

**City of Monroe  
Monroe, Louisiana**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**For The Year Ended  
April 30, 2019**

**Honorable James Mayo  
Mayor**

**Mrs. Gretchen Ezernack  
Chairwoman**

**Prepared by the Department of Administration - Accounting Division**

**Mrs. Stacey Rowell, CPA  
Director of Administration**

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Monroe, Louisiana**

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**City of Monroe  
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**INTRODUCTORY SECTION**

**DIVIDER**

**City of Monroe  
Monroe, Louisiana**

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**DIVIDER**



City of Monroe, Louisiana  
Mayor-Council Government

James E. "Jamie" Mayo  
Mayor



Stacey Rowell, CPA  
Director of Administration

October 31, 2019

The Citizens,  
The Honorable Mayor,  
And Members of the City Council  
City of Monroe

*RE: Financial Statement Letter of Transmittal  
Fiscal Year Ended April 30, 2019*

Dear Citizens, Mayor, and Council Members:

Pursuant to Louisiana State Statutes, I hereby issue the Comprehensive Annual Financial Report (CAFR) for the government of the City of Monroe for the fiscal year ended April 30, 2019. The Accounting Division of the Administration Department prepared this report in accordance with Generally Accepted Accounting Principles (GAAP). We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City of Monroe as measured by the financial activities of its various funds and the entity-wide presentation; and that disclosures necessary to enable readers to gain an understanding of City of Monroe financial affairs have been included. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the local government.

The City of Monroe financial statements have been audited by *Allen, Green & Williamson, LLP*, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Government of the City of Monroe, Louisiana, financial statements for the fiscal year ended April 30, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first document of the financial section of this report.

The City of Monroe is required to undergo an annual single audit in conformance with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget 2CFR Part 200 (Uniform Guidance). Information related to this single audit, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and the auditor's reports on the internal control structure and compliance with applicable laws and regulations are available in the City's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction.

## PROFILE OF THE GOVERNMENT



POPULATION  
**47,877**  
(2018)



MEDIAN VALUE OF  
HOUSING UNITS  
**\$143.2K**



MEAN TRAVEL  
TIME TO WORK  
**14.3 min.**



LAND AREA IN  
SQUARE MILES  
**29.21**



BACHELOR'S  
DEGREE OR HIGHER  
**28.8%**



Female  
**55%**



The first residents of what is now Monroe were the Ouachita Indians who inhabited the area around 1350 BC. The site later attracted a transitory population of traders, trappers, and hunters, but few permanent inhabitants. The first non-native settlers to Ouachita Parish were likely remnants of LaSalle's 1680 expedition to Louisiana. By the time these settlers arrived in the 17th century, little was left of the Ouachita Indians who had inhabited the area for generations.

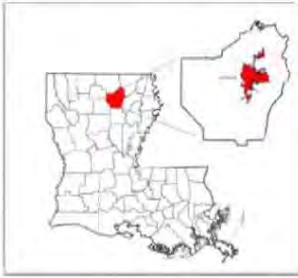
In 1782, the Governor of New Orleans sent Don Juan (Jean) Filhiol to establish a post along the Ouachita River. By 1790, this trading post, called Ft. Miro, had evolved into a community of 49 families.

In 1803, the United States purchased the Louisiana Territory from France, and for the first time, Ft. Miro was under U.S. authority. Ouachita Parish was established March 31, 1807, with Ft. Miro as the parish seat. In 1819, the town's name was changed from Ft. Miro to Monroe.



Monroe is the eighth-largest city in the U.S. State of Louisiana. It is the [parish seat](#) of [Ouachita Parish](#). In the official [2010 census](#), Monroe had a population of 48,815. The municipal population declined by 8.1 percent over the past decade; it was 53,107 in the 2000 census. After a recheck in 2012, the Census Bureau changed the 2010 population from 48,815 to 49,147.





Monroe is the principal city of the Monroe [Metropolitan Statistical Area](#) (MSA), which includes the parishes of Ouachita and [Union](#). The two-parish area had a total population of 170,053 in 2000 and a total population of 177,782 in 2010, an increase of 4.5 percent. The larger [Monroe-Bastrop Combined Statistical Area](#) (CSA) is composed of both the Monroe Metropolitan Statistical Area and the [Bastrop Micropolitan Statistical Area](#). The CSA had a population of 251,155 in 2010.



Monroe and the neighboring city of [West Monroe](#) (pop. 13,250), located just across the [Ouachita River](#), are often referred to as the [Twin Cities](#) of northeast Louisiana.

The City of Monroe provides a full range of services to the public, including police and fire protection, public works, social services, public transportation, planning and zoning, economic development, a garden and zoo, an airport, a convention center, construction and maintenance of streets and infrastructure, courts, general administrative services, sewage collection and treatment, and solid waste collection and disposal.



A determination of the financial reporting entity to be included in this CAFR is made through the application of criteria established by section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* (as revised by GASB Statement No. 61 – The Financial Reporting Entity: Omnibus).

As the governing authority of the City, for reporting purposes, the City of Monroe is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (the City), (b) organizations for which the primary government is financially accountable, and (c) 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.

GASB Statements establish criteria for determining the governmental reporting entity and component units that should be considered part of the City of Monroe for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which include:



- Appointing a voting majority of an organization's governing body, and the ability of the City to impose its will on that organization and/or; the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
- Organizations that are fiscally dependent on the City and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
- Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the financial statements included in this CAFR are as follows:

<u>Name of Organization</u>	<u>Type of Unit</u>
City of Monroe	Primary Government
Tower Drive Economic Development Corporation	Blended Component Unit
Garrett Road Economic Development Corporation	Blended Component Unit
Downtown Economic Development District	Blended Component Unit
Southside Economic Development District	Blended Component Unit
Monroe City Court	Discrete Component Unit
Monroe City Marshal	Discrete Component Unit

An explanation of the accounting policies of the City is contained in the Notes to the Financial Statements. The basis of accounting, fund structure, and other significant information on financial policies is explained in detail in the Notes to the Financial Statements.

## **BUDGETARY CONTROL**

Budgetary control is maintained by the encumbrance of appropriations with purchase orders prior to their release to vendors. Purchase orders that exceed appropriation balances are not released unless additional appropriations are made available. The annual operating budget, or financial plan, is proposed by the Mayor and enacted by the City Council. Management control for the operating budget is maintained at the fund and department level. Additional details on the budget process are explained in the Notes to the Financial Statements.



Budget-to-actual comparisons are provided in this report for each individual governmental fund. For the General Fund and Capital Infrastructure Fund, this comparison is presented in Exhibits 2 and 3. For the other governmental funds, the annual budget comparison is presented in the Schedule of Revenue, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual, Exhibits 8-1 through 8-25.

The Administration Department is entrusted with maintaining accounting systems for the City over which the City Council is the governing body, in accordance with the best recognized practices in governmental accounting. It keeps the records for and exercises financial and budgetary control over each City department.

In developing and evaluating the accounting system of the City, the Administration Department considers the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and regarding the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the City government is responsible for ensuring that adequate internal controls are in effect. All internal control evaluations occur within the framework described. The Administration Department believes that the internal controls of the City adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

**ECONOMIC CONDITION AND OUTLOOK**

The City of Monroe is located at the crossroads of Interstate 20, a major east-west highway in the southern United States and U.S. Route 165 running north-south. It’s the principal home to the University of Louisiana at Monroe and the world headquarters of CenturyLink, Inc., a fortune 500 company and the third-largest telecommunications company in the United States.

Monroe serves as the retail hub for the Northeast Louisiana region with premier retail shopping destinations such as Pecanland Mall with over 155 shops, restaurants and department stores. Downtown Monroe is an increasingly growing district anchored by the beautiful Ouachita River. Conveniently located just off Interstate 20, it is the central business district of Monroe. Home to the offices of the City, Parish, State and Federal governments, St. Francis Medical Center, and the Monroe Civic Center just to name a few. It is as rich in history as it is in hospitality. Downtown Monroe is also the home to a variety of award-winning restaurants, a collection of museums, and a variety of art. Monroe is an ideal place to live, work, and grow.





New energy is spurring new developments throughout Downtown Monroe. There are many new businesses entering downtown including restaurants and residential buildings. This energy is spearheaded by the Downtown Economic Development District (DEDD) in partnership with several public and private organizations. The DEDD works aggressively to invest in Downtown Monroe's future.

### Regional Economic Conditions

The information presented in the financial statements is best understood when it is considered from a broader perspective of the specific environment within which the City operates. The City is the center of economic activity of the region, serving as a business, medical, recreational, higher educational and cultural hub. Major features of the economy include the downtown business district, Monroe Regional Airport, extensive library facilities, institutions of higher learning, and numerous museums and other cultural facilities.

The economy of Monroe generally mirrors that of the state. As of April 2019, the state of Louisiana's unemployment rate was 4.5%. Monroe's unemployment rate is below that of the state at 4.4% according to the US Department of Labor, but slightly above the national average of 4.0%.

### Employment

The April 2019 estimate for jobs totals 78,200. The Monroe MSA lost 300 jobs, or -0.38%, over the year. Manufacturing lost 200 jobs, or -3.08%, over the year. Professional and business services gained 300 jobs, or 3.80%, but state government lost 300 jobs, or -11.54%, over the year.

Continued growth at CenturyLink, the entrance of IBM to the market, and the steady growth at Vantage Health Plan have kept Monroe on a steady, if not spectacular growth path. By the end of 2019, the Monroe MSA is estimated to have recovered all the jobs lost during the disastrous nine years between 2002 and 2011.

The recent announcement that CenturyLink's corporate headquarters on U.S. 165 North in Monroe will be here at least through 2025 is really exciting news for our citizens. CenturyLink employs more than 40,000 around the world with more than 2,000 workers in Louisiana, most of those working at the corporate headquarters.



**78,200**

**Nonfarm Employment**  
In the MSA during April 2019



**\$693**

**Average Weekly earnings**



**16.6%**

**Projected employment**  
growth in **Real Estate and**  
**Rental Leasing** through 2026

## City Revenue

The City's main source of revenue for general operating expenditures is sales and use tax, comprising 60% of total general fund revenues. The volatile nature of this revenue source makes it vulnerable to economic downturns. Growth in surrounding parishes has affected commerce in the City of Monroe and this threatens to continue. The City of Ruston boasts a new movie theater, three new hotels, a potential new Target store, and a sports complex. Ruston's economy is performing well and growth of small business continues. This allows consumers from the local universities and surrounding communities to stay close to home to seek entertainment and to spend their money. As well, the City of West Monroe is promising a new major retailer and hotels to anchor areas marked for growth. Growth in surrounding communities like the Town of Sterlington impact Monroe, as businesses seek opportunities in new areas of population growth.

On a positive note, the favorable outcome of the Supreme Court case of *South Dakota v. Wayfair, Inc.*, in 2018, paved the way for states and local taxing authorities to tax sales coming into their jurisdiction by remote sellers. The estimate of uncollected sales tax range from \$8 billion to over \$23 billion each year. Unfortunately for Monroe and other local municipalities, remote sellers will only collect a flat 8.45% sales tax from their customers and forward the taxes collected to the State of Louisiana. The state will then keep 4.45% of the tax and distribute the remaining tax of 4% to the local taxing authorities (less a 1% collection fee) based on resident population. With Monroe's local rate at 5.99%, we are only receiving two-thirds of what would normally be collected. Based on the 1<sup>st</sup> quarter collections of 2019, the jurisdictions within Ouachita Parish only received 3.3% of the total remote seller sales tax collections by the state. Only time will tell how successful the state will be at implementing and collecting sales taxes on remote seller transactions.

Monroe's total gross collections for sales & use taxes ended the year at \$37.5 million, up approximately \$132 thousand, or 0.4%, compared to FY 2018. A large portion of the increase was mainly due to prior period collections, such as delinquent and audit payments, with current period collections remaining relatively flat.





## MAJOR INITIATIVES DURING 2018-2019



### Infrastructure

The ground breaking for Phase II of the *Highway 165 North Water Infrastructure Improvement Project* occurred in February 2019. This phase consists of a 1.5-million-gallon water storage tank and booster station near the intersection of Forsythe Extension and U.S. Hwy 165. Phase I was completed last year for a total construction cost of \$950 thousand. The City of Monroe provided approximately \$700 thousand in matching funds, together with the right-of-way. The project added a new 10-inch water main to feed the Century Village development which includes the new IBM/Century Tower and other mixed residential, commercial and retail developments. The project also extended the existing 16-inch water main along U.S. Highway 165 North to improve potable water service and fire protection to the CenturyLink corporate headquarters and residential developments around it (which include Egrets Landing and The Reserve).



The Delta Regional Authority (DRA) made the grant based, in part, upon the projected economic impact of the CenturyLink and Century Village developments. The developments are estimated to produce an approximate 60 created and retained jobs at CenturyLink and 144 created and retained jobs at IBM, plus jobs related to the growth & development of Century Village. The ultimate impact of this total development is expected to be more than 400 new jobs. The DRA grant also leverages investments from the private sector and other public funds as follows: CenturyLink (\$6.3MM); Southern Lifestyle Development – Century Towers, LLC (\$14MM); and, State of Louisiana (\$12MM) for the facilities at Century Village.



## Monroe Civic Center

Dr. George Cannon took the helm of the Monroe Civic Center as Director in October 2018, the 50th Anniversary of the complex. He and his staff continue the commitment to bring to our citizens the best experiences available with a variety of events that appeal to our diverse community.

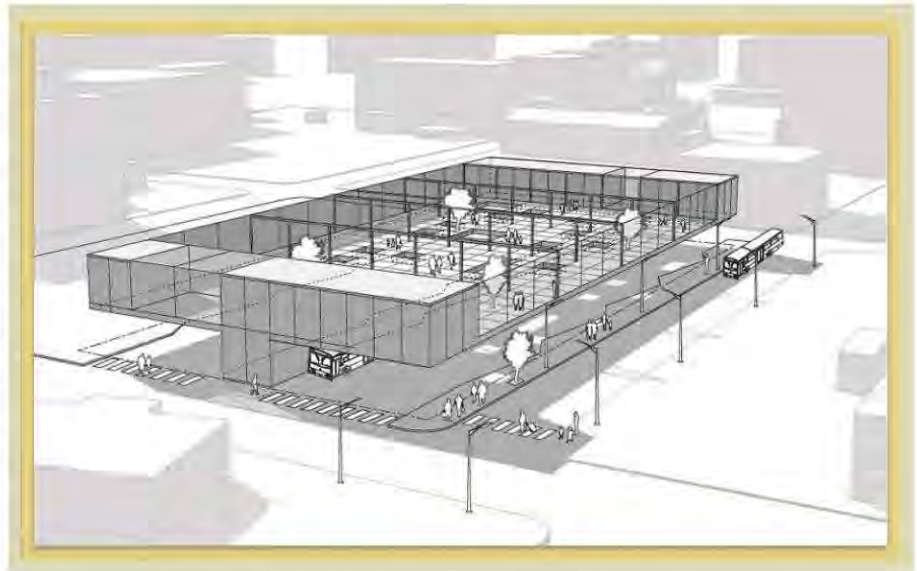
In 2018, the Civic Center continued its relationship with organizations such as the Junior League of Monroe, bringing their Spring Market to the complex; Dancing with the Stars; Fashion Fusion; the Monroe Symphony Orchestra with numerous concerts; Northeast Louisiana Homebuilders and their Home Expo; Real Cowboy Association and the Bayou Black Open Rodeo; West Monroe Civitan's' Ark-La-Miss Fair; The Barak Shrine Circus; 4-H; events such as the Boat & Outdoor/Gun Show, Pink Ball, Ballets, BMX events, and more.

In August of 2019, the Civic Center will host the Louisiana Municipal Association Conference. This event, last hosted here in 2013, is a statewide meeting that will welcome nearly fifteen hundred participants. This gathering will significantly and positively impact retail sales, lodging, dining, and other areas of our community and give our city an opportunity to showcase itself.

## Monroe Transit System (MTS)

Greyhound Lines, which provides bus service to Dallas, Texas and Vicksburg, Mississippi, moved its office to the MTS Downtown Terminal. This provided for a consolidation of public transportation in Monroe, making it convenient for the traveling public to have a *"one stop shop"* for transportation. It also makes the Downtown Terminal a multi-modal facility allowing MTS to be eligible for additional federal funding for the bus system.

MTS has begun efforts to construct a new multi-modal transfer facility that will streamline bus movements. This \$5 million facility will include two distinct, yet complementary sections: a ground-floor transit hub and an upper level civic flex-space. These multi-modal connections will be used for Monroe Transit System, Louisiana Transit, Greyhound Lines, and a remote link between the proposed rail line between Shreveport, Louisiana and Vicksburg, Mississippi. The civic flex-space is an innovative collection of open, multi-purpose rooms that can be used by groups to deliver community services. It is projected to begin service in 2019.





## Monroe Regional Airport



The Monroe Regional Airport is one of the area's strongest economic engines, making a regional impact of nearly \$100 million annually. In September 2018, the *Runway 14-32 Extension Project* broke ground. The runway will be extended by approximately 1,300 feet on the approach end. The new total length of the runway will be 6,300 feet. This will accommodate air carriers when our primary runway is down. Thus, avoiding inconveniences to passengers. The project is estimated to cost \$8-\$9 million; and, will be paid for through FAA funds.

The airport is in year four of our five-year plan that will plunge us into "*Leading Today's Airport to Tomorrow's Success*". Major projects in the works are the Design of Runway 14/32, Airfield Drainage Projects, Perimeter Roads, and Perimeter Fencing. The total cost of these projects is estimated at \$41 million.

## Kansas Lane Connector (KLC)

The paperwork for the city to acquire the final piece of right-of-way has been signed. The City completed the acquisition of 34 parcels of land from 39 different land owners. The next step is for utility companies to start relocating utilities along the planned route. We expect that to begin very soon. We hope to be able to bid the construction project out in early 2020.

The estimated \$34.5 million Kansas Lane Connector project will extend Kansas Lane from its current end at the intersection of Desiard (US 80) and Kansas Lane to the Forsythe Avenue Extension at its intersection with US165. The project will construct a new bridge across Bayou Desiard near the south end. The entire length of the four-lane project will be approximately 2.5 miles. The KLC will help provide major relief of traffic congestion along I-20 and US 165. This new corridor will make it much easier for residents and visitors to navigate their way through our city during peak travel hours.

## Other Major Projects

Several capital projects were active or in the design phase in FY 2019:

### ACTIVE

- Citywide Street Striping, Phases III
- US Highway 165 N Booster Station
- US Highway 165 S Lighting Project
- Louberta Street Drainage Improvements
- Sewer Main Upgrades & Repairs

### IN DESIGN

- Kansas Lane – Garrett Road Connector
- Venable Lane & Century Village Entrance
- Water Treatment Plant Expansion
- Young's Bayou Retention Project
- Davis Drive Drainage Improvements

## LONG-TERM FINANCIAL PLANNING

In accordance with section 5-05 of the City Charter, the Mayor submitted the year 2019-2023 Capital Improvement Plan to the City Council. There are 36 projects from years 2019 through 2023, which total approximately \$132.2 million. Some projects include:

PROJECT	FUNDING	AMOUNT (IN MILLIONS)
<b>BRIDGE REPLACEMENT/REPAIRS MULTIPLE SITES</b>	1% Sales Tax/FEMA	\$5.6
<b>HWY 165 CONNECTOR-PHASE I</b>	Capital Outlay	3.6
<b>HWY 165 SOUTH LIGHTING</b>	1% Sales Tax	0.4
<b>NORTH AREA PUMP STATION</b>	DEQ Loan/Bond Fund	2.3
<b>NORTH AREA BASIN REHAB</b>	DEQ Loan/Bond Fund	4.2
<b>JACKSON ST. SEWER REHAB</b>	DEQ Loan/Bond Fund	4.5
<b>DIGESTER ROOF REPLACE</b>	DEQ Loan/EPA SAAP	4.9
<b>GEORGIA ST. PUMP STATION - STATEWIDE FLOOD PROGRAM</b>	State Grant/HMGP	5.4
<b>ROCELLE PUMP STATION - STATEWIDE FLOOD PROGRAM</b>	State Grant/HMGP	2.9
<b>WTP FILTER #2</b>	Water Improvement Fund	3.5
<b>HWY 165 TANK &amp; MAIN</b>	Grant, CIC, Water Impr Fund	2.2
<b>SIDEWALK &amp; LIGHTING PROJECTS</b>	Capital Special Revenue Fund	4.1
<b>AIRPORT TAXIWAY REALIGNMENT</b>	Grants	12.0
<b>AIRPORT RUNWAY EXTENSION</b>	Grants	8.0
<b>I-20 GARRETT-KANSAS CONNECTOR</b>	Multiple	35.0
<b>KANSAS LANE CONNECTOR</b>	Multiple	30.0
<b>FRONTAGE ROAD PROJECT</b>	I-20 Bond Fund	13.5





## AWARDS AND ACKNOWLEDGMENTS

### *Awards*

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Monroe for its comprehensive annual financial report for the fiscal year ended April 30, 2018. The City of Monroe is proud to have received this award two years in a row beginning with our Comprehensive Annual Financial Report for the fiscal year ended April 30, 2017. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting to GFOA to determine its eligibility for another certificate.

### *Acknowledgments*

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Accounting Division. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the Mayor and the Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances. I also acknowledge the thorough, professional, and timely manner in which the audit was conducted by our independent auditors, *Allen, Green & Williamson, LLP*.

Respectfully submitted,



Stacey Rowell, CPA  
Director of Administration



**CITY OF MONROE PRINCIPAL OFFICIALS**  
**Elected Mayor and City Council**  
*APRIL 30, 2019*



Mayor  
 James E. "Jamie" Mayo

---

**Appointed Officials**

Angie Baldwin	City Attorney
Stacey Rowell	Director of Administration
Eugene Ellis	Police Chief
Terry Williams	Fire Chief
Tom Janway	Director of Public Works
Kim Golden	City Engineer
Ellen Hill	Director of Planning & Urban Development
Robert C. Johnson	Director of Community Affairs

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Council District 1  
 Michael Echols



Council District 2  
 Gretchen Ezernack



Council District 3  
 Juanita G. Woods



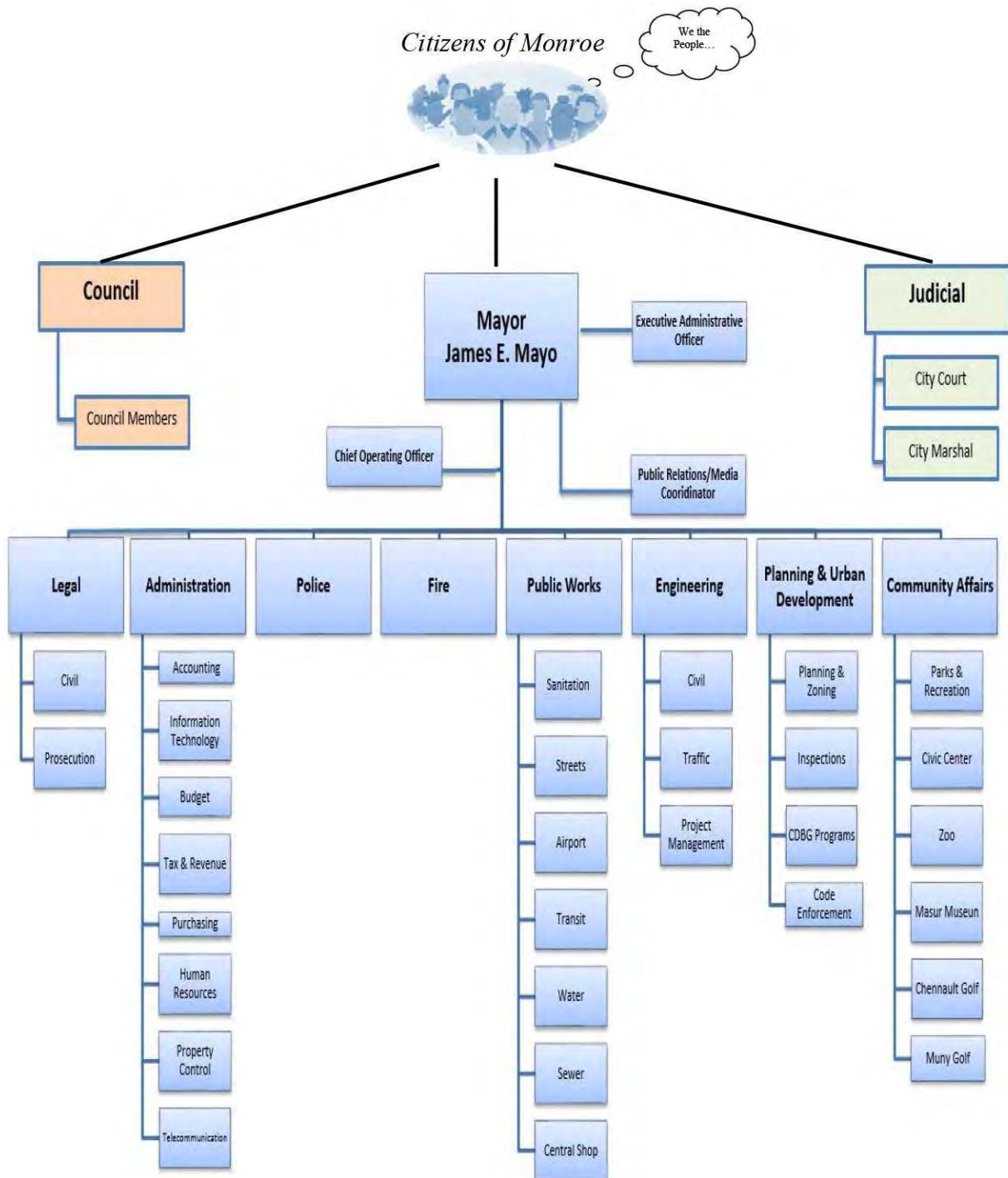
Council District 4  
 Kenneth Wilson



Council District 5  
 Eddie Clark



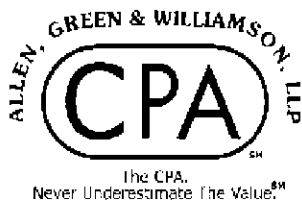
# CITY OF MONROE ORGANIZATIONAL CHART



**City of Monroe  
Monroe, Louisiana**

## **Independent Auditor's Report**





# ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

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Monroe, LA 71201

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Amy Tynes, CPA, CFE  
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Nicia Bamburg, CPA, CFE  
Principal: Cindy Thomason, CPA

Sandra Harper, CPA  
Jennie Henry, CPA, CFE  
Austin Hogue, CPA  
Mallory Stone, CPA  
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## INDEPENDENT AUDITOR'S REPORT

Council Members and Honorable Mayor Mayo  
City of Monroe  
Monroe, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Monroe, Louisiana (the City), as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City Court of Monroe or the Monroe City Marshal, which represents the aggregate discretely presented component units. Those statements were audited by another auditor whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in the component unit columns, is based solely on the reports of the other auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Monroe, Louisiana as of April 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matters***

As disclosed in Note 8 to the financial statements, the net pension liability for the City was \$85,326,835 at April 30, 2019, as determined by the Municipal Employees' Retirement System (MERS), Municipal Police Employees' Retirement System (MPERS) and Firefighters' Retirement System (FRS). The related actuarial valuations were performed by MERS's, MPERS's and FRS's actuaries using various assumptions. Because actual experience may differ from the assumptions used, there is a risk that this amount at April 30, 2019, could be under or overstated. Our opinion is not modified with respect to this matter.

