79,035	\$ 26,889
Adjustments to reconcile operating income to net cash provided by operating activities -		
Depreciation	267,765	301,557
Changes in current assets and liabilities:		
(Increase) decrease in accounts receivable	(34,798)	32,648
Increase in insurance	(9,984)	143
Increase (decrease) in accounts payable	15,812	(3,735)
Increase (decrease) in accrued liabilities	249	(658)
Total adjustments	239,044	329,955
Net cash provided by operating activities	318,079	356,844
Cash flows from noncapital financing activities:		
Cash paid to other funds	-	(2,710)
Cash received from other funds	79,873	1,457
Operating transfers in (out) from other funds	(9,282)	2,410
Net cash provided by noncapital financing activities	70,591	1,157
Cash flows from capital and related financing activities:		
Acquisition of plant and equipment	(71,764)	(31,060)
Principal paid on revenue bond maturities	(55,000)	(55,000)
Interest paid on revenue bonds	(65,730)	(69,580)
Increase in customers' meter deposits	10,633	2,115
Net cash used by capital and related financing activities	(181,861)	(153,525)

(continued)

CITY OF PATTERSON, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Statement of Cash Flows (Continued)
Years Ended June 30, 2000 and 1999

	2000	1999
Cash flows from investing activities:		
Purchase of interest-bearing deposits	\$ (356,366)	\$ (177,125)
Purchase of investments	(269,150)	(255,751)
Proceeds from the sale and maturities of interest-bearing deposits	354,932	175,623
Proceeds from maturities of investments	255,751	599,750
Interest on interest-bearing deposits	<u>50,276</u>	<u>55,133</u>
Net cash provided by investing activities	<u>35,443</u>	<u>397,630</u>
Net increase in cash and cash equivalents	242,252	602,106
Cash and cash equivalents, beginning of period	<u>1,477,596</u>	<u>875,490</u>
Cash and cash equivalents, end of period	<u>\$ 1,719,848</u>	<u>\$ 1,477,596</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning of period -		
Cash - unrestricted	\$ 122,348	\$ 136,280
Interest-bearing deposits - unrestricted	47,743	135,118
Cash - restricted	176,231	174,116
Interest-bearing deposits - restricted	1,308,399	605,599
Less: Interest-bearing deposits with a maturity over three months	<u>(177,125)</u>	<u>(175,623)</u>
Total cash and cash equivalents	<u>1,477,596</u>	<u>875,490</u>
Cash and cash equivalents, end of period -		
Cash - unrestricted	202,722	122,348
Interest-bearing deposits - unrestricted	211,845	47,743
Cash - restricted	186,864	176,231
Interest-bearing deposits - restricted	1,296,976	1,308,399
Less: Interest-bearing deposits with a maturity over three months	<u>(178,559)</u>	<u>(177,125)</u>
Total cash and cash equivalents	<u>1,719,848</u>	<u>1,477,596</u>
Net increase	<u>\$ 242,252</u>	<u>\$ 602,106</u>

CITY OF PATTERSON, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Changes in Assets Restricted for Revenue Bond Debt Service
Year Ended June 30, 2000

	Bond and Interest Sinking	Bond Reserve	Capital Additions and Contingencies	Total
Cash, interest-bearing deposits and investments, July 1, 1999	<u>\$ 90,071</u>	<u>\$ 128,388</u>	<u>\$ 841,898</u>	<u>\$ 1,060,357</u>
Cash receipts:				
Transfers from operating cash	101,571	-	-	101,571
Interest on deposits	<u>3,086</u>	<u>2,844</u>	<u>1,101</u>	<u>7,031</u>
Total cash receipts	<u>104,657</u>	<u>2,844</u>	<u>1,101</u>	<u>108,602</u>
Total cash, interest-bearing deposits and investments	<u>194,728</u>	<u>131,232</u>	<u>842,999</u>	<u>1,168,959</u>
Cash disbursements:				
Principal payments	55,000	-	-	55,000
Interest payments	65,730	-	-	65,730
Paying agent fees and fiscal charges	615	-	-	615
Transfer to operating	<u>-</u>	<u>2,844</u>	<u>-</u>	<u>2,844</u>
Total cash disbursements	<u>121,345</u>	<u>2,844</u>	<u>-</u>	<u>124,189</u>
Cash, interest-bearing deposits and investments, June 30, 2000	<u>\$ 73,383</u>	<u>\$ 128,388</u>	<u>\$ 842,999</u>	<u>\$ 1,044,770</u>

