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COMPREHENSIVE ANNUAL FINANCIAL REPORT

Prepared by the Department of Finance

City of Slidell

Salvatore A. Caruso, Mayor
For Fiscal Year Ended
June 30, 2000

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

Release Date ~~NOV 7 5 2000~~

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The City of Slidell

2055 Second Street • P.O. Box 828 • Slidell, Louisiana 70459
Telephone (504) 646-4333

SALVATORE A. "SAM" CARUSO, MSW
Mayor

OFFICE OF THE MAYOR

TO: THE MEMBERS OF THE CITY COUNCIL
CITY OF SLIDELL, LOUISIANA

DATE: October 10, 2000

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Slidell, Louisiana for the fiscal year ended June 30, 2000.

The CAFR has been prepared in conformance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB). The City's basis of accounting in its various funds is explained in the notes to the accompanying general purpose financial statements.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds and account groups; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included.

The accompanying financial statements have been audited by the City's certified public accountants and their opinion resulting from their audit is included in the Comprehensive Annual Financial Report.

Comprehensive Annual Financial Report is divided into four sections:

The **Introductory Section** includes this letter of transmittal, an organizational chart, a list of principal elected officials and a reproduction of the prior year's Certificate of Achievement for Excellence in Financial Reporting.

The Financial Section includes the General Purpose Financial Statements presenting the combined statements as an overview of the City's entire financial operations with accompanying notes. Next, within this section, combined and individual fund financial statements present each of the supporting separate funds and individual account groups of the City. Schedules provide certain other information and details of data summarized in the financial statements. The statements and schedules included in this section pertain to those operations which, when taken together, make up the reporting entity of the City.

The Statistical Section includes tables and schedules containing historical financial data, debt statistics, and miscellaneous economic data of the City that are of interest to potential investors in our bonds and to other readers.

The Single Audit Section contains the auditors' reports in conformity with the provisions of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996 and U.S. Office of Management & Budget Circular A-133, "Audits of State and Local Governments" regarding federal and state grants along with related schedules of expenditures and notes.

REPORTING ENTITY

Slidell, the largest municipality in St. Tammany Parish, was founded in 1888. The City's system of government is established by its Home Rule Charter which was adopted in 1978. The Louisiana Constitution prohibits the state legislature from enacting any law affecting the structure, organization, or distribution of the power and functions of any local subdivision which operates under a Home Rule Charter. The City has a Mayor-Council form of government.

The general purpose financial statements of the City include all government activities, organizations and functions. These services include police protection; sanitation services; the construction and maintenance of highways, streets, airport facilities and infrastructure; recreational activities and cultural events. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. No component units are included in the reporting entity. A more detailed discussion of reporting entity is included in Note A1 to the general-purpose financial statements.

ECONOMIC CONDITION AND OUTLOOK

Slidell and the surrounding area is quite heavily dependent upon employment by several of the U.S. Government Contractors and oil companies in East Mississippi and New Orleans. The Slidell area has long been referred to as a "bedroom" community which serves these areas. As a result, the economy can fluctuate widely due to changes in these industries. A major parish-wide movement is underway to identify and attract various industries to the surrounding area in an effort to diversify and stabilize the basis of the local economy.

In 2000 the City experienced a 13% increase in sales tax revenue from the previous fiscal year. The increase is primarily attributed to the opening of 3 new major retail businesses and to new residential growth both within and beyond the City limits.

Due to a growing trend for New Orleanians to move north of Lake Pontchartrain, the Parish experienced continued growth in population during the 2000 year. Since 1990 the Parish has experienced a 25 percent growth rate.

Most of the major commercial developments which serve the Slidell area, as well as the two major hospitals in the eastern part of St. Tammany Parish, are within the corporate limits of Slidell. Slidell should continue to see growth in commercial developments keep pace with residential growth demands.

MAJOR INITIATIVES

During the Year

Began construction on Phase II of street lighting and sidewalk improvements in Olde Towne, a \$1,177,000 project for redevelopment of Slidell's historic Olde Towne District

Began construction on Phase II of the Olde Towne Slidell Train Depot, which has been in continuous use since the early 1900's and is listed on the National Registry of Historic Places. The \$550,000 project includes renovations to the interior of the railroad station, construction of a parking lot, landscaping, lighting and fencing of the property.

Completed renovations of the Olde Slidell City Hall and Jail Museum

Installed a citywide computer network with a fiber optic backbone to facilitate interdepartmental communication, coordination and collaboration. Adopted a three-year replacement schedule for all desktop computer resources whereby approximately one-third of all desktops are replaced each fiscal year. Adopted a standard productivity software suite to enhance intra- and inter-departmental communication and collaboration.

For the Future

A major new capital initiative is planned in 2001. With proceeds from a \$5,000,000 Louisiana Community Development Loan, the city plans to invest \$1,850,000 for recreation projects, \$1,250,000 for utility extensions, \$800,000 for building improvements, \$700,000 for streets and street lighting, \$375,000 for drainage cave-ins and \$25,000 for undesignated projects.

Managing growth continues to be one of our major management objectives. The City receives requests for annexation into the city on a weekly basis. Both commercial and residential building are booming in Slidell. This has stretched the capacity of many different departments, from the Utilities Division of Public Operations to Permits and Inspections. We are seeking ways to keep pace with the growing demand for city workers.

FINANCIAL INFORMATION

Accounting System and Budgetary Control

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control

should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Procedures

The City maintains budgetary control at the departmental level by cost classification and allocates appropriations on a monthly basis. These cost classifications are categorized in several groups: salaries and benefits of officials and employees; contractual services; supplies; equipment; debt requirements; capital outlay and others (e.g., community service, claims and legal fees, etc.).

Encumbrances are recorded by the Purchasing Department as requisitions are received from various departments. If sufficient funds are not available to cover the purchase, the requisition is returned to the originating department for appropriation allotment changes, transfer of funds or cancellation. Appropriations are allowed to be amended through councilmanic action during the year, and all unencumbered appropriations lapse at year end. The City's Charter, as well as state law, does not allow deficit spending.

The City monitors revenues and expenditures closely during the year in order to adhere to the annual operating budget approved by the City Council. Per Charter requirements, the Mayor may, if he decides it necessary, open the adopted budget for amendments by councilmanic action during the fiscal year. The Mayor retains the right to approve line-item budgetary adjustments of unencumbered funds within an operating department, office or agency during the course of the fiscal year. Unencumbered balances in the General Fund and Sales Tax Fund on hand at the close of the fiscal year are usually appropriated, in whole or in part, as capital outlay for projects in the succeeding year or designated for general contingencies.

The Mayor recommends to the City Council a capital improvement program for the next five years and a capital budget by project for the first year of the program. The City Council is obligated to approve a capital budget program and adopts the capital budget concurrently with the annual operating budget. The amounts budgeted constitute appropriations from the funds indicated when they become available. Unexpended capital appropriations carry over for a total of three years or until re-appropriated.

General Governmental Functions

The City provides a wide range of general services including public safety, highways and streets, recreational activities, animal control, planning and zoning and general administrative services which are accounted for in the General, Special Revenue and Debt Service Funds.

Revenues

Revenues to support the general government functions of the City are reflected in the General, Special Revenue and Debt Service Funds. General revenues from these funds approximated \$22,792,000 (see Table 2) for the 2000 fiscal year, an increase of approximately \$1,286,000 from 1999. This increase is primarily attributable to an increase in sales tax revenues due to new business development within the City limits and to new residential growth both within and beyond the City limits offset by a decrease in intergovernmental revenues.

The following table illustrates the revenues by source for 2000 and the increase (decrease) over prior year by general functions:

**General and Special Revenue Funds (budgetary basis)
and Debt Service Fund**

	Amount <u>2000</u>	% of <u>Total</u>	Increase (Decrease) <u>From 1999</u>	Percent of Increase <u>(Decrease)</u>
	<small>(In thousands of dollars)</small>			
Sales Tax	14,042	62%	\$1,648	13%
Property Tax	3,138	14%	158	5%
Licenses/Permit	1,513	7%	-77	-5%
Franchise Tax	1,161	5%	47	4%
Intergovernmental	1,088	5%	-923	-83%
Interest/Other	1,149	5%	366	18%
Payment in Lieu of Tax	460	1%	25	3%
Fines/Forfeitures	241	1%	42	10%
	-----	-----	-----	
	<u>\$22,792</u>	<u>100%</u>	<u>\$1,286</u>	6%

Expenditures by Function

General Government related expenditures were approximately \$21,327,000 (see Table 1) in 2000 compared to \$20,375,000 in fiscal 1999. The following table presents the various general City expenditures grouped according to function.

**General and Special Revenue Funds (budgetary basis)
and Debt Service Fund**

	Amount <u>2000</u>	% of <u>Total</u>	Increase (Decrease) <u>From 1999</u>	Percent of Increase <u>(Decrease)</u>
	<small>(In thousands of dollars)</small>			
Public Safety	\$4,757	22%	\$ 41	1%
Public Works	3,222	15%	267	9%
General Government	4,435	21%	158	4%
Debt Service	4,406	21%	-11	-0%
Capital Outlay	3,253	15%	529	19%
Parks and Recreation	1,044	5%	61	6%
Judicial System	210	1%	-93	-31%
	-----	-----	-----	
	<u>\$21,327</u>	<u>100%</u>	<u>\$952</u>	5%

Increase in expenditures is primarily due to an increase in expenditures for capital outlay and public works. Capital appropriations are valid for three years. Variances in capital outlay expenditures from year to year are a function of the amount of time planning and engineering consume before projects begin the construction phase, which is the bulk of a project's cost. The increase in public works expenditures is primarily due to an increase in salaries and benefits due to fewer vacancies in 2000 and an increase in supplies and materials expenditures due to increased productivity.

Expenditures Comparison by Activity

The following data represent a comparison of fiscal 1999 and 2000 expenditures by activity:

General and Special Revenue Funds (budgetary basis) And Debt Service Fund				
	Amount	% of	Increase	Percent of
	2000	Total	(Decrease)	Increase
	<u>(In thousands of dollars)</u>			
Salaries and Benefits	\$10,497	49%	\$358	4%
Debt Service	4,406	21%	-11	0%
Capital Outlay	3,253	15%	529	19%
Supplies & Materials	1,254	6%	209	20%
Contractual Services	1,512	7%	10	1%
Claims	200	1%	-149	-43%
9-1-1 Service	107	1%	5	5%
Community Services	52	0%	1	2%
Equipment	46	0%	0	0%
	-----	----	----	
	\$21,327	100%	\$952	5%

Increase in expenditures is primarily due to an increase in capital outlay, salary and benefits and supplies and materials. The increase in capital outlay expenditures is discussed in the preceding section. The increase in salaries and benefits is primarily due to scheduled step increases, cost of living adjustments and vacation buyouts. In 2000, \$118,000 was paid to employees to buy out accrued vacation hours in excess 240 hours. Approximately \$150,000 will be paid to employees in 2001 to complete the buy out. The increase in supplies and materials is primarily due to increased productivity and increases in the cost of gasoline.

Fund Balances

Unreserved, undesignated fund balance reported in the General Fund and Sales Tax Fund as of June 30, 2000 is \$1,124,000 and \$1,236,000, respectively, for a combined total of \$2,360,000. This is the thirteenth consecutive year in which positive undesignated fund balances are recorded in these governmental funds.

Debt Administration

The ratio of general bonded debt to assessed value of taxable property and the amount of general bonded debt per capita are useful indicators of the City's debt position to municipal management, citizens and investors. This data for the City at the end of the 2000 fiscal year was as follows: (See Table 6)

General Bonded Debt Ratio

Net General Bonded Debt <small>(in thousands of dollars)</small>	Ratio of Net Bonded Debt to Assessed Value of Taxable Property	Bonded Debt Per Capita
\$11,648	9.77	\$394

Additional data regarding the debt position of the City are presented in the statistical section of this report. Total debt service and sales tax funds available for retirement of general obligation and sales tax debt are \$1,117,000 and \$2,842,000 respectively.

Capital Projects

The proceeds of general obligation bond issues, sales tax bond issues and certificates of indebtedness are accounted for in the Capital Projects Funds until improvement projects are completed. Completed projects are transferred to the General Fixed Assets Account Group or the Enterprise Funds, as applicable.

Capital expenditures of \$1,048,000 were made on utility system improvements and infrastructure (general fixed assets) during the 2000 fiscal year.

Interest of \$105,000 was earned during the year on investments in the Capital Projects Funds.

Proprietary Fund Operations

The City accounts for the operation of its water and sewer system, as well as solid waste disposal in the Utility Fund. The City Airport is also included as a proprietary fund. The Airport and Utility Funds received federal and state assistance totaling \$723,000 in 2000.

Segment information as of and for the years ended June 30, 2000 and 1999, respectively, is presented below:

	2000			1999		
	<i>Utility</i> <small>(in thousands of dollars)</small>	<i>Airport</i>	<i>Total</i>	<i>Utility</i> <small>(in thousands of dollars)</small>	<i>Airport</i>	<i>Total</i>
Operating Revenues	\$6,752	\$35	\$6,787	\$6,202	\$37	6,239
Depreciation Expense	1,345	288	1,633	1,249	286	1,535
Operating Income (Loss)	127	-359	-232	-265	-340	-604
Capital Contributions	107	712	819	228	83	312
Property, Plant and Equipment Additions	1,149	733	1,882	1,143	83	1,226
Net Working Capital	2,428	69	2,497	2,489	72	2,561
Total Assets	39,237	2,139	41,376	39,316	1,648	40,964
Bonds payable from Operating Revenues	5,748	-0-	5,748	5,983	-0-	5,983
Total Equity	32,229	2,070	34,299	32,143	1,626	33,769

Cash Management:

The Finance Department strives to keep abreast of current trends and procedures for cash management and forecasting so as to ensure the most efficient and profitable use of the City's cash resources. While efforts are made to maximize the return on the City's investment dollar, our primary goal is to ensure the return of principal.

Cash temporarily idle during the year was invested in demand deposits, time deposits and U.S. government or government agency securities. Interest earned on cash designated for specific purposes is allocated directly to that purpose. Interest income earned on investments by the City for all funds during fiscal year 2000 totaled \$947,000 compared to \$767,000 earned during the previous year. The increase in investment income is related to larger investment balances and higher interest rates.

Risk Management

The City is currently enrolled in partial self-insurance programs for liability, dental and workers' compensation claims. Third party coverage is maintained on all insurances which becomes effective after specific and/or aggregate retentions are met. Resources are being accumulated in the General Fund to meet potential losses.

In fiscal year 2000, funds reserved for insurance totaled \$275,000. This relates directly to investments required by Louisiana Statutes for entities with self-funded workers' compensation plans. Liabilities of approximately \$1,050,000 are recorded for claims and judgments.

OTHER INFORMATION

Independent Audit

The City Charter requires the Council to provide for an annual independent audit of the accounting and financial transactions of the City. The Council designated the firm of Rebowe & Company APC as the independent auditors, and their report is included in this Comprehensive Annual Financial Report. For 2000, the City again used the single audit approach, and the CAFR complies with the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996. For purposes of federal financial assistance programs, the City's oversight audit agency is the Department of Housing and Urban Development.

Awards

The Government Finance Officers Association awarded a Certificate of Achievement, for Excellence in Financial Reporting to the City of Slidell for its comprehensive annual financial report for the fiscal year ending June 30, 1999. This is the fifteenth consecutive year the City has received this prestigious award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

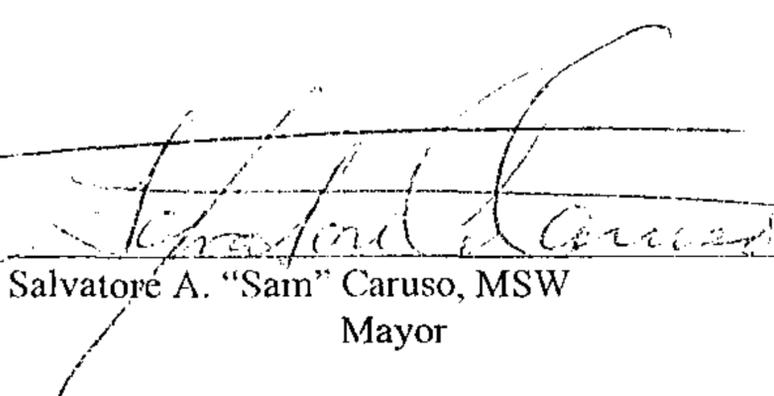
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement program requirements.

Acknowledgments

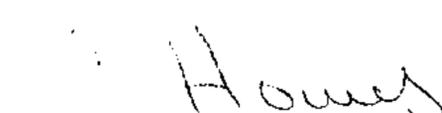
The preparation of this report could not have been accomplished without the patience and dedication of the entire staff of the Finance Department and the staffs of the other departments, boards and agencies of the City.

We would like to express our appreciation to all members of these departments, boards and agencies who assisted and contributed to its preparation. We would also like to thank the members of the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Salvatore A. "Sam" Caruso, MSW
Mayor



Sharon Howes, CPA
Director of Finance

SAC/SH/fm

00TRANSL

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Slidell,
Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Anne Spray Kinney
President

Jeffrey L. Esser
Executive Director

**CITY OF SLIDELL
PRINCIPAL SELECTED OFFICIALS
JUNE 30, 2000**

CITY ADMINISTRATION

Salvatore A. "Sam" Caruso - Mayor

Ben O. Morris - Chief of Police

COUNCIL MEMBERS

Alvin D. Singletary - Councilman-at-Large

Dudley Smith - Councilman-at-Large

Lionel J. Washington - District A, President

Jerry Binder - District B, Vice President

Landon Cusimano - District C

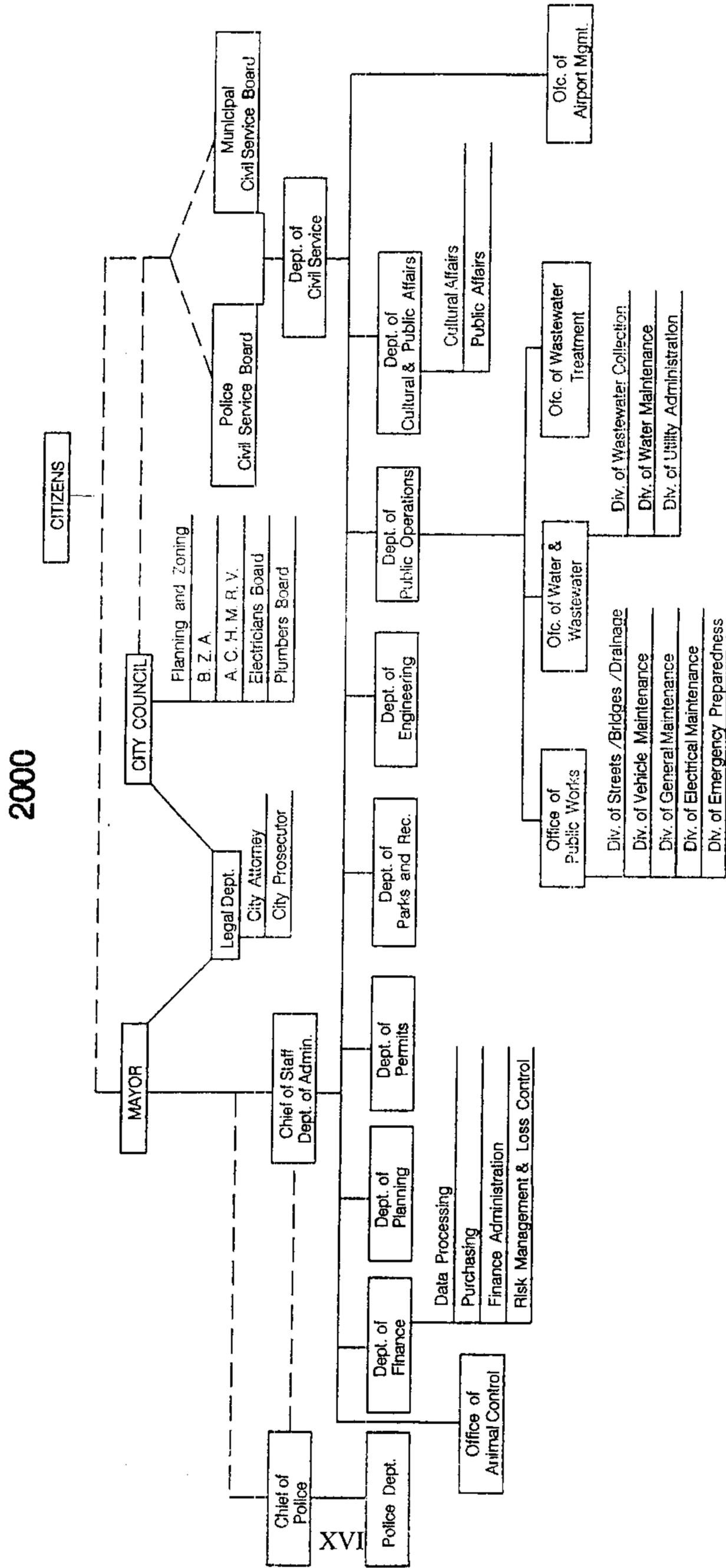
Kevin Kingston - District D

Marti J. Livaudais - District E

Jack Cerny - District F

Pearl Williams - District G

ORGANIZATIONAL PLAN for the GOVERNMENT of the CITY of SLIDELL 2000



REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS

A PROFESSIONAL CORPORATION

3501 N. Causeway Blvd. • Suite 810 • P.O. Box 6952 • Metairie, LA 70009
Phone (504) 837-9116 • Fax (504) 837-0123 • E-mail rebowe@rebowe.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Slidell, Louisiana

We have audited the accompanying general-purpose financial statements and the combining and individual fund and account group financial statements of the **City of Slidell, Louisiana**, as of and for the years ended June 30, 2000 and 1999, as listed in the table of contents. These financial statements are the responsibility of the **City of Slidell's** management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 financial statement presentation. We believe that our audits provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements and the combining and individual fund and account group financial statements referred to above presents fairly, in all material respects, the financial position of the City of Slidell, as of June 30, 2000 and 1999, and the results of its operations and the cash flows of its proprietary fund type for the years then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2000 on our consideration of the **City of Slidell's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audits were performed for the purpose of forming an opinion on the general-purpose financial statements of the **City of Slidell, Louisiana**, taken as a whole, and on the combining and individual fund account group financial statements. The accompanying financial information listed as supporting schedules and statistical data 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 Slidell, Louisiana. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. Such information, except for that portion marked "unaudited", on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general-purpose, combining and individual fund and account group financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose, combining and individual fund and account group financial statements taken as a whole.