As discussed in Notes 9 and 21 to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions – superseding portions of GASB Statement No. 45 and GASB Statement No. 57*, for the year ended April 30, 2019. The adoption of this standard required the City to record its proportionate share of other postemployment benefits related to its participation in a single-employer other postemployment benefit plan, restating the previous year. As a result of the implementation, the City's net position decreased by \$42,981,437 as of May 1, 2018. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Total OPEB Liability and Related Ratios, Schedule of Proportionate Share of Net Pension Liability, Schedule of Employer Contributions to Pension Plans, the Budgetary Comparison Schedules and notes to the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, as listed in the table of contents, and the Introductory and Statistical Sections information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report, dated October 31, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
October 31, 2019

**City of Monroe  
Monroe, Louisiana**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(MD&A)**

**DIVIDER**

**City of Monroe  
Monroe, Louisiana**

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**DIVIDER**

City of Monroe  
Monroe, Louisiana

**REQUIRED SUPPLEMENTARY INFORMATION:**

**MANAGEMENT'S DISCUSSION  
AND ANALYSIS (MD&A)**

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**City of Monroe**  
**Management's Discussion and Analysis (MD&A)**  
**April 30, 2019**

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As management of the City of Monroe (the City), we offer readers of the City of Monroe's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended April 30, 2019. It is designed to assist the reader in focusing on significant financial issues, identify changes in the City's financial position, and identify material deviations and individual fund issues or concerns. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. Please read it in conjunction with the City's financial statements which follow this Management's Discussion and Analysis. Amounts are presented in millions unless otherwise noted.

In fiscal year 2019, the City adopted the following new statements of financial accounting standards issued by the Governmental Accounting Standards Board:

- *Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, issued by the Government Accounting Standards Board. This Statement addresses accounting and financial reporting of OPEB that is provided to the employees of state and local governmental employers and establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to the actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB.

The adoption of Statement No. 75 has no impact on the City's governmental fund financial statements, which continue to report expenditures on a pay-as-you-go basis. However, the adoption has resulted in the restatement of the City's 2018 government-wide financial statements to reflect the reporting of total OPEB liability in accordance with the provisions of the Statement. Net position as of May 1, 2018 was decreased by \$42,981,437 reflecting the cumulative retrospective effect of adoption. See Note 23 for additional information.

- *Statement No. 85 – Omnibus 2017*, issued by the Government Accounting Standards Board. This Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to fair value measurement, and application, and postemployment benefits for both pensions and other postemployment benefits (OPEB).
- *Statement No. 86 – Certain Debt Extinguishment Issues*, issued by the Government Accounting Standards Board. This Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources, resources other than the proceeds of refunding debt, are placed in an irrevocable trust.

The adoption of Statements No. 85 and 86 had no impact on the government-wide or the governmental fund financial statements, but provide for additional guidance, clarification and/or additional disclosures in the notes to the financial statements.

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**City of Monroe**  
**Management’s Discussion and Analysis (MD&A)**  
**April 30, 2019**

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**FINANCIAL HIGHLIGHTS** The primary resources available to the City are:

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$100.0 million. Of this amount, \$56.7 million represents the portion of net position which is restricted for capital improvements, debt service and other externally imposed restrictions.
- The government’s total net position increased by \$1.2 million. This increase is mainly due to closely monitoring spending due to anticipated sales tax decline.
- As of the close of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$67.6 million, an increase of \$5.4 million in comparison with the prior year. Of this amount, approximately \$12.8 million is in unassigned fund balance.
- The General Fund’s fund balance was \$14.1 million at the end of the fiscal year, in which \$0.4 million was nonspendable for inventories and prepaid items and the remaining \$13.7 million was unassigned.
- The City’s total debt for bonds payable increased by approximately \$27.4 million during the current fiscal year.

**Using This Report**

The City’s comprehensive annual financial report consists of a series of sections and a series of financial statements, which are presented in the tables below that show information for the City as a whole, its funds and its fiduciary responsibilities.

<b>Comprehensive Annual Financial Report</b>
<u><b>Introductory Section</b></u> <b>Transmittal Letter</b> <b>Organization Chart</b> <b>Elected Officials and Selected Administrative Officers</b>
<u><b>Financial Section</b></u> <b>(Details outlined in the next chart)</b>
<u><b>Statistical Section</b></u> <b>Financial Trends</b> <b>Revenue Capacity</b> <b>Debt Capacity</b> <b>Demographic and Economic Information</b> <b>Operating Information</b>

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**City of Monroe**  
**Management's Discussion and Analysis (MD&A)**  
**April 30, 2019**

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**Required Supplementary Information**

**Management's Discussion & Analysis (MD&A)**

**Basic Financial Statements**

**Government-wide  
Financial Statements**

**Fund  
Financial Statements**

**Notes to the Basic Financial Statements**

**Required Supplementary Information**

**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**Schedule of Proportionate Share of Net Pension Liability**  
**Schedule of Employer Contributions to Pension Plans**  
**Notes to Required Supplementary Information for Pensions**  
**Budgetary Comparison Schedules**  
**Notes to the Budgetary Comparison Schedules**

**Supplementary Information**

**Nonmajor Funds Combining Statements**  
**Agency Funds Statements/Schedules**  
**Schedule of Long-Term Obligations**  
**Schedule of Compensation Paid Council Members**  
**Schedule of Compensation, Benefits and Other Payments to Agency Head**

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction of the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Not only do the government-wide financial statements include the City itself which is the primary government, but also its component units, Monroe City Court and Monroe City Marshal. Although these component units are legally separated, their operational or financial relationship with the City makes the City financially accountable. The component units' audit reports can be obtained by contacting the City or the respective component unit.

**Government-wide financial statements** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to the private-sector business.



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**City of Monroe**  
**Management's Discussion and Analysis (MD&A)**  
**April 30, 2019**

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The Statement of Net Position provides information on all of the City's assets, liabilities and deferred inflows/outflows of resources, with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Monroe is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxed and intergovernmental revenues, (governmental activities) from other functions that are intended to recover all or significant portion of their cost through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, economic development, planning and urban development, and culture and recreation. The business-type activities of the City include the airport, public transportation system, civic center, zoo, water and sewer systems.

**Fund financial statements** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statement. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds' balance sheet and statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balance for the General fund and the Capital Infrastructure Special Revenue Fund, both of which are considered to be major funds. Data from the nonmajor governmental funds are combined into a single, aggregated column. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements reported in supplementary information.

The City adopts an annual appropriated budget for its General Fund and all Special Revenue funds. Budgetary comparison statements have been provided as Required Supplementary Information for the General Fund and the Capital Infrastructure Special Revenue Fund to demonstrate compliance with this budget. The nonmajor special revenue budgetary comparison statements have been provided as Supplementary Information.

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**City of Monroe**  
**Management's Discussion and Analysis (MD&A)**  
**April 30, 2019**

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**Proprietary funds** The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. An internal service fund is an accounting device used to accumulate and allocate costs internally among the City's various functions. Because the internal service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The major proprietary funds are the Monroe Regional Airport, Water and Sewer funds.

**Fiduciary funds** Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds: accrual basis.

**Notes to the financial statements** The notes to the financial statements information is essential to the full understanding of the data provided in the government-wide and fund financial statements.

**Other information** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's compliance with budgets for its major funds. The combining statements for non-major governmental funds are presented immediately following the required supplementary information.

**THE CITY AS A WHOLE** The City's net position was \$100.0 million at April 30, 2019. Of this amount, a deficit of \$129.8 million was reported as unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the City's ability to use the net position for day-to-day operations. Our analysis on the following page focuses on the net position, (Table 1) and the change in net position (Table 2) of the City's governmental and business-type activities.

**City of Monroe**  
**Management's Discussion and Analysis (MD&A)**  
**April 30, 2019**

**Table 1**  
**Net Position**  
**April 30,**  
**(in millions)**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Assets</b>						
Current and other assets	\$ 73.9	\$ 70.9	\$ 57.1	\$ 19.4	\$ 131.0	\$ 90.3
Capital assets	135.9	142.1	155.3	159.6	291.2	301.7
Total assets	209.8	213.0	212.4	179.0	422.2	392.0
Deferred outflow of resources	18.7	18.3	6.1	6.8	24.8	25.1
<b>Liabilities</b>						
Current and other liabilities	5.6	6.8	6.1	4.6	11.7	11.4
Long-term liabilities	211.7	178.0	111.5	79.2	323.2	257.2
Total liabilities	217.3	184.8	117.6	83.8	334.9	268.6
Deferred inflow of resources	10.7	5.6	1.4	1.0	12.1	6.6
<b>Net position</b>						
Net investment in capital assets	75.6	75.1	97.5	98.1	173.1	173.2
Restricted	49.5	49.4	7.2	7.1	56.7	56.5
Unrestricted	(124.6)	(83.6)	(5.2)	(4.3)	(129.8)	(87.9)
Total net position	\$ 0.5	\$ 40.9	\$ 99.5	\$ 100.9	\$ 100.0	\$ 141.8

The deficit of \$124.6 million in unrestricted net position of governmental activities represents accumulated results of all past years' operations. It means that if the City had to pay off all of its bills today including all of its non-capital liabilities such as other post-retirement benefits (OPEB), pension and compensated absences, there would be a shortage of \$124.6 million. The increase in the deficit for 2019 was mainly due to implementation of GASB 75. See notes 9 and 23 in the notes to the financial statements for additional information.



The results of this year's operations for the City as a whole are reported in the Statement of Activities. Table 2 on the following page, takes the information from that statement and rearranges it slightly so that readers can see total revenues for the year.

**City of Monroe**  
**Management's Discussion and Analysis (MD&A)**  
**April 30, 2019**

**Table 2**  
**Changes in Net Position**  
**For the Year Ended April 30,**  
**(in millions)**

	Governmental Activities		Business-Type		Total	
	2019	2018	2019	2018	2019	2018
<b>Revenues:</b>						
Program revenues						
Charges for services	\$ 10.5	\$ 11.6	\$ 23.9	\$ 22.3	\$ 34.4	\$ 33.9
Operating grants and contributions	3.5	4.7	0.9	1.1	4.4	5.8
Capital grants and contributions	3.1	5.2	1.9	4.8	5.0	10.0
General Revenues						
Property taxes	9.4	9.3	2.7	2.7	12.1	12.0
Sales taxes	65.6	64.7	-	-	65.6	64.7
Other taxes	2.0	0.9	-	-	2.0	0.9
Other general revenues	1.0	2.3	0.3	-	1.3	2.3
<b>Total revenues</b>	<b>95.1</b>	<b>98.7</b>	<b>29.7</b>	<b>30.9</b>	<b>124.8</b>	<b>129.6</b>
<b>Expenses:</b>						
General government	19.9	18.3	-	-	19.9	18.3
Public safety	34.8	37.8	-	-	34.8	37.8
Public works	19.3	22.8	-	-	19.3	22.8
Culture and recreation	5.0	4.7	-	-	5.0	4.7
Planning and urban development	1.9	2.4	-	-	1.9	2.4
Economic development	0.1	0.1	-	-	0.1	0.1
Interest in debt	1.9	2.1	-	-	1.9	2.1
Other	-	0.1	-	-	-	0.1
Airport	-	-	7.0	7.5	7.0	7.5
Transit	-	-	4.6	5.1	4.6	5.1
Civic center	-	-	3.5	3.8	3.5	3.8
Water	-	-	12.1	10.6	12.1	10.6
Sewer	-	-	11.5	12.2	11.5	12.2
Zoo	-	-	2.0	2.1	2.0	2.1
<b>Total expenses</b>	<b>82.9</b>	<b>88.3</b>	<b>40.7</b>	<b>41.3</b>	<b>123.6</b>	<b>129.6</b>
<b>Increase (decrease) in net position before transfers and special items</b>	12.2	10.4	(11.0)	(10.4)	1.2	-
Transfers	(9.6)	(10.2)	9.6	10.2	-	-
<b>Change in net position</b>	<b>2.6</b>	<b>0.2</b>	<b>(1.4)</b>	<b>(0.2)</b>	<b>1.2</b>	<b>-</b>
<b>Net position - beginning, as originally stated</b>	40.9	40.7	100.9	101.1	141.8	141.8
Prior period adjustment	(43.0)	-	-	-	(43.0)	-
<b>Net position- beginning, restated</b>	<b>(2.1)</b>	<b>40.7</b>	<b>100.9</b>	<b>101.1</b>	<b>98.8</b>	<b>141.8</b>
<b>Net position- ending</b>	<b>\$ 0.5</b>	<b>\$ 40.9</b>	<b>\$ 99.5</b>	<b>\$ 100.9</b>	<b>\$ 100.0</b>	<b>\$ 141.8</b>

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**City of Monroe**  
**Management's Discussion and Analysis (MD&A)**  
**April 30, 2019**

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**Governmental Activities** Expenses are classified by functions/programs. Public safety accounts for approximately \$34.8 million for fiscal year 2019. Other functions such as general government, public works, planning and urban development, culture and recreation and economic development totaled approximately \$46.2 million. The remaining cost represents payments for debt service and judgments totaling approximately \$1.9 million.

The related program revenues for fiscal year 2019 directly related to these expenses totaled \$17.1 million, which resulted in net program expenses of \$65.8 million. The remaining balance of expenses represents the cost to the taxpayers. The costs of governmental activities exceeding restricted state and federal grants are paid primarily from the following sources:

- Sales tax revenues are the largest and most significant source of revenue for the City. It provides approximately \$65.6 million of general revenues.
- Property taxes are the second largest revenue source to the City, generating approximately \$9.4 million of general revenues.

**Business-type activities** Business-type activities decreased the City's net position by approximately \$1.4 million. The key element of this decrease is due to bond issuance costs and losses on disposition of capital assets.

**THE CITY'S FUNDS** As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the City's governmental funds is to provide information on near-term inflows/outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$67.6 million, an increase of \$5.4 million in comparison with the prior year. Approximately \$50.6 million of this total amount is restricted or non-spendable fund balance, and is not available for new spending. The remainder of fund balance, approximately \$17.0 million is committed, assigned or unassigned.

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**City of Monroe**  
**Management's Discussion and Analysis (MD&A)**  
**April 30, 2019**

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The General Fund is the chief operating fund of the City. At fiscal yearend, fund balance of the General Fund was approximately \$14.1 million of which approximately \$0.4 million was nonspendable because it is for inventories and prepaid items.

The fund balance of the City's General Fund had a slight increase of approximately \$0.2 million.

The Capital Infrastructure Fund, a major special revenue fund, has a fund balance of \$26.0 million, which is an increase of \$2.1 million from prior year. This fund increased due to the completion of large projects that initiated in fiscal year 2018 but had only limited remaining expenditures in fiscal year 2019.

The nonmajor special revenue funds have a total fund balance of \$8.6 million. The nonmajor special revenue funds had an increase of \$1.2 million, mainly due to a decrease in interfund payables.

The debt service funds have a total fund balance of \$11.1 million, all of which is restricted for the payment of debt service. These funds had an increase of \$1.3 million, due to a reduction in legal and professional expenditures from prior year bond issuance costs.

The capital project funds have a fund balance of approximately \$7.7 million which is restricted and assigned for capital improvements.

***General Fund Budgetary Highlights*** In accordance with Louisiana Revised Statutes Title 39, Louisiana Local Government Budget Act (LSA-RS 39:1301 et seq.), the City must adopt a budget for the General Fund and all Special Revenue Funds prior to April 30. The original budget of the City went into effect on May 1, 2018 and the final budget amendment was adopted on April 23, 2019.

The City had increased the total amounts available for appropriations by \$1.5 million due to an increase in general sales tax revenue, licenses and permits, and capital lease proceeds. The actual amounts available for appropriations were \$74.8 million, which was \$0.4 million more than final budget. The increase was mainly due to increases in general sales tax and ad valorem tax revenue.

The City had increased the final budgeted charges to appropriation of \$0.7 million from the original budget due to an anticipated increase in fringe benefits and increase in transfers. However, the actual amount of charges for appropriation was more than the final budget amount by \$0.4 million. This increase of actual charges in comparison to the final budget was due to repairs and maintenance costs and capital outlay.

#### **CAPITAL ASSET AND DEBT ADMINISTRATION**

***Capital Assets*** At April 30, 2019, the City had \$291.2 million invested in capital assets for its governmental and business-type activities. This investment in capital assets includes land, buildings, system improvements, machinery and equipment, park facilities, roads, highways, and bridges. This amount represents a net decrease (including additions, deductions and depreciation) of \$10.5 million or 3.5% from last year. See Note 5 in the notes to the financial statements for more information.



**City of Monroe**  
**Management's Discussion and Analysis (MD&A)**  
**April 30, 2019**

**Capital Assets**  
**April 30,**  
**(in millions)**

	Governmental Activities		Business-Type		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 26.8	\$ 24.8	\$ 5.9	\$ 5.9	\$ 32.7	\$ 30.7
Construction in progress	17.0	19.2	14.7	15.6	31.7	34.8
Buildings and improvements	44.4	44.0	82.4	77.7	126.8	121.7
Furniture and equipment	35.6	36.7	21.1	23.7	56.7	60.4
Infrastructure	183.6	178.5	205.6	202.2	389.2	380.7
Totals	307.4	303.2	329.7	325.1	637.1	628.3
Less: accumulated depreciation	(171.5)	(161.1)	(174.4)	(165.5)	(345.9)	(326.6)
Total Net Capital Assets	<u>\$ 135.9</u>	<u>\$ 142.1</u>	<u>\$ 155.3</u>	<u>\$ 159.6</u>	<u>\$ 291.2</u>	<u>\$ 301.7</u>

Major Capital asset events during the fiscal year include the following:

- Kansas Lane Connector
- Water Treatment Plant Renovation and Expansion
- Runway 14-32 Extension
- US Highway 165 N Booster Station
- US Highway 165 S Lighting Project

**Debt Administration** At April 30, 2019, the City had \$323.2 million outstanding versus \$257.4 million in 2018 which is an increase of 25.6%. See Notes 8 through 11 in the notes to the financial statements for more information. At April 30, 2019, the City's outstanding debt consisted of:

**Outstanding Debt**  
**April 30**  
**(in millions)**

	Governmental Activities		Business-Type		Total	
	2019	2018	2019	2018	2019	2018
Tax increment bonds	\$ 21.6	\$ 24.8	\$ -	\$ -	\$ 21.6	\$ 24.8
Sales tax bonds	-	-	14.8	13.7	14.8	13.7
Sales tax refunding bonds	35.9	38.8	28.7	32.4	64.6	71.2
Water revenue bonds	-	-	35.3	-	35.3	-
Airport revenue bonds	-	-	14.7	15.4	14.7	15.4
Bond premium	0.2	0.3	1.3	-	1.5	0.3
Claims and judgments	9.0	8.4	-	-	9.0	8.4
Capital leases	2.6	3.4	-	-	2.6	3.4
Compensated absences	5.9	5.7	1.3	1.2	7.2	6.9
Other post employment	66.5	23.3	-	-	66.5	23.3
Net pension liability	70.0	73.5	15.4	16.5	85.4	90.0
Total	<u>\$ 211.7</u>	<u>\$ 178.2</u>	<u>\$ 111.5</u>	<u>\$ 79.2</u>	<u>\$ 323.2</u>	<u>\$ 257.4</u>

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**City of Monroe**  
**Management's Discussion and Analysis (MD&A)**  
**April 30, 2019**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES** The following are currently known economic factors to be considered for the 2019-2020 fiscal year:

For fiscal year 2020, the City anticipates that sales tax revenue will remain relatively flat. Growth has continued in surrounding parishes and has affected commerce in the City of Monroe. On a positive note, the favorable outcome of the Supreme Court case of *South Dakota v. Wayfair, Inc.*, in 2018, paved the way for states and local taxing authorities to tax sales coming into their jurisdiction by remote sellers. It is, however, still too early in this process to generate any historical trend.

The City has continued its economic development activities. Phase II of the Highway 165 North Water Infrastructure Improvement Project broke ground in February 2019 and is expected to be completed soon. This project will construct a new water storage tank and booster station near the intersection of Forsythe Extension and U.S. Highway 165 North. Additionally, the City has begun a comprehensive water system improvement program. This initiative includes an approximate \$40 million expansion and renovation of the existing circa 1960, 12 million gallons per day (MGD) rated water treatment plant to add an additional rated capacity of 6 to 8 MGD. The improvements also include a \$20 million distribution line upgrade.

In South Monroe, the City secured funding for street lighting along US 165 S from I-20 to LA 15. This enhancement is not only a quality of life improvement for residents but should also stimulate some economic growth in this area.

For fiscal year 2019-2020, City management continues to monitor revenue and expenditures in an effort to find operational savings to ensure long-term financial stability.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT** The financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any information should be addressed to the Director of Administration, The City of Monroe, 400 Lea Joyner Memorial Expressway, Monroe, Louisiana 71201.



**City of Monroe  
Monroe, Louisiana**

**BASIC FINANCIAL STATEMENTS**

**DIVIDER**

**City of Monroe  
Monroe, Louisiana**

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**DIVIDER**

City of Monroe  
Monroe, Louisiana

**BASIC FINANCIAL STATEMENTS:**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

**CITY OF MONROE**  
**Monroe, Louisiana**

Statement A

**STATEMENT OF NET POSITION**  
**April 30, 2019**

	<i><b>PRIMARY GOVERNMENT</b></i>			<b>COMPONENT UNITS</b>
	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 63,064,597	\$ 8,357,917	\$ 71,422,514	\$ 956,940
Investments	-	-	-	3,640
Restricted assets				
Cash and cash equivalents	-	45,748,310	45,748,310	-
Receivables, net	8,657,731	3,559,381	12,217,112	41,078
Internal balances	1,375,778	(1,375,778)	-	-
Inventories	148,679	610,698	759,377	-
Prepaid expenses	641,075	223,642	864,717	25,517
Capital assets				
Land and construction in progress	43,855,605	20,608,576	64,464,181	-
Depreciable assets, net of depreciation	92,087,542	134,636,033	226,723,575	124,197
<b>TOTAL ASSETS</b>	<b>209,831,007</b>	<b>212,368,779</b>	<b>422,199,786</b>	<b>1,151,372</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to pensions	16,946,874	4,204,950	21,151,824	-
Deferred outflows related to OPEB	1,777,794	-	1,777,794	-
Deferred outflows related to refunding	-	1,909,289	1,909,289	-
<b>TOTAL DEFERRED OUTFLOWS</b>	<b>18,724,668</b>	<b>6,114,239</b>	<b>24,838,907</b>	<b>-</b>
<b>LIABILITIES</b>				
Accounts and retainage payable	2,334,315	3,243,683	5,577,998	22,232
Accrued liabilities	2,719,123	-	2,719,123	10,420
Unearned revenues	15,230	131,065	146,295	-
Due to others	53,739	36,030	89,769	-
Deposits due others	-	1,518,273	1,518,273	-
Accrued interest payable	486,179	1,159,225	1,645,404	-
Long term liabilities				
Due within one year	12,497,361	7,574,111	20,071,472	1,393
Due in more than one year	199,164,208	103,891,108	303,055,316	1,740
<b>TOTAL LIABILITIES</b>	<b>217,270,155</b>	<b>117,553,495</b>	<b>334,823,650</b>	<b>35,785</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to pensions	7,567,617	1,400,510	8,968,127	-
Deferred inflows related to OPEB	3,179,695	-	3,179,695	-
<b>TOTAL DEFERRED INFLOWS</b>	<b>\$ 10,747,312</b>	<b>\$ 1,400,510</b>	<b>\$ 12,147,822</b>	<b>\$ -</b>

(Continued)

**CITY OF MONROE**  
**Monroe, Louisiana**

Statement A

**STATEMENT OF NET POSITION**  
**April 30, 2019**

	<i>PRIMARY GOVERNMENT</i>			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
NET POSITION				
Net investment in capital assets	\$ 75,562,105	\$ 97,496,509	\$ 173,058,614	\$ 121,064
Restricted for				
Debt service	20,952,052	6,020,112	26,972,164	-
Capital improvements	9,116,985	-	9,116,985	-
Public safety	3,215,352	-	3,215,352	-
Public works	15,866,484	-	15,866,484	-
Planning and urban development	372,456	-	372,456	-
Judicial	16,893	-	16,893	-
Revenue producing activity for airport	-	405,464	405,464	-
Passenger facility charges	-	858,223	858,223	-
Unrestricted (deficit)	(124,564,119)	(5,251,295)	(129,815,414)	994,523
<b>TOTAL NET POSITION</b>	<b>\$ 538,208</b>	<b>\$ 99,529,013</b>	<b>\$ 100,067,221</b>	<b>\$ 1,115,587</b>

(Concluded)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**CITY OF MONROE**  
**Monroe, Louisiana**