FIDUCIARY FUNDS

AGENCY FUNDS

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

CITY OF PATTERSON, LOUISIANA
Fiduciary Funds

Combining Balance Sheet
June 30, 2000
With Comparative Totals for June 30, 1999

	Payroll Fund	Disbursement Fund	Totals	
			2000	1999
ASSETS				
Cash	\$ 83,194	\$ 5,086	\$ 88,280	\$ 48,522
Due from other funds	<u>-</u>	<u>16,297</u>	<u>16,297</u>	<u>9,714</u>
Total assets	<u>\$ 83,194</u>	<u>\$ 21,383</u>	<u>\$ 104,577</u>	<u>\$ 58,236</u>
LIABILITIES				
Accrued Liabilities	\$ 25,835	\$ -	\$ 25,835	\$ 13,689
Due to other funds	<u>57,359</u>	<u>21,383</u>	<u>78,742</u>	<u>44,547</u>
Total Liabilities	<u>\$ 83,194</u>	<u>\$ 21,383</u>	<u>\$ 104,577</u>	<u>\$ 58,236</u>

CITY OF PATTERSON, LOUISIANA
Fiduciary Funds

Combining Statement of Changes in Assets and Liabilities
Year Ended June 30, 2000

	Balance 07/01/1999	Additions	Deductions	Balance 06/30/2000
<u>PAYROLL FUND</u>				
ASSETS				
Cash	\$ <u>39,477</u>	\$ <u>1,116,465</u>	\$ <u>1,072,748</u>	\$ <u>83,194</u>
LIABILITIES				
Accrued Liabilities	\$ 13,689	\$ 1,084,894	\$ 1,072,748	\$ 25,835
Due to other funds	<u>25,788</u>	<u>1,147,225</u>	<u>1,115,654</u>	<u>57,359</u>
Total Liabilities	\$ <u>39,477</u>	\$ <u>2,232,119</u>	\$ <u>2,188,402</u>	\$ <u>83,194</u>
<u>DISBURSEMENT FUND</u>				
ASSETS				
Cash	\$ 9,045	\$ 1,460,406	\$ 1,464,365	\$ 5,086
Due from other funds	<u>9,714</u>	<u>802,810</u>	<u>796,227</u>	<u>16,297</u>
Total assets	\$ <u>18,759</u>	\$ <u>2,263,216</u>	\$ <u>2,260,592</u>	\$ <u>21,383</u>
LIABILITIES				
Due to other funds	\$ <u>18,759</u>	\$ <u>666,803</u>	\$ <u>664,179</u>	\$ <u>21,383</u>
<u>TOTALS - ALL FIDUCIARY FUNDS</u>				
ASSETS				
Cash	\$ 47,894	\$ 2,576,871	\$ 2,537,113	\$ 87,652
Due from other funds	<u>7,004</u>	<u>802,810</u>	<u>796,227</u>	<u>13,587</u>
Total assets	\$ <u>54,898</u>	\$ <u>3,379,681</u>	\$ <u>3,333,340</u>	\$ <u>101,239</u>
LIABILITIES				
Accrued Liabilities	\$ 27,378	\$ 1,084,894	\$ 1,072,748	\$ 39,524
Due to other funds	<u>27,520</u>	<u>1,814,028</u>	<u>1,779,833</u>	<u>61,715</u>
Total liabilities	\$ <u>54,898</u>	\$ <u>2,898,922</u>	\$ <u>2,852,581</u>	\$ <u>101,239</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

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

CITY OF PATTERSON, LOUISIANA

Comparative Statement of General Fixed Assets
June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
General fixed assets, at cost:		
Land	\$ 230,244	\$ 230,244
Buildings	451,040	404,888
Equipment	<u>933,269</u>	<u>864,232</u>
Total general fixed assets	<u>\$ 1,614,553</u>	<u>\$ 1,499,364</u>
Investment in general fixed assets:		
Property acquired from -		
General Fund revenues	\$ 981,482	\$ 866,293
Federal revenue sharing funds	35,145	35,145
Federal and local grants	202,934	202,934
Special revenue fund revenues	<u>394,992</u>	<u>394,992</u>
Total investment in general fixed assets	<u>\$ 1,614,553</u>	<u>\$ 1,499,364</u>