Rebowe & Company

September 27, 2000

**CITY OF SLIDELL, LOUISIANA
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 2000**

	Governmental Fund Types			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
Assets and Other Debits				
Assets				
Cash and cash equivalents	\$ 3,756,914	\$ -	\$ -	\$ 7,728
Investments	5,317,959	1,052,347	1,043,851	2,142,356
Receivables:				
Taxes	344,664	1,255,364	-	-
Water, sewerage and garbage	-	-	-	-
Unbilled receivable	-	-	-	-
Accrued interest	11,190	-	1,387	4,269
Other	19,078	2,113	-	-
Due from other governments				
U.S. Government	-	26,279	-	-
State of Louisiana	75,284	37,334	-	79,692
Local entities	42,401	50,702	-	-
Due from other funds	442,577	3,527,296	72,040	9,620
Inventory	76,034	30,142	-	-
Prepaid items	314,545	-	-	-
Other assets	-	-	-	-
Restricted assets				
Cash	312,150	777,140	-	-
Investments	275,000	2,237,974	-	-
Land, buildings, and equipment (net, where applicable, of accumulated depreciation)	-	-	-	-
Other debits				
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-
Total Assets and Other Debits	\$ 10,987,796	\$ 8,996,691	\$ 1,117,278	\$ 2,243,665

(Continued)

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Total (Memorandum Only)	
		General Fixed Assets	General Long-term Obligations	2000	1999
Enterprise Funds	Expendable Trust				
\$ 124,265	\$ 1,482	\$ -	\$ -	\$ 3,890,389	\$ 3,895,685
-	-	-	-	9,556,513	9,401,079
-	-	-	-	1,600,028	1,496,511
671,138	-	-	-	671,138	524,843
194,013	-	-	-	194,013	198,766
-	-	-	-	16,846	16,123
6,317	-	-	-	27,508	25,882
56,361	-	-	-	82,640	261,431
6,262	-	-	-	198,572	308,525
-	469	-	-	93,572	48,861
2,735,131	73,545	-	-	6,860,209	6,091,173
237,773	-	-	-	343,949	357,984
3,913	-	-	-	318,458	277,577
123,746	-	-	-	123,746	131,264
161,692	22,807	-	-	1,273,789	1,257,850
1,562,870	-	-	-	4,075,844	3,982,806
35,492,324	-	72,957,036	-	108,449,360	105,256,348
-	-	-	3,958,827	3,958,827	4,034,978
-	-	-	29,686,229	29,686,229	32,360,740
<u>\$ 41,375,805</u>	<u>\$ 98,303</u>	<u>\$ 72,957,036</u>	<u>\$ 33,645,056</u>	<u>\$ 171,421,630</u>	<u>\$ 169,928,426</u>

CITY OF SLIDELL, LOUISIANA
COMBINED BALANCE SHEET (CONTINUED)
ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 2000

	Governmental Fund Types			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
Liabilities, Equity, and Other Credits				
Liabilities				
Accounts payable	\$ 1,456,743	\$ 660,428	\$ 175	\$ 134,310
Revenue bonds payable, current	-	-	-	-
DEQ revolving loan, current	-	-	-	-
Equipment lease, current	-	-	-	-
Due to other funds	6,417,632	173,391	-	269,186
Deferred revenue	-	-	-	-
Payable from restricted assets:				
Customer deposits	-	-	-	-
Bonds and other long term debt payable	-	-	-	-
DEQ revolving loan	-	-	-	-
Equipment lease	-	-	-	-
Claims and judgments	952,122	-	-	-
Long term accrued compensatory absences	-	-	-	-
Total liabilities	8,826,497	833,819	175	403,496
Fund equity and other credits				
Contributed capital	-	-	-	-
Investment in general fixed assets	-	-	-	-
Retained deficit:				
Unreserved	-	-	-	-
Fund balance:				
Reserved for				
Prepaid items	314,545	-	-	-
Inventory	76,034	30,142	-	-
Insurance	275,000	-	-	-
Capital outlay	46,948	79,599	-	-
Spay neuter	-	-	-	-
Debt service	-	-	1,117,103	-
Bond reserve fund	-	2,237,974	-	-
Bond sinking fund	-	603,749	-	-
Trust purposes	-	-	-	-
Unreserved, designated				
Capital outlay	-	2,740,639	-	1,840,169
Operating reserves	-	150,000	-	-
Contingencies	325,000	1,060,000	-	-
Training academy	-	24,862	-	-
Unreserved, undesignated	1,123,772	1,235,907	-	-
Total fund equity and other credits	2,161,299	8,162,872	1,117,103	1,840,169
Total Liabilities, Equity, and Other Credits	\$ 10,987,796	\$ 8,996,691	\$ 1,117,278	\$ 2,243,665

The accompanying notes are an integral part of this statement.

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Total	
		General	General	(Memorandum Only)	
		Fixed Assets	Long-term Obligations	2000	1999
Enterprise Funds	Expendable Trust				
\$ 943,823	\$ 3,164	\$ -	\$ -	\$ 3,198,643	\$ 3,718,190
95,000	-	-	-	95,000	90,000
150,000	-	-	-	150,000	145,000
13,928	-	-	-	13,928	-
-	-	-	-	6,860,209	6,091,173
-	-	-	-	-	2,100
336,090	-	-	-	336,090	297,271
2,145,000	-	-	33,190,056	35,335,056	37,965,232
3,357,704	-	-	-	3,357,704	3,507,704
34,444	-	-	-	34,444	-
-	-	-	98,000	1,050,122	1,075,998
-	-	-	357,000	357,000	447,000
<u>7,075,989</u>	<u>3,164</u>	<u>-</u>	<u>33,645,056</u>	<u>50,788,196</u>	<u>53,339,668</u>
34,337,327	-	-	-	34,337,327	34,105,520
-	-	72,957,036	-	72,957,036	70,014,007
(37,511)	-	-	-	(37,511)	(336,207)
-	-	-	-	314,545	307,719
-	-	-	-	106,176	88,133
-	-	-	-	275,000	275,000
-	-	-	-	126,547	58,981
-	3,466	-	-	3,466	3,466
-	-	-	-	1,117,103	1,046,010
-	-	-	-	2,237,974	2,251,659
-	-	-	-	603,749	737,310
-	91,673	-	-	91,673	68,456
-	-	-	-	4,580,808	4,714,030
-	-	-	-	150,000	100,000
-	-	-	-	1,385,000	1,305,000
-	-	-	-	24,862	28,274
-	-	-	-	2,359,679	1,821,400
<u>34,299,816</u>	<u>95,139</u>	<u>72,957,036</u>	<u>-</u>	<u>120,633,434</u>	<u>116,588,758</u>
<u>\$ 41,375,805</u>	<u>\$ 98,303</u>	<u>\$ 72,957,036</u>	<u>\$ 33,645,056</u>	<u>\$ 171,421,630</u>	<u>\$ 169,928,426</u>

CITY OF SLIDELL, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
Year Ended June 30, 2000

	Governmental Fund Types		
	General Fund	Special Revenue Funds	Debt Service Funds
Revenues			
Taxes and assessments:			
Sales and use taxes	\$ -	\$ 14,042,332	\$ -
Ad valorem	1,400,273	302,410	1,435,362
Franchise	1,160,909	-	-
Licenses and permits	1,512,584	-	-
Intergovernmental revenues:			
HUD grants	-	364,361	-
State revenue sharing	233,071	-	-
Other Federal/State grants	136,192	254,017	-
Other state and local governmental revenues	100,800	-	-
State supplemental pay	255,025	-	-
Payment in lieu of taxes	460,235	-	-
Fines and forfeitures	240,993	-	-
Contributions	-	-	-
Other revenue, primarily interest and tuition	766,150	326,499	56,433
Total Revenues	6,266,232	15,289,619	1,491,795
Expenditures			
General government	2,853,284	1,582,422	-
Public works	515,968	2,705,926	-
Public safety	5,012,286	-	-
Parks and recreation	-	1,044,778	-
Judicial system	209,797	-	-
Capital outlay	-	3,182,532	-
Debt service:			
Fiscal agency fees	-	-	27,761
Principal retirement	-	-	2,481,122
Interest	-	-	1,896,645
Total Expenditures	\$ 8,591,335	\$ 8,515,658	\$ 4,405,528

(Continued)

Capital Projects Funds	Fiduciary Fund Type Expendable Trust	Total (Memorandum Only) Reporting Entity	
		2000	1999
		\$ -	\$ -
-	-	3,138,045	2,979,772
-	-	1,160,909	1,114,443
-	-	1,512,584	1,589,968
-	-	364,361	308,172
-	-	233,071	770,527
138,800	-	529,009	817,056
-	-	100,800	114,876
-	-	255,025	235,101
-	-	460,235	434,953
-	-	240,993	198,638
-	84,067	84,067	-
104,789	-	1,253,871	985,847
<u>243,589</u>	<u>84,067</u>	<u>23,375,302</u>	<u>21,943,712</u>
-	-	4,435,706	4,277,532
-	60,850	3,282,744	3,002,552
-	-	5,012,286	4,950,889
-	-	1,044,778	983,108
-	-	209,797	303,369
1,048,492	-	4,231,024	3,765,631
-	-	27,761	27,492
-	-	2,481,122	2,338,092
-	-	1,896,645	2,051,575
<u>\$ 1,048,492</u>	<u>\$ 60,850</u>	<u>\$ 22,621,863</u>	<u>\$ 21,700,240</u>

CITY OF SLIDELL, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
Year Ended June 30, 2000

	Governmental Fund Types		
	General Fund	Special Revenue Funds	Debt Service Funds
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,325,103)	\$ 6,773,961	\$ (2,913,733)
Other Financing Sources (Uses)			
Operating transfers in	2,616,857	165,360	2,984,826
Operating transfers out	(27,900)	(5,851,522)	-
Capital lease	-	(69,916)	-
Proceeds from the sale of fixed assets	-	-	-
Total Other Financing Sources (Uses)	2,588,957	(5,756,078)	2,984,826
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	263,854	1,017,883	71,093
Fund Balances, Beginning of Year	1,897,445	7,144,989	1,046,010
Fund Balances, End of Year	\$ 2,161,299	\$ 8,162,872	\$ 1,117,103

The accompanying notes are an integral part of this statement.

Capital Projects Funds	Fiduciary Fund Type Expendable Trust	Total (Memorandum Only) Reporting Entity	
		2000	1999
\$ (804,903)	\$ 23,217	\$ 753,439	\$ 243,472
-	-	5,767,043	4,977,958
-	-	(5,879,422)	(5,093,823)
-	-	(69,916)	-
-	-	-	-
-	-	(182,295)	(115,865)
(804,903)	23,217	571,144	127,607
2,645,072	71,922	12,805,438	23,495,278
\$ 1,840,169	\$ 95,139	\$ 13,376,582	\$ 23,622,885

CITY OF SLIDELL, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ACTUAL (ADJUSTED TO BUDGETARY BASIS) AND BUDGET
GENERAL AND SPECIAL REVENUE FUND TYPES
Year Ended June 30, 2000

	General Fund		
	Actual (Adjusted to Budgetary Basis)	Budget	Variance Favorable (Unfavorable)
Revenues			
Taxes:			
Sales and use	\$ -	\$ -	\$ -
Ad valorem	1,400,273	1,359,600	40,673
Franchise	1,160,909	1,058,000	102,909
Licenses and permits	1,512,584	1,325,000	187,584
Intergovernmental revenues:			
State revenue sharing	233,071	181,000	52,071
Other Federal/State grants	136,192	95,000	41,192
Other state and local governmental revenues	100,800	118,000	(17,200)
Payment in lieu of taxes	460,235	460,235	-
Fines and forfeitures	240,993	194,000	46,993
Other revenue, primarily interest	766,150	220,000	546,150
Total Revenues	<u>6,011,207</u>	<u>5,010,835</u>	<u>1,000,372</u>
Expenditures			
Current:			
General government	2,853,284	2,953,400	100,116
Public works	515,968	546,028	30,060
Public safety	4,757,261	4,827,318	70,057
Parks and recreation	-	-	-
Judicial system	209,797	224,781	14,984
Capital outlay	-	-	-
Total Expenditures	<u>\$ 8,336,310</u>	<u>\$ 8,551,527</u>	<u>\$ 215,217</u>

(Continued)

Special Revenue Funds			Total (Memorandum Only)		
Actual (Adjusted to Budgetary Basis)	Budget	Variance Favorable (Unfavorable)	Actual (Adjusted to Budgetary Basis)	Budget	Variance Favorable (Unfavorable)
\$ 14,042,332	\$ 12,766,000	\$ 1,276,332	\$ 14,042,332	\$ 12,766,000	\$ 1,276,332
302,410	293,495	8,915	1,702,683	1,653,095	49,588
-	-	-	1,160,909	1,058,000	102,909
-	-	-	1,512,584	1,325,000	187,584
254,017	1,481,505	(1,227,488)	487,088	1,662,505	(1,175,417)
364,361	399,360	(34,999)	500,553	494,360	6,193
-	-	-	100,800	118,000	(17,200)
-	-	-	460,235	460,235	-
-	-	-	240,993	194,000	46,993
326,499	277,000	49,499	1,092,649	497,000	595,649
<u>15,289,619</u>	<u>15,217,360</u>	<u>72,259</u>	<u>21,300,826</u>	<u>20,228,195</u>	<u>1,072,631</u>
1,582,422	1,626,921	44,499	4,435,706	4,580,321	144,615
2,705,926	2,769,731	63,805	3,221,894	3,315,759	93,865
-	-	-	4,757,261	4,827,318	70,057
1,044,778	1,045,527	749	1,044,778	1,045,527	749
-	-	-	209,797	224,781	14,984
3,252,448	7,340,057	4,087,609	3,252,448	7,340,057	4,087,609
<u>\$ 8,585,574</u>	<u>\$ 12,782,236</u>	<u>\$ 4,196,662</u>	<u>\$ 16,921,884</u>	<u>\$ 21,333,763</u>	<u>\$ 4,411,879</u>

CITY OF SLIDELL, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
ACTUAL (ADJUSTED TO BUDGETARY BASIS) AND BUDGET
GENERAL AND SPECIAL REVENUE FUND TYPES
Year Ended June 30, 2000

	General Fund		Variance Favorable (Unfavorable)
	Actual (Adjusted to Budgetary Basis)	Budget	
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (2,325,103)</u>	<u>\$(3,540,692)</u>	<u>\$ 1,215,589</u>
Other Financing Sources (Uses)			
Operating transfers in	2,616,857	2,616,857	-
Operating transfers out	<u>(27,900)</u>	<u>(27,900)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>2,588,957</u>	<u>2,588,957</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	263,854	(951,735)	1,215,589
Fund Balances, Beginning of Year	<u>1,897,445</u>	<u>1,897,445</u>	<u>-</u>
Fund Balances, End of Year	<u><u>\$ 2,161,299</u></u>	<u><u>\$ 945,710</u></u>	<u><u>\$ 1,215,589</u></u>

The accompanying notes are an integral part of this statement.

Special Revenue Funds			Total (Memorandum Only)		
Actual (Adjusted to Budgetary Basis)	Budget	Variance Favorable (Unfavorable)	Actual (Adjusted to Budgetary Basis)	Budget	Variance Favorable (Unfavorable)
<u>\$ 6,704,045</u>	<u>\$ 2,435,124</u>	<u>\$ 4,268,921</u>	<u>\$ 4,378,942</u>	<u>\$ (1,105,568)</u>	<u>\$ 5,484,510</u>
165,360	165,360	-	2,782,217	2,782,217	-
(5,851,522)	(5,851,522)	-	(5,879,422)	(5,879,422)	-
<u>(5,686,162)</u>	<u>(5,686,162)</u>	<u>-</u>	<u>(3,097,205)</u>	<u>(3,097,205)</u>	<u>-</u>
1,017,883	(3,251,038)	4,268,921	1,281,737	(4,202,773)	5,484,510
<u>7,144,989</u>	<u>7,144,989</u>	<u>-</u>	<u>9,042,434</u>	<u>9,042,434</u>	<u>-</u>
<u><u>\$ 8,162,872</u></u>	<u><u>\$ 3,893,951</u></u>	<u><u>\$ 4,268,921</u></u>	<u><u>\$ 10,324,171</u></u>	<u><u>\$ 4,839,661</u></u>	<u><u>\$ 5,484,510</u></u>

CITY OF SLIDELL, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED DEFICIT
ENTERPRISE FUNDS
Year Ended June 30, 2000 (With Comparative Totals for June 30, 1999)

	<u>2000</u>	<u>1999</u>
Operating Revenues		
Water revenues	\$ 1,998,453	\$ 1,960,189
Sewerage revenues	2,484,053	2,079,013
Solid waste disposal revenues	854,755	791,762
Ad valorem taxes assessed for sewerage maintenance	597,671	559,474
Ad valorem taxes assessed for garbage service	597,671	559,474
Connection charges	126,864	162,122
Tie down and rental revenues	35,471	37,220
Penalties	92,529	90,055
	<u>6,787,467</u>	<u>6,239,309</u>
Operating expenses		
Salaries, wages and related benefits	2,023,142	2,046,001
Solid waste disposal	1,611,891	1,520,550
Repairs and maintenance	519,390	547,222
Materials and supplies	209,870	188,742
Utilities	366,205	350,964
Gas and oil	41,256	30,283
Insurance	56,950	82,250
Office expense	32,388	30,092
Certification and training	9,515	12,054
Other	46,370	41,080
Payment in lieu of taxes	460,235	434,953
Bad debt expense	9,507	16,079
	<u>5,386,719</u>	<u>5,300,270</u>
Total operating expenses before depreciation	<u>5,386,719</u>	<u>5,300,270</u>
Operating income (loss) before depreciation	1,400,748	939,039
Depreciation	<u>1,632,685</u>	<u>1,535,393</u>
Operating loss	<u>(231,937)</u>	<u>(596,354)</u>
Non-operating income (expense)		
Other income, primarily interest	96,074	73,708
Grant revenue	12,588	12,758
Interest and fiscal charges	(264,093)	(256,975)
Other expenses	<u>(13,432)</u>	<u>(20,824)</u>
Net nonoperating income (expense)	<u>\$ (168,863)</u>	<u>\$ (191,333)</u>

(Continued)

**CITY OF SLIDELL, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN RETAINED DEFICIT (CONTINUED)
 ENTERPRISE FUNDS**

Year Ended June 30, 2000 (With Comparative Totals for June 30, 1999)

	2000	1999
Net loss before operating transfers	\$ (400,800)	\$ (787,687)
Operating transfers in (out)		
Operating transfers in	112,379	90,995
Net income (loss)	(288,421)	(696,692)
Depreciation on assets acquired with externally restricted capital contributions which reduces contributed capital	587,117	587,214
Retained deficit, beginning of year	(336,207)	(226,729)
Retained deficit, end of year	\$ (37,511)	\$ (336,207)

The accompanying notes are an integral part of this statement.

**CITY OF SLIDELL, LOUISIANA
COMBINED STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS**

Year Ended June 30, 2000 (With Comparative Totals for June 30, 1999)

	Total	
	2000	1999
Cash flows from operating activities		
Receipts from operations	\$ 5,475,208	\$ 5,127,012
Payments for goods and services	(2,269,865)	(2,184,913)
Payments for employee services	(2,055,140)	(1,895,001)
Payments in lieu of taxes	(460,235)	(434,953)
Payments for direct and indirect costs	(479,041)	(494,414)
Other operating income	1,195,342	1,118,948
	<u>1,406,269</u>	<u>1,236,679</u>
 Cash flows from noncapital financing activities		
Operating transfers in, net	112,379	90,995
Interfund loan	121,926	-
Proceeds from federal grant	12,588	12,758
Payments for study	(5,988)	(12,758)
Net cash provided (used) by noncapital financing activities	<u>240,905</u>	<u>90,995</u>
 Cash flows from capital and related financing activities		
Proceeds from issuance of debt	-	1,657,201
Principal paid on bond maturities	(235,000)	(225,000)
Capital contributed by others	818,924	311,760
Acquisition and construction of capital assets	(1,984,971)	(1,500,120)
Proceeds from capital lease	48,372	-
Proceeds from sale of capital assets	9,573	-
Interest paid on debt	(266,469)	(231,860)
Issuance cost	-	(17,010)
Net cash provided by (used in) capital and related financing activities	<u>(1,609,571)</u>	<u>(5,029)</u>
 Cash flows from investing activities		
Purchase of investments	(4,958,548)	(6,421,653)
Proceeds from maturities and sale of investments	4,923,000	6,511,000
Proceeds from interest income	17,658	13,323
Net cash provided by (used in) investing activities	<u>\$ (17,890)</u>	<u>\$ 102,670</u>

(Continued)

CITY OF SLIDELL, LOUISIANA
COMBINED STATEMENT OF CASH FLOWS (CONTINUED)
ENTERPRISE FUNDS
Year Ended June 30, 2000 (With Comparative Totals for June 30, 1999)

	Total	
	2000	1999
Net increase (decrease) in cash	\$ 19,713	\$ 94,105
Cash and cash equivalents, beginning of year	266,244	172,139
Cash and cash equivalents, end of year	\$ 285,957	\$ 266,244
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$ (231,938)	\$ (604,420)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,632,685	1,535,393
Bad debt expense	9,507	16,079
Change in asset and liabilities:		
(Increase) decrease in accounts receivable	(153,812)	(984)
(Increase) decrease in inventory	1,936	(6,357)
Increase in accounts payable	147,891	296,967
Net cash provided by operating activities	\$ 1,406,269	\$ 1,236,678

Depreciation on the sewer system and airport which were acquired by grants externally restricted for the acquisition and construction of the sewer system and airport was used to reduce the contributed capital and thereby increase retained earnings. The effect on retained earnings for the year ended June 30, 2000 and 1999 was an increase of \$587,117 and \$587,214, respectively, with corresponding decreases in contributed capital.