**STATEMENT OF ACTIVITIES**  
For the Year Ended April 30, 2019

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
<b>Governmental Activities:</b>				
General government	\$ 19,866,704	\$ 9,102,755	\$ 57,217	\$ -
Public safety	34,834,975	266,135	2,449,699	-
Public works	19,319,959	56,299	-	3,062,803
Culture and recreation	4,955,410	568,617	5,500	69,500
Planning and urban development	1,919,557	523,633	967,004	-
Economic development and assistance	123,518	-	-	-
Interest on long-term debt	1,883,428	-	-	-
Total Governmental Activities	<u>82,903,551</u>	<u>10,517,439</u>	<u>3,479,420</u>	<u>3,132,303</u>
<b>Business-Type Activities:</b>				
Airport	7,002,853	3,973,203	439,121	1,115,207
Transit	4,588,249	540,227	437,382	654,523
Civic Center	3,484,792	1,086,776	-	-
Water	12,089,028	11,054,343	-	104,456
Sewer	11,547,495	6,814,858	-	-
Zoo	2,029,843	430,426	-	-
Total Business-Type Activities	<u>40,742,260</u>	<u>23,899,833</u>	<u>876,503</u>	<u>1,874,186</u>
Total Primary Government	<u>\$ 123,645,811</u>	<u>\$ 34,417,272</u>	<u>\$ 4,355,923</u>	<u>\$ 5,006,489</u>
<b>Component units</b>				
City Court	\$ 1,924,499	\$ 270,002		
City Marshal	1,325,018	209,891		
Total Component Units	<u>\$ 3,249,517</u>	<u>\$ 479,893</u>		

**General revenues:**

Ad valorem tax
Sales tax
Other taxes
Earnings on investments
Miscellaneous
Transfers
Total general revenues and transfers
Changes in net position
Net position beginning, as originally stated
Prior period adjustment
Net position beginning, as restated
Net position ending

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Statement B

PRIMARY GOVERNMENT			
NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
<i>Governmental Activities</i>	<i>Business-Type Activities</i>	TOTAL	COMPONENT UNITS
\$ (10,706,732)	\$ -	\$ (10,706,732)	
(32,119,141)	-	(32,119,141)	
(16,200,857)	-	(16,200,857)	
(4,311,793)	-	(4,311,793)	
(428,920)	-	(428,920)	
(123,518)	-	(123,518)	
(1,883,428)	-	(1,883,428)	
<u>(65,774,389)</u>	<u>-</u>	<u>(65,774,389)</u>	
-	(1,475,322)	(1,475,322)	
-	(2,956,117)	(2,956,117)	
-	(2,398,016)	(2,398,016)	
-	(930,229)	(930,229)	
-	(4,732,637)	(4,732,637)	
-	(1,599,417)	(1,599,417)	
<u>-</u>	<u>(14,091,738)</u>	<u>(14,091,738)</u>	
<u>\$ (65,774,389)</u>	<u>\$ (14,091,738)</u>	<u>\$ (79,866,127)</u>	
			\$ (1,654,497)
			<u>(1,115,127)</u>
			<u>\$ (2,769,624)</u>
9,417,702	2,745,783	12,163,485	-
65,643,307	-	65,643,307	-
2,005,561	-	2,005,561	-
782,433	314,615	1,097,048	4,192
104,627	60,506	165,133	2,597,795
<u>(9,607,579)</u>	<u>9,607,579</u>	<u>-</u>	<u>-</u>
<u>68,346,051</u>	<u>12,728,483</u>	<u>81,074,534</u>	<u>2,601,987</u>
<u>2,571,662</u>	<u>(1,363,255)</u>	<u>1,208,407</u>	<u>(167,637)</u>
40,947,983	100,892,268	141,840,251	1,283,224
<u>(42,981,437)</u>	<u>-</u>	<u>(42,981,437)</u>	<u>-</u>
<u>(2,033,454)</u>	<u>100,892,268</u>	<u>98,858,814</u>	<u>1,283,224</u>
<u>\$ 538,208</u>	<u>\$ 99,529,013</u>	<u>\$ 100,067,221</u>	<u>\$ 1,115,587</u>

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**BASIC FINANCIAL STATEMENTS:**

**FUND FINANCIAL STATEMENTS (FFS)**

**CITY OF MONROE**  
**Monroe, Louisiana**

Statement C

**GOVERNMENTAL FUNDS**  
**Balance Sheet**  
**April 30, 2019**

	<b>GENERAL</b>	<b>SPECIAL REVENUE CAPITAL INFRASTRUCTURE</b>	<b>NONMAJOR GOVERNMENTAL</b>	<b>TOTAL</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 11,543,069	\$ 25,618,038	\$ 24,896,515	\$ 62,057,622
Receivables, net	4,149,568	1,320,440	2,258,499	7,728,507
Interfund receivables	2,487,813	-	1,789,979	4,277,792
Inventories	110,571	-	-	110,571
Prepaid items and other assets	273,052	-	368,023	641,075
<b>TOTAL ASSETS</b>	<b>18,564,073</b>	<b>26,938,478</b>	<b>29,313,016</b>	<b>74,815,567</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts and retainage payable	1,319,538	409,913	568,739	2,298,190
Accrued liabilities	1,979,934	-	558	1,980,492
Interfund payables	1,111,643	559,474	1,230,897	2,902,014
Unearned revenue	13,600	-	1,630	15,230
Due to others	30,625	-	23,114	53,739
<b>TOTAL LIABILITIES</b>	<b>4,455,340</b>	<b>969,387</b>	<b>1,824,938</b>	<b>7,249,665</b>
<b>FUND BALANCES:</b>				
<b>Nonspendable</b>				
Prepaid items and other assets	273,052	-	368,023	641,075
Inventories	110,571	-	-	110,571
<b>Spendable</b>				
Restricted	-	25,969,091	23,870,318	49,839,409
Committed	-	-	1,178,618	1,178,618
Assigned	-	-	2,951,255	2,951,255
Unassigned (deficit)	13,725,110	-	(880,136)	12,844,974
<b>TOTAL FUND BALANCES</b>	<b>14,108,733</b>	<b>25,969,091</b>	<b>27,488,078</b>	<b>67,565,902</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 18,564,073</b>	<b>\$ 26,938,478</b>	<b>\$ 29,313,016</b>	<b>\$ 74,815,567</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**CITY OF MONROE**  
**Monroe, Louisiana**

**Statement D**

**Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Position  
For the Year Ended April 30, 2019**

Total fund balances - governmental funds		\$ 67,565,902
<p>The cost of capital assets (land, buildings, furniture and equipment and infrastructure) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the City as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.</p>		
Costs of capital assets - land and construction in progress	\$ 43,810,605	
Costs of capital assets - depreciable assets	259,943,876	
Depreciation expense to date	<u>(169,559,454)</u>	
		134,195,027
<p>Some revenues were collected more than sixty days after year-end and, therefore, are not available soon enough to pay for current-period expenditures.</p>		
Receivable - Sales tax increment - Capital Infrastructure Assets	186,992	
Receivable - Sales tax increment - I-20 Corridor	245,540	
Receivable - Sales tax increment - Tower Drive	<u>73,709</u>	
		506,241
<p>Deferred outflows of resources are not available to pay current period expenditures are therefore are not reported in the governmental funds.</p>		
Deferred outflows related to pensions		16,946,874
Deferred outflows related to OPEB		1,777,794
<p>Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Position.</p>		
Balances at April 30, 2019 are:		
Accrued interest payable		(486,179)
Bonds payable	(57,522,200)	
Bond premium	(228,563)	
Claims and judgments payable	(8,950,312)	
Obligation under capital leases	(2,630,279)	
Compensated absences payable	(5,927,848)	
Other post employment benefits	(66,545,712)	
Net pension obligation	<u>(69,856,655)</u>	
		(211,661,569)
<p>Deferred inflows of resources are not due and payable in the current period and accordingly are not reported in the governmental funds.</p>		
Deferred inflows related to pensions		(7,567,617)
Deferred inflows related to OPEB		(3,179,695)
<p>Internal service funds are used by management to account for the provision of repair and maintenance services and motor fuels to various City departments. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.</p>		
Cash and cash equivalents	1,006,975	
Receivables, net	422,983	
Inventories	38,108	
Capital assets cost	\$ 3,717,285	
Less accumulated depreciation	(1,969,165)	
Total capital assets, net	1,748,120	
Accounts payable and accrued expenses	<u>(774,756)</u>	
		2,441,430
Total net position - governmental activities		<u>\$ 538,208</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**CITY OF MONROE**  
Monroe, Louisiana

Statement E

**GOVERNMENTAL FUNDS**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended April 30, 2019**

	GENERAL	SPECIAL REVENUE		TOTAL
		CAPITAL INFRASTRUCTURE	NONMAJOR GOVERNMENTAL	
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 8,044,152	\$ -	\$ 1,373,550	\$ 9,417,702
Sales	37,172,188	16,040,850	12,430,269	65,643,307
Other taxes, penalties and interest	2,005,561	-	-	2,005,561
Licenses, permits and assessments	3,199,747	-	-	3,199,747
Intergovernmental revenues	2,114,054	1,245,547	3,807,871	7,167,472
Fees, charges and commissions for services	6,100,817	-	536,916	6,637,733
Fines and forfeitures	496,271	-	7,958	504,229
Use of money and property	250,618	368,766	258,675	878,059
Miscellaneous revenues	55,214	-	220,651	275,865
<b>Total revenues</b>	<b>59,438,622</b>	<b>17,655,163</b>	<b>18,635,890</b>	<b>95,729,675</b>
<b>EXPENDITURES</b>				
Current:				
General government				
Legislative	462,492	-	-	462,492
Judicial	2,597,797	-	-	2,597,797
Executive	852,889	1,437,730	-	2,290,619
Financial administration	10,540,023	-	92,299	10,632,322
Other general government	836,231	-	13,643	849,874
Public Safety				
Police	12,186,701	-	3,874,776	16,061,477
Fire	12,289,936	-	4,084,938	16,374,874
Public Works	9,339,617	254,736	21,915	9,616,268
Culture and recreation	4,357,519	-	275,299	4,632,818
Planning and urban development	1,073,567	-	805,035	1,878,602
Economic development and assistance	-	-	123,518	123,518
Capital outlay	654,240	1,920,508	3,581,971	6,156,719
Debt service:				
Principal retirement	430,383	-	6,697,797	7,128,180
Interest and bank charges	67,406	-	1,871,443	1,938,849
<b>Total expenditures</b>	<b>55,688,801</b>	<b>3,612,974</b>	<b>21,442,634</b>	<b>80,744,409</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>3,749,821</b>	<b>14,042,189</b>	<b>(2,806,744)</b>	<b>14,985,266</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	933,883	-	5,976,649	6,910,532
Transfers out	(5,036,501)	(11,960,079)	(4,200)	(17,000,780)
Sale of assets	(27,286)	-	-	(27,286)
Capital lease proceeds	534,630	-	-	534,630
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(3,595,274)</b>	<b>(11,960,079)</b>	<b>5,972,449</b>	<b>(9,582,904)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>154,547</b>	<b>2,082,110</b>	<b>3,165,705</b>	<b>5,402,362</b>
<b>FUND BALANCES - BEGINNING</b>	<b>13,954,186</b>	<b>23,886,981</b>	<b>24,322,373</b>	<b>62,163,540</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 14,108,733</b>	<b>\$ 25,969,091</b>	<b>\$ 27,488,078</b>	<b>\$ 67,565,902</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**CITY OF MONROE**  
**Monroe, Louisiana**

Statement F

**Reconciliation of the Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**to the Statement of Activities**  
**For the Year Ended April 30, 2019**

Total net change in fund balances - governmental funds		\$ 5,402,362
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the period:		
Capital outlays	\$ 6,156,719	
Depreciation	<u>(12,162,282)</u>	(6,005,563)
The net effect of various miscellaneous transactions involving capital assets, such as sales and trade-ins:		
Basis of capital assets sold and traded in		(68,565)
Some revenues in the statement of activities do not provide current financial resources and are not reported as revenues in the governmental funds; whereas other revenues may be reported in prior periods statement of activities but are reported as current years financial resources in the governmental funds.		
Capital Infrastructure	<u>(557,249)</u>	(557,249)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Amortization of bond premium	64,944	
Bonds principal payments	5,783,600	
Capital leases and notes payable payments	<u>1,344,580</u>	7,193,124
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Accrued interest payable	55,421	
Claims and judgments payable	(538,347)	
Accrued vacation and sick pay	<u>(188,769)</u>	(671,695)
The recognition of pension expense in the Statement of Activities is based on projected benefit payments discounted to actuarial present value and attributed to periods of employee service. Pension expenditures in the governmental funds are the amounts actually paid.		
		273,371
Other post-employment benefits are reported in the governmental funds as expenditures when paid. The unfunded annual contribution is reported in the Statement of Activities as it accrues.		
		(1,647,857)
Internal Service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the Internal Service funds is reported with governmental activities.		
		(811,636)
Debt proceeds are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities.		
		<u>(534,630)</u>
Total net change in net position - governmental activities.		<u>\$ 2,571,662</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**CITY OF MONROE**  
**Monroe, Louisiana**

Statement G

**PROPRIETARY FUNDS**  
**Statement of Fund Net Position**  
**April 30, 2019**

	<b>BUSINESS - TYPE ACTIVITIES - ENTERPRISE FUNDS</b>					<b>GOVERNMENTAL</b>
	<b>Major Funds</b>					<b>ACTIVITIES -</b>
	<b>MONROE REGIONAL AIRPORT</b>	<b>WATER FUND</b>	<b>SEWER FUND</b>	<b>NON-MAJOR</b>	<b>TOTAL ENTERPRISE</b>	<b>INTERNAL SERVICE FUNDS</b>
<b>ASSETS</b>						
Current Assets						
Cash and cash equivalents	\$ -	\$ 5,694,942	\$ 2,601,863	\$ 61,112	\$ 8,357,917	\$ 1,006,975
Restricted assets						
Cash and cash equivalents	2,392,028	38,218,994	5,137,288	-	45,748,310	-
Receivables, net	375,620	1,824,452	1,200,224	159,085	3,559,381	422,983
Interfund receivables	-	1,283,008	-	-	1,283,008	-
Inventories	-	431,957	56,839	121,902	610,698	38,108
Prepaid expenses and other assets	-	-	-	223,642	223,642	-
<b>Total Current Assets</b>	<b>2,767,648</b>	<b>47,453,353</b>	<b>8,996,214</b>	<b>565,741</b>	<b>59,782,956</b>	<b>1,468,066</b>
Noncurrent Assets						
Capital Assets						
Land and construction in progress	6,865,843	5,291,120	7,309,834	1,141,779	20,608,576	45,000
Depreciable assets, net of depreciation	51,455,642	18,807,712	59,418,062	4,954,617	134,636,033	1,703,120
<b>Total Noncurrent Assets</b>	<b>58,321,485</b>	<b>24,098,832</b>	<b>66,727,896</b>	<b>6,096,396</b>	<b>155,244,609</b>	<b>1,748,120</b>
<b>TOTAL ASSETS</b>	<b>61,089,133</b>	<b>71,552,185</b>	<b>75,724,110</b>	<b>6,662,137</b>	<b>215,027,565</b>	<b>3,216,186</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred outflows related to pensions	470,165	1,632,207	791,176	1,311,402	4,204,950	-
Deferred outflows related to refunding	1,763,197	146,092	-	-	1,909,289	-
<b>TOTAL DEFERRED OUTFLOWS</b>	<b>2,233,362</b>	<b>1,778,299</b>	<b>791,176</b>	<b>1,311,402</b>	<b>6,114,239</b>	<b>-</b>
<b>LIABILITIES</b>						
Current Liabilities						
Accounts and retainage payables	367,550	1,951,556	605,443	319,134	3,243,683	36,125
Accrued liabilities	-	-	-	-	-	738,631
Unearned revenue	-	-	-	131,065	131,065	-
Interfund payables	1,224,185	-	1,434,601	-	2,658,786	-
Due to others	36,030	-	-	-	36,030	-
Customer deposits, net	-	1,514,996	777	2,500	1,518,273	-
Accrued interest	133,027	720,233	305,965	-	1,159,225	-
Current portion of long term debt	420,369	1,761,212	5,211,647	180,883	7,574,111	-
<b>Total Current Liabilities</b>	<b>2,181,161</b>	<b>5,947,997</b>	<b>7,558,433</b>	<b>633,582</b>	<b>16,321,173</b>	<b>774,756</b>
Noncurrent Liabilities						
Compensated absences	17,454	182,020	186,948	296,589	683,011	-
Revenue bonds, notes payable, net and pension liability	16,029,759	44,391,318	37,994,518	4,792,502	103,208,097	-
<b>Total Noncurrent Liabilities</b>	<b>16,047,213</b>	<b>44,573,338</b>	<b>38,181,466</b>	<b>5,089,091</b>	<b>103,891,108</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>18,228,374</b>	<b>50,521,335</b>	<b>45,739,899</b>	<b>5,722,673</b>	<b>120,212,281</b>	<b>774,756</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred inflows related to pensions	182,475	532,316	258,028	427,691	1,400,510	-
<b>NET POSITION</b>						
Net investment in capital assets	43,728,527	19,227,894	26,534,403	6,096,396	95,587,220	1,748,120
Restricted						
Debt service	917,507	271,282	4,831,323	-	6,020,112	-
Revenue producing activity for airport	405,464	-	-	-	405,464	-
Passenger facility charges	858,223	-	-	-	858,223	-
Unrestricted (Deficit)	(998,075)	2,777,657	(848,367)	(4,273,221)	(3,342,006)	693,310
<b>TOTAL NET POSITION (Deficit)</b>	<b>\$ 44,911,646</b>	<b>\$ 22,276,833</b>	<b>\$ 30,517,359</b>	<b>\$ 1,823,175</b>	<b>\$ 99,529,013</b>	<b>\$ 2,441,430</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**CITY OF MONROE**  
**Monroe, Louisiana**

Statement H

PROPRIETARY FUNDS  
Statement of Revenues, Expenses, and Changes in Fund Net Position  
For the Year Ended April 30, 2019

	<i>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</i>					<i>GOVERNMENTAL</i>
	<i>Major Funds</i>					<i>ACTIVITIES</i>
	MONROE REGIONAL AIRPORT	WATER FUND	SEWER FUND	NON-MAJOR	TOTAL ENTERPRISE	INTERNAL SERVICE FUNDS
<b>OPERATING REVENUES</b>						
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,555,394
Rents and fees	2,858,678	-	-	901,003	3,759,681	-
Fares	-	-	-	499,992	499,992	-
Passenger facility fee	496,630	-	-	-	496,630	-
Advertising	22,114	-	-	27,126	49,240	-
Ticket sales and other	-	-	-	7,660	7,660	-
Admissions	-	-	-	303,658	303,658	-
Concessions and rides	-	-	-	277,538	277,538	-
Water sales	-	11,054,343	-	-	11,054,343	-
Sewerage fees	-	-	6,814,858	-	6,814,858	-
Other operating revenue	252,085	1,037	-	41,744	294,866	-
Air Industrial Park rent	346,256	-	-	-	346,256	-
<b>Total operating revenues</b>	<b>3,975,763</b>	<b>11,055,380</b>	<b>6,814,858</b>	<b>2,058,721</b>	<b>23,904,722</b>	<b>12,555,394</b>
<b>OPERATING EXPENSES</b>						
Benefits paid to participants	-	-	-	-	-	12,020,468
Salaries, wages, and benefits	1,695,117	4,634,941	2,247,489	4,238,875	12,816,422	1,015,109
Materials, repairs and supplies	572,375	2,284,427	2,138,823	1,141,972	6,137,597	9,235
Utilities and communications	347,403	680,904	789,132	749,799	2,567,238	43,195
Shop expenses	-	-	-	-	-	671,853
Insurance	13,942	-	-	519,993	533,935	-
Promoter's expenses	18,066	-	-	439,929	457,995	-
Other operating expenses	464,155	1,257,215	941,957	1,157,918	3,821,245	10,900
Depreciation and amortization	3,255,303	2,006,576	4,633,097	1,854,398	11,749,374	85,156
<b>Total operating expenses</b>	<b>6,366,361</b>	<b>10,864,063</b>	<b>10,750,498</b>	<b>10,102,884</b>	<b>38,083,806</b>	<b>13,855,916</b>
<b>OPERATING INCOME (Loss)</b>	<b>(2,390,598)</b>	<b>191,317</b>	<b>(3,935,640)</b>	<b>(8,044,163)</b>	<b>(14,179,084)</b>	<b>(1,300,522)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Intergovernmental grants	439,121	104,456	-	437,382	980,959	-
Gain (loss) on sale of assets	256,011	(202,609)	3,576	(1,361)	55,617	-
Interest income	26,203	273,791	8,217	6,404	314,615	6,217
Property taxes	459,891	-	-	2,285,892	2,745,783	-
Bond Issuance Cost	-	(709,879)	-	-	(709,879)	-
Interest expense	(636,492)	(515,086)	(796,997)	-	(1,948,575)	-
<b>Total nonoperating revenues (expenses)</b>	<b>544,734</b>	<b>(1,049,327)</b>	<b>(785,204)</b>	<b>2,728,317</b>	<b>1,438,520</b>	<b>6,217</b>
<b>Income(Loss) before capital contributions and transfers</b>	<b>(1,845,864)</b>	<b>(858,010)</b>	<b>(4,720,844)</b>	<b>(5,315,846)</b>	<b>(12,740,564)</b>	<b>(1,294,305)</b>
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>						
Capital contributions	1,115,207	-	-	654,523	1,769,730	-
Transfers in	-	647,494	5,970,036	2,990,049	9,607,579	482,669
<b>Total Capital Contributions and Transfers</b>	<b>1,115,207</b>	<b>647,494</b>	<b>5,970,036</b>	<b>3,644,572</b>	<b>11,377,309</b>	<b>482,669</b>
<b>CHANGE IN NET POSITION</b>	<b>(730,657)</b>	<b>(210,516)</b>	<b>1,249,192</b>	<b>(1,671,274)</b>	<b>(1,363,255)</b>	<b>(811,636)</b>
<b>NET POSITION - BEGINNING</b>	<b>45,642,303</b>	<b>22,487,349</b>	<b>29,268,167</b>	<b>3,494,449</b>	<b>100,892,268</b>	<b>3,253,066</b>
<b>NET POSITION - ENDING</b>	<b>\$ 44,911,646</b>	<b>\$ 22,276,833</b>	<b>\$ 30,517,359</b>	<b>\$ 1,823,175</b>	<b>\$ 99,529,013</b>	<b>\$ 2,441,430</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**CITY OF MONROE**  
**Monroe, Louisiana**

**PROPRIETARY FUNDS**  
**Statement of Cash Flows**  
**For the Year Ended April 30, 2019**

Statement I

GOVERNMENTAL

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>					<b>ACTIVITIES</b>
	<b>Major Funds</b>					<b>INTERNAL SERVICE FUNDS</b>
	<b>MONROE REGIONAL AIRPORT</b>	<b>WATER FUND</b>	<b>SEWER FUND</b>	<b>NON-MAJOR</b>	<b>TOTAL ENTERPRISE</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from customers	\$ 4,563,368	\$ 10,930,367	\$ 7,789,785	\$ 2,046,519	\$ 25,330,039	\$ -
Receipts from interfund services provided	-	-	-	-	-	12,132,410
Benefit payments to suppliers	-	-	-	-	-	(11,959,773)
Payments to suppliers for goods and services	(1,272,279)	(2,850,085)	(4,607,406)	(3,833,021)	(12,562,791)	(732,085)
Payments for interfund services provided	22,089	(15,545)	239,792	-	246,336	-
Payments to employees for services and benefits	(1,605,105)	(4,260,606)	(1,884,661)	(3,614,102)	(11,364,474)	(1,015,109)
Net cash provided (used) for operating activities	1,708,073	3,804,131	1,537,510	(5,400,604)	1,649,110	(1,574,557)
<b>CASH FLOWS (USES) FROM NONCAPITAL FINANCING ACTIVITIES:</b>						
Operating grants	-	-	-	437,382	437,382	-
Ad valorem taxes	459,891	-	-	2,285,892	2,745,783	-
Transfers ins (outs)	-	1,502,091	5,970,036	3,012,800	10,484,927	482,669
Transfers out	260	-	-	-	260	-
Net cash provided (used) for noncapital financing activities	460,151	1,502,091	5,970,036	5,736,074	13,668,352	482,669
<b>CASH FLOWS (USES) FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>						
Capital grants	1,554,328	104,456	-	654,523	2,313,307	-
Acquisition of capital assets	(1,717,441)	(3,590,819)	(1,941,064)	(147,503)	(7,396,827)	-
Bond issuance costs	-	(709,879)	-	-	-	-
Proceeds from sale of capital assets, net of expenses	256,011	(202,609)	3,576	(1,361)	55,617	-
Bond proceeds	-	35,295,000	2,374,321	-	37,669,321	-
Other long term changes in LT Debt	(83,006)	1,339,335	(475,387)	-	780,942	-
Deferred outflows related to refunding	88,159	(146,092)	-	-	(57,933)	-
Principal paid on debt	(725,000)	(502,280)	(4,492,120)	(800,221)	(6,519,621)	-
Interest paid on debt	(640,117)	171,952	(853,966)	-	(1,322,131)	-
Net cash provided (used) for capital and related financing activities	(1,267,066)	31,759,064	(5,384,640)	(294,562)	25,522,675	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Earnings on investments	26,203	273,791	8,217	6,404	314,615	6,217
Net cash provided (used) for investing activities	26,203	273,791	8,217	6,404	314,615	6,217
Net increase (decrease) in cash and cash equivalents	927,361	37,339,077	2,131,123	47,312	41,154,752	(1,085,671)
CASH AND CASH EQUIVALENTS - BEGINNING	1,464,667	6,574,859	5,608,027	13,800	13,661,353	2,092,646
CASH AND CASH EQUIVALENTS - ENDING	\$ 2,392,028	\$ 43,913,936	\$ 7,739,150	\$ 61,112	\$ 54,816,105	\$ 1,006,975
Reconciliation to balance sheet						
Cash	\$ -	\$ 5,694,942	\$ 2,601,863	\$ 61,112	\$ 8,357,917	\$ 1,006,975
Restricted assets - cash	2,392,028	38,218,994	5,137,288	-	45,748,310	-
	\$ 2,392,028	\$ 43,913,936	\$ 7,739,151	\$ 61,112	\$ 54,106,227	\$ 1,006,975
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>						
Operating income (loss)	\$ (2,390,598)	\$ 191,317	\$ (3,935,640)	\$ (8,044,163)	\$ (14,179,084)	\$ (1,300,522)
Adjustments to reconcile operating income to net cash provided (used) for operating activities						
Depreciation	3,255,303	2,006,576	4,633,097	1,854,398	11,749,374	85,156
Pension expense related to change in net pension liability	80,723	317,212	256,645	417,185	1,071,765	-
(Increase) decrease in accounts receivable	587,605	(55,271)	976,021	(34,160)	1,474,195	(422,984)
(Increase) decrease in inventories	-	35,125	1,590	(35,802)	913	(5,237)
(Increase) decrease in prepaid expenses and other assets	6,208	1,775	2,130	79,511	89,624	-
Increase (decrease) in accounts payable	104,424	1,601,841	(741,214)	140,345	1,105,396	8,370
Increase (decrease) in accrued liabilities	-	(266,280)	-	-	(266,280)	60,695
Increase (decrease) in unearned revenue	-	-	-	21,958	21,958	-
Increase (decrease) in interfund payable	22,089	(15,545)	239,792	-	246,336	(35)
Increase (decrease) in due to others	33,030	-	-	(7,464)	25,566	-
Increase (decrease) in customer deposits	-	(69,742)	(1,094)	-	(70,836)	-
Increase (decrease) in compensated absences	9,289	57,123	106,183	207,588	380,183	-
Net cash provided (used) by operating activities	\$ 1,708,073	\$ 3,804,131	\$ 1,537,510	\$ (5,400,604)	\$ 1,649,110	\$ (1,574,557)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT



CITY OF MONROE  
 Monroe, Louisiana

Statement J

FIDUCIARY FUNDS  
 Statement of Net Position  
 April 30, 2019

	PENSION TRUST FUNDS	AGENCY FUNDS	TOTAL
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 108,346	\$ 1,747,052	\$ 1,855,398
Accounts receivable	-	15,429,805	15,429,805
Total assets	<u>108,346</u>	<u>17,176,857</u>	<u>17,285,203</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	-	8,548	8,548
Due to others	-	17,168,309	17,168,309
Total liabilities	<u>-</u>	<u>17,176,857</u>	<u>17,176,857</u>
<b>NET POSITION</b>			
Restricted for pensions	<u>108,346</u>	<u>-</u>	<u>108,346</u>
Total net position	<u>\$ 108,346</u>	<u>\$ -</u>	<u>\$ 108,346</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**CITY OF MONROE  
Monroe, Louisiana**

**Statement K**

**FIDUCIARY FUNDS  
Statement of Changes in Net Position  
For the Year Ended April 30, 2019**

	<b>PENSION TRUST FUNDS</b>
<b>ADDITIONS</b>	
Investment income	
Interest	\$ 764
Total additions	764
<b>DEDUCTIONS</b>	
Benefits paid	5,713
Total deductions	5,713
Changes in net position	(4,949)
Net Position, beginning	113,295
Net Position, ending	\$ 108,346

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**CITY OF MONROE  
Monroe, Louisiana**

Statement L

**Discretely Presented Component Units  
Combining Statement of Net Position  
April 30, 2019**

	<u>CITY COURT OF MONROE</u>	<u>MONROE CITY MARSHAL</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 940,579	\$ 16,361	\$ 956,940
Investment	-	3,640	3,640
Receivables	26,927	14,151	41,078
Prepaid expenses	24,324	1,193	25,517
	<u>991,830</u>	<u>35,345</u>	<u>1,027,175</u>
Capital assets, net of accumulated depreciation			
	<u>118,709</u>	<u>5,488</u>	<u>124,197</u>
Total assets	<u>1,110,539</u>	<u>40,833</u>	<u>1,151,372</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	22,232	-	22,232
Accrued expenses	-	10,420	10,420
Noncurrent liabilities			
Obligation under capital lease			
Due within one year	-	1,393	1,393
Due in more than one year	-	1,740	1,740
	<u>22,232</u>	<u>13,553</u>	<u>35,785</u>
Total liabilities	<u>22,232</u>	<u>13,553</u>	<u>35,785</u>
<b>NET POSITION</b>			
Net investment in capital assets	118,709	2,355	121,064
Unrestricted	969,598	24,925	994,523
	<u>1,088,307</u>	<u>27,280</u>	<u>1,115,587</u>
Total net position	<u>\$ 1,088,307</u>	<u>\$ 27,280</u>	<u>\$ 1,115,587</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**CITY OF MONROE**  
**Monroe, Louisiana**

**Statement M**

**Discretely Presented Component Units**  
**Combining Statement of Activities**  
**For the Year Ended April 30, 2019**

	<u>CITY COURT OF MONROE</u>	<u>MONROE CITY MARSHAL</u>	<u>TOTAL</u>
<b>EXPENDITURES</b>			
Judiciary			
Personal services	\$ 1,505,359	\$ 1,101,370	\$ 2,606,729
Operating services	302,452	198,232	500,684
Materials and supplies	31,034	10,944	41,978
Travel and other	58,645	11,778	70,423
Depreciation	27,009	2,571	29,580
Interest	-	123	123
	<u>1,924,499</u>	<u>1,325,018</u>	<u>3,249,517</u>
Total expenditures			
<b>PROGRAM REVENUES</b>			
Fees, charges, and court costs			
Marshal's fees	-	175,620	175,620
Court costs	106,939	-	106,939
Civil fees	46,400	-	46,400
Agency fees	5,911	-	5,911
Probation fees	59,105	-	59,105
Reinstatement fees	4,475	-	4,475
Bond forfeitures	10,305	-	10,305
Other charges for services	36,867	16,938	53,805
	<u>270,002</u>	<u>192,558</u>	<u>462,560</u>
Total program revenues			
Net program expense	<u>(1,654,497)</u>	<u>(1,132,460)</u>	<u>(2,786,957)</u>
<b>GENERAL REVENUES</b>			
Intergovernmental - City of Monroe	1,479,130	1,118,665	2,597,795
Investment earnings	4,182	10	4,192
Bond forfeitures	-	17,333	17,333
	<u>1,483,312</u>	<u>1,136,008</u>	<u>2,619,320</u>
Total general revenues			
Changes in net position	(171,185)	3,548	(167,637)
<b>NET POSITION</b>			
Beginning of year	<u>1,259,492</u>	<u>23,732</u>	<u>1,283,224</u>
End of year	<u>\$ 1,088,307</u>	<u>\$ 27,280</u>	<u>\$ 1,115,587</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**NOTES TO THE FINANCIAL STATEMENTS**

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**DIVIDER**

**CITY OF MONROE**  
**Monroe, Louisiana**

**Notes To The Financial Statements**  
**As of And For The Year Ended April 30, 2019**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Monroe, Louisiana (the City) operates under a Home Rule Charter approved by the voters in 1979. This charter provides for an executive branch of government headed by a mayor and a legislative branch of government consisting of five council members. The City's combined balance sheet includes the accounts of all City operations. The City's major operations include police and fire protection, garbage and trash collection, economic development, parks and recreation, other cultural activities, and general administration services. In addition, the City owns and operates six significant enterprise activities: airport, water distribution, sanitary sewerage systems, mass transit system, civic center, and gardens and zoo.

The Governmental Accounting Standards Board (GASB) promulgates generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local government entities. The GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local government. The financial reporting practices of the City comply with the financial reporting standards established by the GASB.

***A. FINANCIAL REPORTING ENTITY***

As the governing authority of the City, for reporting purposes, the City of Monroe is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (the City), (b) organizations for which the primary government is financially accountable, and (c) 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.

GASB Statements establish criteria for determining the governmental reporting entity and component units that should be considered part of the City of Monroe for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which include:

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the City to impose its will on that organization and/or;
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
2. Organizations that are fiscally dependent on the City and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the City has determined that the following component units should be considered as part of the City reporting entity.



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**Discretely Presented Component Units**

**City Court of Monroe** - The City Court of Monroe is a legally separate entity. The City appoints none of the governing board (Judges) of the court. Judges of the court are independently elected officials. The City Council can, to a limited degree, impose its will on the court through City Council ordinances. Also, the City provides office space, court facilities and some furnishings, and compensation to the court. The City provides 85% of the City Court operating expenses. The court functions entirely within the City of Monroe, and it enforces and processes traffic citations issued by the City. The court pays the City for citation collections, net of the court's fees and expenses.

The City Court of Monroe issues an annual financial report that includes financial statements and required supplementary information. The report may be obtained by contacting Judge Tammy Lee, Judge Jefferson Joyce, or Judge Aisha Clark at (318) 329-2580.

**Monroe City Marshal** - The Monroe City Marshal's office is a legally separate entity. The City does not appoint the governing board (Marshal) of the marshal's office. The City Marshal is an independently elected official. Although the City cannot impose its will on the City Marshal, it does provide a substantial portion of his compensation, facilities, and furnishings. Although the City Marshal functions entirely within the City of Monroe, he provides no direct service to the City, but is rather an officer of the City Court.

The Monroe City Marshal's office issues an annual financial report that includes financial statements and required supplementary information. The report may be obtained by contacting Marshal Wince Highshaw at (318) 329-2585.

Based on criteria 3 above, management of the City considers these two component units to be financially integrated with the City and meet the "misleading to exclude" criterion of GASB Statement No. 61. Accordingly, management believes the two component units are significant enough that if the information was omitted it would make these statements misleading.

**Blended Component Units**

**Economic Development** - Two not-for-profit entities perform administrative functions for the City's incremental sales tax economic development districts. These entities are the Tower Drive Economic Development Corporation and the Garrett Road Economic Development Corporation.

There are also two other special districts within the City - The Downtown Economic Development District and the Southside Economic Development District. These two districts are charged with planning and delivery of public improvements, facilities, and services in their respective districts.

For financial reporting purposes, all of these entities are considered an integral part of the City. This decision is due to the City keeping the books and records for these entities, the City as a whole reaping the benefits from the use of the proceeds of the incremental tax bonds issued by the not-for-profits, and that the districts and the separate not-for-profits are ministerial and structural in nature, as disbursement of funds is subject to the control of the City through the plan of government. As such, they are presented as separate Special Revenue, Debt Service, and Capital Project funds within those categories of the City's general-purpose financial statements.

**CITY OF MONROE**  
**Monroe, Louisiana**

**Notes To The Financial Statements**  
**As of And For The Year Ended April 30, 2019**

**Other Potential Component Units**

Included in the evaluation of potential component units of the City of Monroe were the Monroe City School Board, the Ouachita Council of Governments, the Monroe Housing Authority, the City of Monroe Employees Credit Union, the Monroe/West Monroe Public Trust Financing Authority, and the Ouachita Parish Homeland Security and Emergency Preparedness Agency. None of these entities were determined to be component units of the City of Monroe reporting entity.

***B. BASIS OF PRESENTATION***

The City's basic financial statements consist of the government-wide statements on all of the non-fiduciary activities of the primary government and its component units and the fund financial statements. The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

***GOVERNMENT-WIDE FINANCIAL STATEMENTS:***

The government-wide financial statements include the statement of net position and the statement of activities for all non-fiduciary activities of the primary government and the total for its component units. As a general rule, the effect of interfund activity has been removed from these statements. Exceptions to the general rule are payments between the enterprise funds to other various functions of government for charges such as sewer fees and contributions between the primary government and its component units which are reported as external transactions. The government-wide presentation focuses primarily on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

*Governmental Activities* represent programs which normally are supported by taxes and intergovernmental revenues.

*Business-Type Activities* are financed in whole or in part by fees charged to external parties for goods and services.

The primary government is reported separately from the legally separate component units as detailed in section (A) of this note.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect costs are not allocated by function for financial reporting in this statement; however, certain indirect costs have been directly allocated as administrative fees to grants and special fund programs. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. This includes internally dedicated resources such as a restricted property tax.

**CITY OF MONROE**  
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**Notes To The Financial Statements**  
**As of And For The Year Ended April 30, 2019**

***FUND FINANCIAL STATEMENTS:***

The City uses funds, both major and non-major, 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 that comprises its assets, liabilities, deferred outflows/inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate.

Emphasis of fund reporting is on the major fund level in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column in the basic financial statements.

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the provision of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The City's current operations require the use of the governmental, proprietary, and fiduciary fund categories. The fund types used by the City are described as follows:

**Governmental Funds:**

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

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

*Capital Project Funds* - These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities, improvements and other major projects, other than those financed by proprietary funds.

The City reports the following major governmental funds:

The General fund accounts for all financial resources of the City except for those required to be accounted for in another fund. This is the general operating fund of the City.

The Capital Infrastructure fund accounts for the collection of a 1% sales tax to be used for various infrastructure projects as recommended by the Capital Infrastructure Commission, established after the tax renewal of 2004. The tax can be used to pay debt incurred for long-term projects. The tax call requires that 25% of the collections be dedicated to actual street maintenance.

**CITY OF MONROE**  
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**Notes To The Financial Statements**  
**As of And For The Year Ended April 30, 2019**

Proprietary Funds:

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

The City reports the following major enterprise funds:

The Monroe Regional Airport fund accounts for the operations of the Monroe Regional Airport, such as administration, operations, maintenance, billing and collection.

The Water fund accounts for the provision of water treatment and distribution services to the residents of the City, such as administration, operations, maintenance, billing and collection.

The Sewer fund accounts for the provision of sewer services and sewerage treatment services to the residents of the City, such as administration, operations, maintenance, billing and collection.

*Internal Service Funds* – These funds are used to account for the financing of goods and/or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The City operates two internal service funds.

The Employees' Group Insurance fund is used to account for the accumulation of resources for and payment of employee health insurance claims, administration costs for processing medical claims and the cost of excess insurance premiums.

The Central Shop fund provides inventory storage, repair and maintenance, and fueling services solely to other City user departments (with the exception of the Monroe Transit System) at rates designed to cover the costs of operations, including depreciation and debt service. Since the principal users of the internal service fund are the City's governmental activities, financial statements of the internal service fund are consolidated into the governmental activities column when presented at the government-wide level. To the extent possible, the costs of these services are reflected in the appropriate functional activity.

Fiduciary Funds:

*Trust and Agency Funds* - These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include agency funds and pension trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Pension trust funds account for pension funds established for classified employees of various departments and is accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. The City operates the following four funds.

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Monroe Police Department Evidence - The fund accounts for the assets seized by the Monroe Police Department.

Property Tax Collection - The fund accounts for the collection and distribution of property taxes for the City.

Bid Bond Agency Fund - The fund accounts for the collection/return of deposits for bids or permits to contractors.

Sales Tax Collection Agency - The fund accounts for the collection and distribution of sales taxes assessed by the various taxing bodies within Ouachita Parish.

**C. BASIS OF ACCOUNTING AND MEASUREMENT FOCUS**

***GOVERNMENT-WIDE FINANCIAL STATEMENTS:***

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied.

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues.

***FUND FINANCIAL STATEMENTS:***

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental 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 for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current position.

The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on long-term debt which is recognized when due, and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Ad valorem taxes, grants, and fees, charges, and commissions for services have been treated as susceptible to accrual.

**CITY OF MONROE**  
**Monroe, Louisiana**

**Notes To The Financial Statements**  
**As of And For The Year Ended April 30, 2019**

The City uses the following practices in recognizing and reporting revenues and expenditures in the governmental fund types:

*Revenues:*

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in October or November and are billed to taxpayers in December. Billed taxes become delinquent on January 1 of the following year; however, by precedent, this is normally extended until February 1. Property taxes are billed and collected by the Ouachita Parish Sheriff's Office using the assessed values determined by the tax assessor of Ouachita Parish. Revenues from ad valorem taxes are budgeted in the year billed to the extent collections are expected.

Sales taxes are recorded in the month sales are incurred by the vendor.

Federal and state grants are normally "expenditure driven", which means that the City does not earn, or is not entitled to, the grant funds until a liability for the expenditure has been incurred. Amounts received in excess of actual expenditures at year end are reflected as unearned revenue on the fund's balance sheet.

Interest earnings on time deposits are recognized as revenue when the time deposits have matured and the interest is available. Substantially all other revenues are recognized when actually received by the City.

*Expenditures:*

Expenditures in the governmental funds are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Compensated absences are recognized as expenditures when leave is actually taken or when employees, or their heirs, are paid for accrued leave upon retirement or death. Compensated absences are reported in the Statement of Net position as a long-term liability and expensed in the Statement of Activities.

Principal and interest on long-term debt is recognized when due.

*Proprietary Funds*

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Monroe Regional Airport, Monroe Transit System, Monroe Civic Center, Water Fund, Sewer Fund, and Louisiana Purchase Gardens & Zoo are charges to customers for sales and services. The Monroe Regional Airport also recognizes passenger facility fee. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition

**CITY OF MONROE**  
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**As of And For The Year Ended April 30, 2019**

are reported as nonoperating revenues.

*Fiduciary Funds*

Fiduciary funds include trust and agency funds. Trust and agency fund assets and liabilities are accounted for on the accrual basis of accounting.

*Other Financing Sources (Uses)*

Proceeds from issuing long-term debt, capital leases and transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recognized when the underlying events occur.

**D. BUDGET PRACTICES**

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

1. At least ninety days prior to the beginning of the fiscal year, the Mayor submits to the City Council an operating and capital budget for the succeeding year.
2. A public hearing is scheduled by the City Council after allowing for at least ten days' notice to the public at the time the budget is initially submitted to the City Council. The budget for the succeeding year must be finally adopted by the Council no later than the second-to-last regular meeting of the fiscal year.
3. The appropriated budget is prepared by fund, function and department. The Mayor may authorize transfers of budgetary amounts within departments. However, any revisions requiring alteration of levels of expenditures or transfers between departments must be approved by the City Council.
4. Operating appropriations, to the extent not expended, lapse at year end even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations. Capital appropriations continue in force until the project is completed or deemed abandoned after three years of no activity.
5. All legally adopted budgets of the City are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. For the year ended April 30, 2019, the City adopted a budget for the General Fund and all Special Revenue funds.

**CITY OF MONROE**  
**Monroe, Louisiana**

**Notes To The Financial Statements**  
**As of And For The Year Ended April 30, 2019**

***E. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY***

***CASH, CASH EQUIVALENTS AND INVESTMENTS:***

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. State law and the City's investment policy allow the City to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

The City's investment policy limits investments to fully insured and/or fully collateralized certificates of deposit and direct and indirect obligations of U.S. government agencies.

The City participates in the Louisiana Asset Management Pool, Inc., (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC. LAMP is a 2a7-like investment pool.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33.2955.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the State Treasurer and the Board of Directors. Lamp is not registered with the SEC as an investment company.

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the State of Louisiana has full access to the records of the LAMP. LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

Deposits with original maturity dates exceeding 90 days are classified as investments. Investments are reported at fair value.

***RESTRICTED ASSETS:***

Certain proceeds of the enterprise fund general obligation bond, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The Water fund is required to hold monies aside paid for utility deposits. Additionally, proceeds related to Passenger Facilities Charges and the Air Industrial Park- Land Sales are reported as restricted on the statement of net position for the enterprise fund.



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Proceeds related to Passenger Facilities Charges are restricted in use based on the Record of Decision (ROD) approved by the FAA. Proceeds related to the Air Industrial Park- Land Sales are restricted for use by the airport. The amounts restricted for each are listed below:

General Obligation Bonds	\$ 7,872,697
Capital Improvements	35,050,565
Passenger Facilities Charges	816,089
Air Industrial Park	525,405
Utility Deposits	<u>1,483,554</u>
Total	<u>\$45,748,310</u>

***ACCOUNTS RECEIVABLE:***

Accounts receivable are reported net of an allowance for uncollectibles in business-type activities. Uncollectible amounts for customers' utility fees receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

***INTERFUND RECEIVABLES AND PAYABLES:***

Short-term cash loans between funds are considered temporary in nature. These amounts are reported as interfund receivables/payables. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

***ELIMINATION AND RECLASSIFICATION:***

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

***INVENTORIES AND PREPAID ITEMS:***

Inventories are valued at average cost using the first in, first out cost less write-downs for obsolete items. Inventories consist of expendable supplies and repair and maintenance items held for consumption. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

***CAPITAL ASSETS:***

Capital assets, which include land, buildings, other improvements, machinery and equipment, vehicles, furniture and fixtures, and infrastructure assets (streets, roads, bridges, drainage canals, and water and sewer systems) are reported in the applicable governmental or business-type activities

**CITY OF MONROE**  
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columns in the government-wide financial statements. The capitalization threshold for all movable capital assets is \$5,000 per unit and land is capitalized at a zero dollar threshold. The capitalization threshold for infrastructure is \$100,000.

All purchased capital assets are valued at cost where historical records are available and at estimated cost where no historical records are available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value on the date received. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized at completion of construction projects.

Depreciation of all exhaustible capital assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on enterprise fund balance sheets. Depreciation on all capital assets, excluding land and improvements, has been provided over the estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

<u>Type of Capital Assets</u>	<u>Number of Years</u>
Buildings	10-50
Improvements	7-50
Furniture and Fixtures	1-10
Vehicles	5
Equipment	2-20
Infrastructure-Water System	30-50
Infrastructure-Sewer System	10-30
Infrastructure-Drainage Systems	25
Infrastructure-Streets and Roads	20-50

***DEFERRED OUTFLOWS/INFLOWS OF RESOURCES:***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. One item is deferred charges on refundings, which results from difference in the carrying value of refunded debt and its requisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. In the statement of Net Position, the net of investment in capital assets of the business-type activities includes the \$1,909,289 balance of deferred outflows of resources which will be recognized as an expense over the next 8 years. The City also has deferred outflows related to OPEB liability and net pension liability. Refer to Notes 8 and 9 for additional information.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The City does have deferred inflows

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**As of And For The Year Ended April 30, 2019**

related to OPEB liability and net pension liability. Refer to Notes 8 and 9 for additional information.

***LONG-TERM LIABILITIES:***

In the government-wide statement of net position and in the proprietary fund types' financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums, discounts, and gains (losses) on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable costs are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current financial period. The face amount of the debt issue is reported as "other financing sources." Premiums received on debt issuances are reported as "other financing sources" and discounts on debt are reported as "other financing uses."

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems and additions to/deductions from the retirements systems fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***ACCUMULATED VACATION, SICK PAY, AND OTHER EMPLOYEE BENEFITS:***

In the government-wide financial statements and the proprietary fund type financial statements, the total compensated absences liability is recorded as an expense and a long-term obligation and allocated on a functional basis. In accordance with GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, (issued in March 2000), no compensated absences liability is recorded at April 30, 2019, in the governmental fund-type financial statements.

Full time employees may earn up to 31 working days of vacation time per year, depending upon length of service. At the end of each year, employees may carry forward up to 120 days of vacation time. Subject to the above conditions, unused vacation is paid to an employee upon retirement, separation, or death at hourly rates being earned by that employee upon separation.

The City also maintains a short term disability compensation plan through CIGNA which allows employees to draw up to 22 weeks of disability leave at 60 percent of their regular pay after a 30 day waiting period. During the waiting period employees are required to use their available sick or vacation accruals. If approved, individuals with long-term disability are then eligible for additional disability leave at 60 percent of their regular pay. Such amounts are not accrued in governmental funds, nor are they reflected in the long-term liabilities due to the inability to estimate such liabilities, and the fact that any unused disability leave does not carry forward to the subsequent year.

Firemen and policemen may receive up to one year's sick leave per illness as prescribed under Louisiana law. For all other City employees, sick leave is accumulated at varying rates ranging up to 12 days per year. A maximum of 120 days of unused sick leave may be carried forward. Subject to the above limitations, employees shall be compensated in cash for any accumulated unused sick leave

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when they are permanently separated from employment as a result of voluntary resignation, discharge, retirement or death. In the event of death, payment is made to the estate of the employee. The amount of payment for all unused sick leave is calculated at the employee's rate of pay in effect on the payday immediately preceding the employee's separation.

***NET POSITION/FUND BALANCE:***

In the Statement of Net Position, the difference between a government's assets, liabilities and deferred outflows/inflows of resources is recorded as net position. The components of net position are as follows:

Net Investment in Capital Assets - Consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of debt issued to finance the acquisition, improvement, or construction of those assets.

Restricted Net Position - Consists of net position less related liabilities reported in the government-wide statement of net position that are subject to constraints on their use by creditors, grantors, contributors or legislature.

The following net positions are considered restricted through enabling legislation:

- Debt service resources from sales and use taxes levied specifically to meet the principal and interest payments of various revenue bond issues via an approved public referendum in accordance with state law and bond covenants with investors. The total amount restricted for this purpose was \$20,952,052.
- Available resources from ad valorem taxes specifically dedicated by taxing propositions approved by voters for the payment of capital improvements for the fire and police departments. The total amount restricted for this purpose was \$1,922,539.
- Available resources from sales taxes specifically dedicated by taxing propositions approved by voters for the payment of salaries and benefits to fire and police departments. The total amount restricted for this purpose was \$2,201,515.
- Available resources from sales taxes specifically dedicated by taxing propositions approved by voters for the payment of public works infrastructures. The total amount restricted for this purpose was \$15,866,484.

Unrestricted Net Position - Represent net position not appropriable for expenditures or legally segregated for a specific future use.

The City first applies restricted resources when an expense is incurred for purposes of which both restricted and unrestricted are available.

In accordance with Governmental Accounting Standards Board Statement No. 54, the governmental fund financial statements, fund balances are classified as follows:

*Nonspendable* - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

*Restricted* - Amounts that can be spent only for specific purposes because of the state or federal laws, or because of constraints that are externally imposed by creditors, grantors, contributors, or

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the laws or regulations of other governments.

*Committed* - Amounts that can be used only for specific purposes determined by a formal action of the City Council. The Council is the highest level of decision-making authority for the City. These amounts cannot be used for any other purposes unless the Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. Committed fund balance is the result of resolutions that were passed at a Council meeting committing the funds.