CITY OF PATTERSON, LOUISIANA

Statement of Changes in General Fixed Assets
Year Ended June 30, 2000

	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
General fixed assets, beginning	<u>\$ 230,244</u>	<u>\$ 404,888</u>	<u>\$ 864,232</u>	<u>\$ 1,499,364</u>
Additions:				
General Fund revenues	-	46,152	69,037	115,189
Special Revenue Fund revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total additions	<u>-</u>	<u>46,152</u>	<u>69,037</u>	<u>115,189</u>
Deletions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
General fixed assets, ending	<u><u>\$ 230,244</u></u>	<u><u>\$ 451,040</u></u>	<u><u>\$ 933,269</u></u>	<u><u>\$ 1,614,553</u></u>

GENERAL LONG-TERM DEBT ACCOUNT GROUP

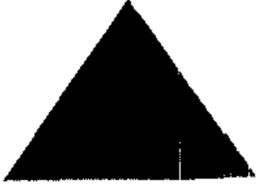
To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds. Payment of maturing obligations, including interest, are accounted for in the debt service funds.

CITY OF PATTERSON, LOUISIANA
Statement of General Long-Term Debt
June 30, 2000
With Comparative Totals for June 30, 1999

	Capital Lease	Public Improvement Bonds	General Obligation Sales Tax Bonds
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT			
Amount available in debt service funds for debt retirement	\$ -	\$ 213,992	\$ 463,282
Amount to be provided from -			
General Fund revenues	10,218	-	-
Ad valorem taxes	-	516,008	-
Sales and use taxes	-	-	1,091,718
Property assessments	-	-	-
Total available and to be provided	<u>\$ 10,218</u>	<u>\$ 730,000</u>	<u>\$ 1,555,000</u>
GENERAL LONG-TERM DEBT PAYABLE			
Lease obligation payable	\$ 10,218	\$ -	\$ -
Bonds payable	-	730,000	1,555,000
Certificates of indebtedness payable	-	-	-
Total general long-term debt payable	<u>\$ 10,218</u>	<u>\$ 730,000</u>	<u>\$ 1,555,000</u>

1990 Paving Assessment Certificates	Totals	
	2000	1999
\$ -	\$ 677,274	\$ 547,427
9,088	19,306	24,636
-	516,008	628,217
-	1,091,718	478,241
<u>13,101</u>	<u>13,101</u>	<u>20,704</u>
<u>\$ 22,189</u>	<u>\$ 2,317,407</u>	<u>\$ 1,699,225</u>
\$ -	\$ 10,218	\$ 14,848
-	2,285,000	1,640,000
<u>22,189</u>	<u>22,189</u>	<u>44,377</u>
<u>\$ 22,189</u>	<u>\$ 2,317,407</u>	<u>\$ 1,699,225</u>

**INTERNAL CONTROL
AND
COMPLIANCE**



Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA, CVA
Danny P. Frederick, CPA
Clayton E. Darnall, CPA
Eugene H. Darnall, III, CPA
Paula D. Bibb, CPA
Stephanie M. Higginbotham, CPA

Jennifer S. Ziegler, CPA
Chris A. Miller, CPA
John P. Armato, CPA

Kathleen T. Darnall, CPA
Stephen R. Dischler, MBA, CPA
Alan M. Taylor, CPA
Christine A. Raspberry, CPA
Steven G. Moosa, CPA
Erich G. Loewer, Jr., CPA
Erich G. Loewer, III, CPA
Danny P. Pontiff, CPA
Tamera T. Landry, CPA
Carla R. Fontenot, CPA
Raegan D. Stelly, CPA
Jason H. Watson, CPA

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

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

Other Locations:

125 Rue Beauregard
Lafayette, LA 70508
318.232.3312

1231 E. Laurel Avenue
Eunice, LA 70535
318.457.4146

1201 Brashear Avenue
Suite 303
Morgan City, LA 70380
504.384.6264

404 Pere Meuret
Abbeville, LA 70510
318.893.5470

dsfcpas.com

We have audited the general purpose financial statements of the City of Patterson, Louisiana, as of and for the year ended June 30, 2000, and have issued our report thereon dated October 18, 2000. We have conducted our audit in accordance with generally accepted auditing standards, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Patterson, Louisiana's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of general purpose financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance that are required to be reported under Government Auditing Standards. These instances of noncompliance are reported as items 2000-1 and 2000-2 on Part 2 of the Schedule of Findings and Questioned Costs.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Patterson, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

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A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the City Council, management and others within the organization and is not intended to be and should not be used by anyone other than those specified parties.