The accompanying notes are an integral part of this statement.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. REPORTING ENTITY

The City is a municipal corporation governed by an elected nine-member Council. As required by generally accepted accounting principles, these financial statements present the City as the primary government. The City has no component units; therefore, the City also represents the reporting entity.

2. FUND ACCOUNTING

The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types". The funds, listed by type, and account groups established by the City are described below.

General Fund - The General Fund is a governmental fund used to account for resources traditionally associated with government which are not required legally, or by sound financial management, to be accounted for in another fund. The General Fund accounts for the normal recurring activities of the City (i.e., public safety, sanitation, general government, etc.).

Special Revenue Funds - These governmental funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes (other than special assessments, expendable trusts, major capital projects, water and sewerage user fees and airport user fees). The Sales Tax Fund accounts for the bond proceeds and subsequent debt service, revenues funded by the City's two percent sales and use tax, which are primarily dedicated for public improvements (see Note E), and certain grants. The Community Development Block Grant Fund accounts for the proceeds of entitlement grants received from the Department of Housing and Urban Development. The Regional Training Facility Fund accounts for the normal recurring activities of the police training facility.

Debt Service Fund - This governmental fund is used to accumulate monies for the payment of bond and certificate of indebtedness issues. There is no reserve or sinking fund established to cover defaults by property owners.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Projects Funds - These governmental funds account for the purchase, construction and renovation of the City's major capital facilities. Their resources are derived principally from proceeds of general obligation or sales tax bonds, certificates of indebtedness and U.S. Government and other agencies grants. The Sewerage Improvements Fund was established to account for capital improvements to the sanitary sewer collection system and treatment facility. The Water Improvements Fund was established to account for renovation of the City's water system. The City Capital Construction Fund was established to account for monies received from an outside agency and proceeds from the sales of city property. The Public Works Improvement Fund was established to account for renovations and replacement of City streets and drainage. The Drainage Improvements Fund was established to account for proceeds of the General Obligation Bonds, Series 1996. The Street Improvements Fund was established to account for proceeds of the Public Improvement Sales Tax Bonds, Series 1966.

Enterprise Funds - These proprietary funds are used to account for operations of the water and sewerage systems and the solid waste disposal system of the City as well as the airport, which are financed and operated in a manner similar to private business enterprises. These funds are designed to be self-supporting in that the cost of providing services to the general public on a continuing basis is to be financed or recovered primarily through user charges.

Expendable Trust Funds - Assets held by the City in a fiduciary capacity for individuals, organizations and others are accounted for in these fiduciary funds, which are primarily financed by private contributions. The 2000 balances include the Animal Assistance League of Slidell Fund for the care and protection of stray animals, the Christmas Under the Stars Fund to promote Christmas programs, the Green Fund for the Slidell Heritage Green and Beautiful Committee, and the Old Towne Development Fund to promote the revitalization of the downtown area of Slidell.

General Fixed Assets Account Group - The General Fixed Assets Account Group is used to account for the general fixed assets of the City, other than assets of the Enterprise Funds. Capital expenditures in funds other than the Enterprise Funds are recorded as expenditures of those funds at the time of purchase and are subsequently recorded, at cost, for control purposes in the General Fixed Assets Account Group unless the assets are contributed to the Enterprise Funds. Depreciation is not recorded on general fixed assets.

General Long-Term Debt Account Group - The General Long-Term Debt Account Group represents a summary of the general obligation, sales tax and certificates of indebtedness as well as certain other long-term liabilities of the City.

Fund Equity - Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The proprietary fund's contributed capital represents equity acquired through capital grants and capital contributions from developers, customers or other funds.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. The proprietary funds operating statement presents increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Under the provisions of GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," the City has elected not to follow Financial Accounting Standards Board guidance issued subsequent to November 30, 1989.

Accrual Basis of Accounting - The accrual basis of accounting is utilized by proprietary fund types (the City's Enterprise Funds) whereby revenues are recorded as earned and expenses are recorded when incurred. Monthly billings for services are made based on metered or fixed monthly rates, as applicable. Substantially all accounts of the City are metered. The remaining customers are charged a fixed rate, based on estimated usage and approved by the City Council. Unbilled water and sewer utility service and solid waste disposal service receivables are recorded by the City.

Modified Accrual Basis of Accounting - All governmental fund types and expendable trust funds are accounted for under the modified accrual basis of accounting utilizing the following practices:

Revenues are accrued when the amounts to be received are 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. Grants from the U.S. Government and the State are accrued when the City has a right to reimbursement under the related grant, generally corresponding to the incurrence of grant related costs by the City. Ad valorem taxes are recorded in the year the taxes are levied to the extent that they are determined to be currently collectible. The year-end accrual of sales and use tax revenue is based upon sales and use taxes collected during July of the following year. Interest income on investments held at year-end is accrued.

Expenditures, except as indicated otherwise, are recorded at the time the related fund liabilities are incurred. Interest payments on general long-term debt are not accrued but are recorded when paid. Amounts payable under construction contracts, including the applicable retainage, are recorded in the period during which the related work is performed by the contractor. Also, capital outlays are recorded as expenditures at the time of acquisition.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. BUDGETARY ACCOUNTING

Budget Policies - The Mayor and City Council approve, prior to the beginning of each year, an annual operating budget prepared on the modified accrual basis for general governmental activities except that encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase, State supplemental pay (\$255,025 in 2000) to police officers are not treated as budgeted revenues and expenditures of the General Fund. Payments under capital leases are treated as expenditures in the year of payment for budgetary purposes. At the end of the fiscal year, unexpended and unencumbered appropriations of these funds automatically lapse with the exception of capital outlay appropriations which lapse after three fiscal years.

Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds, the only fund types having legally adopted annual budgets. Expenditures are budgeted at the departmental level, which is the level at which expenditures may not legally exceed appropriations. For all other funds effective budgetary control is alternatively achieved through bond indenture provisions, certificate of indebtedness provisions, and trust agreements. Certain revenues, capital outlay, and claims, judgments and disasters expenditures arise from special grants, contracts, and specific events which specify the use of the funds and, accordingly, no budgetary control is required.

During the year, the Mayor may authorize transfers between line items within a department without Council approval. Upon request by the Mayor, the Council may amend departmental or fund level appropriations during the year. The budget data reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Actual (Adjusted to Budgetary Basis) and Budget (see page 10 and 11) includes the effect of such appropriation amendments approved by the City Council during the current year. These amendments may reappropriate designated and/or reserved funds rolling forward from the previous year for various capital projects as well as amend the distributions of operating funds already appropriated.

5. 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 employed as an *extension of formal budgetary integration in the General and Special Revenue Funds*. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities and because the commitments will be honored during the subsequent year. There were no encumbrances outstanding at June 30, 2000.

6. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the Enterprise Funds consider all highly liquid investments (including certificates of deposit) with maturity of three months or less when purchased to be cash equivalents.

7. INVESTMENTS

Louisiana statutes permit the City to invest in United States bonds, treasury notes, or certificates, or other obligations of the U.S. Government and agencies of the U.S. Government, which are federally sponsored, and certificates of deposit of state banks, organized under the State of Louisiana and national banks having their

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7. INVESTMENTS (CONTINUED)

principal office in the State of Louisiana, or in mutual or trust fund institutions which are registered and which have underlying investments limited to securities of the U.S. Government or its agencies.

8. TRANSFERS

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases in which repayment is expected, the advances are accounted for through the various due to and due from accounts.

9. PAYMENT IN LIEU OF TAXES

Costs associated with general governmental operations of the City are initially recorded in the General Fund. A portion of these costs is applicable to the administration and operation of the Special Revenue and Enterprise Funds.

For the Special Revenue Funds, in lieu of an administrative cost allocation, the City budgets an operating transfer of a portion of the sales tax revenues to the General Fund.

For the Enterprise Funds, the payment in lieu of taxes is made to the General Fund based on rates the General Fund would have charged a third party for the services provided. The rates are determined based on the current franchise and property millage tax rates.

10. INVENTORIES

Inventories are valued at cost using the first in, first out (FIFO) method. Inventories in the General and Special Revenue Funds consist of materials and supplies held for consumption and are accounted for using the consumption method whereby individual items are recorded as expenditures when they are consumed. Inventories in the General and Special Revenue Funds are equally offset by a reservation of fund balance, which indicates that although inventories are a component of net current assets, they do not constitute "available spendable resources." Inventories in the Enterprise Funds consist of chemicals, repair materials, and spare parts. These inventories are also accounted for using the consumption method.

11. RESTRICTED ASSETS

Restricted assets on the balance sheet of the Special Revenue Funds represent amounts which are required to be maintained pursuant to the ordinances relating to the Recreational Bonds of 1980, the Series 1987, 1988 and 1996 Public Improvement Bonds, and the 1993A and 1993B Refunding Bonds (bond sinking fund and reserve fund, see Note F). A corresponding amount of fund balance is reserved as these monies are legally segregated for a specific future use.

Restricted investments on the balance sheet of the General Fund represent a certificate of deposit of \$275,000 required to be maintained and held by the Workers Compensation Fund (a State of Louisiana agency) as collateral against the City's self-insured portion of workers' compensation claims. A corresponding amount of fund balance is reserved as these monies are legally segregated for a specific future use. Restricted cash on the balance sheet of the General Fund totaling \$46,948 represents cash received through a grant and \$265,203

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

11. RESTRICTED ASSETS (CONTINUED)

received through various law enforcement seizures which are restricted for future law enforcement activity.

Restricted assets on the balance sheet of the Enterprise Funds represent funds held for customer deposits and amounts, which are required to be maintained pursuant to ordinances relating to the Series 1996 and 1996A Utilities Revenue Bonds.

12. FIXED ASSETS AND DEPRECIATION

All fixed assets of the City not utilized by the Enterprise Funds are capitalized in the General Fixed Assets Account Group. Assets are recorded at cost or estimated historical cost, if purchased, and at fair market value at date of gift, if donated. In addition to land, buildings, and equipment, the City capitalizes as general fixed assets certain other public domain (infrastructure) improvements including streets, bridges and drainage systems. The City does not depreciate general fixed assets or capitalize interest on construction-in-progress.

Fixed assets in the City's Enterprise Funds are recorded at cost, if purchased, and at fair market value at date of gift, if donated. Major additions are capitalized while maintenance and repairs that do not improve or extend the life of the respective assets are charged to expense. Contributions received in aid of construction are credited to the contribution account and do not reduce the cost of the assets acquired with such contributions.

Depreciation on fixed assets acquired by grants externally restricted for capital acquisition and construction reduces the appropriate contributed capital account and is recorded as a retirement of contributed capital, thereby increasing retained earnings.

Depreciation is provided on the straight-line method for fixed assets of the Enterprise Funds. The following useful lives are used for depreciation purposes:

<u>Asset Description</u>	<u>Asset Life</u>
<u>Water System</u>	
Wells	20 years
Storage tanks	20 years
Lines	50 years
<u>Sewerage System</u>	
Disposal plant	50 years
Pump stations and lines	50 years
<u>General</u>	
Trucks	4 years
Equipment	10 years
<u>Airport Facility</u>	
Machinery and equipment	10 years
Parking facilities	7 years
Building	20 years

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

13. COMPENSATED ABSENCES

Vacation and sick leave benefits are based on the number of years of service and may be carried forward to subsequent years. However, upon retirement or termination, only 45 days earned vacation will be paid to policemen, and 15 days earned vacation will be paid to all other City employees. In addition, 45 days earned sick leave will be paid to policemen, and 15 days earned sick leave will be paid to all other City employees only upon retirement. Compensatory absences earned but not paid are fully accrued in the Enterprise Funds. In the governmental funds, only that portion which will be liquidated within one year with expendable available financial resources is accrued at year-end. The term "expendable available financial resources" as used in this context means unreserved, undesignated fund balance.

14. AD VALOREM TAXES

Ad valorem taxes are levied based on a calendar year. The tax is due and becomes an enforceable lien on the property when the tax bills are mailed in early December. Although the bill states the property taxes are due on December 31, penalties are assessed for any payment not received by January 15. Taxes are billed and collected by the St. Tammany Sheriff's Office, which receives a fee per property tax bill for its services. Property tax revenues are recognized when levied to the extent that they are determined to be currently collectible. Any unpaid taxes are collected in connection with a tax sale held in June.

15. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position and results of operations in conformity with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

NOTE B - CASH AND INVESTMENTS

As reflected in the Combined Balance Sheet, the City had the following cash and investments as of June 30, 2000.

<u>Cash and Investments</u>	<u>Total</u>
Unrestricted	\$ 13,446,902
Restricted	<u>5,349,633</u>
	<u>\$ 18,796,535</u>

Deposits - Under State law the City may deposit funds with a fiscal agent bank located within the municipality and organized under the laws of the State of Louisiana, any other state in the union, or under the laws of the United States. Further, the City may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE B - CASH AND INVESTMENTS (CONTINUED)

Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100% of the uninsured amount on deposit with the bank.

At June 30, 2000, the carrying amount of the City's cash and certificates of deposit was \$5,466,683 of which \$302,505 is classified as investments at June 30, 2000, and the bank balance was \$5,877,337. The difference is primarily due to outstanding checks. The entire bank balance was either covered by federal depository insurance or by collateral held by the City's third-party agent in the City's name (Category 1).

Investments - In addition to the bank certificates of deposit described above, under State law, the City may also invest in obligations of the U.S Treasury or any other federally insured investment. Investments are stated at fair value in accordance with Government Accounting Standards Board Statement (GASB) No 31. The City's investments are categorized below to give an indication of the level of risk assumed by the City at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the financial institution, or by its trust department or agent, but not in the City's name. Balances at June 30, 2000 were as follows:

	Category			Fair Value
	1	2	3	
U S Government Securities	\$ 4,963,988	\$ -	\$ -	\$ 4,963,988
U S Government Agency Securities	<u>8,365,864</u>	<u>-</u>	<u>-</u>	<u>8,365,864</u>
Total	<u>\$13,329,852</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,329,852</u>

NOTE C -- RETIREMENT PLANS

The City provides pension benefits for all of its full-time employees through two separate cost-sharing, multiple-employer public employee retirement systems. All full-time City employees, except police, are members in the Municipal Employees' Retirement System of the State of Louisiana (the Municipal System). All full-time police are members of the Municipal and State Police Retirement System of Louisiana (the Police System).

The City's total payroll cost, excluding benefits, was approximately \$9,334,000 for fiscal 2000. Contributions to these retirement systems were based on participating full-time employee earnings, which were approximately as follows for fiscal 2000:

Municipal System	\$ 5,296,000
Police System	<u>2,486,000</u>
Total	<u>\$ 7,782,000</u>

Municipal employees participating in the Municipal System are entitled to a retirement benefit at or after age 60 with 10 years of creditable service, age 55 with 25 years of creditable service or at any age with 30 years of creditable service. The retirement benefit is generally three percent of the member's final compensation multiplied

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE C – RETIREMENT PLANS (CONTINUED)

by his years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. The system also provides death and disability benefits as well as a deferred retirement option. Benefits are established by state legislation. The Municipal System issues a publicly available financial report that includes the financial statements and required supplementary information for the Municipal System. That report may be obtained by writing to the Municipal Employees' Retirement System, 7937 Office Park Blvd, Baton Rouge, Louisiana, 70809.

Police participating in the Police System for at least one year are eligible for normal retirement at or after age 50 with 20 years of creditable service or age 55 with 12 years creditable service. The retirement benefit is generally three and one-third percent of the members average final compensation multiplied by his years of creditable service (not to exceed 100% of average final compensation). The system also provides death and disability benefits as well as a deferred retirement option. Benefits are established by State legislation. The Police System issues a publicly available financial report that includes the financial statements and required supplementary information for the Police System. That report may be obtained by writing to the Municipal and State Police Retirement System of Louisiana, 8401 United Plaza Building, Room 235, Baton Rouge, Louisiana, 70809.

State legislation has established the obligations of the City and its employees for contributions at 5.75% and 9.25% of employee earnings, respectively, for the Municipal System, as well as 9.00% and 7.50% of employee earnings, respectively, for the Police System. The contributions made by the City are greater than its obligations established by the State legislature in order to reduce employee contributions accordingly. The City contributed 15% of participating employee earnings to the Municipal System for 2000. The City's contributions to the Police System were 16.50% of the participating policemen's wages for 2000. The City's contributions to the Municipal System for the years ending June 30, 2000, 1999 and 1998 were approximately \$794,000, \$785,000 and \$738,000, respectively, equal to the required contribution for each year. The City's contributions to the Police System for the years ending June 30, 2000, 1999 and 1998 were approximately \$ 410,000, \$360,000 and \$335,000, respectively, equal to the required contribution for each year.

NOTE D - GRANTS FROM OTHER GOVERNMENTAL ENTITIES

Federal and state governmental entities represent an important source of supplementary funding used to finance the City's construction programs and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in the General, Special Revenue and Capital Projects Funds. As discussed in Note A, a grant receivable is recorded when the City has a right to reimbursement under the related grant.

The grants received by the City specify the purpose for which the grant monies are to be used, and such grants are subject to audit by the granting agency or its representative.

The following revenues under various grants and entitlements are recorded in the accompanying financial statements:

General Fund	\$ 136,192
Special Revenue Funds	618,378
Capital Project Funds	138,800
Enterprise Funds	12,588
	<u>\$ 905,958</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE D - GRANTS FROM OTHER GOVERNMENTAL ENTITIES (CONTINUED)

The City also received \$709,914 during fiscal 2000 as the result of federal and state grants that were externally restricted for improvements to the airport. These funds were recorded as contributed capital in the Enterprise Funds.

NOTE E - DEDICATED REVENUES

The City collects a two percent sales and use tax pursuant to two separate one percent tax propositions approved by the voters in November 1962 (fiscal 1963) and September 1986 (fiscal 1987) These revenues are dedicated for specific purposes and are accounted for in a separate Special Revenue Fund.

An inter-governmental agreement (known as the Sales Tax Enhancement Plan) was executed between the City and Sales Tax District #3 of St. Tammany Parish. The agreement targets all undeveloped commercial properties (within St. Tammany Parish) annexed into the City after November 4, 1986 and stipulates that the two percent sales and use tax derived from the subsequent development of such properties be split equally (after the City recovered approximately \$1,356,000 of costs relating to the extension of services to two retail developments) between the City and Sales Tax District M3 of St Tammany Parish. This agreement has a twenty-year life, expiring December 1, 2006. The City has entered into negotiations with St. Tammany Parish to renew this agreement.

Dedication of the 1963 tax, as amended, requires one half of all proceeds of the tax to be used first for debt service requirements and the costs for bonds issued for the purpose of constructing, acquiring, or improving lands, buildings or other works of public improvement for the City, including equipment and furnishings thereof, title to which shall be in the public. The remaining dedicated revenue is to be used for constructing, acquiring or improving the aforementioned capital improvements. The proposition also provides for one half of the 1963 sales and use tax revenues to be undedicated. These undedicated revenues are available for general operations.

All of the proceeds of the 1987 tax, after paying the reasonable and necessary expenses of collecting and administering the tax, are dedicated to be used for purchasing, constructing, acquiring, extending, improving, maintaining, and/or operating public facilities, public works or capital improvements and paying the capital costs of police protection and public safety for the City or any sites, equipment and furnishings thereof. According to the voter-approved proposition, the City is further authorized to fund the proceeds of the tax into bonds for the above stated capital purposes.

Proceeds of both the 1963 and 1987 sales and use taxes serve as security for outstanding sales tax revenue bonds (see Note F).