*Assigned* - Amounts that are intended to be used for specific purposes as established by the City's Administration designated for that purpose but do not meet the criteria to be classified as restricted or committed. The Mayor has the authority to assign unrestricted fund balance amounts.

*Unassigned* - All amounts not included in other spendable classifications. Unassigned fund balances are the residual classification for the City's General fund. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes.

Restricted amounts are considered to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. The City reduces committed amounts, followed by assigned amounts and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classification could be used.

**F. INTERFUND ACTIVITIES:**

Interfund activity is reported as loans, services provided reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

**G. ACCOUNTING ESTIMATES:**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of proprietary funds and the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

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**H. DEDICATED REVENUES:**

*Sales taxes:*

A one-half per cent city sales tax is dedicated to the General Fund for payment of salaries of city employees and capital improvements. The sales tax, which began on March 1, 1968, is for an indefinite period.

A one per cent city sales tax is dedicated to the General Fund for any lawful purpose of the City, including payment of operating expenses. The sales tax, which began on January 1, 1975, is for an indefinite period.

A one per cent city sales tax is dedicated to the General Fund for constructing, acquiring, extending, improving, maintaining, and operating capital improvements and facilities of the City and paying general operating expenses of the City. The sales tax, which began on February 1, 1983, is for an indefinite period.

A ten year one per cent sales tax passed by the voters on November 8, 1994 which was for the street program was extended by twenty-five years and its uses expanded by the voters on May 5, 2001. The proceeds can be utilized for all infrastructures including but not limited to streets, water, sewer and drainage and other related capital expenditures. The tax will expire in 2029.

A 0.49 per cent city sales tax is dedicated to the General Fund for payment of salary increases of city firemen and policemen. The sales tax, which began March 1, 2005, is for an indefinite period.

A two per cent hotel/motel occupancy tax passed by the voters on November 18, 2017 is dedicated to the Southside Economic Development District for constructing, acquiring, extending, improving capital improvements and for other authorized purposes in enhancing the district. The sales tax, which began on January 1, 2018, is for a period of 30 years.

*Property taxes:*

Recreation (1.88 mills), public safety (1.06 mills) and drainage (1.31 mills) millages were renewed by the voters in 2013, levied in 2014 and will expire with the 2023 tax roll.

For both the Civic Center and the Louisiana Purchase Gardens and Zoo, 2.50 mills was renewed by the voters in 2008, levied in fiscal 2009, and will expire with the 2028 tax roll.

For both the police and fire departments, 1.50 mills was renewed by the voters in 2008, levied in fiscal 2009, and will expire with the 2028 tax roll.

For capital improvements, 3.25 mills was renewed by the voters in 2008, levied in fiscal 2009, and will expire with the 2028 tax roll.

For airport improvements, 1.00 mills was passed by the voters in 2009, levied in fiscal 2009, and will expire with the 2028 tax roll.

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**I. *PROPERTY TAXES***

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the parish assessor, except for public utility property, which is assessed by the Louisiana Tax Commission. The 1974 Louisiana Constitution provides that land and residential property are to be assessed at 10% of fair market value; however, agricultural, horticultural, marsh lands, timber lands, and certain historic buildings are to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax Commission. The assessor is required to reappraise all property every four years. Based on the reappraised value, the assessor will “roll forward” or “roll back” the tax millage to equal the prior year taxable amount. If the assessor “rolls back” the tax millage, the City has the option to “roll forward” the millage rate to the prior year’s maximum rate. The City did not “roll forward” the 2016 millage rate for the new reassessment period.

The Ouachita Parish Sheriff's Office bills and collects property taxes for the City. Collections are remitted to the City monthly.

Property Tax Calendar

Millage rates adopted	August 2018
Tax bills mailed	November 2018
Taxes due date	December 31, 2018
Lien date	January 1, 2019
Penalties and interest are added	January 1, 2019
Collection dates	November 2018 thru February 2019
Tax sale – 2018 delinquent property	March 2019

Assessed values are established by the Ouachita Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value.

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2017. Total assessed value for the City of Monroe was \$438,893,091 for the 2018 calendar year for Ouachita Parish as a whole. Louisiana state law generally exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. The homestead exemption applies to property taxes levied in all political subdivisions other than taxes levied by municipalities, except it does apply to municipal taxes levied in Orleans Parish. Accordingly, this homestead exemption did not apply to the City of Monroe for the calendar year 2018, and accordingly, all assessed property within the boundaries of the City of Monroe was subject to the millages levied by the City.

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is

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given to the delinquent taxpayers, the Sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

The tax roll is prepared by the tax assessor and approved by the State Tax Commission in November of each year. The amount of 2018 property taxes to be collected occurs in December 2018 and January and February 2019. All property taxes are recorded in the funds identified in the chart below on the basis explained in Note 1.H. The City considers the lien date (January 1, 2019) as the date an enforceable legal claim occurs for 2018 property taxes. Property tax revenue is recognized in the period for which the taxes are levied (budgeted). Accordingly, the 2018 property taxes are budgeted in the 2018-2019 fiscal year of the City.

Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Historically, virtually all ad valorem taxes receivable were collected since they are secured by property. Therefore, there is no allowance for uncollectible taxes.

The following is a summary of authorized and levied (tax rate per \$1,000 Assessed Value) ad valorem taxes:

<u>City-wide taxes:</u>	<u>Reported in Fund</u>	<u>Date Passed By Voters</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General Fund	General Fund	Statutory	12.41	10.49	Statutory
Recreation Facilities	General Fund	2013	1.88	1.89	2023
Safety Services	General Fund	2013	1.06	1.07	2023
Drainage Facilities	General Fund	2013	1.31	1.32	2023
Civic Center	Civic Center Enterprise Fund	2017	2.50	2.51	2028
LA Purchase Garden & Zoo	LA Purchase Garden & Zoo Enterprise Fund	2017	2.50	2.51	2028
Capital Improvements	Capital Improvement Capital Project Fund	2017	3.25	3.27	2028
Police Department	Fire & Police Capital Tax Special Revenue Fund	2017	1.50	1.51	2028
Fire Department	Fire & Police Capital Tax Special Revenue Fund	2017	1.50	1.51	2028
Airport Improvements	Airport Enterprise Fund	2017	1.00	1.01	2028

Differences noted between authorized and levied millages are the result of the reassessment of taxable property required by Article 7, Section 23 of the Louisiana Constitution of 1974.

**2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Fund Deficits:** The City of Monroe has deficit fund balances in two governmental funds at April 30, 2019. The CDBG Loan special revenue fund has a deficit fund balance of (\$50,009). This deficit will be cleared by reprogramming funds for low income grant recipients. The Kansas Lane Connector capital



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project fund has a deficit of (\$774,860). This deficit will be cleared by future grant revenues.

The Louisiana Purchase Gardens and Zoo fund has a deficit net position of (\$849,231). This deficit will be cleared by an increase in revenue due to the addition of a train ride at the zoo.

**Excess of Expenditures Over Appropriations in Individual Funds:** The following individual funds had actual expenditures over budgeted expenditures for the year ended April 30, 2019:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 60,294,226	\$ 60,725,302	\$ (431,076)
Community Development Block Grant	706,733	773,779	(67,046)
Emergency Shelter	154,500	159,429	(4,929)
Drug Seizure Local/State	8,605	13,365	(4,760)
Justice Assistance Grant	42,120	46,800	(4,680)
HOME Program Loans	-	6,882	(6,882)
Employees' Benefits Fund	59,528	63,378	(3,850)
Downtown River Market	236,062	260,110	(24,048)
Southside Economic Development District	100,259	102,860	(2,601)

**3. CASH AND CASH EQUIVALENTS**

At April 30, 2019, the City has cash and cash equivalents, totaling \$119,026,222, (including \$1,855,398 in fiduciary funds and excluding discretely presented component units) as follows:

Petty cash	\$ 51,560
Demand deposits	42,896,190
Money market funds	46,785,459
LAMP	29,293,013
Total	<u><u>\$ 119,026,222</u></u>

**Credit Risk:** LAMP is rated AAAM by Standard and Poor's rating. The money market funds are rated by Aaa-mf by Moody's rating.

**Interest Rate Risk:** LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 41 as of April 30, 2019.

**Custodial credit risk:** The custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy to ensure there is no exposure to this risk is to require each financial institution to pledge its' own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City

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that the fiscal agent bank has failed to pay deposited funds upon demand.

The money market funds are invested in U.S. Treasury bills, notes and bonds and other U.S. governmental obligations that are exempt from state and local income tax.

For deposits, these are stated at cost, which approximates market. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances other than these backed by the U.S. government) at April 30, 2019, are secured, as follows:

Bank balances	\$ 100,732,560
Federal deposit insurance	\$ 724,077
Collateralized with pledged securities, not in the City's name	100,008,483
Total	\$ 100,732,560

**4. RECEIVABLES**

Accounts receivable of \$12,217,112 at April 30, 2019, are comprised of the following:

	Taxes - Ad Valorem	Taxes - Sales	Grants	Customer Accounts	Other	For Fund Financial Statements Total	For Government Wide Financial Statements Total
<b>Governmental Funds</b>							
General	\$ 168,009	\$ 3,033,206	\$ 33,107	\$ 602,666	\$ 312,580	\$ 4,149,568	\$ 4,149,568
Capital Infrastructure	-	1,244,734	75,706	-	-	1,320,440	1,320,440
Nonmajor Governmental	62,548	1,705,390	461,764	-	28,797	2,258,499	2,258,499
Total Governmental	230,557	5,983,330	570,577	602,666	341,377		
Long-term receivables reported in governmental activities							506,241
Internal service reported in governmental activities							422,983
<b>Total Governmental Activities</b>						<b>\$ 7,728,507</b>	<b>\$ 8,657,731</b>
<b>Proprietary Funds</b>							
Monroe Regional Airport	20,918	-	224,434	79,354	50,914	375,620	375,620
Water Fund	-	-	104,456	1,719,996	-	1,824,452	1,824,452
Sewer Fund	-	-	-	1,200,224	-	1,200,224	1,200,224
Nonmajor Enterprise	103,970	-	52,807	2,308	-	159,085	159,085
Internal Service	-	-	-	-	422,983	422,983	
Total Proprietary	\$ 124,888	\$ -	\$ 381,697	\$ 3,001,882	\$ 473,897	\$ 3,982,364	\$ 3,559,381

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The receivables shown above are net of an allowance for doubtful accounts of \$1,164,150 as of April 30, 2019. The allowance for doubtful accounts was reported for the following customer accounts receivables:

Fund	Type of Sale	Amount
General	Garbage Collections	\$ 186,608
Water	Water Sales	504,112
Sewer	Sewer Fees	473,430
		\$ 1,164,150

**5. CHANGES IN CAPITAL ASSETS**

The following schedule presents changes in capital assets for the year ended April 30, 2019:

	Balance April 30, 2018	Additions	Retirements	Balance April 30, 2019
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 24,770,655	\$ 2,044,568	\$ -	\$ 26,815,223
Land - internal service	45,000	-	-	45,000
Construction in progress	19,194,273	3,581,817	(5,780,708)	16,995,382
Total capital assets not being depreciated	44,009,928	5,626,385	(5,780,708)	43,855,605
Capital assets, being depreciated				
Buildings and improvements	40,564,299	448,719	-	41,013,018
Buildings and improvements - internal service	3,406,242	-	-	3,406,242
Equipment and Furniture	36,457,735	1,021,180	(2,111,245)	35,367,670
Equipment and Furniture - internal service	266,043	-	-	266,043
Infrastructure	178,544,780	5,018,408	-	183,563,188
Total capital assets being depreciated	259,239,099	6,488,307	(2,111,245)	263,616,161
Less: accumulated depreciation				
Buildings and improvements	(27,142,362)	(1,076,443)	-	(28,218,805)
Equipment and furniture	(28,654,069)	(2,903,681)	1,865,415	(29,692,335)
Infrastructure	(103,466,156)	(8,182,158)	-	(111,648,314)
Buildings and improvements-internal service	(1,617,965)	(85,156)	-	(1,703,121)
Equipment and furniture-internal service	(266,044)	-	-	(266,044)
Total accumulated depreciation	(161,146,596)	(12,247,438)	1,865,415	(171,528,619)
Total capital assets being depreciated, net	98,092,503	(5,759,131)	(245,830)	92,087,542
Total governmental funds capital assets, net	\$ 142,102,431	\$ (132,746)	\$ (6,026,538)	\$ 135,943,147

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	Balance April 30, 2018	Additions	Retirements	Balance April 30, 2019
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 5,903,301	\$ -	\$ -	\$ 5,903,301
Construction in progress	15,591,363	7,320,029	(8,206,117)	14,705,275
Total capital assets not being depreciated	21,494,664	7,320,029	(8,206,117)	20,608,576
Capital assets, being depreciated				
Buildings/Improvements	77,674,875	4,752,766	-	82,427,641
Equipment	23,715,265	312,465	(2,976,561)	21,051,169
Infrastructure	202,238,138	3,347,243	-	205,585,381
Total capital assets being depreciated	303,628,278	8,412,474	(2,976,561)	309,064,191
Less: accumulated depreciation				
Buildings and improvements	(34,369,868)	(2,797,325)	-	(37,167,193)
Equipment and furniture	(17,271,132)	(2,150,980)	2,847,000	(16,575,112)
Infrastructure	(113,884,784)	(6,801,069)	-	(120,685,853)
Total accumulated depreciation	(165,525,784)	(11,749,374)	2,847,000	(174,428,158)
Total capital assets being depreciated, net	138,102,494	(3,336,900)	(129,561)	134,636,033
Total business-type activities capital assets, net	\$ 159,597,158	\$ 3,983,129	\$ (8,335,678)	\$ 155,244,609

Depreciation expense was charged to functions of the primary government as follows:

Governmental Activities:	
General Government	\$ 1,600,553
Public Safety	1,709,176
Public Works - internal service	85,156
Public Works	8,694,981
Planning and Urban Development	9,089
Culture and Recreation	148,483
Total depreciation expense - governmental activities	\$ 12,247,438
Business-Type Activities:	
Airport	\$ 3,255,303
Transit	1,124,588
Civic Center	592,687
Zoo	137,123
Water	2,006,576
Sewer	4,633,097
Total depreciation expense - business-type activities	\$ 11,749,374

In keeping with customary practice, any expense associated with the acquisition of animals at the Louisiana Purchase Gardens and Zoo is expensed in the period the expense occurs.

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**6. ACCRUED LIABILITIES**

Accrued liabilities as of April 30, 2019 consist of the following:

Fund	Salaries and Benefits	Claims Payable	Total
General	\$ 1,979,934	\$ -	\$ 1,979,934
Nonmajor governmental	558	-	558
Internal Service	-	738,631	738,631
<b>TOTAL</b>	<b>\$ 1,980,492</b>	<b>\$ 738,631</b>	<b>\$ 2,719,123</b>

**7. ELECTRICAL SYSTEM OPERATING AGREEMENT**

On July 9, 1977, the voters of the City of Monroe authorized a 50 year operating agreement between the City of Monroe and Entergy (formerly Louisiana Power & Light) for the operation by Entergy of the City's electric system. The agreement provided that Entergy would pay to the City a percentage of total revenue collected from the sale of electric service to residential and commercial customers within the City, such payments not to be less than \$700,000 annually. The aforementioned base increased by one per cent of sales of electric services to residential and commercial customers in excess of \$10,000,000 in a calendar year. Revenues under this agreement totaled \$1,131,359 for the year ended April 30, 2019.

**8. PENSION AND RETIREMENT PLANS**

***City of Monroe Sponsored Pension Plans:***

The City has two single-employer defined benefit plans, the Bus Drivers' Pension and Relief Fund and the Monroe Policemen's Pension and Relief Fund. These plans are closed to new entrants and has five inactive employees that are receiving benefits. No other employees will receive benefits under these plans.

The City contributes 7.25% and Bus Department administrative employees contribute 9.25% of their salary to the Bus Drivers' Pension and Relief Fund. The City also reimburses 4% of the bus operators' contributions. The City made no contributions for the year ended April 30, 2019.

The Monroe Policemen's Pension and Relief Fund covers those employees who were members of the fund at September 1, 1983, and who retire prior to the age of 50. Upon reaching their 50th birthday, they will no longer receive benefits under the Monroe Policemen's Pension and Relief Fund, but will begin receiving benefits under the Municipal Police Employees' Retirement System (MPERS). The City made no contributions to the Monroe Policemen's Pension and Relief Fund for the year ended April 30, 2019.

Data concerning the actuarial status of the Policemen's and Bus Drivers' Pension and Relief Funds is not available. The City of Monroe has never required the services of an actuary for these plans nor felt the need to determine the actuarial liability of the plans because state law requires that the plans be funded at minimum reserve requirements rather than an actuarially computed reserve based on future benefits payable. The two funds had net position at April 30, 2019 as follows: Policemen's, \$101,621 and Bus

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Drivers', \$6,725. The Policemen's and Bus Drivers' Pension and Relief Funds do not issue a standalone report.

***State Sponsored Plans:***

The City is a participating employer in three statewide, public employee retirement systems, Municipal Employees Retirement System (MERS), Municipal Police Employees Retirement System (MPERS), and the Firefighter's Retirement System (FRS). All of these plans have separate boards of trustees and administer cost-sharing, multiple-employer defined benefit pension plans, including classes of employees with different benefits and contributions rates (sub-plans). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all sub-plans administered by these systems to the State Legislature. Each plan issues a public report that includes financial statements and required supplementary information. Copies of these reports for MERS, MPERS, and FRS may be obtained at [www.mersla.com](http://www.mersla.com), [www.lampers.org](http://www.lampers.org), and [www.ffret.com](http://www.ffret.com), respectively.

**General Information about the Pension Plans**

***Plan Descriptions/Benefits Provided:***

*Municipal Employees' Retirement System:* MERS provides retirement, disability, and survivor's benefits to employees of all incorporated villages, towns, and cities within the state which do not have their own retirement plan and which elect to become members of the Plan.

Membership in MERS is mandatory for any permanent employee working at least 35 hours per week. Those individuals paid jointly by a participating employer and the parish are not eligible for membership in the Plan with exceptions as outlined in the statutes. Benefit provisions are authorized within Act 356 of the 1954 regular session and amended by LRS 11:1756-11:1785.

Membership Prior to January 1, 2013: A member is eligible for regular retirement after he/she has been a member of MERS and has 25 years of creditable service at any age or has 10 years of creditable service and is age 60. A member is eligible for early retirement after he has been a member of MERS for 20 years of creditable service at any age with an actuarially reduced benefit. Benefit rates are three percent of the member's monthly average final compensation multiplied by his years of creditable service. Upon death of an active contributing member with five or more years of creditable service, not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children as outlined in the statutes.

Membership Commencing January 1, 2013: A member is eligible for regular retirement after he/she has been a member of MERS and has 7 years of creditable service at age 67, 10 years of creditable service at age 62, or has 30 years of creditable service at age 55. A member is eligible for early retirement after he/she has been a member of the Plan for 25 years of creditable service at any age, with an actuarially reduced benefit. Benefit rates are three percent of the member's final average compensation multiplied by his/her years of creditable service. Final average compensation is the average monthly earnings during the highest sixty consecutive months, or joined months if service was interrupted. Any city marshal or deputy city marshal receives an additional regular retirement benefit.

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*Cost of Living Adjustments*

MERS is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows the Plan to grant an additional cost of living increase to all retirees and beneficiaries who are age sixty-five and above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.

*Deferred Retirement Option Plan*

In lieu of terminating employment and accepting a service retirement allowance, any member who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his/her option, a lump sum from the account equal to the payments into the account, a true annuity based upon his/her account balance in that fund, or any other method of payment if approved by the board of trustees. If employment is not terminated at the end of the three years, payments into the DROP fund cease and the person resumes active contributing membership in the Plan.

*Disability Benefits*

A member shall be eligible to retire and receive a disability benefit if he/she has at least five years of creditable service, is not eligible for normal retirement and has been officially certified as disabled by the state medical disability board. Upon retirement caused by disability, a member shall be paid a disability benefit equal to the lesser of forty-five percent of his/her final average compensation or three percent of his/her final average compensation multiplied by his/her years of creditable service whichever is greater or an amount equal to three percent of the member's final average compensation multiplied by his years of creditable service projected to his earliest normal retirement age.

*Municipal Police Employees' Retirement System:* MPERS provides retirement, disability, and survivor's benefits to municipal police officers.

Membership in MPERS is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing he or she does not have to pay social security and providing he or she meets the statutory criteria. Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233.

*Membership Prior to January 1, 2013:* A member is eligible for regular retirement after he has been a member of MPERS and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early retirement after he has been a member of MPERS for 20 years of creditable service at any age with an actuarially reduced benefit. Benefit rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary. Upon death of an active

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contributing member, or disability retiree, the plan provides for surviving spouses and minor children.

Membership Commencing January 1, 2013: A member's eligibility for regular retirement, early retirement, disability and survivor benefits are based on hazardous duty and nonhazardous sub duty plans. Under the hazardous duty sub-plan, a member is eligible for regular retirement after he/she has been a member of the Plan and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the non-hazardous duty sub-plan, a member is eligible for regular retirement after he has been a member of the Plan and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub-plans, a member is eligible for early retirement after he has been a member of the Plan for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55. Under hazardous and non-hazardous duty sub-plans, the benefit rates are three percent and two and a half percent, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

Upon death of an active contributing member, or disability retiree, the Plan provides for surviving spouses and minor children.

*Cost of Living Adjustments*

MPERS's Board of Trustees are authorized by State statutes to provide annual cost-of-living adjustments computed on the amount of the current regular retirement, disability, beneficiary or survivor's benefit, not to exceed 3% in any given year. The Board is authorized to provide an additional 2% COLA, computed on the member's original benefit, to all regular retirees, disability, survivors and beneficiaries who are 65 years of age or older on the cut-off date which determines eligibility.

*Deferred Retirement Option Plan*

MPERS members are eligible to elect to enter the deferred retirement option plan (DROP) when he/she is eligible for regular retirement based on the members' sub plan participation. Upon filing the application for the program, the employee's active membership in the retirement plan is terminated. At the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is thirty six months or less. If employment is terminated after the three-year period the participant may receive benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership in the retirement plan shall resume and upon later termination, the member shall receive additional retirement benefit based on the additional service.

*Initial Benefit Option Plan*

In 1999, the State Legislature authorized MPERS to establish an Initial Benefit Option program. Initial Benefit Option is available to members who are eligible for regular retirement and have not participated in DROP. The Initial Benefit Option program provides both a one-time single sum payment of up to 36 months of regular monthly retirement benefit, plus a reduced monthly benefit for life.



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*Firefighters Retirement System:* FRS provides retirement, disability, and survivor's benefits to full-time firefighters.

Membership in FRS is a condition for employment for any full-time firefighters who earn at least \$375 per month and are employed by any municipality, parish, or fire protection district of the State of Louisiana. Benefit provisions are authorized within Act 434 of 1979 and amended by LRS 11:2251-11:2272.

A member is eligible for regular retirement after he has been a member of FRS and has 20 years of creditable service and is age 50, has 12 years creditable service and is age 55, or 25 years of service at any age. Benefit rates are three and one-third percent of average final compensation based on 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. Upon death of an active contributing member, the plan provides for surviving spouses and minor children.

*Cost of Living Adjustments*

FRS's Board of Trustees are authorized by State statutes to provide annual cost-of-living adjustments computed on the amount of the current regular retirement, disability, beneficiary or survivor's benefit, not to exceed 3% in any given year. The Board is authorized to provide an additional 2% COLA, computed on the member's original benefit, to all regular retirees, disability, survivors and beneficiaries who are 65 years of age or older on the cut-off date which determines eligibility.

*Deferred Retirement Option Plan*

After completing 20 years of creditable service and age 50 or 25 years at any age, a member may elect to participate in the DROP for up to 36 months. At the entry date into the DROP, the employee and employer contributions cease. The monthly retirement benefit that would have been payable is paid into the deferred retirement option plan account. The duration of participation in the DROP is thirty six months or less. If employment is terminated after the three-year period the participant may receive benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership in the retirement plan shall resume. No payments may be made from the DROP account until the participant retires.

*Initial Benefit Option Plan*

In 1999, the State Legislature authorized FRS to establish an Initial Benefit Option program. Initial Benefit Option is available to members who are eligible for regular retirement and have not participated in DROP. The Initial Benefit Option program provides both a one-time single sum payment of up to 36 months of regular monthly retirement benefit, plus a reduced monthly benefit for life.

*Disability Benefits*

A member shall be eligible to retire and receive a disability benefit if he/she has been officially certified as disabled by the state medical disability board. Any member totally disabled from injury received in the line of duty, shall be paid, on a monthly basis, an annual pension of 60% of the average final compensation being received at the time of disability. Any member who has become disabled or incapacitated because of continued illness or as a result of any injury received, even though not in the line

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of duty, and who has five years of creditable service, but is not eligible for retirement under the provisions of LRS. 11:2256 may apply for retirement under the provisions of LRS 11:2258 and shall be retired on 75% of the retirement salary to which he/she would be entitled under LRS 11:2256 if he/she were otherwise eligible thereunder or 25% of the member's average salary, whichever is greater.

**Employer Contributions**

The contribution requirements of plan members and the City are established and may be amended by state statute. According to state statute, contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The employer contribution rate for MERS for the City's 2018-2019 fiscal year is 26.5% and the employee contribution rate is 9.5%. The City's contributions to MERS for the year ended was \$4,368,939. For MPERS, the employer and employee contribution rates for all members hired prior to January 1, 2013 and Hazardous Duty members hired after January 1, 2013 were 32.25% and 10%, respectively. The employer and employee contribution rates for all Non-Hazardous duty members hired after January 1, 2013 were 32.25% and 8%, respectively. The employer and employee contribution rates for all members whose earnable compensation is less than or equal to the poverty guidelines issued by the United States Department of Health and Human Services were 33.25% and 7.5%, respectively. The City's contributions to the MPERS for the City's fiscal year was \$2,634,696. The contribution required for FRS for the City's fiscal year for employers was 28.5% below poverty and 26.5% above poverty. For employees the rates were 10% above poverty and 8% below poverty. The City's contributions to the FRS for the City's fiscal year was \$2,340,407.