Dannall, Sikes & Frederick
A Corporation of Certified Public Accountants

Morgan City, Louisiana
October 18, 2000

OTHER SUPPLEMENTARY INFORMATION

CITY OF PATTERSON, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers
(Unaudited)
June 30, 2000

Records maintained by the City indicated the following number of customers were being served during the months of June, 2000 and 1999:

<u>Department</u>	<u>2000</u>	<u>1999</u>
Gas (metered)	1,989	2,138
Water (metered)	2,260	2,260
Sewerage	1,952	1,958
Sanitation*	1,952	1,960

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

CITY OF PATTERSON, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Departmental Analysis of Revenues and Expenses
Years Ended June 30, 2000 and 1999

	Totals		Gas	
	2000	1999	2000	1999
Operating revenues:				
Charges for services -				
Customers	\$ 1,579,807	\$ 1,507,418	\$ 815,113	\$ 736,632
Delinquent charges	32,292	36,807	10,979	12,381
Commissions, transfers, and reconnections	10,451	11,321	3,553	3,808
Miscellaneous	<u>13,967</u>	<u>10,055</u>	<u>4,867</u>	<u>2,165</u>
Total operating revenue	<u>1,636,517</u>	<u>1,565,601</u>	<u>834,512</u>	<u>754,986</u>
Operating expenses:				
Salaries	381,765	401,035	154,949	170,354
Payroll taxes	40,093	31,070	16,564	13,207
Retirement contributions	11,093	7,748	5,487	4,748
Group insurance	56,467	56,782	17,021	19,833
Gas purchases	383,458	315,998	383,458	315,998
Chemicals and agents	33,371	19,232	-	-
Equipment repairs and maintenance	10,390	23,506	1,071	6,658
Distribution system repairs and maintenance	13,519	40,462	12,578	8,453
Vehicle oil and gas	8,729	8,163	4,598	5,420
Vehicle repairs and maintenance	14,302	11,042	10,636	8,677
Meters, hardware and lines	31,075	25,160	6,628	7,285
Professional fees	12,704	11,576	-	-
Depreciation	267,765	301,557	57,793	63,940
Insurance	22,957	24,731	-	-
Office expense	16,646	28,604	4,391	7,380
Sewerage treatment	159,020	153,570	-	-
Other	94,128	78,476	13,656	16,294
Allocation of administrative expenses	<u>-</u>	<u>-</u>	<u>78,439</u>	<u>76,871</u>
Total operating expenses	<u>1,557,482</u>	<u>1,538,712</u>	<u>767,269</u>	<u>725,118</u>
Operating income (loss)	<u>79,035</u>	<u>26,889</u>	<u>\$ 67,243</u>	<u>\$ 29,868</u>
Nonoperating revenues (expenses):				
Interest income	50,389	55,073		
Interest and fiscal charges	<u>(67,713)</u>	<u>(71,667)</u>		
Total nonoperating revenues (expenses)	<u>(17,324)</u>	<u>(16,594)</u>		
Income before operating transfers	61,711	10,295		
Operating transfers in (out)	<u>(9,282)</u>	<u>2,410</u>		
Net income	52,429	12,705		
Add: Depreciation on fixed assets acquired by federal grant revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>66,945</u>	<u>66,945</u>		
Increase in retained earnings	119,374	79,650		
Retained earnings (deficit), beginning	<u>12,856</u>	<u>(66,794)</u>		
Retained earnings, ending	<u>\$ 132,230</u>	<u>\$ 12,856</u>		

Water		Sewerage		Administrative	
2000	1999	2000	1999	2000	1999
\$ 428,256	\$ 435,286	\$ 336,438	\$ 335,500	\$ -	\$ -
11,625	13,087	9,688	11,339	-	-
3,762	4,025	3,136	3,488	-	-
-	-	9,100	7,890	-	-
<u>443,643</u>	<u>452,398</u>	<u>358,362</u>	<u>358,217</u>	-	-
125,037	125,898	-	-	101,779	104,783
13,003	9,749	-	-	10,526	8,114
2,154	893	-	-	3,452	2,107
17,603	16,726	-	-	21,843	20,223
-	-	-	-	-	-
33,371	18,713	-	519	-	-
5,243	1,550	210	6,630	3,866	8,668
171	17,122	770	14,887	-	-
4,131	2,144	-	-	-	599
1,433	966	-	-	2,233	1,399
24,447	17,875	-	-	-	-
-	-	-	-	12,704	11,576
67,961	88,191	133,366	138,924	8,645	10,502
-	-	-	-	22,957	24,731
2,075	4,748	-	383	10,180	16,093
-	-	159,020	153,570	-	-
31,787	30,179	16,168	12,271	32,517	19,732
<u>83,053</u>	<u>81,257</u>	<u>69,210</u>	<u>70,399</u>	<u>(230,702)</u>	<u>(228,527)</u>
<u>411,469</u>	<u>416,011</u>	<u>378,744</u>	<u>397,583</u>	-	-
<u>\$ 32,174</u>	<u>\$ 36,387</u>	<u>\$ (20,382)</u>	<u>\$ (39,366)</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF PATTERSON, LOUISIANA