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE F - LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2000:

	<u>Balance 6/30/99</u>	<u>Issues or Additions</u>	<u>Payments or Expenditures</u>	<u>Balance 6/30/00</u>
Governmental Fund Types				
General Obligation Bonds	\$ 13,460,000	\$ -	\$ 695,000	\$ 12,765,000
Sales Tax Revenue Bonds	19,262,375	-	1,142,000	18,120,375
Certificate of Indebtedness	2,764,123	-	644,123	2,120,000
Compensated Absences (Note A)	447,000	-	90,000	357,000
Capital Lease Obligation (Note F)	238,734	-	54,053	184,681
Claims and Judgments (Note L)	<u>223,486</u>	<u>-</u>	<u>125,486</u>	<u>98,000</u>
Total Governmental Fund Type	<u>36,395,718</u>	<u>-</u>	<u>2,750,662</u>	<u>33,645,056</u>
Proprietary Fund Types				
Utility Revenue Bonds	2,330,000	-	90,000	2,240,000
DEQ Revolving Loan	3,652,704	-	145,000	3,507,704
Equipment Lease	<u>-</u>	<u>62,300</u>	<u>13,928</u>	<u>48,372</u>
Total Proprietary Fund Types	<u>5,982,704</u>	<u>62,300</u>	<u>248,928</u>	<u>5,796,076</u>
Total All Fund Types	<u>\$ 42,378,422</u>	<u>\$ 62,300</u>	<u>\$ 2,999,590</u>	<u>\$ 39,441,132</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE F - LONG-TERM DEBT (CONTINUED)

Details on the City's long-term debt as of June 30, 2000 are as follows:

General Obligation Bonds secured by ad valorem taxes:

Refunding Bonds, Series 1994, bearing interest from 3.15% to 5.50%, payable annually through 2009	\$ 4,255,000
Drainage Bonds, Series 1996, bearing interest from 4.43% to 10.00%, payable annually through 2016	<u>8,510,000</u>
	<u>\$ 12,765,000</u>

Sales Tax Bonds and Certificates of Indebtedness secured by sales and use taxes:

Recreation Bonds of 1980, secured by a lien and irrevocable pledge of the proceeds of the City's one percent sales and use tax levied in 1963, on a parity with the Series 1986 Public Improvement Bonds, bearing interest at 5%, payable annually through 2005	\$ 435,375
Public Improvement Bonds, Series 1987 and 1988, secured by a lien and irrevocable pledge of the proceeds of the City's one percent sales and use tax levied in 1987, bearing interest from 6.7% to 12%, payable annually through 2004	1,405,000
Public Improvement Refunding Bonds, Series 1993B, secured by a lien and irrevocable pledge of the proceeds of the City's one percent sales and use tax levied in 1987 bearing interest from 3.10% to 5.50%, payable annually through 2008	5,225,000
Public Improvement Refunding Bonds, Series 1993A, secured by a lien and irrevocable pledge of the proceeds of the City's one percent sales and use tax levied in 1963 bearing interest from 3.10% to 5.65%, payable annually through 2011	2,775,000
Public Improvement Bonds, Series ST-1996, secured by a lien and irrevocable pledge of the proceeds of the City's one percent sales and use tax levied in 1987 bearing interest from 5.375% to 10%, payable annually through 2016	<u>8,280,000</u>
	<u>\$ 18,120,375</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE F - LONG-TERM DEBT (CONTINUED)

Certificates of Indebtedness, bearing interest from 4.3% to 5.3% payable annually through 2005	<u>\$ 2,120,000</u>
Utility Revenue Bonds, Series 1996, secured by revenues of the Utility Fund, bearing interest from 3.90% to 5.55% payable annually through 2016	\$ 2,240,000
Current portion	<u>95,000</u>
Long-term debt	<u>\$ 2,145,000</u>

DEQ Revolving Loan

On May 28, 1997, the City entered into a loan and pledge agreement with the Louisiana Department of Environmental Quality (DEQ) Loan No. CS-221136-01. The purpose of the loan is to pay a portion of the cost of constructing improvements to the wastewater system of the City. Under the terms of the agreement, the DEQ, through its Municipal Facilities Revolving Loan Fund, will loan the City an amount not to exceed \$3,900,000. Upon completion of the project, the actual amount borrowed will be determined and the City will issue Utility Revenue Bonds to evidence the debt as authorized by ordinance No 2727. The bonds will be payable over a 20 year period and will bear an interest rate of 3.45 percent. As of June 30, 2000, \$3,792,704 has been drawn down on the loan and a principal repayment of \$285,000 has been made resulting in a balance of \$3,507,704. This amount is recorded as a liability in the financial statements of the Utility Enterprise Fund. Under the terms of the agreement, the City is subject to compliance with certain provisions and covenants. As of June 30, 2000, the City is in compliance with all significant provisions and covenants.

The annual requirements, including interest payments of \$ 13,809,985, to amortize all debt outstanding as of June 30, 2000 is as follows:

<u>Year ending June 30,</u>	<u>General Obligation</u>	<u>Sales Tax</u>	<u>Certificates of Indebtedness</u>	<u>Utility Revenue</u>	<u>Total</u>
2001	\$ 1,373,042	\$ 2,190,481	\$ 482,464	\$ 213,408	\$ 4,259,395
2002	1,360,706	2,193,127	488,714	214,322	4,256,869
2003	1,369,098	2,190,092	488,714	214,922	4,262,826
2004	1,377,190	2,184,610	497,294	215,092	4,274,186
2005	1,382,590	2,187,908	499,344	214,922	4,284,764
2006-2010	6,370,190	9,114,734	-	1,065,480	16,550,404
2011-2015	3,955,000	4,328,363	-	1,057,853	9,341,216
2016-2020	<u>813,750</u>	<u>800,850</u>	<u>-</u>	<u>211,100</u>	<u>1,825,700</u>
	<u>\$18,001,566</u>	<u>\$25,190,165</u>	<u>\$ 2,456,530</u>	<u>\$ 3,407,099</u>	<u>\$ 49,055,360</u>

CITY OF SLIDELL, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2000

NOTE F - LONG-TERM DEBT (CONTINUED)

At June 30, 2000, the following amounts are considered available for the retirement of general long-term debt:

Special Revenue Funds	\$ 2,841,723
Debt Service Fund	<u>1,117,103</u>
	<u>\$ 3,958,826</u>

In accordance with the Revised Statutes of the State of Louisiana, aggregate debt payable solely from ad valorem taxes for each specific purpose shall not exceed 35% of total assessed valuation of taxable property. As of June 30, 2000, the City was in compliance with these statutes.

Pursuant to the Revenue Bond Resolution and the Recreation Bonds of 1980, Series 1987, 1988 and 1996 Public Improvement Bond ordinances, and the 1993A and 1993B Refunding Bond ordinances, and Utility Revenue Bonds, Series 1996, certain assets of the Special Revenue and Enterprise Funds are restricted (see Note A). As of June 30, 2000, the City is in substantial compliance with the restrictive covenants of its debt agreements.

In prior years the City defeased certain general obligation and sales tax bonds and sewerage certificates by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds and certificates. Accordingly, the trust account assets and the liabilities for the defeased bonds and certificates are not included in the City's financial statements. There are no bonds considered defeased as of June 30, 2000.

Capital Leases

Police Radios

In 1999, the City entered into a capital lease agreement for the lease/purchase of police radios that require five yearly payments of \$69,916 beginning in August 1998. At the conclusion of the lease on August 1, 2003, the title to those radios will be transferred to the City.

The following is a summary of the annual requirements to retire long-term obligations for capital lease including interest of \$25,067 at June 30, 2000. This amount has been recorded in the General Long-Term Debt Account Group.

<u>Year End</u> <u>June 30,</u>	<u>Capital</u> <u>Lease</u>
2001	\$ 69,916
2002	69,916
2003	<u>69,916</u>
Less amount representing interest	<u>25,067</u>
	<u>\$ 184,681</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE F - LONG-TERM DEBT (CONTINUED)

Backhoe Equipment

The City has entered into a capital lease for the lease/purchase of backhoe equipment, which has been recorded in the enterprise funds. The lease requires five yearly payments of \$13,928 beginning in November 1999. At the conclusion of the lease on November 17, 2003, the title to the equipment will be transferred to the City.

The following is a summary of the annual requirements of the lease including interest of \$7,340 at June 30, 2000.

<u>Year End</u> <u>June 30,</u>	<u>Capital</u> <u>Lease</u>
2001	\$ 13,928
2002	13,928
2003	13,928
2004	<u>13,928</u>
Less amount representing interest	<u>7,340</u>
	<u><u>\$ 48,372</u></u>

NOTE G - INTERFUND TRANSACTIONS

Interfund Assets/Liabilities

Individual fund interfund receivables and payables at June 30, 2000 are as follows:

<u>Fund</u>	<u>Receivable</u> <u>Fund</u>	<u>Payable</u> <u>Fund</u>
General Fund	\$ 442,577	\$ 6,417,632
Special Revenue:		
Sales Tax	3,500,563	-
Community Development Block Grant	-	173,391
Regional Training Facility Debt Service Fund	26,733	-
Debt service	72,040	-
Capital Projects Funds:		
Public Works	9,620	-
Drainage Improvements	-	8,676
Sewerage Improvements	-	7,319
Streets Improvements	-	45,725
City Capital	-	207,466
Enterprise Funds:		
Utility Fund	2,668,697	-
Airport	66,434	-

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE G - INTERFUND TRANSACTIONS (CONTINUED)

<u>Fund</u>	<u>Receivable Fund</u>	<u>Payable Fund</u>
Expendable Trust Funds:		
Christmas Under the Stars	39,824	-
Old Towne Development	106	-
Animal Assistance League of Slidell	33,377	-
Green	<u>238</u>	<u>-</u>
	<u>\$ 6,860,209</u>	<u>\$ 6,860,209</u>

A summary of operating transfers by fund type for the year ended June 30, 2000 is as follows:

<u>Fund</u>	<u>Transfers To Or From</u>	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General Fund	Special Revenue Funds	\$ 2,616,857	\$ -
	Enterprise Funds	<u>-</u>	<u>27,900</u>
		<u>2,616,857</u>	<u>27,900</u>
Special Revenue Funds	General Fund	-	2,616,857
	Special Revenue Funds	165,360	165,360
	Debt Service Funds	-	2,984,826
	Enterprise Funds	<u>-</u>	<u>84,479</u>
		<u>165,360</u>	<u>5,851,522</u>
Debt Service Funds	Special Revenue Funds	<u>2,984,826</u>	<u>-</u>
		<u>2,984,826</u>	<u>-</u>
Enterprise Funds	General Fund	27,900	-
	Special Revenue Funds	<u>84,479</u>	<u>-</u>
		<u>112,379</u>	<u>-</u>
Total Operating Transfers		<u>\$ 5,879,422</u>	<u>\$ 5,879,422</u>

As of June 30, 2000, the Utility Fund's retained deficit is \$136,778.

NOTE H - ALLOWANCE FOR DOUBTFUL ACCOUNTS

The water, sewerage and garbage receivable balance of \$671,138 is net of an allowance for doubtful accounts of \$76,464.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE I – PROPERTY, PLANT AND EQUIPMENT AND CONTRIBUTED CAPITAL

A summary of changes in general fixed assets for the year ended June 30, 2000 is as follows:

	<u>June 30, 1999</u>	<u>Additions</u>	<u>Reductions</u>	<u>Construction In Progress</u>	<u>June 30, 2000</u>
Land and buildings	\$ 14,149,005	\$ 216,473	\$ -	\$ 199,668	\$ 14,565,146
Recreation facilities	1,047,335	398,133	417,607	180,794	1,208,655
Streets	19,482,160	33,773	-	306,529	19,822,462
Drainage	22,139,252	330,984	-	4,326,107	26,796,343
Office equipment	2,160,440	648,047	58,500	-	2,749,987
Machinery and equipment	1,702,617	172,824	110,637	-	1,764,804
Vehicles	3,432,923	242,174	143,403	-	3,531,694
Bridges	619,084	-	-	-	619,084
Construction-in-progress	<u>5,281,191</u>	<u>1,630,768</u>	<u>-</u>	<u>(5,013,098)</u>	<u>1,898,861</u>
	<u>\$ 70,014,007</u>	<u>\$ 3,673,176</u>	<u>\$ 730,147</u>	<u>\$ -</u>	<u>\$ 72,957,036</u>

Construction-in-progress primarily consists of street and drainage and building improvements which are financed by general obligation bonds, sales tax revenues and sales tax bonds, CDBG and City capital fund monies.

NOTE I – PROPERTY, PLANT AND EQUIPMENT AND CONTRIBUTED CAPITAL (CONTINUED)

A summary of property, plant, and equipment of the Enterprise Funds as of June 30, 2000 follows:

Land	\$ 75,658
Land improvements	421,882
Water system	17,449,280
Sewerage system	29,001,013
General equipment	2,308,413
Airport facility	2,470,178
Construction-in-progress	<u>2,102,883</u>
	53,829,307
Less: Accumulated depreciation	<u>(18,336,983)</u>
Property, plant, and equipment, Net	<u>\$ 35,492,324</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

A detail of the changes in contributed capital of the Enterprise Funds for the year ended June 30, 2000 follows:

	<u>June 30, 1999</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2000</u>
Contributions from:				
Federal grants	\$10,424,003	\$ 640,524	\$ 521,865	\$ 10,542,662
Municipalities	12,774,041	106,999	-	12,881,040
Sales and use tax	7,901,248	2,012	-	7,903,260
Special assessments	1,233,582	-	-	1,233,582
State government	929,625	69,390	65,252	933,763
Other	<u>843,020</u>	<u>-</u>	<u>-</u>	<u>843,020</u>
	<u>\$34,105,520</u>	<u>\$ 818,925</u>	<u>\$ 587,117</u>	<u>\$ 34,337,327</u>

Depreciation of \$587,117 on the sewer system and airport acquired by grants externally restricted for the acquisition and construction of the sewer system and airport was used to reduce the contributed capital account which increased retained earnings by a corresponding amount.

NOTE J – COMMITMENTS

The local electric company owns and leases to the City certain street lighting facilities. In 1986 the City renegotiated the lease agreement, which expires in December 2000. The total amount paid by the City in 2000 for street lighting under this agreement was approximately \$ 285,000.

The City also has contracts with a sanitation disposal company to provide garbage collection and recycling services to City residents. These contracts, which expire April 30, 2004, require the City to pay a monthly fee of \$13.49 per household for service. The City in turn bills a monthly fee of approximately \$8.65 per household and collects a 5 mill property tax for garbage collection in accordance with the voter-approved proposition. The City paid approximately \$ 1,440,000 for sanitation services under this contract in 2000. The disposal company charges a fee to perform services above and beyond the normal monthly services, as defined in the contract, which amounted to approximately \$ 30,051 for 2000.

NOTE K – CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE K -- CONTINGENT LIABILITIES (CONTINUED)

The City is a defendant in a number of claims and lawsuits resulting principally from personal injury, property damage, and construction claims. The City Attorney and the outside administrator has reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the City and to arrive at an estimate, if any, of the amount or range of potential loss to the City. As a result of such review, the various claims and lawsuits have been categorized into "probable," "reasonably possible," and "remote" contingencies, as defined in National Council on Governmental Accounting Statement 4 for Claims and Judgments. The City's "reasonably possible" loss contingencies at June 30, 2000 approximate \$128,000.

NOTE L -- RISK MANAGEMENT

The City is exposed to various risks of loss related to thefts of, damage to, and destruction of assets, errors and omissions, negligent acts of law enforcement officials and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims did not exceed insurance coverage for fiscal years ended June 30, 2000, 1999 and 1998.

In 1988, the City initiated a self-insured retention program in order to deal with certain other potential liabilities. In 1990 the City became self-insured for employee medical and dental insurance and in 1997 the City elected full coverage medical insurance. Claims in excess of the self-insured retention amounts are covered through third-party limited-coverage insurance policies. The city is self-insured with excess coverage in these areas: (a) workers' compensation with a \$225,000 retention and statutory limit on coverage, (b) general liability with a \$50,000 retention per occurrence and a \$1,000,000 limit per occurrence and \$2,000,000 aggregate limit on coverage, (c) auto liability with a \$50,000 retention per accident and a \$1,000,000 per occurrence. The City also has an aggregate stop loss of \$1,200,000 for the three-year period ending December 31, 2002 for workers' compensation claims and an annual stop loss of \$225,000 for general liability and auto liability combined.

The City uses the General Fund to account for self-insured risk financing activities. Claims in excess of amounts payable with expendable available resources totaling approximately \$98,000 is reported in the General Long-Term Debt Account Group (see Note F). The Sales Tax Fund, Regional Training Facility Fund and the Enterprise Funds make contributions to the General Fund for workers' compensation and employee dental insurance claims. Estimated losses from claims are recorded when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The expenditure and liability includes an amount for claims that have been incurred but not yet reported. The liability for claims is based on the estimated ultimate cost of settling the claims using past experience adjusted for current trend. Changes in the claims liability amounts are as follows:

CITY OF SLIDELL, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2000

NOTE L – RISK MANAGEMENT (CONTINUED)

	<u>Automobile General Liability</u>	<u>Workers Compensation</u>	<u>Employee Dental</u>	<u>Total</u>
Balance, June 30, 1998	\$ 536,833	\$ 440,027	\$ 36,862	\$1,013,722
Claims and changes in estimates	368,210	150,002	161,334	679,546
Claim payments	<u>(316,662)</u>	<u>(150,616)</u>	<u>(149,990)</u>	<u>(617,270)</u>
Balance, June 30, 1999	588,381	439,411	48,206	1,075,998
Claims and changes in estimates	93,767	223,039	177,224	494,030
Claim payments	<u>(177,695)</u>	<u>(176,621)</u>	<u>(165,590)</u>	<u>(519,906)</u>
Balance, June 30, 2000	<u>\$ 504,453</u>	<u>\$ 485,829</u>	<u>\$ 59,840</u>	<u>\$1,050,122</u>

NOTE M – OTHER POST EMPLOYMENT BENEFITS

In addition to the retirement benefits described in Note C, City policy allows the City to make available health care benefits to all employees who retire from the City and are receiving benefits from a City sponsored retirement program. Currently, 40 retirees of the City meet these requirements and are participating. The City paid premiums totaling \$223,000 on behalf of retirees in 2000.

NOTE N – SEGMENT INFORMATION - ENTERPRISE FUNDS

The City maintains two enterprise funds that are intended to be self-supporting through user fees charged for services to the public. Financial segment information as of and for the year ended June 30, 2000 is presented below:

	<u>Utility</u>	<u>Airport</u>	<u>Total</u>
Operating revenues	\$ 6,751,996	\$ 35,421	\$ 6,787,467
Operating expenses (excluding depreciation)	5,279,829	106,890	5,386,719
Depreciation expense	1,345,115	287,570	1,632,685
Operating income (loss)	127,052	(358,989)	(231,937)
Non-operating revenues (expenses)	(175,538)	6,675	(168,863)
Operating transfer in	27,900	84,479	112,379
Net loss	(20,586)	(267,835)	(288,421)
Total assets	39,237,004	2,138,801	41,375,805
Total fund equity	32,229,413	2,070,403	34,299,816

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2000

NOTE O – SUBSEQUENT EVENT

The City Council passed an ordinance authorizing the City of Slidell to borrow an amount not to exceed \$5,000,000 from Louisiana Local Government Environmental Facilities and Community Development Authority. As of the date of this report, no money has been borrowed.

NOTE P – RECLASSIFICATION

Certain amounts from the 1999 financial statements have been reclassified to conform with current year presentation with no effect on net income.

**CITY OF SLIDELL, LOUISIANA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
June 30, 2000 and 1999**

	2000	1999
Assets		
Current assets		
Cash and cash equivalents	\$ 3,756,914	\$ 3,746,658
Investments	5,317,959	5,032,465
Receivables		
Taxes	344,664	324,016
Accrued interest	11,190	10,467
Other	19,078	15,738
Due from other governments:		
U.S. government	-	14,999
State of Louisiana	75,284	151,252
Local entities	42,401	47,792
Due from other funds:		
Community Development Block Grant	173,391	66,813
City Capital Construction	207,466	-
Sewerage Improvements	7,319	-
Drainage Improvements	8,676	-
Street Improvements	45,725	466
Inventory	76,034	88,133
Prepaid items	314,545	277,577
	<u>10,400,646</u>	<u>9,776,376</u>
Restricted assets		
Cash and cash equivalents	312,150	328,196
Investments	275,000	275,000
	<u>587,150</u>	<u>603,196</u>
Total assets	<u>\$ 10,987,796</u>	<u>\$ 10,379,572</u>

(Continued)

CITY OF SLIDELL, LOUISIANA
GENERAL FUND
COMPARATIVE BALANCE SHEETS (CONTINUED)
June 30, 2000 and 1999

	2000	1999
Liabilities and fund balance		
Liabilities		
Accounts payable and accrued expenditures	\$ 1,456,743	\$ 1,605,721
Due to other funds:		
Utility	2,668,697	2,807,849
Sales Tax	3,500,563	2,788,803
Public Works Improvement	9,620	107,498
Drainage Improvements	-	80,149
City Capital Construction	-	78,827
Airport	66,434	49,208
Regional Training Facility	26,733	35,088
Christmas Under the Stars	39,824	30,955
Animal Assistance League of Slidell	33,377	20,298
Debt Service	72,040	18,861
Water Improvement	-	5,841
Green	238	263
Sewerage Improvement	-	173
Olde Towne Development	106	81
	7,874,375	7,629,615
Total current liabilities		
Claims and judgments	952,122	852,512
Total liabilities	8,826,497	8,482,127
Fund balance		
Reserved for		
Prepaid items	314,545	277,577
Inventory	76,034	88,133
Insurance	275,000	275,000
Capital Outlay	46,948	-
Unreserved		
Designated for Contingencies	325,000	305,000
Unreserved, undesignated	1,123,772	951,735
Total fund balance	2,161,299	1,897,445
Total liabilities and fund balance	\$ 10,987,796	\$ 10,379,572

The accompanying notes are an integral part of this statement.