The employer contribution rate for MERS for the plan's 2017-2018 fiscal year is 24.75% and the employee contribution rate is 9.5%. The City's contributions to MERS for the plan's year ended was \$4,300,186. For MPERS, the employer and employee contribution rates for all members hired prior to January 1, 2013 and Hazardous Duty members hired after January 1, 2013 were 30.75% and 10%, respectively. The employer and employee contribution rates for all Non-Hazardous duty members hired after January 1, 2013 were 30.75% and 8%, respectively. The employer and employee contribution rates for all members whose earnable compensation is less than or equal to the poverty guidelines issued by the United States Department of Health and Human Services were 33.25% and 7.5%, respectively. The City's contributions to the MPERS for the year plans 2017-2018 fiscal year was \$2,557,245. The contribution required for FRS for the plans 2017-2018 fiscal year for employers was 28.5% below poverty and 26.5% above poverty. The City's contributions to the FRS for the plan 2017-2018 fiscal year was \$2,406,351.

*Non-employer Contributions*

MERS receives  $\frac{1}{4}$  of 1% of ad valorem taxes collected within the respective parishes except for Orleans, per state statute. The Plan also receives revenue sharing funds each year as appropriated by the Legislature. These additional sources of income of \$596,669 are used as additional employer contributions and considered support from non-employer contributing entities.

MPERS and FRS receive insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions of \$548,560 for MPERS and \$1,002,521 for FRS were recognized as revenue during the fiscal year.

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**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At April 30, 2019, the City reported liabilities of \$39,607,463, \$23,500,912, and \$22,218,460 for its proportionate share of the MERS, MPERS, and FRS, respectively, Net Pension Liability (NPL). The NPL was measured as of June 30, 2018, and the total pension liabilities used to calculate the NPL was determined by actuarial valuations as of that date. The City's proportions of the NPL were based on an allocation method based on employer's contribution to the respective retirement plans during the year ended June 30, 2018 as compared to the total of all employers' contributions to the respective retirement plans during the year ended 2018. As of June 30, 2018, the most recent measurement date, the City's proportions and the changes in proportion from the prior measurement date were as follows:

<u>System</u>	<u>City's Proportion</u>	<u>Change in Proportion</u>
MERS	9.56545%	(0.65166%)
MPERS	2.77984%	(0.11425%)
FRS	3.86268%	0.03213%

For the year ended April 30, 2019, the City recognized a total pension expense of \$11,269,014, or \$4,810,941 for MERS, \$2,798,637 for MPERS and \$3,659,436 for FRS. The City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Governmental Activities:

	<u>Deferred Outflows</u>				<u>Deferred Inflows</u>			
	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>	<u>Total</u>	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>	<u>Total</u>
Differences between expected and actual experience	\$ -	\$ 105,942	\$ -	\$ 105,942	\$ 883,940	\$ 1,200,944	\$ 1,635,944	\$ 3,720,828
Changes of assumptions	748,413	1,535,771	1,499,430	3,783,614	-	-	3,405	3,405
Net difference between projected and actual earnings on pension plan investments	3,809,884	1,126,581	1,397,653	6,334,118	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	108,617	262,844	371,461	1,334,750	1,638,516	870,118	3,843,384
Employer contributions subsequent to the measurement date	2,244,734	2,223,635	1,883,370	6,351,739	-	-	-	-
<b>Total</b>	<b>\$ 6,803,031</b>	<b>\$ 5,100,546</b>	<b>\$ 5,043,297</b>	<b>\$ 16,946,874</b>	<b>\$ 2,218,690</b>	<b>\$ 2,839,460</b>	<b>\$ 2,509,467</b>	<b>\$ 7,567,617</b>

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Business-Type Activities:

	Deferred Outflows				Deferred Inflows			
	MERS	MPERS	FRS	Total	MERS	MPERS	FRS	Total
Differences between expected and actual experience	\$ -	\$ -	\$ -	\$ -	\$ 524,280	\$ -	\$ 55,129	\$ 579,409
Changes of assumptions	443,897	-	50,529	494,426	-	-	115	115
Net difference between projected and actual earnings on pension plan investments	2,259,710	-	47,099	2,306,809	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-	8,857	8,857	791,665	-	29,321	820,986
Employer contributions subsequent to the measurement date	1,331,391	-	63,467	1,394,858	-	-	-	-
<b>Total</b>	<b>\$ 4,034,998</b>	<b>\$ -</b>	<b>\$ 169,952</b>	<b>\$ 4,204,950</b>	<b>\$ 1,315,945</b>	<b>\$ -</b>	<b>\$ 84,565</b>	<b>\$ 1,400,510</b>

Deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of each plan's NPL in the year ended April 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Governmental Activities:

	MERS	MPERS	FRS	Total
2020	\$ 1,207,937	\$ 769,851	\$ 1,073,297	\$ 3,051,085
2021	686,757	87,985	255,786	1,030,528
2022	336,034	(861,312)	(677,618)	(1,202,896)
2023	108,879	40,927	31,960	181,766
2024	-	-	(64,823)	(64,823)
2025	-	-	31,858	31,858

Business-Type Activities:

	MERS	MPERS	FRS	Total
2020	\$ 716,449	\$ -	\$ 36,169	\$ 752,618
2021	407,327	-	8,620	415,947
2022	199,307	-	(22,835)	176,472
2023	64,579	-	1,077	65,656
2024	-	-	(2,184)	(2,184)
2025	-	-	1,073	1,073

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Actuarial Assumptions. The NPL was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net pension. The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:

	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>
Valuation Date	June 30, 2018	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Expected Remaining Service Lives	3 years	4 years	7 years
Investment Rate of Return	7.275%, net of investment exp.	7.20%, net of investment exp.	7.30%, net of investment exp.
Inflation Rate	2.60% per annum	2.60% per annum	2.70% per annum
Mortality - Non-disabled	RP-2000 Disabled Lives Mortality Table for active members (set back 2 years for males & females); RP-2000 Healthy Annuitant Table for healthy annuitants (set forward 2 years for males and 1 year for females projected to 2028 using Scale AA)	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA (set back 1 year for females)	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2031 using Scale AA for employee, annuitant and beneficiary mortality
Mortality - Disabled	RP-2000 Disabled Lives Mortality Table (set back 5 years for males and 3 years for females)	RP-2000 Disabled Lives Table (set back 4 years for males and 3 years for females)	RP-2000 Disabled Lives Mortality Table (set back 5 years for males and set back 3 years for females)
Termination, Disability, Retirement	2009-2014 experience study	2009-2014 experience study	2009-2014 experience study
Salary Increases	5.0%	1 to 2 years of service - 9.75%, 3 to 23 years of service - 4.75%, Over 23 years of service - 4.25%	Vary from 15% in the first 2 years of service to 4.75% after 25 years
Cost of Living Adjustments	Not substantively automatic	Not substantively automatic	Not substantively automatic

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The forecasted long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized for each plan in the following table:

	<u>Target Allocation</u>	<u>LT Expected Real Rate of Return</u>
MERS (arithmetic)		
Public equity	50.00%	2.20%
Public fixed income	35.00%	1.50%
Alternatives	15.00%	0.60%
Total	<u>100.00%</u>	<u>4.30%</u>
Inflation		<u>2.70%</u>
Expected arithmetic nominal return		<u><u>7.00%</u></u>
MPERS (arithmetic)		
Equity	52.00%	3.58%
Fixed Income	22.00%	0.46%
Alternative	20.00%	1.07%
Other	6.00%	0.17%
Total	<u>100.00%</u>	<u>5.28%</u>
Inflation		<u>2.75%</u>
Expected arithmetic nominal return		<u><u>8.03%</u></u>
FRS (arithmetic)		
Equity	54.00%	6.78%
Fixed Income	26.00%	1.76%
Alternative	10.00%	6.56%
Other	10.00%	4.60%
Total	<u>100.00%</u>	<u>5.34%</u>
Inflation		<u>2.75%</u>
Expected arithmetic nominal return		<u><u>8.09%</u></u>

*Discount Rate.* The discount rate used to measure the total pension liability was 7.275% for MERS, 7.2% for MPERS and 7.3% for FRS. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PERSAC taking into consideration the recommendation of the each plan's actuary. Based on those assumptions, each plan's

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fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the proportionate share of the NPL to changes in the discount rate.* The following presents the City’s proportionate share of the NPL for all plans using the current discount rate as well as what the City’s proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
MERS	\$ 50,879,397	\$ 39,607,463	\$ 29,986,470
MPERS	33,025,286	23,500,912	15,510,328
FRS	32,421,985	22,218,460	13,643,986

*Pension plan fiduciary net position.* Detailed information about each plan’s fiduciary net position are available in the separately issued financial report referenced above.

*Payables to the Pension Plan.* At April 30, 2019, the City had \$724,384, \$283,349, and \$260,126 in payables to MERS, MPERS, and FRS, respectively, for the April 2019 employee and employer legally required contributions.

**9. OTHER POST-EMPLOYMENT BENEFITS**

**Plan Description** - The City of Monroe provides certain continuing health care and life insurance benefits for its retired employees. The City of Monroe’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the City. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the City. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

**Benefits Provided and Funding Policy** - The City of Monroe’s medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. The employees are covered by several retirement systems whose retirement eligibility (D.R.O.P. entry) provisions are similar. We have used the following as representative of that eligibility: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service. The City pays approximately 53% of the blended retirees’ premiums before Medicare eligibility (age 65).



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**Employees Covered by Benefit Terms** – At April 30, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	230
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	722
Total	952

**Total OPEB Liability** - The City of Monroe’s total OPEB liability of \$66,545,712 was measured as of April 30, 2019 and was determined by an actuarial valuation as of that date.

**Actuarial Assumptions and Other Inputs** - The total OPEB liability in the April 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial method	Individual Entry Age Normal cost - Level Dollar, open
Discount rate	3.97% (beginning of year) and 3.79% (as of end of year) based on the value of the Bond Buyers' 20 Year General Obligation Mnnicipal Bond Index
Heathcare trend	Flat 5.5% annually
Mortality	Employee/Healthy Annuitant RP-2000 Table Without Projection
Turnover	Ranged from 9% at age 18 to 4% at age 55 and over
Retirement rates	6 years delay (4 years for those first eligible to retire on and after age 60) after; attainment of 30 years of service at any age; or, attainment of age 55 and 25 years of service; or, attainment of age 60 and 10 years of service.
Salary increase	4.00%
Inflation rate	2.50%

No salary experience studies were conducted.

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***Changes in the Total OPEB Liability*** - The City's changes in total OPEB Liability for April 30, 2019 is as follows:

	Total OPEB Liability
Balance at April 30, 2018	\$ 66,299,756
Changes for the year:	
Service cost	956,630
Interest	2,596,598
Differences between expected and actual experience	(3,444,670)
Changes in assumptions	1,925,944
Benefit payments	(1,788,546)
Net changes	245,956
Balance at April 30, 2019	\$ 66,545,712

***Sensitivity of the Total OPEB Liability to Changes in the Discount Rate*** – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower and one percentage point higher than the current discount rate:

	1% Decrease (2.79%)	Discount Rate (3.79%)	1% Increase (4.79%)
Total OPEB liability	\$ 78,844,552	\$ 66,545,712	\$ 58,789,962

***Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates*** - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower and one percentage point higher than the current healthcare cost trend rates:

	1% Decrease (4.5%)	Current Trend (5.5%)	1% Increase (6.5%)
Total OPEB liability	\$ 56,553,486	\$ 66,545,712	\$ 79,033,646

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*** - For the year ended April 30, 2019, the City recognized OPEB expense of \$3,436,403. At April 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,179,695
Changes in assumptions	1,777,794	-

**CITY OF MONROE**  
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Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year Ended April 30:			
2020	\$		(116,825)
2021			(116,825)
2022			(116,825)
2023			(116,825)
2024			(116,825)
Thereafter			(817,776)

**10. CAPITAL LEASES**

In fiscal 2006, the City entered into a capital lease obligation for the purchase of an energy system that is being utilized in over 40 City-owned buildings. The original amount of the obligation was \$2,967,113 and bears interest at 4.75% to 5.59%.

In 2013, the City entered into a lease for police communication software and equipment with an original obligation amount of \$1,178,708 which bears interest at 3.49%.

In October 2014, the City entered into a lease for fire trucks and other related equipment. The original amount of the obligations was \$2,500,000 and bears interest at 1.63%.

In October 2016, the City entered into a lease for 32 police vehicles and related equipment. The original amount of the obligation was \$1,626,825 and bears interest at 1.484%.

In November 2016, the City had terminated the 2013 capital lease for golf carts, traded in the golf carts and entered into a new lease for 68 new golf carts. The original amount of the obligation was \$320,107 and bears an interest rate of 2.9%.

In March 2019, the City had entered into a lease for various John Deere equipment to be used for maintaining the grounds at Chennault park. The original amount of the obligation was \$534,630 and bears an interest rate of 5.5%.

The assets acquired through capital leases are as follows:

<u>Asset:</u>	<u>Original Cost</u>	<u>Current Year Depreciation</u>	<u>Accumulated Depreciation</u>
Chennault golf carts	\$ 320,107	\$ 64,021	\$ 154,718
Police communication equipment	1,178,708	117,871	766,160
Fire equipment	2,494,292	692,763	2,001,013
Police vehicles	1,464,943	292,989	659,224
Chennault equipment	534,630	17,821	17,821

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The future minimum lease payments are as follows:

Fiscal Years Ended April 30:	Future Minimum Lease Payments
2020	\$ 1,567,570
2021	652,197
2022	293,420
2023	268,496
	\$ 2,781,683
Less: Amounts representing Interest	(151,404)
Present Value of Future Minimum	
Lease Payments	\$ 2,630,279

**11. LONG-TERM OBLIGATIONS**

The following is a summary of long-term obligation transactions for the governmental activities of the City of Monroe for the year ended April 30, 2019:

	Balance April 30, 2018	Additions	Deletions	Balance April 30, 2019	Amounts Due Within One Year
<u>Governmental Activities:</u>					
Tax increment bonds	\$ 24,845,000	\$ -	\$ (3,245,000)	\$ 21,600,000	\$ 3,340,000
Sales tax revenue bonds	38,460,800	-	(2,538,600)	35,922,200	2,864,600
Premium	293,507	-	(64,944)	228,563	56,871
Total bonds payable	63,599,307	-	(5,848,544)	57,750,763	6,261,471
Claims and judgments	8,411,965	1,993,203	(1,454,856)	8,950,312	1,454,856
Capital leases	3,440,229	534,630	(1,344,580)	2,630,279	1,484,649
Accrued vacation and sick pay	5,739,079	3,485,154	(3,296,385)	5,927,848	3,296,385
OPEB liability**	66,299,756	2,034,502	(1,788,546)	66,545,712	-
Net pension liability	73,473,890	5,853,249	(9,470,484)	69,856,655	-
Total Long-Term Debt	\$ 220,964,226	\$ 13,900,738	\$ (23,203,395)	\$ 211,661,569	\$ 12,497,361

\*\*The beginning balance for OPEB liability was increased by \$42,981,437 due to the implementation of GASB 75.

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The following is a summary of long term obligation transactions for the business-type activities of the City of Monroe for the year ended April 30, 2019:

<u>Business-type Activities:</u>	Balance April 30, 2018	Additions	Deletions	Balance April 30, 2019	Amounts Due Within One Year
Sales tax revenue bonds - Water	\$ 3,843,840	\$ -	\$ (502,280)	\$ 3,341,560	\$ 548,080
Sales tax revenue bonds - Sewer	42,311,292	2,374,321	(4,492,120)	40,193,493	5,090,320
Water revenue bonds	-	35,295,000	-	35,295,000	660,000
Premium	-	1,570,486	(285,543)	1,284,943	286,989
General obligation bonds - Airport	15,425,000	-	(725,000)	14,700,000	390,000
Discount - Airport	(112,394)	-	5,352	(107,042)	(5,352)
Total bonds payable	<u>61,467,738</u>	<u>39,239,807</u>	<u>(5,999,591)</u>	<u>94,707,954</u>	<u>6,970,037</u>
Accrued vacation and sick pay	1,195,310	695,851	(604,076)	1,287,085	604,074
Net pension liability	16,491,353	912,927	(1,934,100)	15,470,180	-
Total Long-Term Debt	<u>\$ 79,154,401</u>	<u>\$ 40,848,585</u>	<u>\$ (8,537,767)</u>	<u>\$ 111,465,219</u>	<u>\$ 7,574,111</u>

Payments of claims and judgments payable are recognized in the General Fund when paid and are related to outstanding worker's compensation claims at year-end. Payments of accrued vacation and sick pay, as well as capital leases, are paid from the general revenues of the General Fund. The payments for notes payable are recognized in the General Fund, as well as the special revenue fund entitled Capital. The other post-employment benefit obligation will be liquidated by the General Fund. Only those expenditures which are included in the City's legally adopted budget will be paid from the General Fund and any special revenue funds.

Each year the Louisiana Public Employee Retirement System Actuary Committee approves the contribution rates for employees and employers needed to fund 100% of the annual required contribution required to fund both the current and unfunded portions of the net pension liability as required by state law for each state-sponsored retirement system plan. The City pays 100% of the required annual contribution, as determined by eligible active employee wages, and contributions are funded from the same sources the related salaries are paid.

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Individual bond issuances are comprised of the following:

	<u>Issue Dates</u>	<u>Original Amount</u>	<u>Interest Rates to Maturity</u>	<u>Final Maturity (Fiscal year)</u>	<u>Balance April 30, 2019</u>	<u>Amounts Due Within A Year</u>
<b>GOVERNMENTAL ACTIVITIES</b>						
<b>Tax Increment Bonds:</b>						
Tower Drive Series 2012	2012	\$ 10,590,000	2.71%	2025	\$ 5,480,000	\$ 855,000
I-20 Development Series 2011	2011	10,000,000	3.00% - 5.00%	2025	5,035,000	760,000
I-20 Development Series 2012	2012	<u>20,530,000</u>	2.71%	2025	<u>11,085,000</u>	<u>1,725,000</u>
Total Tax Increment Bonds		<u>41,120,000</u>			<u>21,600,000</u>	<u>3,340,000</u>
<b>Sales Tax Bonds:</b>						
Series 2011A Refunding	2011	14,690,000	3.190%	2028	13,005,000	315,000
Series 2012 Refunding	2012	16,860,000	3.00% - 4.00%	2028	11,585,000	1,040,000
Series 2017 Refunding	2017	<u>12,535,800</u>	2.10%	2027	<u>11,332,200</u>	<u>1,509,600</u>
Total Sales Tax Bonds		<u>44,085,800</u>			<u>35,922,200</u>	<u>2,864,600</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>		<u>\$ 85,205,800</u>			<u>\$ 57,522,200</u>	<u>\$ 6,204,600</u>
<b>BUSINESS TYPE ACTIVITIES</b>						
<b>Sales Tax Bonds - Water:</b>						
Series 2006	2006	\$ 3,000,000	3.45%	2029	\$ 1,755,000	\$ 150,000
Series 2011 Refunding	2011	1,916,000	5.00%	2021	520,000	256,000
Series 2017 Refunding	2017	<u>1,179,840</u>	2.10%	2027	<u>1,066,560</u>	<u>142,080</u>
Total Sales Tax Bonds - Water		<u>6,095,840</u>			<u>3,341,560</u>	<u>548,080</u>
<b>Water Revenue Bonds</b>						
Series 2018	2018	35,295,000	3.00% - 5.00%	2049	35,295,000	660,000
<b>Sales Tax Bonds - Sewer:</b>						
Series 2008 - DEQ #5	2008	14,000,000	0.95%	2026	7,027,826	690,000
Series 2011 Refunding	2011	7,664,000	2.50% - 5.00%	2021	2,080,000	1,024,000
Series 2012A Refunding	2012	32,000,000	2.89%	2028	20,715,000	2,050,000
Series 2013 - DEQ #6	2013	11,700,000	0.95%	2028	6,104,427	758,000
Series 2017 Refunding	2017	<u>4,719,360</u>	2.10%	2027	<u>4,266,240</u>	<u>568,320</u>
Total Sales Tax Bonds - Sewer		<u>70,083,360</u>			<u>40,193,493</u>	<u>5,090,320</u>
<b>General Obligation Bonds - Airport:</b>						
Series 2017 LCDTA Taxable Revenue Refunding	2017	<u>15,625,000</u>	2.00% - 4.10%	2039	<u>14,700,000</u>	<u>390,000</u>
Total Airport Revenue Bonds		<u>15,625,000</u>			<u>14,700,000</u>	<u>390,000</u>
<b>TOTAL BUSINESS TYPE ACTIVITIES</b>		<u>\$ 127,099,200</u>			<u>\$ 93,530,053</u>	<u>\$ 6,688,400</u>

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The debt service requirements to amortize all bonds, capital leases and notes payable outstanding at April 30, 2019, are as follows:

Year Ended April 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 6,204,600	\$ 1,695,787	\$ 7,900,387	\$ 6,680,834	\$ 2,219,486	\$ 8,900,320
2021	6,611,600	1,519,679	8,131,279	6,770,924	2,065,434	8,836,358
2022	7,741,000	1,327,997	9,068,997	6,048,752	1,926,265	7,975,017
2023	7,884,000	1,092,702	8,976,702	5,553,042	1,799,427	7,352,469
2024	8,139,200	836,324	8,975,524	5,700,122	1,678,510	7,378,632
2025-2029	20,941,800	1,110,475	22,052,275	24,818,553	6,390,643	31,209,196
2030-2034	-	-	-	9,510,000	4,322,668	13,832,668
2035-2039	-	-	-	10,625,000	2,686,885	13,311,885
2040-2044	-	-	-	7,780,000	1,425,000	9,205,000
2045-2049	-	-	-	10,042,826	583,952	10,626,778
Total	\$ 57,522,200	\$ 7,582,964	\$ 65,105,164	\$ 93,530,053	\$ 25,098,270	\$ 118,628,323

General obligation bonds are direct obligations and are secured by the full faith and credit of the City. Revenue bonds are secured by pledged income derived from the assets acquired or constructed with bond funds. Certificates of indebtedness are secured by a pledge of the general credit of the City. The Tax Increment bonds are secured solely from the incremental tax revenues from the respective economic development districts.

*Defeasance of Debt:* In the 2018 fiscal year, the City defeased general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At April 30, 2019, \$15,077,226 of defeased bonds remain outstanding.

**12. PLEDGED REVENUES**

**Tower Drive Sales Tax Revenue and Refunding Bonds, Series 2012**

The City has pledged and dedicated and will irrevocably pledge and dedicate an amount to be determined but in no event to exceed sixty percent (60%) of its local Sales Tax Increment collected within the boundaries of the Economic Development Areas for use by the City for the purposes set forth in the Act for payment of the principal of, premium, if any, and interest on the Bonds.

The original bond issuance was for \$10,590,000. Proceeds from the bonds provided financing for the purpose of the acquisition, engineering, construction, reconstruction or relocation of certain roads, streets, highways, drainage, sewers and other public infrastructure within the Tower Drive Economic Development Area. The bonds are payable through 2025. The City has a balance of \$667,633 in a debt service fund for the payment of the bonds. Total principal and interest remaining to be paid on the bonds is \$5,480,000 and \$531,296, respectively. For the year ended April 30, 2019, the City received \$1,059,098 from the collection of the incremental sales tax and paid \$830,000 in bond principal and \$171,001 in debt service interest. The annual required principal and interest payments are estimated to be 95% of the tax revenues over the next 6 years.

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**I-20 Development Sales Tax Increment Revenue Bonds, Series 2011 and Series 2012**

The City has pledged and dedicated and will irrevocably pledge and dedicate an amount to be determined but in no event to exceed sixty percent (60%) of its local Sales Tax Increment collected within the boundaries of the Economic Development Areas for use by the City for the purposes set forth in the Act for payment of the principal of, premium, if any, and interest on the Bonds.

The original bond issuances were for \$10,000,000 for the 2011 and \$20,530,000 for the 2012 issuances. Proceeds from the bonds provided for the financing or refinancing of economic development projects within the economic development area including the repair, construction, reconstruction or relocation of public streets. Both series bonds are payable through 2025. The City has a balance of \$5,904,290 in a debt service fund for the payment of the bonds. Total principal and interest remaining to be paid on the bonds is \$16,120,000 and \$1,942,534, respectively. For the year ended April 30, 2019, the City received \$3,416,915 from the collection of the incremental sales tax and paid \$2,415,000 in bond principal and \$597,163 in debt service interest. The annual required principal and interest payments are estimated to be 88% of the tax revenues over the next 6 years.

**Sales Tax Revenue Bonds**

Sales Tax Bonds are payable solely from and secured by an irrevocable pledge and dedication of the avails or proceeds of the special one percent (1%) sales and use tax now being levied and collected by the City, pursuant to Article VI, Section 29 of the Constitution of the State of Louisiana of 1974, and other constitutional and statutory authority, and in compliance with elections held therein on November 8, 1994 and May 5, 2001, subject only to the prior payment of the reasonable and necessary costs and expenses of collecting and administering the Tax.

Proceeds from the bonds provided for capital infrastructure projects such as fire improvements, streets and drainage, as well as water and sewer infrastructure upgrades.

The City has a balance of \$4,576,709 in a debt service fund for payment of the bonds. The original amount of the bonds as well as the remaining principal and interest and final year payment is as follows:

	Original Amount	Remaining Principal	Remaining Interest	Final Calendar Year Payment
Series 2006	\$ 3,000,000	\$ 1,755,000	\$ 319,900	2029
Series 2008 DEQ #5	14,000,000	7,027,826	212,403	2028
Series 2011 Refunding	9,580,000	2,600,000	81,400	2021
Series 2011A Refunding	14,690,000	13,005,000	2,100,695	2028
Series 2012 Refunding	16,860,000	11,585,000	2,143,317	2028
Series 2012A Refunding	32,000,000	20,715,000	2,807,707	2028
Series 2013 DEQ #6	11,700,000	6,104,427	425,567	2029
Series 2017 Refunding	18,435,000	16,665,000	1,272,237	2027
Total	<u>\$ 120,265,000</u>	<u>\$ 79,457,253</u>	<u>\$ 9,363,226</u>	



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For the year ended, April 30, 2019, the City received \$16,040,850 from the collection of the 1% sales and use tax and paid \$7,533,000 in bond principal and \$1,535,548 in debt service interest. The annual required principal and interest payments are estimated to be 58% of the tax revenues over the next 10 years.