Schedule of Insurance in Force
(Unaudited)
June 30, 2000

Description of Coverage	Coverage Amounts
Workmen's Compensation - Employer's liability	Statutory \$ 1,000,000
Surety Bonds -	
Mrs. Pamela Washington	25,000
Ms. Angela Shilling	5,000
Public employees	5,000
Public right-of-way	1,528
Policemen's Professional Liability	1,000,000
Comprehensive General Liability, Bodily Injury, and Property Damage	500,000
Comprehensive Automobile Liability	500,000
Fire, Lightning, and Extended Coverage - Buildings and contents, all risks except flood and earthquake	1,952,704
Summer Recreation Program -	
Death and dismemberment	3,000
Medical expense	10,000
Public officials errors and omissions	500,000

CITY OF PATTERSON, LOUISIANA

Schedule of Interest-Bearing Deposits - All Funds
June 30, 2000

	Term	Maturity Date	Interest Rate	Total Amount
General Fund:				
Insured Money Market	N/A	N/A	2.815%	\$ 157,923
Insured Money Market	N/A	N/A	2.815%	578,429
Insured Money Market	N/A	N/A	2.815%	41,236
Insured Money Market	N/A	N/A	2.815%	347,825
Insured Money Market	N/A	N/A	2.815%	287,783
Savings	N/A	N/A	2.000%	211,714
Savings	N/A	N/A	2.000%	1,929
Savings	N/A	N/A	2.000%	2,217
Savings	N/A	N/A	2.000%	1,422
Certificate of deposit	31 days	07/12/2000	3.500%	45,000
Certificate of deposit - Patterson State Bank	91 days	07/31/2000	3.500%	54,617
Certificate of deposit - Patterson State Bank	91 days	09/13/2000	3.800%	30,000
Certificate of deposit - Patterson State Bank	182 days	08/24/2000	4.215%	796
Certificate of deposit - Patterson State Bank	181 days	07/12/2000	4.215%	186,453
Certificate of deposit - Patterson State Bank	182 days	08/24/2000	4.215%	<u>86,487</u>
				<u>2,033,831</u>
Special Revenue Funds:				
Sewerage and Solid Waste Sales Tax Fund -				
Insured Money Market	N/A	N/A	2.815%	196,071
Certificate of deposit - Patterson State Bank	182 days	08/29/2000	4.215%	155,000
Investment - US Treasury Bill	6 months	12/07/2000	6.160%	<u>755,691</u>
				<u>1,106,762</u>
Ad Valorem Tax Collection Fund -				
Savings	N/A	N/A	2.000%	<u>35,103</u>
Fire Department Equipment Fund -				
Insured Money Market	N/A	N/A	2.815%	55,100
Certificate of Deposit - Patterson State Bank	90 days	08/08/2000	3.200%	25,000
Certificate of Deposit - Patterson State Bank	1 year	09/24/2000	3.500%	<u>50,000</u>
				<u>130,100</u>
Emergency Management Fund -				
Insured Money Market	N/A	N/A	2.815%	<u>22,285</u>
				<u>1,294,250</u>

(continued)