CITY OF SLIDELL, LOUISIANA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
Year Ended June 30, 2000 and 1999

	2000	1999
Revenues		
Taxes:		
Ad valorem	\$ 1,400,273	\$ 1,311,797
Franchise	1,160,909	1,114,443
Licenses and permits	1,512,584	1,589,968
Intergovernmental revenues:		
State revenue sharing	233,071	770,527
Other Federal/State grants	136,192	190,908
Other state and local governmental revenues	100,800	114,876
State supplemental pay	255,025	235,101
Payment in lieu of taxes	460,235	434,953
Fines and forfeitures	240,993	198,638
Other revenues, primarily interest	766,150	408,501
	6,266,232	6,369,712
Expenditures		
General government:		
Administrative	385,649	375,300
Finance	432,366	440,111
Legal	338,712	477,439
Data processing	195,598	169,978
Purchasing	215,373	216,173
Civil service	182,764	176,621
Legislative	421,355	394,162
Animal control	237,864	220,266
Risk management	443,603	346,140
	2,853,284	2,816,190
Public works		
Permits	323,800	349,929
Planning	192,168	175,913
	515,968	525,842
Public safety		
Police	5,012,286	4,950,889
	5,012,286	4,950,889
Judicial system	209,797	303,369
	209,797	303,369
Total Expenditures	\$ 8,591,335	\$ 8,596,290

(Continued)

CITY OF SLIDELL, LOUISIANA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (CONTINUED)
Year Ended June 30, 2000 and 1999

	2000	1999
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,325,103)	\$ (2,226,578)
Other Financing Sources (Uses)		
Operating transfers in	2,616,857	2,262,806
Operating transfers out	(27,900)	(25,525)
Proceeds from the sale of fixed assets	-	386
Total Other Financing Sources (Uses)	2,588,957	2,237,667
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	263,854	11,089
Fund Balances, Beginning of Year	1,897,445	1,886,356
Fund Balances, End of Year	\$ 2,161,299	\$ 1,897,445

The accompanying notes are an integral part of this statement.

CITY OF SLIDELL, LOUISIANA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
ACTUAL (ADJUSTED TO BUDGETARY BASIS) AND BUDGET
Year Ended June 30, 2000

	Actual (Adjusted to Budgetary Basis)	Budget	Variance Favorable (Unfavorable)
Revenues			
Taxes:			
Ad valorem	\$ 1,400,273	\$ 1,359,600	\$ 40,673
Franchise	1,160,909	1,058,000	102,909
Licenses and permits	1,512,584	1,325,000	187,584
Intergovernmental revenues:			
State revenue sharing	233,071	181,000	52,071
Other Federal/State grants	136,192	95,000	41,192
Other state and local governmental revenues	100,800	118,000	(17,200)
Payment in lieu of taxes	460,235	460,235	-
Fines and forfeitures	240,993	194,000	46,993
Other revenue, primarily interest	766,150	220,000	546,150
Total Revenues	<u>6,011,207</u>	<u>5,010,835</u>	<u>1,000,372</u>
Expenditures			
General government:			
Administrative	385,649	396,526	10,877
Finance	432,366	452,272	19,906
Legal	338,712	341,205	2,493
Data processing	195,598	200,001	4,403
Purchasing	215,373	225,309	9,936
Civil service	182,764	191,724	8,960
Legislative	421,355	435,970	14,615
Animal control	237,864	240,923	3,059
Risk management	443,603	469,470	25,867
	<u>2,853,284</u>	<u>2,953,400</u>	<u>100,116</u>
Public works			
Permits	323,800	351,421	27,621
Planning	192,168	194,607	2,439
	<u>515,968</u>	<u>546,028</u>	<u>30,060</u>
Public safety			
Police	<u>4,757,261</u>	<u>4,827,318</u>	<u>70,057</u>
Judicial system	<u>209,797</u>	<u>224,781</u>	<u>14,984</u>
Total Expenditures	<u>\$ 8,336,310</u>	<u>\$ 8,551,527</u>	<u>\$ 215,217</u>

(Continued)

CITY OF SLIDELL, LOUISIANA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (CONTINUED)
ACTUAL (ADJUSTED TO BUDGETARY BASIS) AND BUDGET
Year Ended June 30, 2000

	Actual (Adjusted to Budgetary Basis)	Budget	Variance Favorable (Unfavorable)
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (2,325,103)</u>	<u>\$(3,540,692)</u>	<u>\$ 1,215,589</u>
Other Financing Sources (Uses)			
Operating transfers in	2,616,857	2,616,857	-
Operating transfers out	(27,900)	(27,900)	-
Proceeds from the sale of fixed assets	-	-	-
Total Other Financing Sources (Uses)	<u>2,588,957</u>	<u>2,588,957</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	263,854	(951,735)	1,215,589
Fund Balances, Beginning of Year	<u>1,897,445</u>	<u>1,897,445</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 2,161,299</u>	<u>\$ 945,710</u>	<u>\$ 1,215,589</u>

The accompanying notes are an integral part of this statement.

**CITY OF SLIDELL, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2000 (With Comparative Totals for June 30, 1999)**

	Regional Training Facility	Sales Tax	Community Development Block Grant	Total	
				2000	1999
Assets					
Current assets					
Investments	\$ -	\$ 1,052,347	\$ -	\$ 1,052,347	\$ 976,931
Receivables - Taxes	-	1,255,364	-	1,255,364	1,172,495
Other Receivables	-	2,113	-	2,113	2,127
Due from other governments:					
U.S. Government	-	10,195	16,084	26,279	212,112
State of Louisiana	-	37,334	-	37,334	51,237
Local entities	1,550	49,152	-	50,702	-
Due from General Fund	26,733	3,500,563	-	3,527,296	2,823,891
Inventory	-	30,142	-	30,142	30,142
Total current assets	28,283	5,937,210	16,084	5,981,577	5,268,935
Restricted assets					
Cash and cash equivalents	-	603,750	173,390	777,140	784,579
Investments	-	2,237,974	-	2,237,974	2,251,659
Total restricted assets	-	2,841,724	173,390	3,015,114	3,036,238
Total assets	\$ 28,283	\$ 8,778,934	\$ 189,474	\$ 8,996,691	\$ 8,305,173
Liabilities and fund balance					
Liabilities					
Accounts payable and accrued expenditures	\$ 3,421	\$ 640,924	\$ 16,083	\$ 660,428	\$ 1,093,371
Due to General Fund	-	-	173,391	173,391	66,813
Total liabilities	3,421	640,924	189,474	833,819	1,160,184
Fund balance					
Reserved for:					
Inventory	-	30,142	-	30,142	30,142
Capital outlay	-	79,599	-	79,599	58,981
Bond reserve fund	-	2,237,974	-	2,237,974	2,251,659
Bond sinking fund	-	603,749	-	603,749	737,310
Unreserved					
Designated for					
Capital outlay	-	2,740,639	-	2,740,639	2,068,958
Operating reserves	-	150,000	-	150,000	100,000
Contingencies	-	1,060,000	-	1,060,000	1,000,000
Training academy	24,862	-	-	24,862	28,274
Unreserved, undesignated	-	1,235,907	-	1,235,907	869,665
Total fund balance	24,862	8,138,010	-	8,162,872	7,144,989
Total liabilities and fund balance	\$ 28,283	\$ 8,778,934	\$ 189,474	\$ 8,996,691	\$ 8,305,173

The accompanying notes are an integral part of this statement.

CITY OF SLIDELL, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Year Ended June 30, 2000 (With Comparative Totals for June 30, 1999)

	Regional Training Facility	Sales Tax	Community Development Block Grant	Total	
				2000	1999
Revenues					
Taxes					
Ad valorem	\$ -	\$ 302,410	\$ -	\$ 302,410	\$ 283,117
Sales and use	-	14,042,332	-	14,042,332	12,394,359
Intergovernmental revenues					
Federal/state grants	-	254,017	-	254,017	626,148
HUD grants	-	-	364,361	364,361	308,172
Other revenues, primarily interest and tuition	73,190	253,309	-	326,499	320,898
Total revenues	73,190	14,852,068	364,361	15,289,619	13,932,694
Expenditures					
General government					
Administrative	241,962	1,173,028	13,738	1,428,728	1,301,911
Arts Council	-	136,816	-	136,816	142,220
Public information	-	16,878	-	16,878	17,211
	<u>241,962</u>	<u>1,326,722</u>	<u>13,738</u>	<u>1,582,422</u>	<u>1,461,342</u>
Public works					
Streets, bridges and drainage	-	1,536,129	-	1,536,129	1,309,866
Engineering	-	283,467	-	283,467	281,371
Electrical	-	198,437	-	198,437	187,937
General maintenance	-	261,981	-	261,981	226,956
Vehicle maintenance	-	425,912	-	425,912	423,101
	-	<u>2,705,926</u>	-	<u>2,705,926</u>	<u>2,429,231</u>
Parks and recreation	-	1,044,778	-	1,044,778	983,108
Capital outlay	-	2,831,909	350,623	3,182,532	2,962,844
Total expenditures	241,962	7,909,335	364,361	8,515,658	7,836,525
Excess (Deficiency) of revenues over expenditures	(168,772)	6,942,733	-	6,773,961	6,096,169
Other financing sources (uses)					
Operating transfers in	165,360	-	-	165,360	122,830
Operating transfers out	-	(5,851,522)	-	(5,851,522)	(5,433,582)
Capital lease:					
Proceeds	-	-	-	-	308,650
Payments	-	(69,916)	-	(69,916)	(69,916)
Total other financing sources (uses)	165,360	(5,921,438)	-	(5,756,078)	(5,072,018)
Excess (Deficiency) of revenues and other sources over expenditures and other financing sources (uses)	(3,412)	1,021,295	-	1,017,883	1,024,151
Fund balances, beginning of year	28,274	7,116,715	-	7,144,989	6,120,838
Fund balances, end of year	\$ 24,862	\$ 8,138,010	\$ -	\$ 8,162,872	\$ 7,144,989

The accompanying notes are an integral part of this statement.

CITY OF SLIDELL, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ACTUAL (ADJUSTED TO BUDGETARY BASIS) AND BUDGET
Year Ended June 30, 2000

	Regional Training Facility			Sales Tax Fund		
	Actual (Adjusted to Budgetary Basis)	Budget	Variance Favorable (Unfavorable)	Actual (Adjusted to Budgetary Basis)	Budget	Variance Favorable (Unfavorable)
Revenues						
Taxes						
Sales and use	\$ -	\$ -	\$ -	\$ 14,042,332	\$ 12,766,000	\$ 1,276,332
Ad valorem	-	-	-	302,410	293,495	8,915
Intergovernmental revenues						
Federal/state grants	-	-	-	254,017	1,481,505	(1,227,488)
HUD grants	-	-	-	-	-	-
Other revenues, primarily interest and tuition	73,190	77,000	(3,810)	253,309	200,000	53,309
Total revenues	<u>73,190</u>	<u>77,000</u>	<u>(3,810)</u>	<u>14,852,068</u>	<u>14,741,000</u>	<u>111,068</u>
Expenditures						
General government						
Administrative	241,962	244,360	2,398	1,173,028	1,196,245	23,217
Arts Council	-	-	-	136,816	144,313	7,497
Public information	-	-	-	16,878	17,150	272
	<u>241,962</u>	<u>244,360</u>	<u>2,398</u>	<u>1,326,722</u>	<u>1,357,708</u>	<u>30,986</u>
Public works						
Streets, bridges and drainage	-	-	-	1,536,129	1,568,366	32,237
Engineering	-	-	-	283,467	295,327	11,860
Electrical	-	-	-	198,437	199,704	1,267
General maintenance	-	-	-	261,981	268,364	6,383
Vehicle maintenance	-	-	-	425,912	437,970	12,058
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,705,926</u>	<u>2,769,731</u>	<u>63,805</u>
Parks and recreation						
Capital outlay	-	-	-	1,044,778	1,045,527	749
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,901,825</u>	<u>6,965,550</u>	<u>4,063,725</u>
Total expenditures	<u>241,962</u>	<u>244,360</u>	<u>2,398</u>	<u>7,979,251</u>	<u>12,138,516</u>	<u>4,159,265</u>
Excess (Deficiency) of revenues over expenditures	<u>(168,772)</u>	<u>(167,360)</u>	<u>(1,412)</u>	<u>6,872,817</u>	<u>2,602,484</u>	<u>4,270,333</u>
Other financing sources (uses)						
Operating transfers in	165,360	165,360	-	-	-	-
Operating transfers out	-	-	-	(5,851,522)	(5,851,522)	-
Total other financing sources (uses)	<u>165,360</u>	<u>165,360</u>	<u>-</u>	<u>(5,851,522)</u>	<u>(5,851,522)</u>	<u>-</u>
Excess (Deficiency) of revenues and other sources over expenditures and other financing sources (uses)	<u>(3,412)</u>	<u>(2,000)</u>	<u>(1,412)</u>	<u>1,021,295</u>	<u>(3,249,038)</u>	<u>4,270,333</u>
Fund balances, beginning of year	<u>28,274</u>	<u>28,274</u>	<u>-</u>	<u>7,116,715</u>	<u>7,116,715</u>	<u>-</u>
Fund balances, end of year	<u>\$ 24,862</u>	<u>\$ 26,274</u>	<u>\$ (1,412)</u>	<u>\$ 8,138,010</u>	<u>\$ 3,867,677</u>	<u>\$ 4,270,333</u>

(Continued)

Community Development Block Grant Fund			Total		
Actual (Adjusted to Budgetary Basis)	Budget	Variance Favorable (Unfavorable)	Actual (Adjusted to Budgetary Basis)	Budget	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 14,042,332	\$ 12,766,000	\$ 1,276,332
-	-	-	302,410	293,495	8,915
-	-	-	254,017	1,481,505	(1,227,488)
364,361	399,360	(34,999)	364,361	399,360	(34,999)
-	-	-	326,499	277,000	49,499
364,361	399,360	(34,999)	15,289,619	15,217,360	72,259
13,738	24,853	11,115	1,428,728	1,465,458	36,730
-	-	-	136,816	144,313	7,497
-	-	-	16,878	17,150	272
13,738	24,853	11,115	1,582,422	1,626,921	44,499
-	-	-	1,536,129	1,568,366	32,237
-	-	-	283,467	295,327	11,860
-	-	-	198,437	199,704	1,267
-	-	-	261,981	268,364	6,383
-	-	-	425,912	437,970	12,058
-	-	-	2,705,926	2,769,731	63,805
-	-	-	1,044,778	1,045,527	749
350,623	374,507	23,884	3,252,448	7,340,057	4,087,609
364,361	399,360	34,999	8,585,574	12,782,236	4,196,662
-	-	-	6,704,045	2,435,124	4,268,921
-	-	-	165,360	165,360	-
-	-	-	(5,851,522)	(5,851,522)	-
-	-	-	(5,686,162)	(5,686,162)	-
-	-	-	1,017,883	(3,251,038)	4,268,921
-	-	-	7,144,989	7,144,989	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,162,872</u>	<u>\$ 3,893,951</u>	<u>\$ 4,268,921</u>

The accompanying notes are an integral part of this statement.

**CITY OF SLIDELL, LOUISIANA
DEBT SERVICE FUNDS
COMPARATIVE BALANCE SHEETS
June 30, 2000 and 1999**

	<u>2000</u>	<u>1999</u>
Assets		
Investments	\$ 1,043,851	\$ 1,040,496
Receivables:		
Accrued Interest	1,387	1,387
Due from General Fund	<u>72,040</u>	<u>18,861</u>
Total assets	<u><u>1,117,278</u></u>	<u><u>1,060,744</u></u>
Liabilities and fund balance		
Liabilities		
Accounts payable	<u>175</u>	<u>14,734</u>
Total liabilities	<u>175</u>	<u>14,734</u>
Fund balance		
Reserved for general obligation bond debt service	<u>1,117,103</u>	<u>1,046,010</u>
Total fund balance	<u>1,117,103</u>	<u>1,046,010</u>
Total liabilities and fund balance	<u><u>\$ 1,117,278</u></u>	<u><u>\$ 1,060,744</u></u>

The accompanying notes are an integral part of this statement.

CITY OF SLIDELL, LOUISIANA
DEBT SERVICE FUNDS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
Years Ended June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
Revenues		
Ad valorem taxes	\$ 1,435,362	\$ 1,384,858
Interest income	56,433	53,439
	<u>1,491,795</u>	<u>1,438,297</u>
Expenditures		
Debt service		
Financial and administrative	27,761	27,492
Principal retirement	2,481,122	2,338,092
Interest	1,896,645	2,051,575
	<u>4,405,528</u>	<u>4,417,159</u>
Excess (Deficiency) of revenues over expenditures	<u>(2,913,733)</u>	<u>(2,978,862)</u>
Other financing sources		
Operating transfers in	2,984,826	2,982,476
Total other financing sources	<u>2,984,826</u>	<u>2,982,476</u>
Excess (Deficiency) of revenues and other sources over expenditures and other uses	71,093	3,614
Fund balances, beginning of year	<u>1,046,010</u>	<u>1,042,396</u>
Fund balances, end of year	<u>\$ 1,117,103</u>	<u>\$ 1,046,010</u>

The accompanying notes are an integral part of this statement.

**CITY OF SLIDELL, LOUISIANA
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2000 (With Comparative Totals for June 30, 1999)**

	<u>Public Works Improvement</u>	<u>Water Improvement</u>	<u>Sewerage Improvement</u>	<u>City Capital Construction</u>
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ 7,728	\$ -
Investments	-	-	-	650,760
Accrued interest receivable	-	-	-	4,269
Due from State of Louisiana	-	-	-	79,692
Due from General Fund	9,620	-	-	-
	<u>9,620</u>	<u>-</u>	<u>7,728</u>	<u>-</u>
Total assets	<u>\$ 9,620</u>	<u>\$ -</u>	<u>\$ 7,728</u>	<u>\$ 734,721</u>
Liabilities and fund balance				
Liabilities				
Accounts payable	\$ 6,470	\$ -	\$ -	\$ 45,775
Due to General Fund	-	-	7,319	207,466
	<u>6,470</u>	<u>-</u>	<u>7,319</u>	<u>253,241</u>
Total liabilities	<u>6,470</u>	<u>-</u>	<u>7,319</u>	<u>253,241</u>
Fund balance				
Unreserved:				
Designated for capital outlay	3,150	-	409	481,480
Total fund balance	<u>3,150</u>	<u>-</u>	<u>409</u>	<u>481,480</u>
Total liabilities and fund balance	<u>\$ 9,620</u>	<u>\$ -</u>	<u>\$ 7,728</u>	<u>\$ 734,721</u>

(Continued)

Drainage Improvements	Street Improvements	Total	
		2000	1999
\$ -	\$ -	\$ 7,728	\$ 7,728
1,292,058	199,538	2,142,356	2,351,187
-	-	4,269	4,269
-	-	79,692	100,463
-	-	9,620	272,488
<u>\$ 1,292,058</u>	<u>\$ 199,538</u>	<u>\$ 2,243,665</u>	<u>\$ 2,736,135</u>
\$ 37,606	\$ 44,459	\$ 134,310	\$ 90,597
8,676	45,725	269,186	466
<u>46,282</u>	<u>90,184</u>	<u>403,496</u>	<u>91,063</u>
1,245,776	109,354	1,840,169	2,645,072
<u>1,245,776</u>	<u>109,354</u>	<u>1,840,169</u>	<u>2,645,072</u>
<u>\$ 1,292,058</u>	<u>\$ 199,538</u>	<u>\$ 2,243,665</u>	<u>\$ 2,736,135</u>

The accompanying notes are an integral part of this statement.

CITY OF SLIDELL, LOUISIANA
CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Year Ended June 30, 2000 (With Comparative Totals for June 30, 1999)

	Public Works Improvement	Water Improvement	Sewerage Improvement	City Capital Construction
Revenues				
Intergovernmental revenues				
Federal/state grants	\$ -	\$ -	\$ -	\$ 138,800
Other revenues, primarily interest	-	-	409	42,741
Total revenues	<u>-</u>	<u>-</u>	<u>409</u>	<u>181,541</u>
Expenditures				
Capital outlay	93,257	5,841	7,901	654,255
Total expenditures	<u>93,257</u>	<u>5,841</u>	<u>7,901</u>	<u>654,255</u>
Excess (Deficiency) of revenues over expenditures	<u>(93,257)</u>	<u>(5,841)</u>	<u>(7,492)</u>	<u>(472,714)</u>
Other financing sources (uses)				
Proceeds from sale of fixed assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of revenues and other sources over expenditures and other uses	<u>(93,257)</u>	<u>(5,841)</u>	<u>(7,492)</u>	<u>(472,714)</u>
Fund balances, beginning of year	<u>96,407</u>	<u>5,841</u>	<u>7,901</u>	<u>954,194</u>
Fund balances, end of year	<u>\$ 3,150</u>	<u>\$ -</u>	<u>\$ 409</u>	<u>\$ 481,480</u>

(Continued)

Drainage Improvements	Street Improvements	Total	
		2000	1999
\$ -	\$ -	\$ 138,800	\$ -
49,970	11,669	104,789	134,431
49,970	11,669	243,589	134,431
80,425	206,813	1,048,492	802,787
80,425	206,813	1,048,492	802,787
(30,455)	(195,144)	(804,903)	(668,356)
-	-	-	618,833
-	-	-	618,833
(30,455)	(195,144)	(804,903)	(49,523)
1,276,231	304,498	2,645,072	2,694,595
<u>\$ 1,245,776</u>	<u>\$ 109,354</u>	<u>\$ 1,840,169</u>	<u>\$ 2,645,072</u>

The accompanying notes are an integral part of this statement.

