

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

Table with columns: Fiscal Year, Principal, Interest, Total. Rows for years 1996-2003.

COMPLIANCE WITH BOND ORDINANCES
The City of Carlisle Water Revenue Bonds' bond ordinances require that certain reserves be created and maintained as follows:

Debt and interest reserve - This reserve is required to maintain a balance equal to the maximum bond and interest payment for any year. The balance as of June 30, 1997 is \$411,834.

City fingerprints elementary students



Carlisle Mayor Ronnie Clark, left, and Carlisle Police Officer Benny Buckler, center, fingerprinted Nicholas County Elementary students in the primary grades last Thursday.



Carlisle City Clerk Mary Tapp, far right, explained to elementary students that the fingerprint dye wouldn't stain their hands. The students of City cleaned small fingers with alcohol after the procedure.



Joe Kakofus and Nancy Wylie of the League of Cities, Frankfort, cleaned the children's fingers with alcohol after the procedure and handed out stickers and balloons.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Accounting

Basis of Accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available.

Proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and expenses are recognized when they are incurred.

D. Budgeting

The City follows the procedures established pursuant to Section 91A.030 of the Kentucky Revised Statutes in establishing the budgetary process reflected in the financial statements.

Budgeted amounts in the financial statements are as adopted by ordinance of the City and were amended by ordinance.

Other Accounting Policies

Investments and Inventories are stated at cost.

Proprietary fixed assets are stated at cost. Depreciation has been provided using the straight-line method.

General fixed asset purchases are recorded as expenditures in the general fund at the time of purchase. Such assets should be capitalized or cost in the general fund asset group of accounts.

Deferred revenues represent grant revenues received but unearned. Revenues are recognized when eligible expenditures are incurred.

All cash and investments restricted and unrestricted are considered cash for purposes of the statement of cash flow.

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 do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles.

LONG-TERM DEBT

Revenue Bonds - The City issued \$278,000 of City of Carlisle Water Revenue Bonds dated January 1, 1967 bearing interest at the rate of 5.25% (five and a quarter percent) to provide funds for construction for water system. The balance as of June 30, 1997 was \$245,000.

Loan Payable

On May 1, 1993, the Kentucky Infrastructure Authority made two loans to the City of Carlisle. These loans related to the Farmers Home Administration Bonds, paid the bond interest from January 1 through May 9, 1993, and created three reserves at the Kentucky Infrastructure Authority.

The City will save \$273,531 in interest costs over the life of the issue and will pay \$53,248 less in total payments.

The City obtained a loan through the Kentucky Municipal League Pooled Lease Financing Program on September 18, 1996 for \$510,000 for an estimated rate of 4.180% for twenty years through July 15, 2016. The money was for the water tower project.

The loss on refinancing is reported in the financial statements as a reduction of long-term debt and an increase in interest costs as follows:

Table showing interest costs and loss on bond refinancing. Columns include Amounts payable per debt schedule, Total term debt, and Net amounts reported.

DEBT SERVICE REQUIREMENTS

Table with columns: Fiscal Year, Interest, Total. Rows for years 1997-2006.

The City borrowed \$389,191 for water system improvements during fiscal year 1996 from the Kentucky Infrastructure Authority (KIA). The financing remains temporary until the KIA can arrange permanent financing through its next bond sale. The interim financing accrues interest at 7%.

GENERAL LONG-TERM DEBT

The City entered into a long-term agreement with the Kentucky Fire Commission to finance the acquisition of a Fire Truck. The agreement requires annual payments of \$ 4,772 for twelve years, which is deducted from the annual grant received by the City of Carlisle from the Commission. The debt is reported as general long-term debt.

Changes in General Long-Term Debt

Table with columns: July 1, 1996, Additions, Retirements, June 30, 1997. Rows for Loan Payable and Total Debt.

To Advertise In This Space Call The Carlisle Mercury At 606-289-2464

WEDNESDAY OCTOBER 22

7 AM to 12 PM sports schedule for Wednesday, October 22.

SATURDAY OCTOBER 25

7 AM to 12 PM sports schedule for Saturday, October 25.

THURSDAY OCTOBER 23

7 AM to 12 PM sports schedule for Thursday, October 23.

MONDAY OCTOBER 27

7 AM to 12 PM sports schedule for Monday, October 27.

FRIDAY OCTOBER 24

7 AM to 12 PM sports schedule for Friday, October 24.

TUESDAY OCTOBER 28

7 AM to 12 PM sports schedule for Tuesday, October 28.