CITY OF PATTERSON, LOUISIANA

Schedule of Interest-Bearing Deposits - All Funds (Continued)
June 30, 2000

	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Amount</u>
Debt Service Funds:				
Public Improvement Bonds Fund - Insured Money Market	N/A	N/A	2.815%	<u>122,343</u>
Sales Tax Revenue Refunding Bonds Series - Insured Money Market	N/A	N/A	2.815%	135,717
Certificate of Deposit - Patterson State Bank	182 days	11/20/2000	4.515%	<u>216,445</u>
				<u>352,162</u>
Sales Tax Sinking Fund - Insured Money Market	N/A	N/A	2.815%	10,696
Insured Money Market-Reserve	N/A	N/A	2.815%	<u>77,333</u>
				<u>88,029</u>
1966, 1967, 1969, 1980 and 1982 Paving Assessment Funds - Savings	N/A	N/A	2.000%	100
Certificate of Deposit - Patterson State Bank	182 days	08/26/2000	4.215%	54,917
Certificate of Deposit - Patterson State Bank	182 days	08/21/2000	4.215%	46,475
Certificate of Deposit - Patterson State Bank	182 days	08/21/2000	4.215%	<u>22,600</u>
				<u>124,092</u>
1990 Street Paving Project - Insured Money Market	N/A	N/A	2.815%	<u>77,135</u>
Total debt service funds				<u>763,761</u>
Capital Projects Funds:				
1980 Drainage Project Fund - Insured Money Market	N/A	N/A	2.815%	<u>104,060</u>
Regional Sewerage Facility Project Fund - Certificate of Deposit - Patterson State Bank	182 days	08/29/2000	4.215%	20,000
Certificate of Deposit - Patterson State Bank	182 days	08/21/2000	4.215%	<u>80,858</u>
				<u>100,858</u>
Third Street Paving Project Fund - Insured Money Market	N/A	N/A	2.815%	<u>21,030</u>
Murphy Street Paving Project Fund - Insured Money Market	N/A	N/A	2.815%	<u>31,827</u>

CITY OF PATTERSON, LOUISIANA

Schedule of Interest-Bearing Deposits - All Funds (Continued)
June 30, 2000

	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Amount</u>
Sales Tax Bond Construction Fund -				
Insured Money Market	N/A	N/A	2.815%	16,275
Certificate of Deposit	90 days	07/31/2000	3.800%	50,000
Certificate of Deposit	156 days	07/05/2000	3.500%	85,000
Certificate of Deposit	183 days	08/01/2000	4.015%	100,000
Certificate of Deposit	214 days	09/01/2000	4.015%	100,000
Certificate of Deposit	245 days	10/02/2000	4.015%	100,000
Certificate of Deposit	275 days	11/01/2000	4.015%	100,000
Investment - US Treasury Bill	6 months	01/04/2001	6.180%	<u>205,678</u>
				<u>756,953</u>
Total capital projects funds				<u>1,014,728</u>
Utility Funds:				
Insured Money Market	N/A	N/A	2.815%	340,233
Insured Money Market	N/A	N/A	2.815%	736,098
Insured Money Market	N/A	N/A	2.815%	185,230
Savings	N/A	N/A	2.000%	33,873
Savings	N/A	N/A	2.000%	34,828
Certificate of Deposit - Patterson State Bank	182 days	11/17/2000	4.515%	140,275
Certificate of Deposit - Patterson State Bank	182 days	08/26/2000	4.215%	38,284
Investment - US Treasury Bill	6 months	12/07/2000	6.160%	<u>269,150</u>
				<u>1,777,971</u>
Total - all funds				<u>\$6,884,541</u>

CITY OF PATTERSON, LOUISIANA

Summary Schedule of Prior Year Findings
Year Ended June 30, 2000

There were no findings noted during the audit for the fiscal year ended June 30, 1999.

CITY OF PATTERSON, LOUISIANA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2000

Part 1: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report - Financial Statements

An unqualified opinion has been issued on the City of Patterson, Louisiana's general purpose financial statements as of and for the year ended June 30, 2000.

Reportable Conditions - Financial Statements

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

Material Noncompliance - Financial Reporting

There were two material instances of noncompliance noted during the audit of the financial statements.

FEDERAL AWARDS

This section is not applicable for the fiscal year ended June 30, 2000.

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

2000-1	Finding:	Bond sinking fund transfers were not made timely.
	Recommendation:	To ensure compliance with bond requirements, management should ensure that sinking fund transfers are made in accordance with the bond requirements.
2000-2	Finding:	Contingency fund transfers were not made timely.
	Recommendation:	To ensure compliance with bond requirements, management should ensure that sinking fund transfers are made in accordance with the bond requirements.

Part 3: Findings and Questioned Costs Relating to Federal Programs

At June 30, 2000, the City of Patterson, Louisiana did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.

CITY OF PATTERSON, LOUISIANA

Management's Corrective Action Plan For Current Year Findings
Year Ended June 30, 2000

- 2000-1 Finding: Failure to make bond sinking fund transfers timely.
- Response: The failure to make the required transfers timely was an oversight arising out of the implementation of a new accounting system. The transfers have since been made.
- 2000-2 Finding: Failure to make contingency fund transfers timely.
- Response: The failure to make the required transfers timely was an oversight arising out of the implementation of a new accounting system. The transfers have since been made.