CITY OF SLIDELL, LOUISIANA
ENTERPRISE FUNDS
COMBINING BALANCE SHEET
June 30, 2000 (With Comparative Totals for June 30, 1999)

Assets	Utilities	Airport	Total	
			2000	1999
Current assets				
Cash and cash equivalents	\$ 124,265	\$ -	\$ 124,265	\$ 139,817
Accounts receivable, net of allowances for doubtful accounts of \$76,464 in 2000 and \$61,625 in 1999	671,138	-	671,138	524,843
Unbilled receivable	194,013	-	194,013	198,766
Other receivables	2,437	3,880	6,317	8,017
Due from U.S. Government	-	56,361	56,361	34,320
Due from State of Louisiana	-	6,262	6,262	5,573
Due from General Fund	2,668,697	66,434	2,735,131	2,857,057
Inventory	237,773	-	237,773	239,709
Prepaid expenses	-	3,913	3,913	-
Total current assets	3,898,323	136,850	4,035,173	4,008,102
Restricted assets				
Cash and cash equivalents	161,692	-	161,692	126,427
Investments	1,562,870	-	1,562,870	1,456,147
Total restricted assets	1,724,562	-	1,724,562	1,582,574
Property, plant & equipment				
Land	75,559	99	75,658	75,658
Land improvements	-	262,075	262,075	262,075
Water system	17,449,280	-	17,449,280	17,390,974
Sewerage system	29,001,013	-	29,001,013	24,317,043
General equipment	2,403,290	64,930	2,468,220	2,181,141
Airport facility	-	2,470,178	2,470,178	2,470,178
Construction in progress	1,307,266	795,617	2,102,883	5,361,356
Total property, plant & equipment	50,236,408	3,592,899	53,829,307	52,058,425
Less: accumulated depreciation	(16,746,035)	(1,590,948)	(18,336,983)	(16,816,084)
Net property, plant & equipment	33,490,373	2,001,951	35,492,324	35,242,341
Other assets				
Other assets	123,746	-	123,746	131,264
Total assets	\$ 39,237,004	\$ 2,138,801	\$ 41,375,805	\$ 40,964,281

(Continued)

CITY OF SLIDELL, LOUISIANA
ENTERPRISE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
June 30, 2000 (With Comparative Totals for June 30, 1999)

	Utilities	Airport	Total	
			2000	1999
Liabilities and fund equity				
Liabilities				
Current liabilities payable from current assets				
Accounts, salaries payable and accrued expenses	\$ 875,425	\$ 68,398	\$ 943,823	\$ 914,993
Customer deposits	336,090	-	336,090	297,271
Revenue bonds payable, current	95,000	-	95,000	90,000
DEQ revolving loan, current	150,000	-	150,000	145,000
Equipment lease, current	13,928	-	13,928	-
Total current liabilities (including approximately \$336,000 and \$298,000 payable from restricted assets in 2000 and 1999)	<u>1,470,443</u>	<u>68,398</u>	<u>1,538,841</u>	<u>1,447,264</u>
Long-term liabilities				
Revenue bonds payable, net of current portion (including approximately \$215,000 payable from restricted assets in 2000 and 1999)	2,145,000	-	2,145,000	2,240,000
DEQ revolving loan, net of current portion (including approximately \$298,000 payable from restricted assets in 2000 and 1999)	3,357,704	-	3,357,704	3,507,704
Equipment lease, net of current portion	34,444	-	34,444	-
Total long-term liabilities	<u>5,537,148</u>	<u>-</u>	<u>5,537,148</u>	<u>5,747,704</u>
Total liabilities	<u>7,007,591</u>	<u>68,398</u>	<u>7,075,989</u>	<u>7,194,968</u>
Fund equity				
Contributed capital	32,366,191	1,971,136	34,337,327	34,105,520
Retained earnings (deficit)				
Unreserved	(136,778)	99,267	(37,511)	(336,207)
Total fund equity	<u>32,229,413</u>	<u>2,070,403</u>	<u>34,299,816</u>	<u>33,769,313</u>
Total liabilities and fund equity	<u>\$ 39,237,004</u>	<u>\$ 2,138,801</u>	<u>\$ 41,375,805</u>	<u>\$ 40,964,281</u>

The accompanying notes are an integral part of this statement.

CITY OF SLIDELL, LOUISIANA
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS (DEFICIT)
Year Ended June 30, 2000 (With Comparative Totals for June 30, 1999)

	Utilities	Airport	Total	
			2000	1999
Operating Revenues				
Water revenues	\$ 1,998,453	\$ -	\$ 1,998,453	\$ 1,960,189
Sewerage revenues	2,484,053	-	2,484,053	2,079,013
Solid waste disposal revenues	854,755	-	854,755	791,762
Ad valorem taxes assessed for sewerage maintenance	597,671	-	597,671	559,474
Ad valorem taxes assessed for garbage service	597,671	-	597,671	559,474
Connection charges	126,864	-	126,864	162,122
Tie down and rental revenues	-	35,471	35,471	37,220
Penalties	92,529	-	92,529	90,055
Total revenues	6,751,996	35,471	6,787,467	6,239,309
Operating expenses				
Salaries, wages and related benefits	1,958,270	64,872	2,023,142	2,046,001
Solid waste disposal	1,611,891	-	1,611,891	1,520,550
Repairs and maintenance	504,803	14,587	519,390	547,222
Materials and supplies	209,274	596	209,870	188,742
Utilities	356,419	9,786	366,205	350,964
Gas and oil	40,174	1,082	41,256	30,283
Insurance	54,000	2,950	56,950	82,250
Office expense	30,956	1,432	32,388	30,092
Certification and training	5,530	3,985	9,515	12,054
Other	38,770	7,600	46,370	41,080
Payment in lieu of taxes	460,235	-	460,235	434,953
Bad debt expense	9,507	-	9,507	16,079
Total operating expenses before depreciation	5,279,829	106,890	5,386,719	5,300,270
Operating income (loss) before depreciation	1,472,167	(71,419)	1,400,748	939,039
Depreciation	1,345,115	287,570	1,632,685	1,535,393
Operating income (loss)	127,052	(358,989)	(231,937)	(596,354)
Non-operating revenue (expense)				
Other income, primarily interest	96,074	-	96,074	73,708
Grant revenue	-	12,588	12,588	12,758
Interest and fiscal charges	(264,093)	-	(264,093)	(256,975)
Other expenses	(7,519)	(5,913)	(13,432)	(20,824)
Net non-operating income (expense)	\$ (175,538)	\$ 6,675	\$ (168,863)	\$ (191,333)

(Continued)

**CITY OF SLIDELL, LOUISIANA
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS (DEFICIT) (CONTINUED)
Year Ended June 30, 2000 (With Comparative Totals for June 30, 1999)**

	Utilities	Airport	Total	
			2000	1999
Net loss before operating transfers	\$ (48,486)	\$ (352,314)	\$ (400,800)	\$ (787,687)
Operating transfers in (out)				
Operating transfers in	<u>27,900</u>	<u>84,479</u>	<u>112,379</u>	<u>90,995</u>
Net income (loss)	(20,586)	(267,835)	(288,421)	(696,692)
Depreciation on assets acquired with externally restricted capital contributions which reduces contributed capital	306,210	280,907	587,117	587,214
Retained earnings, beginning of year	(422,402)	86,195	(336,207)	(226,729)
Retained earnings, end of year	<u>\$ (136,778)</u>	<u>\$ 99,267</u>	<u>\$ (37,511)</u>	<u>\$ (336,207)</u>

The accompanying notes are an integral part of this statement.

CITY OF SLIDELL, LOUISIANA
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year Ended June 30, 2000 (With Comparative Totals for June 30, 1999)

	Utilities	Airport	Total	
			2000	1999
Cash flows from operating activities				
Receipts from operations	\$ 5,438,587	\$ 36,621	\$ 5,475,208	\$ 5,127,012
Payments for goods and services	(2,248,255)	(21,610)	(2,269,865)	(2,184,913)
Payments for employee services	(1,990,268)	(64,872)	(2,055,140)	(1,895,001)
Payments in lieu of taxes	(460,235)	-	(460,235)	(434,953)
Payments for direct and indirect costs	(454,720)	(24,321)	(479,041)	(494,414)
Other operating income	1,195,342	-	1,195,342	1,118,948
Net cash provided by (used in) operating activities	<u>1,480,451</u>	<u>(74,182)</u>	<u>1,406,269</u>	<u>1,236,679</u>
Cash flows from noncapital financing activities				
Operating transfers in, net	27,900	84,479	112,379	90,995
Interfund Loan	139,152	(17,226)	121,926	(1,331,210)
Proceeds from federal grant	-	12,588	12,588	12,758
Payments for study	-	(5,988)	(5,988)	(12,758)
Net cash provided (used) by noncapital financing activities	<u>167,052</u>	<u>73,853</u>	<u>240,905</u>	<u>(1,240,215)</u>
Cash flows from capital and related financing activities				
Proceeds from issuance of debt	-	-	-	1,657,201
Principal paid on bond maturities	(235,000)	-	(235,000)	(225,000)
Capital contributed by others	106,999	711,925	818,924	311,760
Acquisition and construction of capital assets	(1,273,300)	(711,671)	(1,984,971)	(1,500,120)
Proceeds from capital lease	48,372	-	48,372	-
Proceeds from sale of capital assets	9,498	75	9,573	-
Interest paid on debt	(266,469)	-	(266,469)	(231,860)
Issuance cost	-	-	-	(17,010)
Net cash provided by (used in) capital and related financing activities	<u>(1,609,900)</u>	<u>329</u>	<u>(1,609,571)</u>	<u>(5,029)</u>
Cash flows from investing activities				
Purchase of investments	(4,958,548)	-	(4,958,548)	(6,421,653)
Proceeds from maturities and sale of investments	4,923,000	-	4,923,000	6,511,000
Proceeds from interest income	17,658	-	17,658	13,323
Net cash provided by (used in) investing activities	<u>\$ (17,890)</u>	<u>\$ -</u>	<u>\$ (17,890)</u>	<u>\$ 102,670</u>

(Continued)

CITY OF SLIDELL, LOUISIANA
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
Year Ended June 30, 2000 (With Comparative Totals for June 30, 1999)

	Utility	Airport	Total	
			2000	1999
Net increase (decrease) in cash	\$ 19,713	\$ -	\$ 19,713	\$ 94,105
Cash and cash equivalents, beginning of year	266,244	-	266,244	172,139
Cash and cash equivalents, end of year	<u>\$ 285,957</u>	<u>\$ -</u>	<u>\$ 285,957</u>	<u>\$ 266,244</u>
Reconciliation of operating loss to net cash provided by operating activities:				
Operating income (loss)	\$ 127,051	\$ (358,989)	\$ (231,938)	\$ (604,420)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	1,345,115	287,570	1,632,685	1,535,393
Bad debt expense	9,507	-	9,507	16,079
Change in asset and liabilities:				
(Increase) decrease in accounts receivable	(151,049)	(2,763)	(153,812)	(984)
(Increase) decrease in inventory	1,936	-	1,936	(6,357)
Increase in accounts payable	147,891	-	147,891	296,967
Net cash provided by operating activities	<u>\$ 1,480,451</u>	<u>\$ (74,182)</u>	<u>\$ 1,406,269</u>	<u>\$ 1,236,678</u>

The accompanying notes are an integral part of this statement.

**CITY OF SLIDELL, LOUISIANA
EXPENDABLE TRUST FUNDS
COMBINING BALANCE SHEET
June 30, 2000 (With Comparative Totals for June 30, 1999)**

	Christmas Under The Stars	Old Towne Development	Animal Assistance League of Slidell	Green	Total	
					2000	1999
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ 1,050	\$ 432	\$ 1,482	\$ 1,482
Restricted cash	-	-	22,807	-	22,807	18,648
Due from local entities	-	-	469	-	469	1,069
Due from General Fund	39,824	106	33,377	238	73,545	51,597
Total assets	\$ 39,824	\$ 106	\$ 57,703	\$ 670	\$ 98,303	\$ 72,796
Liabilities and fund balance						
Liabilities						
Accounts payable	\$ -	\$ -	\$ 3,164	\$ -	\$ 3,164	\$ 2
Total liabilities	-	-	3,164	-	3,164	2
Fund balance						
Reserved for spay neuter	-	-	3,466	-	3,466	3,466
Reserved for trust purposes	39,824	106	51,073	670	91,673	68,456
Total fund balance	39,824	106	54,539	670	95,139	71,922
Total liabilities and fund balance	\$ 39,824	\$ 106	\$ 57,703	\$ 670	\$ 98,303	\$ 71,924

The accompanying notes are an integral part of this statement.

CITY OF SLIDELL, LOUISIANA
EXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
Year Ended June 30, 2000 (With Comparative Totals for June 30, 1999)

	Christmas Under The Stars	Old Towne Development	Animal Assistance League of Slidell	Green	Total	
					2000	1999
Revenues						
Contributions	\$ 10,700	\$ 2,400	\$ 65,031	\$ 5,936	\$ 84,067	\$ 68,578
Total revenues	10,700	2,400	65,031	5,936	84,067	68,578
Expenditures						
Public works	1,831	2,975	50,083	5,961	60,850	47,479
Total expenditures	1,831	2,975	50,083	5,961	60,850	47,479
Excess (Deficiency) of Revenues over expenditures	8,869	(575)	14,948	(25)	23,217	21,099
Fund balance, beginning of year	30,955	681	39,591	695	71,922	50,823
Fund balance, end of year	\$ 39,824	\$ 106	\$ 54,539	\$ 670	\$ 95,139	\$ 71,922

The accompanying notes are an integral part of this statement.

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS - BY ASSET CLASS AND SOURCES
Year Ended June 30, 2000

	June 30, 1999	ADDITIONS	RETIREMENTS	CONSTRUCTION- IN-PROGRESS	June 30, 2000
GENERAL FIXED ASSETS					
Land and buildings	\$ 14,149,005	\$ 216,473	\$ -	\$ 199,668	\$ 14,565,146
Recreation facilities/parks	1,047,335	398,133	417,607	180,794	1,208,655
Streets	19,482,160	33,773	-	306,529	19,822,462
Drainage	22,139,252	330,984	-	4,326,107	26,796,343
Office equipment	2,160,440	648,047	58,500	-	2,749,987
Machinery and equipment	1,702,617	172,824	110,637	-	1,764,804
Vehicles	3,432,923	242,174	143,403	-	3,531,694
Bridges	619,084	-	-	-	619,084
Construction in progress	5,281,191	1,630,768	-	(5,013,098)	1,898,861
TOTAL GENERAL FIXED ASSETS	\$ 70,014,007	\$ 3,673,176	\$ 730,147	\$ -	\$ 72,957,036
INVESTMENT IN GENERAL FIXED ASSETS FROM					
General obligation bonds	\$ 18,180,521	\$ 66,600	\$ -	\$ -	\$ 18,247,121
Sales tax bonds	8,621,515	206,813	-	-	8,828,328
General fund	427,920	17,040	-	-	444,960
Sales & use taxes	22,407,924	2,253,979	382,399	-	24,279,504
Special assessments levies	412,185	-	-	-	412,185
Certificate of indebtedness	3,970,564	-	-	-	3,970,564
Federal grants	7,856,530	367,768	281,938	-	7,942,360
State of Louisiana	1,858,668	180,436	-	-	2,039,104
Local governments	611,856	-	-	-	611,856
Individuals	3,139,575	101,800	-	-	3,241,375
Slidell Housing Authority	151,228	-	-	-	151,228
City Capital Fund	2,375,521	478,740	65,810	-	2,788,451
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	\$ 70,014,007	\$ 3,673,176	\$ 730,147	\$ -	\$ 72,957,036

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION
June 30, 2000

FUNCTION AND ACTIVITY	LAND AND BUILDINGS	PARKS AND RECREATIONAL FACILITIES	STREETS, BRIDGES AND DRAINAGE IMPROVEMENTS	MACHINERY AND EQUIPMENT	CONSTRUCTION IN PROGRESS	TOTAL
General government						
Administration	\$ 3,154,177	\$ -	\$ -	\$ 429,111	\$ -	\$ 3,583,288
Finance	-	-	-	576,340	-	576,340
Legal	-	-	-	13,271	-	13,271
Animal control	-	-	-	113,906	-	113,906
Civil service	-	-	-	43,765	-	43,765
Legislative	-	-	-	143,319	-	143,319
TOTAL GENERAL GOVERNMENT	3,154,177	-	-	1,319,712	-	4,473,889
Public works	5,824,436	-	47,237,889	2,447,877	-	55,510,202
Public safety - police	2,907,881	-	-	3,619,015	-	6,526,896
Parks, recreational and culture	2,678,652	1,208,655	-	659,881	-	4,547,188
TOTAL GENERAL FIXED ASSETS ALLOCATED TO FUNCTIONS	14,565,146	1,208,655	47,237,889	8,046,485	-	71,058,175
Construction in progress	-	-	-	-	1,898,861	1,898,861
TOTAL GENERAL FIXED ASSETS	\$ 14,565,146	\$ 1,208,655	\$ 47,237,889	\$ 8,046,485	\$ 1,898,861	\$ 72,957,036

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY
Year Ended June 30, 2000

FUNCTION AND ACTIVITY	GENERAL FIXED ASSETS JUNE 30, 1999	ADDITIONS	RETIREMENTS	CONSTRUCTION IN PROGRESS	GENERAL FIXED ASSETS JUNE 30, 2000
General government					
Administration	\$ 3,347,967	\$ 79,342	\$ 1,395	\$ 157,374	\$ 3,583,288
Finance	351,191	230,705	5,556	-	576,340
Legal	7,431	5,840	-	-	13,271
Animal control	100,601	13,305	-	-	113,906
Civil service	37,073	6,692	-	-	43,765
Legislative	146,635	-	3,316	-	143,319
TOTAL GENERAL GOVERNMENT	<u>3,990,898</u>	<u>335,884</u>	<u>10,267</u>	<u>157,374</u>	<u>4,473,889</u>
Public works	50,225,702	855,850	203,986	4,632,636	55,510,202
Public safety/Police	6,250,486	307,544	31,134	-	6,526,896
Parks, recreation and culture	4,265,730	543,130	484,760	223,088	4,547,188
TOTAL GENERAL FIXED ASSETS ALLOCATED TO FUNCTIONS	<u>64,732,816</u>	<u>2,042,408</u>	<u>730,147</u>	<u>5,013,098</u>	<u>71,058,175</u>
Construction in progress	5,281,191	1,630,768	-	(5,013,098)	1,898,861
TOTAL GENERAL FIXED ASSETS	<u>\$ 70,014,007</u>	<u>\$ 3,673,176</u>	<u>\$ 730,147</u>	<u>\$ -</u>	<u>\$ 72,957,036</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF CHANGES IN GENERAL LONG TERM DEBT
Year Ended June 30, 2000

	June 30, 1999	Additions	Reductions	Debt Service Funds Operations	June 30, 2000
Amount Available in Debt Service and Sales Tax Funds:					
For the retirement of:					
General obligation bonds	\$ 1,046,010	\$ -	\$ -	\$ 71,093	\$ 1,117,103
Sales tax bonds	2,988,968	-	(147,244)	-	2,841,724
	<u>4,034,978</u>	<u>-</u>	<u>(147,244)</u>	<u>71,093</u>	<u>3,958,827</u>
Amount to be Provided for Retirement of General Long-Term Debt:					
From ad valorem taxes	12,413,990	-	(695,000)	(71,093)	11,647,897
From sales and use taxes	16,273,407	-	(994,756)	-	15,278,651
From General Fund	670,486	-	(215,486)	-	455,000
From Sales Tax Fund	3,002,857	-	(698,176)	-	2,304,681
	<u>32,360,740</u>	<u>-</u>	<u>(2,603,418)</u>	<u>(71,093)</u>	<u>29,686,229</u>
Total amount available and to be provided	<u>\$ 36,395,718</u>	<u>\$ -</u>	<u>\$ (2,750,662)</u>	<u>\$ -</u>	<u>\$ 33,645,056</u>
General Long-Term Debt Payable:					
General obligation bonds payable	\$ 13,460,000	\$ -	\$ (695,000)	\$ -	\$ 12,765,000
Sales tax bonds payable	19,262,375	-	(1,142,000)	-	18,120,375
Certificate of indebtedness	2,764,123	-	(644,123)	-	2,120,000
Capital lease payable	238,734	-	(54,053)	-	184,681
	<u>35,725,232</u>	<u>-</u>	<u>(2,535,176)</u>	<u>-</u>	<u>33,190,056</u>
Claims and judgments	223,486	-	(125,486)	-	98,000
Accrued compensatory absences	447,000	-	(90,000)	-	357,000
Total general long-term debt payable	<u>\$ 36,395,718</u>	<u>\$ -</u>	<u>\$ (2,750,662)</u>	<u>\$ -</u>	<u>\$ 33,645,056</u>

CITY OF SLIDELL, LOUISIANA
GENERAL FUND
SCHEDULE OF FUNCTIONAL EXPENDITURES BY DEPARTMENT (BUDGETARY BASIS)
Year Ended June 30, 2000
SCHEDULE 1

	Salaries, Wages and Related Benefits	Contract Services	Supplies and Materials	Equipment
ADMINISTRATIVE	\$ 346,730	\$ 22,941	\$ 15,673	\$ 305
FINANCE	372,532	29,214	26,712	3,908
LEGAL	125,782	9,499	3,431	-
DATA PROCESSING	142,391	1,858	50,643	706
PURCHASING	190,582	2,160	18,965	3,666
CIVIL SERVICE	122,522	38,709	18,227	3,306
LEGISLATIVE	301,845	92,252	24,613	2,645
ANIMAL CONTROL	211,826	4,515	21,042	481
RISK MANAGEMENT	358,966	25,475	7,293	1,869
PERMITS	308,019	3,655	10,550	1,576
PLANNING	180,693	1,777	7,504	-
POLICE	4,213,739	88,425	343,549	4,930
CITY MARSHALL	70,871	10,000	-	-
CITY COURT	61,022	10,511	1,247	-
CITY PROSECUTOR	<u>34,439</u>	<u>20,712</u>	<u>995</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 7,041,959</u>	<u>\$ 361,703</u>	<u>\$ 550,444</u>	<u>\$ 23,392</u>