**Water Revenue Bonds**

In the 2019 fiscal year, the City has pledged and dedicated and will irrevocably pledge and dedicate the net revenues from water system revenues each year, after paying all reasonable and necessary expenses of operating and maintaining the water system, at least equal to 125% of the principal and interest payable on the bonds in such fiscal year and on any additional parity bonds hereafter.

The original bond issuances were for \$35,295,000, in which the proceeds from the bonds provided for the improvements of the water system. The bonds are payable through 2049. Total principal and interest remaining to be paid on the bonds is \$35,295,000 and \$14,269,525, respectively. For the year ended April 30, 2019, the City was not requirement to make any bond principal and debt service interest payments. The City’s net revenues for 2019 meets the 125% requirement of the next year’s principal and interest payments, \$660,000 and \$777,150, respectively.

**13. INTERFUND RECEIVABLES AND PAYABLES**

Individual fund balances due from/to other funds at April 30, 2019, are as follows:

	Interfund Receivable			
	General	Nonmajor Governmental	Water	Total
<u>Interfund Payable</u>				
General	\$ -	\$ 1,104,894	\$ 6,749	\$ 1,111,643
Capital Infrastructure	961	558,513	-	559,474
Nonmajor Governmental	1,052,251	126,572	52,074	1,230,897
Monroe Regional Airport	-	-	1,224,185	1,224,185
Sewer Fund	1,434,601	-	-	1,434,601
Total	\$ 2,487,813	\$ 1,789,979	\$ 1,283,008	\$ 5,560,800

These balances result from interfund transactions for goods and services which result in reimbursable expenditures or cash loans among funds made to cover negative cash balances.

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**14. INTERFUND TRANSFERS**

The following transfers were made between the various funds of the City during the year ended April 30, 2019:

Transfers In	Transfers Out			Total
	General	Capital Infrastructure	Nonmajor Governmental	
General	\$ -	\$ 933,883	\$ -	\$ 933,883
Nonmajor Governmental	1,567,983	4,408,666	-	5,976,649
Water Fund	-	647,494	-	647,494
Sewer Fund	-	5,970,036	-	5,970,036
Nonmajor Enterprise	2,985,849	-	4,200	2,990,049
Internal Service	482,669	-	-	482,669
Total	\$ 5,036,501	\$ 11,960,079	\$ 4,200	\$ 17,000,780

These transfers resulted from transactions for goods and services among funds, debt service transfers, amounts needed to support operations in various enterprise funds and for capital improvement.

**15. COMMITMENTS, LITIGATION AND CONTINGENCIES**

Various lawsuits are pending against the City of Monroe. Except as noted below, attorneys of the City are of the opinion that any judgment April 30, 2019.

The City is a party to a variety of suits involving sales taxes assessed on different businesses, city employee/e possible liability, if any, of these matters at the current time.

Construction Commitments. The City has active construction projects as of April 30, 2019. The projects include street construction, sewer treatment improvements, water system upgrades and airport projects. At year end the City's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Water Treatment Plant Renovation & Expansion	\$ 1,794,667	\$ 951,376
US Highway 165 N Booster Station	297,074	2,706,999
Airport Runway 14/32 Extension	719,017	1,295,100
Venable Lane Access Road	30,486	2,269,514
Georgia Street Pump Station	45,060	4,954,940

The City also has outstanding commitments for architect and engineering services related to the City's ongoing construction projects.

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Encumbrances. As discussed in Note 1. D. Budget Practices, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$	28,708
Water		116,564
Sewer		21,367
Nonmajor Enterprise		6,105
		172,744
		172,744

Tax Arbitrage Rebate Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

**16. ON-BEHALF PAYMENTS**

Certain City employees in the City Marshal's office, the Monroe Police Department and the Monroe Fire Department receive supplemental pay from the State of Louisiana. In accordance with GASB Statement No. 24, the City has recorded revenues and expenditures for these payments in the General Fund. Revenues under this arrangement totaled \$1,911,003 and the related expenditures are as follows:

Marshal/Deputy Marshal	\$	85,194
Monroe Police Department		762,116
Monroe Fire Department		1,063,693
Total		1,911,003

**17. RISK FINANCING ACTIVITIES**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. There were no major changes in insurance coverage for the year ended April 30, 2019. Certain risks of loss, such as surety bonding, transit liability and indemnity, and activities relating to the operations of Chennault Park, Selman Field Golf Course, the Monroe Civic Center, Louisiana Purchase Gardens and Zoo and Monroe Regional Airport are insured through purchase of commercial insurance with deductibles from \$0 to \$10,000 and coverage limits from \$50,000 (surety bonds) to \$127,933,154 (buildings and contents). Other risks of loss, including fleet comprehensive and liability, long-term disability and comprehensive general liability, are entirely self-insured. Workers compensation losses are self-insured up to \$2,000,000 per occurrence, with excess loss policies in force for claims in excess of the self-insured retention. There were no settlements that exceeded insurance coverage for the past three years.

The City also administers its own health insurance plan for its employees with a combination of self-insurance and stop-loss coverage. Claims are paid from charges to the City's other funds and its plan members and is based on 3<sup>rd</sup> party administrations recommendation. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In fiscal year 2019 the City retained specific stop-loss coverage which provides excess coverage for claims in excess of \$250,000.

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The following are the changes in the claims liability for health care benefits during the past three years are as follows:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 677,936	\$ 435,167	\$ 527,648
Current year claims and changes in estimates	11,784,385	10,445,855	10,238,829
Claims paid	<u>(11,723,690)</u>	<u>(10,203,086)</u>	<u>(10,331,310)</u>
Ending balance	<u>\$ 738,631</u>	<u>\$ 677,936</u>	<u>\$ 435,167</u>

All of the foregoing risk-financing activities are accounted for in the governmental and proprietary fund types. Long-term liabilities that are covered by structured settlements which are not expected to be liquidated with expendable available financial resources in the governmental funds have been recorded in the long term liabilities at estimated present value. Other long-term claims and judgments payable recorded in the long term liabilities, primarily disability and workers' compensation claims, are recorded using actuarial methods. Changes in the claims liability during the past three years are as follows:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 8,411,965	\$ 10,009,611	\$ 10,140,704
Current year claims and changes in estimates	1,993,203	250,671	402,355
Claims paid	<u>(1,454,856)</u>	<u>(1,848,317)</u>	<u>(533,448)</u>
Ending balance	<u>\$ 8,950,312</u>	<u>\$ 8,411,965</u>	<u>\$ 10,009,611</u>

Included in current year claims and changes in estimates are amounts related to workers' compensation claims for incurred but not reported claims (IBNR). IBNR claims include known loss events which are expected to be presented as claims, unknown loss events that are expected to become claims and expected future developments on claims already reported. Actuarial methods were employed to determine the IBNR reserve at April 30, 2019, which was calculated to be approximately \$2 million and covers claim years since April 30, 1979. The estimate of claims also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

The Employees' Group Insurance fund had a fund balance of \$691,307 at April 30, 2019.

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**18. SALES TAX COLLECTIONS REMITTED TO OTHER TAXING AUTHORITIES (CASH BASIS)**

Act 711 of the 2010 Louisiana legislative session amended LRS 24:51 (B) to provide required footnote disclosure in the financial statements for local governments that collect tax for other taxing jurisdictions. Listed below are sales tax collections and distributions to other parish governmental agencies during fiscal year ended April 30, 2019.

	<u>Total Collections</u>	<u>Collection Cost</u>	<u>Protested Taxes</u>	<u>Final Distribution</u>
City of West Monroe	\$ 22,746,765	\$ (55,175)	\$ (9,280)	\$ 22,682,310
Town of Sterlington	1,037,220	(6,207)		1,031,014
Town of Richwood	330,319	(168)		330,151
Monroe City School Board	28,702,641	(187,086)	28,628	28,544,183
Ouachita Parish School Board	45,994,297	(280,761)	(2,695)	45,710,841
Ouachita Parish Police Jury	20,505,650	(40,432)		20,465,218
Ouachita Parish Sheriff Office	4,255,012	(21,248)		4,233,764
Monroe/W Monroe Convention & Visitor's Bureau	1,708,961	(3,941)		1,705,020
Subtotal	<u>125,280,865</u>	<u>(595,018)</u>	<u>16,653</u>	<u>124,702,500</u>
City of Monroe	<u>62,092,866</u>	<u>-</u>	<u>70,310</u>	<u>62,163,176</u>
<b>Total</b>	<u><u>\$ 187,373,731</u></u>	<u><u>\$ (595,018)</u></u>	<u><u>\$ 86,963</u></u>	<u><u>\$ 186,865,676</u></u>

**19. NONSPENDABLE, RESTRICTED, COMMITTED AND ASSIGNED FUND BALANCES**

The following Governmental Funds' fund balances are nonspendable, legally restricted, Council committed or assigned for the following purposes:

**Nonspendable Fund Balance**

<u>Fund</u>	<u>Nonspendable</u>	<u>Amount</u>
<b>Major Funds:</b>		
General Fund	Prepaid expenses and other assets	\$ 273,052
General Fund	Inventories	110,571
<b>Total Major Funds</b>		<u>383,623</u>
<b>Non-major Funds:</b>		
Special Revenue Funds:		
CDBG Loan	Prepaid expenses and other assets	55,267
HOME Program Loans	Prepaid expenses and other assets	124,825
Capital	Prepaid expenses and other assets	187,931
<b>Total Non-major Funds</b>		<u>368,023</u>
<b>Total Nonspendable</b>		<u><u>\$ 751,646</u></u>

**CITY OF MONROE**  
**Monroe, Louisiana**

**Notes To The Financial Statements**  
**As of And For The Year Ended April 30, 2019**

**Restricted Fund Balance**

<u>Fund</u>	<u>Restricted For</u>	<u>Amount</u>
<b>Major Funds</b>		
Special Revenue-Capital Infrastructure	Debt	\$ 10,102,607
	Public works	<u>15,866,484</u>
<b>Total Major Funds</b>		<u>25,969,091</u>
<b>Non-Major Funds</b>		
Special Revenue Funds		
Fire Department Insurance	Public safety	949,434
Fire and Police Capital Tax	Capital improvements	1,922,539
Emergency Shelter	Planning and urban development	16,288
CDBG Home	Planning and urban development	5,301
Bond Forfeiture	Judicial	16,893
DARE Program	Public safety	7,899
Equitable Share Federal Seizure	Public safety	1,277
Police Salary Sales Tax	Public safety	1,248,612
Fire Salary Sales Tax	Public safety	952,903
HOME Program Loans	Planning and urban development	350,867
Capital	Public safety	28,722
MPD K-9/Donations	Public safety	26,505
Debt-Service Funds		
I-20 Economic District	Debt	5,904,290
Tower Dr. Economic District	Debt	667,633
Sales Tax Debt	Debt	4,576,709
Capital Projects Funds		
Tower Drive	Capital improvements	635,344
Street Construction	Capital improvements	48,474
Fire/Drainage Improvements	Capital improvements	120,929
US 165 Business Connector	Capital improvements	9,941
Community Center Repairs	Capital improvements	433
Trails Grant Levee	Capital improvements	77,080
Hwy 165 S Infrastructure	Capital improvements	25,166
I-20 Corridor Improvements	Capital improvements	<u>6,277,079</u>
<b>Total Non-Major Funds</b>		<u>23,870,318</u>
<b>Total Restricted</b>		<u>\$ 49,839,409</u>

**CITY OF MONROE**  
**Monroe, Louisiana**

**Notes To The Financial Statements**  
**As of And For The Year Ended April 30, 2019**

**Committed Fund Balance**

<u>Fund</u>	<u>Committed For</u>	<u>Amount</u>
<b>Non-Major Funds</b>		
Special Revenue Funds		
Employees' Benefits	Employees' benefits	\$ 1,075,244
Southside Economic Dev. District	Economic Development	103,374
<b>Total Committed</b>		<b>\$ 1,178,618</b>

**Assigned Fund Balance**

<u>Fund</u>	<u>Assigned For</u>	<u>Amount</u>
<b>Non-Major Funds</b>		
Special Revenue Funds		
Diversion Program	Judicial	\$ 137,663
Drug Seizure Local/State	Public safety	11,217
Downtown Economic Development	Economic development	10,658
Administrative Economic Development	Economic development	381,634
Repairs & Maintenance	Repairs and capital improvements	1,110,083
Capital Project Funds		
Capital Equipment Purchases	Capital improvements	1,300,000
<b>Total Assigned</b>		<b>\$ 2,951,255</b>

**20. PASSENGER FACILITY CHARGE-MONROE REGIONAL AIRPORT**

On January 23, 2003, the Monroe Regional Airport (Airport) received approval from the Federal Aviation Administration (FAA) to impose a \$4.50 passenger facility charge (PFC) in accordance with Section 158.29 of the FAA Regulations (Title 14, Code of Federal Regulations, Part 158). On December 20, 2005, the Airport received approval to continue collecting the charge through September 1, 2008. On September 8, 2008, approval was given by the FAA to collect the charge commencing November 1, 2008 through June 1, 2036.

FAA regulations require that PFC revenues be recognized and reported as non-operating revenues in the year the fees are remitted by the air carriers (cash basis of accounting). Likewise, payments to vendors are also reported when disbursed, not when incurred. However, for financial reporting purposes, GAAP requires that these revenues and expenses be recorded on the accrual basis of accounting.

FAA regulations also require certain financial statement disclosures with regard to passenger facility charges. Any PFC revenue received, but not yet spent, along with interest income, is classified as restricted net position on the Statement of Net position.

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**Notes To The Financial Statements**  
**As of And For The Year Ended April 30, 2019**

The FAA approved a total collection of \$1,134,672, from April 1, 2003 until January 31, 2006 for three approved projects. On December 20, 2005, the FAA approved collections of \$720,000 for one additional project. Two additional projects were approved September 8, 2008 totaling \$16,400,000. These projects as well as the amounts disbursed and the remaining dollars available are as follows:

Description	Project Amount	Disbursements	Available
Aircraft loading equipment improvement	\$ 504,334	\$ 504,334	\$ -
PFC application professional fees	40,700	40,700	-
Rehabilitate airfield lighting	401,025	401,025	-
Passenger terminal scoping and planning study	413,444	413,444	-
New Passenger Terminal Building	16,200,000	4,164,587	12,035,413
Administrative Costs (Professional Fees)	200,000	44,711	155,289
Total	<u>\$ 17,759,503</u>	<u>\$ 5,568,801</u>	<u>\$ 12,190,702</u>

On September 15, 2009 the Application 08-03-C-00-MLU charge effective date was changed to July 1, 2006 and charge expiration date was changed to January 1, 2035.

Since the inception of the PFC, the Airport has recorded the following revenues / receipts and expenses / disbursements through fiscal year 2019 resulting in a restriction of net position from passenger facility charges as follows:

	Accrual Basis	Cash Basis
PFC revenues / receipts	\$ 6,540,227	\$ 6,457,994
Interest earnings	57,074	57,074
Total revenues / receipts	<u>6,597,301</u>	<u>6,515,068</u>
Expenses / disbursements for PFC projects	<u>(5,709,463)</u>	<u>(5,568,801)</u>
Net PFC cash, April 30, 2019		<u>\$ 946,267</u>
Net position restricted for PFC, April 30, 2019	<u>\$ 887,838</u>	

Any remaining funds after the completion of the projects will require a plan for the use of this revenue be submitted to the FAA for review and concurrence.



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**Notes To The Financial Statements**  
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**21. NEW GASB STANDARDS** In fiscal year 2019, the City adopted the following new statements of financial accounting standards issued by the Governmental Accounting Standards Board:

- *Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, issued by the Government Accounting Standards Board. This Statement addresses accounting and financial reporting of OPEB that is provided to the employees of state and local governmental employers and establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to the actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB.

The adoption of Statement No. 75 has no impact on the City’s governmental fund financial statements, which continue to report expenditures on a pay-as-you-go basis. However, the adoption has resulted in the restatement of the City’s 2018 government-wide financial statements to reflect the reporting of total OPEB liability in accordance with the provisions of the Statement. Net position as of May 1, 2018 was decreased by \$42,981,437 reflecting the cumulative retrospective effect of adoption. See Note 23 for additional information.

- *Statement No. 85 – Omnibus 2017*, issued by the Government Accounting Standards Board. This Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to fair value measurement, and application, and postemployment benefits for both pensions and other postemployment benefits (OPEB).
- *Statement No. 86 – Certain Debt Extinguishment Issues*, issued by the Government Accounting Standards Board. This Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources, resources other than the proceeds of refunding debt, are placed in an irrevocable trust.

The adoption of Statements No. 85 and 86 had no impact on the government-wide or the governmental fund financial statements, but provide for additional guidance, clarification and/or additional disclosures in the notes to the financial statements.

**22. TAX ABATEMENTS**

The City is subject to two property tax abatements granted by the Louisiana Department of Economic Development, Office of Commerce and Industry: Industrial Tax Exemption Program (ITEP) and Restoration Tax Abatement Program (RTA).

Louisiana’s ITEP program provides that any manufacturing establishment entering Louisiana, or any manufacturing establishment expanding its Louisiana facilities, is eligible to receive exemption on

**CITY OF MONROE**  
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**Notes To The Financial Statements**  
**As of And For The Year Ended April 30, 2019**

buildings and equipment from state, parish and local property taxes for a period of ten years. The exemption is for the “contract” value of buildings or equipment used by the business. The initial term of the abatement is up to five years and the option to renew is for an additional five years. When the exemption expires, the property is to be placed on the tax roll at 15% of its current market value.

Louisiana’s RTA program provides commercial property owners and homeowners who expand, restore, improve or develop an existing structure in the downtown development districts, economic development districts and historic districts the right for five years after completion of the work, to pay ad valorem taxes based on the assessed valuation of the property for the year prior to the commencement of the project. The contract under the exemption law provides for a five-year abatement of ad valorem taxes on the increased value of the property, with an option to renew for an additional five years. If the property is sold, the contract may be transferred, subject to local government and board approval.

The amount of tax abatement under these programs during the fiscal year ended April 30, 2019 by authorized millage are as follows:

<u>District</u>	<u>Millage</u>	<u>Assessed Valuation Lost to ITEP &amp; RTA</u>	<u>Estimated Tax Dollar Lost to ITEP &amp; RTA</u>
Monroe City General Fund	0.01049	\$ 13,109,597	\$ 137,520
Monroe Rec Facilities	0.00189	13,109,597	24,777
Monroe Safety Services	0.00107	13,109,597	14,027
Monroe Drainage Facilities	0.00132	13,109,597	17,305
Monroe Civic Center	0.00251	13,109,597	32,905
La. Purchase Gardens and Zoo	0.00251	13,109,597	32,905
Monroe Capital Improvements	0.00327	13,109,597	42,868
Monroe Police Department	0.00151	13,109,597	19,795
Monroe Fire Department	0.00151	13,109,597	19,795
Monroe Airport	0.00101	13,109,597	13,241
			<u>\$ 355,138</u>

The City is subject to one sales tax abatement granted by the State of Louisiana Department of Revenue, with City Council’s approval, under the Enterprise Zone Program. The tax abatement is in the form of a claim for rebate of sales and use tax paid on construction materials, machinery, and equipment purchased during the construction period to be used on the approved site of the project indicated on the Enterprise Zone contract. The City has one vendor under this program; however the City’s sales tax revenue was not reduced during the fiscal year as a result of the rebate due to the extension request submitted by the vendor. The rebate amount is not yet determined.

**CITY OF MONROE**

**Monroe, Louisiana**

**Notes To The Financial Statements  
As of And For The Year Ended April 30, 2019**

**23. PRIOR PERIOD ADJUSTMENT**

The government-wide financial statements include a prior period adjustment decreasing net position of the governmental activities by \$42,981,437, which was related to the implementation of GASB 75. The pro forma amounts for fiscal year 2018 are not presented because the amounts are not readily determinable.

**24. SUBSEQUENT EVENTS**

The City of Monroe refunded sales tax increment revenue bonds for both the Garrett Road Economic Development Area and the Tower Drive Economic Development Area. The Tower Drive bonds refunded Series 2012. These bonds were issued in the amount of \$11,000,000 at an interest rate of 2.21%. The Garrett Road bonds refunded both Series 2011 and Series 2012. These bonds were issued in the amount of \$23,500,000 with an interest rate of 2.21%. The purpose of these refundings was to provide additional funding for economic development projects within the respective development areas.

**CITY OF MONROE**  
**Monroe, Louisiana**

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**DIVIDER**

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**DIVIDER**

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**OTHER POST EMPLOYMENT BENEFITS (OPEB),  
PENSION AND BUDGETARY INFORMATION**

**City of Monroe  
Monroe, Louisiana**

**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS  
April 30, 2019**

**Exhibit 1-1**

**Total OPEB Liability**

Service costs	\$ 956,630
Interest	2,596,598
Changes of benefit terms	-
Differences between expected and actual experience	(3,444,670)
Changes of assumptions	1,925,944
Benefit payments	<u>(1,788,546)</u>
Net change in total OPEB liability	245,956
Total OPEB liability - Beginning	<u>66,299,756</u>
Total OPEB liability - Beginning	<u>\$ 66,545,712</u>
Covered employee payroll	\$ 30,826,348
Total OPEB liability as a percentage of covered payroll	215.87%

**Changes of Assumptions**

Changes of assumptions and other inputs reflect the effect of changes in the discount rate each period. The following is the discount rate used:

2019	3.79%
------	-------

Notes:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

No assets are accumulated in a trust that meets the criteria in GASB No. 75, paragraph 4, to pay related benefits.

**City of Monroe  
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**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
April 30, 2019**

**Exhibit 1-2**

<u>Fiscal Year</u>	<u>Employer's Proportion of the Net Pension Liability</u>	<u>Employer's Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Municipal Employees' Retirement System (MERS)					
2019	9.565450%	\$ 39,607,463	\$ 17,362,227	228%	63.94%
2018	10.217120%	42,742,500	18,555,620	230%	62.49%
2017	10.804439%	44,284,268	19,310,513	229%	62.11%
2016	10.799224%	38,576,519	21,647,291	178%	66.18%
Municipal Police Employees' Retirement System (MPERS)					
2019	2.779837%	\$ 23,500,912	\$ 8,203,664	286%	71.89%
2018	2.894085%	25,266,586	8,638,064	293%	70.08%
2017	3.148973%	29,514,749	8,820,039	335%	66.04%
2016	3.09061%	24,211,694	9,939,381	244%	70.73%
Firefighters' Retirement System (FRS)					
2019	3.862684%	\$ 22,218,460	\$ 9,196,430	242%	74.76%
2018	3.830554%	21,956,157	8,944,203	245%	73.55%
2017	4.034794%	26,391,200	9,103,533	290%	68.16%
2016	3.990974%	21,539,736	12,112,347	178%	72.45%

**Notes:**

The amounts presented have a measurement date of June 30th of the previous fiscal year.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.



**City of Monroe  
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**SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLANS  
April 30, 2019**

**Exhibit 1-3**

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
<b>Municipal Employees' Retirement System (MERS)</b>					
2019	\$ 4,368,939	\$ 4,368,939	\$ -	\$16,957,617	25.76%
2018	4,300,186	4,300,186	-	17,657,168	24.35%
2017	4,126,107	4,126,107	-	18,605,867	22.18%
2016	3,674,106	3,674,106	-	18,603,068	19.75%
<b>Municipal Police Employees' Retirement System (MPERS)</b>					
2019	\$ 2,634,696	\$ 2,634,696	\$ -	\$ 8,231,779	32.01%
2018	2,557,245	2,557,245	-	8,270,593	30.92%
2017	2,729,307	2,729,307	-	8,700,663	31.37%
2016	2,605,884	2,605,884	-	8,739,551	29.82%
<b>Firefighters' Retirement System (FRS)</b>					
2019	\$ 2,340,407	\$ 2,340,407	\$ -	\$ 8,831,660	26.50%
2018	2,406,351	2,406,351	-	9,148,362	26.30%
2017	2,300,055	2,300,055	-	8,991,546	25.58%
2016	2,473,793	2,473,793	-	8,978,375	27.55%

**Notes:**

The amounts presented were determined as of the fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

**City of Monroe  
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**Notes to Required Supplementary Information for Pensions  
For Fiscal Year Ended April 30, 2019**

**Changes in Benefit Terms** No changes noted for any of the plans.

**Changes in Assumptions**

MERS: Changes were made to the valuation interest rate, salary scale, mortality, retirement, DROP entry, and withdrawal rates based on the results of an actuarial experience study for the period July 1, 2009-July 30, 2014.

2016: Investment Rate of Return - 7.5%  
Inflation Rate - 2.875%

2017: Investment Rate of Return - 7.4%  
Inflation Rate - 2.775%

2018: Investment Rate of Return - 7.275%  
Inflation Rate - 2.6%

MPERS: Changes were made to mortality, retirement, DROP entry, and withdrawal rates based on the results of an actuarial experience study for the period July 1, 2010-June 30, 2014.

2016: Investment Rate of Return - 7.5%  
Inflation Rate - 2.875%

2017: Investment Rate of Return - 7.325%  
Inflation Rate - 2.7%

2018: Investment Rate of Return - 7.2%  
Inflation Rate - 2.6%

FRS: Changes were made to retirement, DROP entry, and withdrawal rates based on the results of an actuarial experience study for the period July 1, 2009-June 30, 2014.

2016: Investment Rate of Return - 7.5%  
Inflation Rate - 2.875%

2017: Investment Rate of Return - 7.4%  
Inflation Rate - 2.775%

2018: Investment Rate of Return - 7.3%  
Inflation Rate - 2.7%

**City of Monroe  
Monroe, Louisiana**

**Budgetary Comparison Schedules**

General Fund and Major Special Revenue Funds With Legally Adopted Annual Budgets

**General Fund** The general fund accounts for all activities of the City except those that are accounted for in other funds.