<u>911</u>	<u>Community Service</u>	<u>Legal Fees and Claims</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 385,649
-	-	-	432,366
-	-	200,000	338,712
-	-	-	195,598
-	-	-	215,373
-	-	-	182,764
-	-	-	421,355
-	-	-	237,864
-	50,000	-	443,603
-	-	-	323,800
-	2,194	-	192,168
106,618	-	-	4,757,261
-	-	-	80,871
-	-	-	72,780
-	-	-	56,146
<u>\$ 106,618</u>	<u>\$ 52,194</u>	<u>\$ 200,000</u>	<u>\$ 8,336,310</u>

CITY OF SLIDELL, LOUISIANA
SALES TAX FUND
SCHEDULE OF FUNCTIONAL EXPENDITURES BY DEPARTMENT (BUDGETARY BASIS)
Year Ended June 30, 2000
SCHEDULE 2

	Salaries, Wages and Related Benefits	Contract Services	Supplies and Materials
	<u> </u>	<u> </u>	<u> </u>
ADMINISTRATIVE	\$ 271,130	\$ 894,087	\$ 6,997
ARTS COUNCIL	99,283	21,045	12,074
STREETS, BRIDGES AND DRAINAGE	1,175,098	35,292	319,247
ENGINEERING	265,499	2,664	12,754
ELECTRICAL	189,726	3,164	4,468
GENERAL MAINTENANCE	156,054	28,736	76,428
VEHICLE MAINTENANCE	272,978	3,141	147,966
PARKS AND RECREATION	868,738	63,965	107,047
PUBLIC INFORMATION	<u> -</u>	<u> 10,574</u>	<u> 6,304</u>
TOTAL EXPENDITURES	<u><u> \$ 3,298,506</u></u>	<u><u> \$ 1,062,668</u></u>	<u><u> \$ 693,285</u></u>

<u>Equipment</u>	<u>Total</u>
\$ 814	\$ 1,173,028
4,414	136,816
6,492	1,536,129
2,550	283,467
1,079	198,437
763	261,981
1,827	425,912
5,028	1,044,778
-	16,878
<u>-----</u>	<u>-----</u>
<u><u>\$ 22,967</u></u>	<u><u>\$ 5,077,426</u></u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO CITY COUNCIL MEMBERS
Year Ended June 30, 2000
SCHEDULE 3

<u>COUNCIL MEMBER</u>	<u>NUMBER OF DAYS</u>	<u>COMPENSATION</u>
Alvin D. Singletary, Councilman at Large	365	\$12,800
Dudley Smith, Councilman at Large	365	12,800
Lionel J. Washington, Councilman District A	365	12,800
Jerry Binder, Councilman District B	365	12,800
Landon Cusimano, Councilman District C	365	12,800
Kevin Kingston, Councilman District D	365	12,800
Marti J. Livaudais, Councilwoman District E	365	12,800
Jack Cerny, Councilman District F	365	12,800
Pearl Williams, Councilwoman District G	365	12,800

CITY OF SLIDELL, LOUISIANA
 SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF STATE AWARDS
 Year Ended June 30, 2000
 SCHEDULE 4

DESCRIPTION	STATE GRANT NUMBER	PROGRAM/ GRANT AWARD	REVENUE AND RECEIPTS RECOGNIZED	DISBURSEMENTS/ OTHER EXPENDITURES
DEPARTMENT OF CULTURE, RECREATION, AND TOURISM				
Office of Cultural Development				
Division of Arts Grant	00-232	\$ 20,050	\$ 20,050	\$ 20,050
Subgrant through Arts Council of New Orleans				
Decentralized Arts Funding - 1999			7,295	7,295
Decentralized Arts Funding - 2000		89,149	61,963	61,963
TOTAL DEPARTMENT OF CULTURE, RECREATION, AND TOURISM			<u>89,308</u>	<u>89,308</u>
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT				
Office of Public Works				
Maintenance Division				
General Aviation and Reliever Airport Maintenance		\$ 10,000	\$ 6,541	\$ 6,541
Highway Maintenance Grant	737-08-1	14,644	14,644	14,644
Division of Aviation				
Airport Master Plan Update	780-52-0003	9,205	577	577
Taxiway Reconstruction		89,000	69,390	69,390
TOTAL DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT			<u>\$ 91,152</u>	<u>\$ 91,152</u>
OFFICE OF THE GOVERNOR				
Louisiana Commission on Law				
Enforcement and Administration of Criminal Justice:				
D.A.R.E.	E-00-7-011	\$ 20,810	\$ 20,810	\$ 20,810
Training academy equipment		5,000	5,000	5,000
Office of Rural Development				
Rural Development	9900-STT-0701	40,000	40,000	40,000
TOTAL OFFICE OF THE GOVERNOR			<u>\$ 65,810</u>	<u>\$ 65,810</u>
DIVISION OF ADMINISTRATION				
Office of Facility Planning and Control				
Slidell Olde Towne Railroad Depot	50-MR9-98B-1	\$ 200,000	\$ 138,800	\$ 138,800
TOTAL DIVISION OF ADMINISTRATION			<u>138,800</u>	<u>138,800</u>
TOTAL STATE GRANTS			<u>\$ 385,070</u>	<u>\$ 385,070</u>

**CITY OF SLIDELL, LOUISIANA
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN FISCAL YEARS
(UNAUDITED)**

TABLE 1

<u>FISCAL YEAR</u>	<u>GENERAL GOVERNMENT</u>	<u>PUBLIC WORKS</u>	<u>PUBLIC SAFETY</u>	<u>PARKS AND RECREATION</u>
1991	\$ 2,158,162	\$ 3,540,223	\$ 2,826,756	\$ 686,365
1992	2,391,107	3,494,264	3,128,061	708,653
1993	3,255,365	3,027,917	3,276,057	712,945
1994	3,176,345	3,646,496	3,832,885	818,465
1995	3,668,219	3,293,623	3,627,643	846,649
1996	3,429,840	3,916,717	3,721,666	864,143
1997	3,774,910	4,104,541	4,007,614	904,230
1998	3,813,311	2,833,719	4,190,511	913,464
1999	4,277,532	2,955,073	4,715,788	983,108
2000	4,435,706	3,221,894	4,757,261	1,044,778

(1) The above information reflects the General and Special Revenue Funds (budgetary basis) and the Debt Service Fund; Capital Projects and Expendable Trust Funds are not included herein.

<u>CITY COURT & PROSECUTOR</u>	<u>CAPITAL OUTLAY</u>	<u>DEBT SERVICE</u>	<u>TOTAL</u>
\$ 118,424	\$ 2,125,233	\$ 3,119,023	\$ 14,574,186
113,025	2,894,125	2,695,148	15,424,383
140,136	2,909,923	2,710,604	16,032,947
170,553	2,075,152	3,074,371	16,794,267
172,108	1,843,362	2,503,453	15,955,057
206,011	2,324,423	2,936,830	17,399,630
213,849	2,100,591	4,336,379	19,442,114
275,827	4,128,885	4,425,954	20,581,671
303,369	2,724,109	4,417,159	20,376,138
209,797	3,252,448	4,405,528	21,327,412

**CITY OF SLIDELL, LOUISIANA
GENERAL GOVERNMENT REVENUES BY SOURCE (1)
LAST TEN FISCAL YEARS
(UNAUDITED)**

TABLE 2

FISCAL YEAR	TAXES			TOTAL	INTER- GOVERNMENTAL REVENUE	LICENSES AND PERMITS
	SALES TAXES	PROPERTY TAXES	FRANCHISE TAX			
1991	\$ 8,841,108	\$ 2,340,824	\$ 797,782	\$ 11,979,714	\$ 569,789	\$ 1,020,736
1992	8,572,802	2,394,209	793,681	11,760,692	966,688	1,053,663
1993	9,162,962	2,434,652	815,077	12,412,691	1,111,533	1,108,842
1994	9,935,945	2,471,326	924,588	13,331,859	886,734	1,191,495
1995	10,410,596	2,439,023	908,694	13,758,313	1,722,053	1,250,309
1996	11,568,348	2,918,512	975,419	15,462,279	1,115,220	1,327,046
1997	10,970,123	3,066,116	1,038,178	15,074,417	1,305,654	1,336,212
1998	11,497,071	3,047,706	1,056,668	15,601,445	2,085,731	1,404,141
1999	12,394,359	2,979,772	1,114,443	16,488,574	2,011,631	1,589,968
2000	14,042,332	3,138,045	1,160,909	18,341,286	1,088,441	1,512,584

(1) The above information reflects the General and Special Revenue Funds (budgetary basis) and the Debt Service Fund; Capital Projects and Expendable Trust Funds are not included herein.

(2) Special assessments recorded in special assessment fund type not included.

<u>FINES AND FORFEITURES</u>	<u>(2) SPECIAL ASSESSMENTS</u>	<u>INTEREST AND OTHER REVENUES</u>	<u>PAYMENT IN LIEU OF TAXES</u>	<u>CONTRIBUTIONS</u>	<u>TOTAL</u>
119,555	\$ 40,118	\$ 699,274	\$ 300,840	\$ -	\$14,730,026
181,962	51,898	641,413	376,359	-	15,032,675
176,746	38,059	461,699	393,940	-	15,703,510
159,908	1,542	494,186	392,012	-	16,457,736
210,188	2,905	530,507	387,908	8,030	17,870,213
181,977	3,692	659,272	417,274	-	19,166,760
200,315	-	896,006	417,442	-	19,230,046
199,364	-	793,984	423,538	-	20,508,203
198,638	-	782,838	434,953	-	21,506,602
240,993	-	1,149,082	460,235	-	22,792,621

**CITY OF SLIDELL, LOUISIANA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

TABLE 3

<u>FISCAL YEAR</u>	<u>TOTAL TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>PERCENT OF LEVY COLLECTED</u>
1991	\$ 3,255,246	\$ 3,227,996	99.2
1992	3,328,539	3,295,963	99
1993	3,391,030	3,349,291	99
1994	3,384,729	3,448,848	102 *
1995	3,446,301	3,443,731	100
1996	3,934,645	3,940,091	100 *
1997	4,157,934	4,176,638	100 *
1998	4,169,075	4,172,713	100 *
1999	4,190,554	4,098,720	98
2000	4,319,072	4,283,942	99

* Total collections include redemptions.

**CITY OF SLIDELL, LOUISIANA
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

TABLE 4

FISCAL YEAR	REAL PROPERTY		COMMERICAL PERSONAL PROPERTY		PUBLIC SERVICE PROPERTY	
	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE
1991	\$ 67,179,235	\$ 671,792,350	\$ 14,098,225	\$ 93,954,833	\$ 8,189,169	\$ 54,594,460
1992	66,321,738	663,217,380	16,139,915	107,599,433	8,687,351	57,915,673
1993	66,935,950	669,359,500	17,003,757	113,358,380	9,097,200	60,648,000
1994	66,999,860	669,998,600	20,063,115	133,754,100	9,317,298	62,115,320
1995	68,668,925	686,689,250	23,454,485	156,363,233	9,423,313	62,822,087
1996	68,583,745	685,837,450	26,608,618	177,390,787	8,553,173	57,021,154
1997	75,622,776	756,227,759	27,099,731	180,664,873	8,297,714	55,318,094
1998	76,404,459	764,044,591	27,495,368	183,302,450	8,622,704	57,484,698
1999	76,394,169	763,941,690	29,109,480	194,063,200	8,893,402	59,289,347
2000	78,125,925	781,259,250	31,310,877	208,739,180	9,673,123	64,487,487

(1) Total assessed value is based on the following percentages of estimated actual value:

Residential property	10%
Commerical property	15%
Public service property	15%
Railroad stock	15%

RAILROAD STOCK		TOTAL		RATIO OF TOTAL ASSESSED TO TOTAL ESTIMATE ACTUAL VALUE
ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	
\$ 16,905	\$ 112,700	\$89,483,534	\$ 820,454,343	0.11
18,871	125,807	91,167,875	828,858,293	0.11
21,010	140,067	93,057,917	843,505,947	0.11
23,290	155,267	96,403,563	866,023,287	0.11
24,181	161,207	101,570,904	906,035,777	0.11
29,860	199,067	103,775,396	920,448,458	0.11
29,660	197,734	111,049,881	992,408,460	0.11
33,340	222,266	112,555,871	1,005,054,005	0.11
36,500	243,333	114,433,551	1,017,537,570	0.11
36,880	245,867	119,146,805	1,054,731,784	0.11

**CITY OF SLIDELL, LOUISIANA
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)**

TABLE 5

<u>FISCAL YEAR</u>	<u>CITY (WARDS 8&9)</u>	<u>SCHOOL (WARDS 8&9)</u>	<u>PARISH (WARDS 8&9)</u>	<u>OTHER</u>		<u>TOTAL</u>	
				<u>(WARDS 8)</u>	<u>(WARDS 9)</u>	<u>(WARDS 8)</u>	<u>(WARDS 9)</u>
Tax Rates (In Dollars per \$1,000 of Assessed Value)							
1991	\$ 36	\$ 85	\$ 32	\$ 42	\$ 42	\$ 196	\$ 196
1992	36.51	85.41	31.79	42.31	42.31	196.02	196.02
1993	36.44	87.10	32.70	43.24	43.24	199.42	199.48
1994	35.11	87.10	32.70	41.19	41.19	196.10	196.10
1995	33.93	87.10	32.70	41.19	41.19	194.92	194.92
1996	38.51	87.10	32.70	40.50	40.50	198.81	198.81
1997	37.54	90.10	32.17	39.20	39.20	199.01	199.01
1998	37.04	90.10	28.95	39.20	39.20	195.29	195.29
1999	36.62	90.10	28.95	39.20	39.20	194.87	194.57
2000	36.25	90.10	31.95	44.20	44.20	202.50	202.50

**CITY OF SLIDELL, LOUISIANA
 RATIO OF NET GENERAL OBLIGATION BONDED DEBT
 TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

TABLE 6

<u>FISCAL YEAR</u>	<u>(1) POPULATION</u>	<u>ASSESSED VALUE</u>	<u>(2) GROSS BONDED DEBT</u>	<u>(3) LESS DEBT SERVICE FUNDS</u>	<u>NET BONDED DEBT</u>	<u>RATIO OF NET BONDED DEBT TO ASSESSED VALUE</u>	<u>NET BONDED DEBT PER CAPITA</u>
1991	24,013	\$ 89,478,534	\$ 8,433,000	\$ 545,518	\$ 7,887,482	8.81	\$ 328
1992	24,013	91,167,875	7,892,000	555,480	7,336,520	8.05	305
1993	24,161	93,057,917	7,285,000	571,586	6,713,414	7.21	278
1994	24,161	96,403,563	7,145,000	489,200	6,655,800	6.90	275
1995	26,314	101,570,904	6,545,000	509,702	6,035,298	5.94	229
1996	26,314	103,775,396	15,395,000	967,404	14,427,596	13.90	548
1997	26,408	111,050,081	14,740,000	998,755	13,741,245	12.37	520
1998	28,394	112,555,871	14,115,000	1,042,397	13,072,603	11.61	460
1999	29,004	114,433,551	13,460,000	1,046,010	12,413,990	10.85	428
2000	29,596	119,146,805	12,765,000	1,117,103	11,647,897	9.77	394

(1) The 1990 through 1992 population is based on actual 1990 census. 1993 through 1999 - Research Division, College of Administration and Business, Louisiana Tech University.

(2) Amount does not include special assessment, sales tax or revenue bonds.

(3) Amount available for repayment of general obligation bonds.

**CITY OF SLIDELL, LOUISIANA
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL EXPENDITURES
LAST TEN FISCAL YEARS
(UNAUDITED)**

TABLE 8

<u>FISCAL YEAR</u>	<u>(1) PRINCIPAL</u>	<u>(1) INTEREST AND FEES</u>	<u>(1) TOTAL DEBT SERVICE</u>	<u>(2) TOTAL GENERAL EXPENDITURES</u>	<u>RATIO OF DEBT SERVICE TO GENERAL EXPENDITURES</u>
1991	\$ 486,000	\$ 635,303	\$ 1,121,303	\$ 14,574,186	7.69
1992	541,000	597,853	1,138,853	15,424,383	7.38
1993	607,000	556,543	1,163,543	16,032,947	7.26
1994	650,000	510,163	1,160,163	16,794,267	6.91
1995	600,000	391,931	991,931	15,955,057	6.22
1996	650,000	342,830	992,830	17,399,630	5.71
1997	655,000	833,763	1,488,763	19,442,114	7.66
1998	625,000	809,473	1,434,473	20,581,671	6.97
1999	655,000	757,380	1,412,380	20,376,138	6.93
2000	695,000	700,801	1,395,801	21,327,412	6.55

(1) Amount does not include special assessment, sales tax or revenue bonds debt service.

(2) Per Table 1.

**CITY OF SLIDELL, LOUISIANA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2000
(UNAUDITED)**

TABLE 9

<u>JURISDICTION</u>	<u>NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING</u>	<u>PERCENT APPLICABLE TO THE CITY</u>	<u>AMOUNT APPLICABLE TO THE CITY</u>
DIRECT:			
CITY OF SLIDELL	\$ 11,647,897 (1)	100%	\$ 11,647,897
OVERLAPPING:			
ST. TAMMANY SCHOOL BOARD	127,575,000	17%	21,687,750
ST. TAMMANY PARISH	<u>673,777</u>	17%	<u>114,542</u>
TOTAL OVERLAPPING DEBT	<u>128,248,777</u>		<u>21,802,292</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u>\$ 139,896,674</u>		<u>\$ 33,450,189</u>

(1) Net of funds available for payment of debt service (Ref. Table 6).

**CITY OF SLIDELL, LOUISIANA
SALES TAX BONDS COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)**

TABLE 10

FISCAL YEAR	SALES TAX REVENUE	DEBT SERVICE REQUIREMENTS			COVERAGE
		PRINCIPAL	INTEREST	TOTAL	
1991	\$ 8,841,108	\$ 336,000	\$ 1,158,210	\$ 1,494,210	5.9
1992	8,572,802	364,000	1,120,260	1,484,260	5.8
1993	9,162,962	398,000	1,078,859	1,476,859	6.2
1994	9,935,944	466,000	726,931	1,192,931	8.3
1995	10,410,596	584,000	793,324	1,377,324	7.6
1996	11,568,348	637,000	737,697	1,374,697	8.4
1997	10,970,123	816,000	1,251,934	2,067,934	5.3
1998	11,497,071	1,009,000	1,197,425	2,206,425	5.2
1999	12,394,359	1,073,000	1,128,645	2,201,645	5.6
2000	14,042,332	1,142,000	1,058,744	2,200,744	6.4

**CITY OF SLIDELL, LOUISIANA
ENTERPRISE REVENUE BONDS COVERAGE (UTILITY FUND ONLY)
LAST TEN FISCAL YEARS
(UNAUDITED)**

TABLE 11

FISCAL YEAR	GROSS REVENUE	(1) EXPENSES	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS			COVERAGE
				PRINCIPAL	INTEREST	TOTAL	
1991	\$ 4,021,713	\$ 3,617,600	\$ 404,113	\$ 74,000	\$ 11,320	\$ 85,320	4.74
1992	4,209,585	3,878,041	331,544	78,000	8,280	86,280	4
1993	4,600,744	4,176,906	423,838	82,000	5,080	87,080	5
1994	4,815,338	4,373,094	442,244	86,000	1,720	87,720	5
1995	5,208,892	4,298,269	910,623	-	-	-	-
1996	5,614,803	4,723,966	890,837	-	-	-	-
1997	5,779,839	4,706,725	1,073,114	-	128,988	128,988	8
1998	6,011,732	4,845,767	1,165,965	85,000	140,178	225,178	5
1999	6,275,591	5,217,698	1,057,893	225,000	239,378	464,378	2
2000	6,848,070	5,287,348	1,560,722	235,000	266,469	501,469	3

(1) Amount does not include depreciation or interest expense.

**CITY OF SLIDELL, LOUISIANA
PROPERTY VALUE AND CONSTRUCTION
LAST TEN FISCAL YEARS
(UNAUDITED)**

TABLE 12

FISCAL YEAR	COMMERCIAL CONSTRUCTION		RESIDENTIAL CONSTRUCTION		ESTIMATED ACTUAL VALUE	
	NUMBER OF UNITS	VALUE	NUMBER OF UNITS	VALUE	COMMERCIAL	RESIDENTIAL
1991	118	\$ 16,727,273	142	\$ 1,890,710	\$ 148,661,993	\$ 671,792,350
1992	72	74,034,178	207	3,278,310	165,640,913	663,217,380
1993	108	5,276,044	207	3,713,008	174,146,447	669,359,500
1994	112	10,826,727	195	2,966,283	196,024,687	669,998,600
1995	161	16,495,803	194	3,496,079	219,346,527	686,689,250
1996	153	13,501,297	231	4,769,635	234,611,008	685,837,450
1997	162	19,612,552	265	9,674,971	236,180,701	756,227,759
1998	148	12,623,347	307	13,724,576	183,302,450	764,044,591
1999	149	35,219,015	294	13,561,282	194,063,200	763,941,690
2000	143	36,230,372	237	10,173,538	208,739,180	781,259,250

Source of data - City of Slidell permits department; tax rolls

Data on bank deposits is not available.

**CITY OF SLIDELL, LOUISIANA
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

TABLE 13

<u>FISCAL YEAR</u>	<u>CURRENT ASSESSMENTS BILLED</u>	<u>CURRENT ASSESSMENTS COLLECTED</u>	<u>(1) RATIO OF COLLECTIONS TO AMOUNT DUE</u>	<u>TOTAL OUTSTANDING ASSESSMENTS</u>
1991	\$ 40,118	\$ 33,631	83.8	\$ 143,619
1992	31,223	35,726	114	108,954
1993	25,474	30,096	118	78,859
1994	6,597	23,072	350	55,787
1995	-	10,938	-	21,939
1996	-	3,692	-	-
1997	-	-	-	-
1998	-	-	-	-
1999	-	-	-	-
2000	-	-	-	-

(1) Collections in excess of amounts billed are due to the exercise of prepayment options.

**CITY OF SLIDELL, LOUISIANA
PRINCIPAL TAXPAYERS
June 30, 2000
(UNAUDITED)**

TABLE 14

<u>TAXPAYER</u>	<u>TYPE OF BUSINESS</u>	<u>(1) FISCAL 2000 ASSESSED VALUATION</u>	<u>PERCENTAGE OF TOTAL ASSESSED VALUATION</u>
Bell South Communications	Telephone Utility	\$ 4,581,350	3.85%
Banc One	Financial Institution	3,856,180	3.24%
Central LA Electric Co.	Electric Utility	3,710,570	3.11%
McKesson Corp. Services	Healthcare	3,652,620	3.07%
Tenet Healthcare Corporation	Hospital	2,817,790	2.36%
Sizeler North Shore Ltd.	Shopping Center	2,583,140	2.17%
Hibernia National Bank	Financial Institution	1,944,310	1.63%
Wal Mart	Retail	1,796,710	1.51%
Dillard's Inc.	Retail	1,690,230	1.42%
Healthcare Properties	Medical Facility	<u>1,583,110</u>	<u>1.33%</u>
		<u>\$ 28,216,010</u>	<u>23.68%</u>

Source of data - Current ad valorem tax rolls.

(1) Total assessed valuation \$119,146,805.

CITY OF SLIDELL, LOUISIANA
SALARIES OF PRINCIPAL OFFICERS
June 30, 2000
(UNAUDITED)

TABLE 15

<u>NAME</u>	<u>TITLE</u>	<u>METHOD OF SELECTION</u>	<u>ANNUAL BASE SALARY</u>	<u>SENIOR INCENTIVE PAY</u>
Salvatore A. "Sam" Caruso	Mayor	Election	\$ 74,305	
Ben O. Morris	Chief of Police	Election	67,076	
Alvin D. Singletary	Councilman at Large	Election	12,800	
Dudley D. Smith	Councilman at Large	Election	12,800	
Lionel J. Washington	Councilman Dist. A	Election	12,800	
Jerry Binder	Councilman Dist. B	Election	12,800	
Landon Cusimano	Councilman Dist. C	Election	12,800	
Kevin Kingston	Councilman Dist. D	Election	12,800	
Marti J. Livaudais	Councilwoman Dist. E	Election	12,800	
Jack Cerny	Councilman Dist. F	Election	12,800	
Pearl Williams	Councilwoman Dist. G	Election	12,800	
Davis Dautreuil	Council Administrator/ Clerk of Council	Appointed	70,296	\$ 432
Wanda Beelman	Administrative Assistant to Council	Appointed	32,856	288
Reinhard Dearing	Chief of Staff	Appointed	70,296	684
Carmel Everard	Administrative Assistant to Mayor	Appointed	32,856	216
Sharon Howes	Director of Finance	Appointed	60,564	
Martin Bruno	Director of Planning	Appointed	59,040	216
Dean Born	Director of Permits	Appointed	58,104	540
Stan Polivick	City Engineer	Appointed	65,472	
Tara Hunter	Director of Recreation and Parks	Appointed	39,780	216
Charley Michel	Director of Civil Service	Appointed	38,688	
Brian Hammel	Director of Cultural Affairs	Appointed	33,024	
Michael Noto	Director of Public Operations	Appointed	51,732	468
Tim Mathison	City Attorney	Appointed	67,152	
Laura Zaidain	Airport Manager	Appointed	36,396	252

**CITY OF SLIDELL, LOUISIANA
DEMOGRAPHIC STATISTICS
June 30, 2000
(UNAUDITED)**

TABLE 16

DATE OF SETTLEMENT	1888
DATE PRESENT CHARTER ADOPTED	1978
FORM OF GOVERNMENT	MAYOR - COUNCIL
AREA SQUARE MILES	12.26
MILES OF STREETS:	
Paved	119.5
Unimproved	1.3
BUILDING PERMITS:	
New residential	113
Residential additions	124
New commercial	20
Commercial additions	123
POLICE PROTECTION:	MUNICIPAL
Number of employees	71
FIRE PROTECTION:	DISTRICT 1
Number of stations	3
RECREATION:	
Parks - number of acres	369
Number of playgrounds	18
Number of picnic areas	6
NUMBER OF STREET LIGHTS	2,587
NUMBER OF TRAFFIC SIGNALS	56
NUMBER OF WATER STORAGE TANKS (5):	
Total capacity of water storage tanks	2,133,000 GAL
MUNICIPAL WATER DISTRIBUTION SYSTEM:	
Number of accounts	9,494
Number of metered accounts	9,363
Daily average consumption	4.0 MGD
Productive capacity	17 MGD
Miles of water mains - City	152 Miles

**CITY OF SLIDELL, LOUISIANA
DEMOGRAPHIC STATISTICS (CONTINUED)**

**June 30, 2000
(UNAUDITED)**

TABLE 16

MUNICIPAL SEWER PLANT:	
Number of accounts	9,332
Daily average treated wastewater	3.69 MGD
Plant capacity	6.0 MGD
Miles of sewer mains - City	100 Miles
AUTHORIZED FULL TIME EQUIVALENT EMPLOYEES:	
Merit - elected, appointed & classified	329
School crossing guards	19
Total employees	<u>348</u>
ELECTION:	
Registered voters	16,798
Number of votes cast, last local election	1,378
Percentage of registered voters voting	8%
POPULATION:	
1890	354
1900	1,129
1910	2,188
1920	2,958
1930	2,807
1940	2,864
1950	3,464
1960	6,356
1970	16,101
1980	26,718
1990	24,013

Source of data - City and parish records.

**CITY OF SLIDELL, LOUISIANA
INSURANCE COVERAGE
June 30, 1999
(UNAUDITED)**

TABLE 17

<u>POLICY NUMBER</u>	<u>INSURER</u>	<u>EXPIRES</u>	<u>POLICY TYPE OF COVERAGE</u>	<u>LIMITS</u>
651-000520	Coregis	7/1/00	General Liability	\$1M/\$2M
651-000520	Coregis	7/1/00	Auto Liability	\$1M/\$1M
651-000520	Coregis	7/1/00	Police Professionals	\$1M/\$1M
POD001942-2	Coregis	7/1/00	Public Officials E&O	\$1M
43SR842101	Hartford Insurance Co.	7/1/00	Police Volunteers	\$15,000
P-630-637J4423-TIL	Travelers	7/1/00	Property	\$41,763,808
MSJBMGS416384T1	Travelers	7/1/00	Boiler & Machinery	\$41,763,808
AP3229316-06	AIG Aviation (Texas), Inc.	7/1/00	Airport Liability	\$1M/\$1M
435B350959	Hartford Insurance Co.	7/1/00	Summer Recreation	\$2,500/Occ
AGC-4800-LA 11516	Safety National United Health	12/31/00 7/1/00	Workers' Compensation Employee Medical	\$1M/Statutory Fully Insured

REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS

A PROFESSIONAL CORPORATION

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

Honorable Mayor and Members
of the City Council of the
City of Slidell, Louisiana

We have audited the general-purpose financial statements of **City of Slidell, Louisiana** as of and for the years ended June 30, 2000 and 1999, and have issued our report thereon dated September 27, 2000. We conducted our audits 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 Slidell's** general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the **City of Slidell'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. 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. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the **City of Slidell, Louisiana** in a separate letter dated September 27, 2000.

This report is intended for the information and use of the City of Slidell's management, the Legislative Auditor of the State of Louisiana, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Rebowe & Company

September 27, 2000

REBOWE & COMPANY

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

Honorable Mayor and Members of the Council
City of Slidell, Louisiana

Compliance

We have audited the compliance of the **City of Slidell, Louisiana** with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2000. The **City of Slidell's** major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the **City of Slidell's** management. Our responsibility is to express an opinion on the **City of Slidell's** compliance based on our audit.

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

In our opinion, the **City of Slidell, Louisiana** complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2000.

Internal Control Over Compliance

The management of the **City of Slidell, Louisiana** is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the **City of Slidell's** internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

This report is intended for the information of the City of Slidell's management, the Legislative Auditor of the State of Louisiana, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Rebowe & Company

September 27, 2000

CITY OF SLIDELL, LOUISIANA
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2000

DESCRIPTION	CFDA NUMBER	GRANT NUMBER	TOTAL GRANT AWARD	FEDERAL AND OTHER EXPENDITURES
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Community Planning and Development Division				
Community Development Block Grant, Entitlement Grant				
	14.218	B98-MC-22-0010 B99-MC-22-0010	\$ 302,438 235,000	\$ 164,359 200,002
Office of Community Services				
Emergency Shelter Grant				
	14.231	370-900635 547086	46,163 41,039	31,749 <u>13,052</u>
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				<u>409,162</u>
DEPARTMENT OF JUSTICE				
Office of Community Oriented Policing Services				
COPS Fast				
	16.710	95-CF-WX-4662	\$ 432,206	\$ 88,308
Bureau of Justice Assistance				
Local Law Enforcement Block Grant				
	16.592	97-LB-VX-3135 98-LB-VX-3135	74,494 83,775	2,508 14,854
Bulletproof Vest Partnership Grant				
	16.607	-	7,207	7,207
Asset Forfeiture and Money Laundering Section				
Asset Forfeiture				
	-	96-2450-J11	248,352	<u>12,385</u>
TOTAL DEPARTMENT OF JUSTICE				<u>125,262</u>
DEPARTMENT OF TRANSPORTATION				
Federal Aviation Administration				
Master Plan Update				
	20.106	3-22-0060-07	\$ 82,845	\$ 5,470
Taxiway Reconstruction				
	20.106	3-22-0060-08	801,000	640,523
Slidell Traffic Safety Partnership Grant				
	-	0025	37,200	14,568
LHSC Safe & Sober Campaign				
	-	00-91-37	7,000	<u>1,337</u>
TOTAL DEPARTMENT OF TRANSPORTATION				<u>661,898</u>
FEDERAL EMERGENCY MANAGEMENT AGENCY				
Carollo Drive Flood Control				
	-	1049-103-0011	\$ 299,000	\$ 14,569
Elevation/Acquisition Project				
	-	N1246-103S-0009	940,265	<u>20,000</u>
TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY				<u>34,569</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Municipal Facilities Revolving Loan Fund Program				
	66.458	CS-221136-01	\$3,900,000	<u>\$ -</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE				<u>\$ 1,230,891</u>

This accompanying Notes to Schedule of Expenditures of Federal Awards are an integral part of this schedule.

CITY OF SLIDELL, LOUISIANA
NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the City has met the qualifications for the respective grants.

2. ACCRUED REIMBURSEMENT

Various reimbursement procedures are used for federal awards received by the City. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year.

3. PAYMENTS TO SUBRECIPIENTS

There were no payments to subrecipients for the fiscal year ended June 30, 2000.

NOTE B - DESCRIPTION OF GRANTS

United States Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG), Entitlement Grant

HUD provides the City with funds on a reimbursement basis for expenditures incurred by the City in connection with activities that meet one of the following objectives (1) benefiting low and moderate-income families, (2) aiding in the prevention or elimination of slums and blight, and (3) meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community and other financial resources are not available to meet such needs.

Emergency Shelter Grant

The Caring Center, Inc., a 501(c)(3) non-profit organization, operates a shelter for homeless women and children in the community on behalf of the City. HUD reimburses for costs to provide shelter, homeless prevention, and essential services at the emergency shelter. HUD also pays a small administrative fee to the City. The City provides matching funds, primarily in the value of rent equivalent for the building. The Caring Center also provides matching funds through donations of cash, goods and services.

**United States Department of Justice
COPS Fast Grant**

The Department of Justice is providing funds to hire seven new police officers as part of a program to increase community-oriented police activity. The grant provides reimbursement for 75% of base wages and benefits for three years with increasing City participation throughout the grant period. The City must show plans to fund the additional officers after the grant period.

CITY OF SLIDELL, LOUISIANA
NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)
Year Ended June 30, 2000

NOTE B – DESCRIPTION OF GRANTS (CONTINUED)

Local Law Enforcement Block Grant

This Bureau of Justice Assistance block grant provides the City with funds to underwrite projects to reduce crime and improve public safety. After holding public hearings, the City elected to fund overtime costs for additional traffic patrols at high accident areas around the City.

Bulletproof Vest Partnership Grant

The Bureau of Justice Assistance is reimbursing the City for up to 50% of the cost of bulletproof vests. This funding is provided under the Bulletproof Vest Partnership Grant Act of 1998.

Asset Forfeiture Grant

The City participates in the federal equitable sharing program for the use of federally forfeited cash, property, proceeds, and any interest earned thereon with law enforcement agencies.

**Department of Transportation
Airport Master Plan Upgrade**

The Federal Aviation Administration is reimbursing the City for 90% of the cost of hiring an engineer/planning firm to prepare a 20-year plan for the development and use of the Slidell Municipal Airport with emphasis on the priorities of the next 5 years. The State Department of Transportation and Development is providing the remaining 10% of funding.

Taxiway Reconstruction

The FAA is providing 90% and the State Department of Transportation and Development 10% of funds to reconstruct 3400 feet of parallel Taxiway "A" and connectors. The project will remove and replace subbase, base and asphalt surfacing.

Slidell Traffic Safety Partnership Grant

The National Highway Traffic Safety Administration passes through to the Louisiana Highway Safety Commission, money to reimburse the City for traffic enforcement and public information overtime activities. The purpose is to reduce alcohol and speed related fatal and injury crashes and increase occupant protection usage.

LHSC Safe & Sober Campaign

The National Highway Traffic Safety Administration passes through to the Louisiana Highway Safety Commission, money to reimburse the City for up to fifty overtime hours for traffic enforcement and public information education for each of the programs seven waves. The emphasis of the grant is on occupant protection violations and DWI enforcement. The City participated in one of the seven waves, #1 National Buckle-Up America (BUA) Week.

CITY OF SLIDELL, LOUISIANA
NOTES TO SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)
Year Ended June 30, 2000

NOTE B – DESCRIPTION OF GRANTS (CONTINUED)

Federal Emergency Management Agency
Carollo Drive Flood Control & Drainage Project

FEMA is providing 65% of cost plus administration fees for purchase of four properties in the Carollo Drive area for construction of a retention pond, installation of a sump pump and construction of an interceptor ditch as part of the Hazard Mitigation Grant Program.

Elevation/Acquisition Project

The City is administering FEMA funding to elevate flood prone structures, the acquisition of flood prone structures or to flood proof structures to reduce flood losses. FEMA will incur 75% of the cost to elevate, acquire or flood proof the structure and the owner will incur 25%.

U.S. Environmental Protection Agency
NOTE C – LOANS OUTSTANDING

On May 28, 1997, the City entered into a loan and pledge agreement with the Louisiana Department of Environmental Quality (DEQ) Loan No. CS-221 136-01. The purpose of the loan is to pay a portion of the cost of constructing improvements to the wastewater system of the City. Under the terms of the agreement, the DEQ, through its Municipal Facilities Revolving Loan Fund, will loan the City an amount not to exceed \$3,900,000. Upon completion of the project the actual amount borrowed will be determined and the City will issue Utility Revenue Bonds to evidence the debt as authorized by ordinance No. 2727. The bonds will be payable over a 20 year period and will bear an interest rate of 3.45 percent. As of June 30, 2000, \$3,797,704 has been drawn down on the loan of which \$0 was received in fiscal year ending June 30, 2000 and is included in the Supplementary Schedule of Expenditures of Federal Awards.

CITY OF SLIDELL, LOUISIANA
Schedule of Findings and Questioned Costs
Year Ended June 30, 2000

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the City of Slidell, Louisiana.
2. No reportable conditions relating to the audit of the financial statements of the City of Slidell, Louisiana were noted.
3. No instances of noncompliance material to the financial statements of the City of Slidell, Louisiana were noted during the audit.
4. No reportable conditions relating to the audit of the major federal award programs is reported in the *Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance* in accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the City of Slidell, Louisiana expresses an unqualified opinion.
6. There were no findings that are required to be reported in accordance with Section 510(a) of Circular A-133.
7. The program tested as a major program is:

CFDA Number

Taxiway Reconstruction

20.106

8. The threshold for distinguishing Types A and B programs was \$300,000.
9. City of Slidell, Louisiana was determined to be a low-risk auditee.

B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended June 30, 2000.

C. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS

There were no findings related to federal awards for the year ended June 30, 2000.

CITY OF SLIDELL, LOUISIANA
MEMORANDUM OF ADVISORY COMMENTS

June 30, 2000

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September 27, 2000

Honorable Mayor and Members of the Council
City of Slidell, Louisiana

We have audited the general-purpose financial statements of the City of Slidell, Louisiana as of and for the year ended June 30, 2000, and have issued our report thereon dated September 27, 2000. As part of our audit, we considered the City's internal control in order to determine the nature, timing and extent of our auditing procedures for the purpose of expressing an opinion on the general-purpose financial statements and not to provide assurance on internal control.

However, during our audit we became aware of a matter that is an opportunity for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comment and recommendation regarding this matter. We previously reported on the City's internal control in a separately issued report entitled *Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* dated September 27, 2000.

We will review the status of these matters during our next audit engagement. We have already discussed many of these recommendations with various City personnel and have included their responses. We will be pleased to discuss these recommendations with you in further detail at your convenience, perform any additional study of these matters, or assist you in implementing our recommendations.

This report is intended solely for the information and use of management, the Legislative Auditor of the State of Louisiana, and others within the City. However, this report is a matter of public record and its distribution is not limited.

Sincerely,

Rebowe & Company

GASB STATEMENT NO. 34

COMMENT

In June 1999, the Governmental Accounting Standards Board ("GASB") issued GASB Statement No. 34 "Basic Financial Statements" effective for the year beginning July 1, 2002. GASB Statement No. 34 establishes new financial reporting requirements for the City as well as other state and local governments.

The most significant changes will be that: the City will report financial information for all governmental fund type accounting utilizing the full accrual method of accounting as opposed to the modified accrual method currently used; the City will be required to record and depreciate all capital assets, and to eliminate both the General Fixed Asset Accounting Group and the General Long-Term Debt Accounting Group; the City will present dual financial statements with presentation of both "Government-wide Financial Statements" and the traditional "Fund Financial Statements"; the City will eliminate all interfund transactions, including interfund loans, interfund services provided and used, and interfund transfers.

In preparation for GASB Statement No. 34, the City of Slidell will need to invest extensive man-hours prior to its implementation. Specifically, the City will need to:

1. Conduct an extensive inventory of infrastructure. A book value and asset life will need to be determined for all assets and each asset will be depreciated over its remaining life. The City should evaluate its fixed asset accounting package capabilities of calculating depreciation and obtain a new software package if it is determined one is needed. The City should also reevaluate its capitalization threshold (currently at \$500) and consider raising its level of capitalization for reporting purposes.
2. Implement previously issued GASB Statement Number 20 since the City had previously elected not to implement this statement. When implemented, GASB Statement Number 20 will require the following:
 - Recalculate all discounts and/or premiums on all currently outstanding bonds and begin to amortize this discount/premium over the life of the bonds.
 - Calculate any gain or loss from refinancing of bonds and amortized over the life of the bonds.
 - Interest costs on capital projects open or begun in the year of implementation will need to be calculated and capitalized as a component of capital asset historical cost.

GASB STATEMENT NO. 34 (CONTINUED)

3. A Management Discussion and Analysis (“MD&A”) section will need to be reported as “required supplementary information” in the financial statements (this is in addition to the Letter of Transmittal) outlining the following:
 - A brief description of the financial statements.
 - Condensed financial position with comparative information derived from the government wide financial information.
 - Analysis of balances and transactions of major individual funds.
 - Analysis of significant variations between original and final budget amounts.
 - Description of significant capital assets and long term debt activity.
 - Description of currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations.
4. Fiduciary funds such as Expendable and Non-expendable Trust Funds may or may not need to be disclosed in the City’s financial statements depending on their function. The City will need to determine which funds will remain and at what level they will need to be reported.
5. All contributed capital from proprietary type funds (Enterprise) will need to be combined with the funds equity section and will be shown as current period revenue for that particular fund.
6. GASB Statement No. 34 will require all internal service funds to be reconciled as part of the “government-wide” financial statements. The GASB is recommending that all unnecessary internal service funds should no longer be reported as a separate fund and activities related to these funds should be recorded as part of the General Fund to avoid time consuming and unnecessary reconciliation.
7. All funds will need to be classified as either major or non-major. Only major funds will presented as individual funds in the financial statements. All non-major governmental type funds and all non-major proprietary funds will be grouped as one fund and presented as such. This will be a significant change from the present fund accounting presentation.

The effect of GASB Statement No. 34 will not be known until its implementation and proper planning and advanced preparation could eliminate the risk of now solvent funds to report deficit fund balances and unnecessary time delays in the year of implementation.

GASB STATEMENT NO. 34 (CONTINUED)

RECOMMENDATION

The City of Slidell should begin to formulate a plan of action designed to efficiently implement GASB Statement Number 34.

CORRECTIVE ACTION PLAN

The City of Slidell has begun to formulate a plan of action for implementing GASB Statement Number 34 and should complete this plan by the end of fiscal year ending June 30, 2001. The City is on schedule to implement GASB Statement Number 34 within the required timeframe established by the GASB. Contact Mrs. Sharon Howes, Finance Director, 646-4319.