**Capital Infrastructure** The fund accounts for the collection of a 1% sales tax to be used for various infrastructure projects as recommended by the Capital Infrastructure Commission, established after the tax renewal of 2004. The tax can be used to pay debt incurred for long-term projects. The tax call requires that 25% of the collections be dedicated to actual street maintenance.

**CITY OF MONROE**  
**Monroe, Louisiana**

Exhibit 2

**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended April 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
BUDGETARY FUND BALANCES, BEGINNING	\$ 13,380,249	\$ 13,954,186	\$ 13,954,186	\$ -
Resources (Inflows)				
Local sources:				
Ad valorem tax revenue				
General property taxes	4,475,755	4,475,755	4,666,845	191,090
1974 Recreation maintenance tax	790,818	790,818	842,999	52,181
1974 Public safety tax	445,693	445,693	477,056	31,363
1974 Drainage maintenance tax	551,971	551,971	588,170	36,199
Capital improvement tax	1,367,931	1,367,931	1,457,740	89,809
Adjudicated property	30,840	30,840	11,342	(19,498)
Total Ad valorem tax revenue	7,663,008	7,663,008	8,044,152	381,144
Sales and use tax revenue				
General sales and use tax	35,859,176	37,107,306	37,172,188	64,882
Total sales and use tax revenue	35,859,176	37,107,306	37,172,188	64,882
Other tax revenue				
Franchise fees	800,000	800,000	1,931,761	1,131,761
Beer tax	69,000	69,000	73,800	4,800
Total other tax revenue	869,000	869,000	2,005,561	1,136,561
Licenses and permits				
Liquor licenses	80,700	80,700	77,973	(2,727)
Occupational licenses	3,023,318	2,723,318	2,693,322	(29,996)
Video bingo licenses	1,250	1,250	2,583	1,333
Building permits	115,000	194,600	218,376	23,776
Sewer permits and inspections	40,000	40,000	38,932	(1,068)
Plumbing permits and inspections	41,000	57,500	49,445	(8,055)
Electrical permits and inspections	42,000	48,300	63,102	14,802
Gas permits and inspections	4,800	5,400	5,561	161
Heating and air conditioning permits	7,900	21,200	26,797	5,597
Off premise sign permits	500	500	610	110
Culvert and drain project permits	1,900	1,900	3,175	1,275
Other engineering permits	5,000	5,000	15,802	10,802
Storm water permits	1,500	1,500	4,069	2,569
Total license and permits	3,364,868	3,181,168	3,199,747	18,579
Local Grants				
Local grants	-	30,000	45,528	15,528
Total local grants	-	30,000	45,528	15,528
Intergovernmental revenues	2,082,253	2,206,409	2,068,526	(137,883)
Total intergovernmental revenues	\$ 2,082,253	\$ 2,206,409	\$ 2,068,526	\$ (137,883)

(Continued)

**CITY OF MONROE**  
**Monroe, Louisiana**

Exhibit 2

**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended April 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Resources (Inflows)				
Fees, charges and commissions				
Sales tax commission	\$ 908,258	\$ 748,258	\$ 737,389	\$ (10,869)
Signal light reimbursement	187,880	187,880	189,100	1,220
City court civil fees	240,000	240,000	232,990	(7,010)
City sanitation service	3,050,000	3,050,000	3,040,583	(9,417)
Cemetery Lots	10,500	17,490	22,725	5,235
Grass cutting fees	106,000	156,000	138,131	(17,869)
Ticket review fees	350	350	675	325
Copy charges	800	800	497	(303)
NSF fees	7,900	7,900	6,845	(1,055)
Royalty income	1,100	1,100	2,668	1,568
Commissions	500	500	552	52
Postage	135	135	-	(135)
Legal and other professional	18,928	18,928	23,009	4,081
Entergy franchise fees	2,147,316	2,147,316	938,117	(1,209,199)
Resource officer reimbursements	-	150,000	150,000	-
Appearance and surrender fees	40,000	40,000	40,245	245
Fire reports	-	-	86	86
Zoning income	65,000	65,000	75,967	10,967
Recreation department revenue	47,355	47,355	53,814	6,459
Golf course fees	478,580	480,580	412,540	(68,040)
Street cut reimbursement	25,000	25,000	34,384	9,384
<b>Total fees, charges and commissions</b>	<b>7,335,602</b>	<b>7,384,592</b>	<b>6,100,317</b>	<b>(1,284,275)</b>
Fines and forfeitures				
City court fines	600,000	600,000	455,232	(144,768)
Environmental court fines	5,820	5,820	6,667	847
Overparking fines	28,100	28,100	28,806	706
DWI Probation fines	-	-	2,166	2,166
False alarm fees	5,000	5,000	3,400	(1,600)
<b>Total fines and forfeitures</b>	<b>638,920</b>	<b>638,920</b>	<b>496,271</b>	<b>(142,649)</b>
Use of Money and property				
Rental income-usage fees	92,531	92,531	101,843	9,312
Interest income	34,000	107,000	148,775	41,775
<b>Total use of property and money</b>	<b>126,531</b>	<b>199,531</b>	<b>250,618</b>	<b>51,087</b>
Other income				
Penalties and interest	2,355	2,355	-	(2,355)
Sale of scrap	-	-	306	306
Cash shortage/overage	-	-	272	272
Vending commissions	1,400	1,400	1,435	35
Police miscellaneous	60,000	60,000	51,142	(8,858)
Contributions and donations - private	-	1,000	1,002	2
Miscellaneous income	-	-	1,057	1,057
<b>Total other income</b>	<b>\$ 63,755</b>	<b>\$ 64,755</b>	<b>\$ 55,214</b>	<b>\$ (9,541)</b>

(Continued)

(Continued)

**CITY OF MONROE**  
**Monroe, Louisiana**

Exhibit 2

**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended April 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Resources (Inflows)				
Transfers from other funds	\$ 1,083,001	\$ 1,083,001	\$ 933,883	\$ (149,118)
Sale of assets	500,045	100,045	(27,286)	(127,331)
Capital lease proceeds	-	-	534,630	534,630
Amounts available for appropriations	72,966,408	74,481,921	74,834,035	352,114
Charges to appropriations (outflows)				
Current:				
Legislative division - Council and staff	545,374	547,022	462,492	84,530
Judicial division	2,571,993	2,705,663	2,597,797	107,866
Executive division - Chief executive and staff	817,637	859,102	852,889	6,213
Administration division	10,662,770	10,537,947	10,540,023	(2,076)
Other general government	837,818	861,304	836,231	25,073
Police division	12,239,151	12,499,796	12,186,701	313,095
Fire division	12,546,628	12,660,596	12,289,936	370,660
Public Works division	8,227,971	7,954,298	8,462,046	(507,748)
Engineering	986,009	990,559	877,571	112,988
Culture and recreation	4,683,869	4,646,105	4,357,519	288,586
Planning and urban development division	1,153,841	1,161,641	1,073,567	88,074
Debt Service:				
Capital leases	233,509	-	430,383	(430,383)
General interest expense	33,347	33,347	67,406	(34,059)
Capital expenditures	180,342	224,400	654,240	(429,840)
Other uses	-	46,546	-	46,546
Transfers to other funds	3,865,900	4,565,900	5,036,501	(470,601)
Total charges to appropriations	59,586,159	60,294,226	60,725,302	(431,076)
BUDGETARY FUND BALANCES, ENDING	\$ 13,380,249	\$ 14,187,695	\$ 14,108,733	\$ (78,962)

(Concluded)

**CITY OF MONROE  
Monroe, Louisiana**

Exhibit 3

**CAPITAL INFRASTRUCTURE  
Budgetary Comparison Schedule  
For the Year Ended April 30, 2019**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
BUDGETARY FUND BALANCES, BEGINNING	\$ 27,188,925	\$ 23,886,981	\$ 23,886,981	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Sales - Street Improvement	15,300,000	15,300,000	16,040,850	740,850
Intergovernmental revenues	-	1,298,819	1,245,547	(53,272)
Use of money and property	45,000	300,000	368,766	68,766
Amounts available for appropriations	<u>42,533,925</u>	<u>40,785,800</u>	<u>41,542,144</u>	<u>756,344</u>
Charges to appropriations (outflows)				
Current:				
General government				
Executive	1,332,622	1,339,670	1,437,730	(98,060)
Public works	225,000	280,000	254,736	25,264
Capital outlay	2,380,000	2,780,000	1,920,508	859,492
Transfers to other funds	12,033,883	12,033,883	11,960,079	73,804
Total charges to appropriations	<u>15,971,505</u>	<u>16,433,553</u>	<u>15,573,053</u>	<u>860,500</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 26,562,420</u>	<u>\$ 24,352,247</u>	<u>\$ 25,969,091</u>	<u>\$ 1,616,844</u>

**CITY OF MONROE**  
**Monroe, Louisiana**

**Notes to the Budgetary Comparison Schedules**  
**For the Year Ended April 30, 2019**

**Note A. Budgets**

**General Budget Practices**

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

1. At least ninety days prior to the beginning of the fiscal year, the Mayor submits to the City Council an operating and capital budget for the succeeding year.
2. A public hearing is scheduled by the City Council after allowing for at least ten days notice to the public at the time the budget is initially submitted to the City Council. The budget for the succeeding year must be finally adopted by the Council no later than the second-to-last regular meeting of the fiscal year.
3. The appropriated budget is prepared by fund, function and department. The Mayor may authorize transfers of budgetary amounts within departments. However, any revisions requiring alteration of levels of expenditures or transfers between departments must be approved by the City Council.
4. Operating appropriations, to the extent not expended, lapse at year end even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services, (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are reappropriated and become part of the subsequent year's budget pursuant to state regulations. Capital appropriations continue in force until the project is completed or deemed abandoned after three years of no activity.
5. For the year ended April 30, 2019, the City adopted a budget for the General Fund and the Capital Infrastructure Fund.
6. Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the function level. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. These revisions were considered significant by the Council. All budget revisions are approved by the Council.

**Budget Basis of Accounting**

All governmental funds' budgets are prepared on the modified accrual basis of accounting, a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

Budgeted amounts are as originally adopted or as amended by the Council. Legally, the Council must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Council to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The City approves budgets at the function level.



**CITY OF MONROE**  
**Monroe, Louisiana**

**Notes to the Budgetary Comparison Schedules**  
**For the Year Ended April 30, 2019**

**Note B. Budget to GAAP Reconciliation**

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures.

	<b>GENERAL FUND</b>	<b>CAPITAL INFRASTRUCTURE</b>
<u>Sources/inflows of resources:</u>		
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 74,834,035	\$ 41,542,144
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(13,954,186)	(23,886,981)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes	(933,883)	-
Sale of capital assets and capital lease proceeds are inflows of budgetary resources but are not revenues for financial reporting purposes	(507,344)	-
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	59,438,622	17,655,163
<u>Uses/outflows of resources:</u>		
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	60,725,302	15,573,053
Transfers to other funds and other uses are outflows of budgetary resources but are not expenditures for financial reporting purposes	(5,036,501)	(11,960,079)
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 55,688,801	\$ 3,612,974

**Note C. Excess of Expenditures Over Appropriations in Individual Funds**

The following individual funds had actual expenditures over budgeted expenditures for the year ended:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 60,294,226	\$ 60,725,302	\$ (431,076)

**City of Monroe  
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**SUPPLEMENTARY INFORMATION**

**DIVIDER**

**City of Monroe  
Monroe, Louisiana**

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Monroe, Louisiana**

**COMBINING  
NONMAJOR GOVERNMENTAL FUNDS  
STATEMENTS**

**DIVIDER**

**City of Monroe  
Monroe, Louisiana**

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**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Balance Sheet - By Fund Type**  
**April 30, 2019**

Exhibit 4

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 7,322,232	\$ 9,555,102	\$ 8,019,181	\$ 24,896,515
Receivables	1,171,408	1,087,091	-	2,258,499
Interfund receivables	205,825	506,439	1,077,715	1,789,979
Prepaid items and other assets, net	368,023	-	-	368,023
	<u>9,067,488</u>	<u>11,148,632</u>	<u>9,096,896</u>	<u>29,313,016</u>
<b>TOTAL ASSETS</b>				
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts and retainage payable	243,503	-	325,236	568,739
Accrued liabilities	558	-	-	558
Interfund payables	178,823	-	1,052,074	1,230,897
Unearned revenue	1,630	-	-	1,630
Due to others	23,114	-	-	23,114
	<u>447,628</u>	<u>-</u>	<u>1,377,310</u>	<u>1,824,938</u>
<b>TOTAL LIABILITIES</b>				
<b>FUND BALANCES:</b>				
<b>Nonspendable</b>				
Prepaid items and other assets	368,023	-	-	368,023
<b>Spendable</b>				
Restricted	5,527,240	11,148,632	7,194,446	23,870,318
Committed	1,178,618	-	-	1,178,618
Assigned	1,651,255	-	1,300,000	2,951,255
Unassigned (deficit)	(105,276)	-	(774,860)	(880,136)
	<u>8,619,860</u>	<u>11,148,632</u>	<u>7,719,586</u>	<u>27,488,078</u>
<b>TOTAL FUND BALANCES</b>				
<b>TOTAL LIABILITIES AND FUND BALANCES</b>				
	<u>\$ 9,067,488</u>	<u>\$ 11,148,632</u>	<u>\$ 9,096,896</u>	<u>\$ 29,313,016</u>

**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances - By Fund Type**  
**For the Year Ended April 30, 2019**

Exhibit 5

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 1,373,550	\$ -	\$ -	\$ 1,373,550
Sales	7,954,256	4,476,013	-	12,430,269
Intergovernmental revenues	1,363,866	-	2,444,005	3,807,871
Fees, charges and commissions for services	536,916	-	-	536,916
Fines and forfeitures	7,958	-	-	7,958
Use of money and property	30,494	124,336	103,845	258,675
Miscellaneous revenues	220,651	-	-	220,651
	<u>11,487,691</u>	<u>4,600,349</u>	<u>2,547,850</u>	<u>18,635,890</u>
<b>EXPENDITURES</b>				
Current:				
General government				
Financial administration	63,378	17,477	11,444	92,299
Other general government	13,643	-	-	13,643
Public safety				
Police	3,874,776	-	-	3,874,776
Fire	4,084,938	-	-	4,084,938
Public works	21,915	-	-	21,915
Culture and recreation	275,299	-	-	275,299
Planning and urban development	805,035	-	-	805,035
Economic development and assistance	123,518	-	-	123,518
Capital outlay	312,098	-	3,269,873	3,581,971
Debt service:				
Principal retirement	914,197	5,783,600	-	6,697,797
Interest and bank charges	28,841	1,842,602	-	1,871,443
	<u>10,517,638</u>	<u>7,643,679</u>	<u>3,281,317</u>	<u>21,442,634</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>970,053</u>	<u>(3,043,330)</u>	<u>(733,467)</u>	<u>(2,806,744)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	267,983	4,356,592	1,352,074	5,976,649
Transfers out	(4,200)	-	-	(4,200)
	<u>263,783</u>	<u>4,356,592</u>	<u>1,352,074</u>	<u>5,972,449</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>263,783</u>	<u>4,356,592</u>	<u>1,352,074</u>	<u>5,972,449</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>1,233,836</u>	<u>1,313,262</u>	<u>618,607</u>	<u>3,165,705</u>
<b>FUND BALANCES - BEGINNING</b>	<u>7,386,024</u>	<u>9,835,370</u>	<u>7,100,979</u>	<u>24,322,373</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 8,619,860</u>	<u>\$ 11,148,632</u>	<u>\$ 7,719,586</u>	<u>\$ 27,488,078</u>

**City of Monroe  
Monroe, Louisiana**

**COMBINING NONMAJOR  
SPECIAL REVENUE FUNDS  
STATEMENTS**

**DIVIDER**



**City of Monroe  
Monroe, Louisiana**

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**DIVIDER**

**City of Monroe**  
**Monroe, Louisiana**  
**Nonmajor Special Revenue Funds**

**Fire Department Insurance** - The fund receives an annual share of property insurance commissions from the State of Louisiana. The monies are dedicated for fire department maintenance and supplies.

**Community Development Block Grant (CDBG)** - The fund accounts for federal Community Development Block Grant funds, which are used for various community development projects.

**Fire & Police Capital Tax** - The fund receives dedicated ad valorem taxes for fire and police capital expenditures.

**Emergency Shelter** - The fund accounts for the federal funding from the US Department of Housing and Urban Development passed through the LA Office of Community Services to assist the homeless through sub-awards to non-profit organizations that assist with rehabilitation, essential services and operations for homeless prevention.

**CDBG Home** - The fund accounts for federal funds to aid in rehabilitation and new construction of low-income housing.

**CDBG Loan** - The fund accounts for revolving loans made for substantial rehabilitation to owner-occupied dwellings.

**Bond Forfeiture** - The fund accounts for the prosecuting attorney's share of bond forfeitures from bonding companies and cash bond forfeitures.

**DARE Program** - The fund accounts for a grant received from the Louisiana Commission on Law Enforcement and Administration of Criminal Justice to provide for the salaries and supplies of officers who work in the Drug Abuse Resistance Education program in the City.

**Delta Fest** - The fund accounts for activities associated with the Delta Fest program sponsored by the City.

**Diversion Program** - The fund accounts for fees paid by first-time crime offenders to be used for the operation of the program and victim's assistance.

**Equitable Share-Federal Seizure** - The fund accounts for the local allocation of funds received stemming from federal drug seizure cases.

**Drug Seizure-Local/State** - The fund accounts for monies obtained during drug seizure operations at the local and state level.

**Police Salary Sales Tax** - The fund receives dedicated sales tax monies for raises above the general fund base salary. The tax is .49% shared equally between police & fire departments.

**Fire Salary Sales Tax** - The fund receives dedicated sales tax monies for raises above the general fund base salary. The tax is .49% shared equally between police & fire departments.

**Justice Assistance Grant** - The fund accounts for the federal grant from the Justice Department for law enforcement expenses. Parish applies for the funds agreed to be split between OP Sheriff's office and the Monroe Police Department.

**City of Monroe  
Monroe, Louisiana  
Nonmajor Special Revenue Funds**

**Downtown Economic Development** - The fund accounts for the activities sponsored by the Downtown Economic Development District.

**Administrative Economic Development** - The fund accounts for monies allocated for projects which spur economic development in the northeastern area of the state. Funds are derived from a dedicated portion of the settlement with Entergy.

**HOME Program Loans** - The fund accounts for revolving loans made for substantial rehabilitation to owner-occupied dwellings.

**Repairs & Maintenance** - The fund accounts for various unplanned major repairs and maintenance at city facilities. Funds are derived from various land and surplus asset sales.

**Capital** - The fund accounts for various major capital purchases and projects for which individual departments are unable to fund through their operations budget. The funds are derived from 1/2 of the video bingo commissions received and a portion of the settlement with Entergy.

**Demolition** - The fund accounts for the various demolition activities, usually performed by the City's Public Works Department. Expenses incurred are billed back to the homeowner, funds through the CDBG program or allocations made by the City Council.

**Employees' Benefits** - The fund receives revenue from one-half of the video bingo and proceeds are used to pay for the City's expense of employees' benefits, such as insurance and pension.

**Downtown River Market** - The fund accounts for the revenues and expenditures generated by the activities at the Downtown River Market.

**MPD K-9/Donations** - The fund accounts for the donations for and purchases of K-9 dogs used by the Monroe Police Department.

**Southside Economic Dev. District** - The fund receives its funding from City budget allocations from general or special revenue funds. The funds are used to promote economic development in the south part of Monroe.

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Monroe, Louisiana**

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**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**April 30, 2019**

	<b>FIRE DEPARTMENT INSURANCE</b>	<b>COMMUNITY DEVELOPMENT BLOCK GRANT</b>	<b>FIRE AND POLICE CAPITAL TAX</b>	<b>EMERGENCY SHELTER</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 752,107	\$ 57,752	\$ 1,859,991	\$ -
Receivables	188,510	125,870	62,548	60,376
Interfund receivables	8,817	192	-	-
Prepaid items and other assets	-	-	-	-
<b>TOTAL ASSETS</b>	<b>949,434</b>	<b>183,814</b>	<b>1,922,539</b>	<b>60,376</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts and retainage payable	-	183,814	-	38,918
Accrued liabilities	-	-	-	-
Interfund payables	-	-	-	5,170
Unearned revenue	-	-	-	-
Due to others	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>183,814</b>	<b>-</b>	<b>44,088</b>
<b>FUND BALANCES:</b>				
<b>Nonspendable</b>				
Prepaid items and other assets	-	-	-	-
<b>Spendable</b>				
Restricted	949,434	-	1,922,539	16,288
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>949,434</b>	<b>-</b>	<b>1,922,539</b>	<b>16,288</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 949,434</b>	<b>\$ 183,814</b>	<b>\$ 1,922,539</b>	<b>\$ 60,376</b>

**Exhibit 6**

<b>CDBG HOME</b>	<b>CDBG LOAN</b>	<b>BOND FORFEITURE</b>
\$ -	\$ -	\$ 21,392
18,040	47	-
-	-	-
-	55,267	-
<u>18,040</u>	<u>55,314</u>	<u>21,392</u>
1,735	-	4,499
-	-	-
11,004	101,580	-
-	-	-
-	3,743	-
<u>12,739</u>	<u>105,323</u>	<u>4,499</u>
-	55,267	-
5,301	-	16,893
-	-	-
-	-	-
-	(105,276)	-
<u>5,301</u>	<u>(50,009)</u>	<u>16,893</u>
<u>\$ 18,040</u>	<u>\$ 55,314</u>	<u>\$ 21,392</u>

(Continued)

**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**April 30, 2019**

	<u>DARE PROGRAM</u>	<u>DELTA FEST</u>	<u>DIVERSION PROGRAM</u>	<u>EQUITABLE SHARE FEDERAL SEIZURE</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 137,663	\$ 1,277
Receivables	23,211	-	-	-
Interfund receivables	-	-	-	-
Prepaid items and other assets	-	-	-	-
<b>TOTAL ASSETS</b>	<u>23,211</u>	<u>-</u>	<u>137,663</u>	<u>1,277</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts and retainage payable	108	-	-	-
Accrued liabilities	-	-	-	-
Interfund payables	15,204	-	-	-
Unearned revenue	-	-	-	-
Due to others	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>15,312</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES:</b>				
<b>Nonspendable</b>				
Prepaid items and other assets	-	-	-	-
<b>Spendable</b>				
Restricted	7,899	-	-	1,277
Committed	-	-	-	-
Assigned	-	-	137,663	-
Unassigned (deficit)	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>7,899</u>	<u>-</u>	<u>137,663</u>	<u>1,277</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 23,211</u>	<u>\$ -</u>	<u>\$ 137,663</u>	<u>\$ 1,277</u>

Exhibit 6

<u>DRUG SEIZURE LOCAL/STATE</u>	<u>POLICE SALARY SALES TAX</u>	<u>FIRE SALARY SALES TAX</u>	<u>JUSTICE ASSISTANCE GRANT</u>
\$ 11,217	\$ 943,652	\$ 647,943	\$ -
-	304,960	304,960	45,865
-	-	-	-
-	-	-	-
<u>11,217</u>	<u>1,248,612</u>	<u>952,903</u>	<u>45,865</u>
-	-	-	-
-	-	-	-
-	-	-	45,865
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>45,865</u>
-	-	-	-
-	1,248,612	952,903	-
-	-	-	-
11,217	-	-	-
-	-	-	-
<u>11,217</u>	<u>1,248,612</u>	<u>952,903</u>	<u>-</u>
<u>\$ 11,217</u>	<u>\$ 1,248,612</u>	<u>\$ 952,903</u>	<u>\$ 45,865</u>

(Continued)



**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**April 30, 2019**

	<u>DOWNTOWN ECONOMIC DEVELOPMENT</u>	<u>ADMINISTRATIVE ECONOMIC DEVELOPMENT</u>	<u>HOME PROGRAM LOANS</u>	<u>REPAIRS AND MAINTENANCE</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 4,482	\$ 321,634	\$ 252,675	\$ 1,110,083
Receivables	-	-	-	-
Interfund receivables	6,176	60,000	117,563	-
Prepaid items and other assets	-	-	124,825	-
	<u>10,658</u>	<u>381,634</u>	<u>495,063</u>	<u>1,110,083</u>
<b>TOTAL ASSETS</b>	<u>10,658</u>	<u>381,634</u>	<u>495,063</u>	<u>1,110,083</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts and retainage payable	-	-	-	-
Accrued liabilities	-	-	-	-
Interfund payables	-	-	-	-
Unearned revenue	-	-	-	-
Due to others	-	-	19,371	-
	<u>-</u>	<u>-</u>	<u>19,371</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>19,371</u>	<u>-</u>
<b>FUND BALANCES:</b>				
<b>Nonspendable</b>				
Prepaid items and other assets	-	-	124,825	-
<b>Spendable</b>				
Restricted	-	-	350,867	-
Committed	-	-	-	-
Assigned	10,658	381,634	-	1,110,083
Unassigned (deficit)	-	-	-	-
	<u>10,658</u>	<u>381,634</u>	<u>475,692</u>	<u>1,110,083</u>
<b>TOTAL FUND BALANCES</b>	<u>10,658</u>	<u>381,634</u>	<u>475,692</u>	<u>1,110,083</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 10,658</u>	<u>\$ 381,634</u>	<u>\$ 495,063</u>	<u>\$ 1,110,083</u>

**Exhibit 6**

<u>CAPITAL</u>	<u>DEMOLITION</u>	<u>EMPLOYEES' BENEFITS</u>
\$ 15,331	\$ -	\$ 1,061,854
13,391	-	13,390
-	-	-
<u>187,931</u>	<u>-</u>	<u>-</u>
<u>216,653</u>	<u>-</u>	<u>1,075,244</u>
-	-	-
-	-	-
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
-	-	-
187,931	-	-
28,722	-	-
-	-	1,075,244
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>216,653</u>	<u>-</u>	<u>1,075,244</u>
<u>\$ 216,653</u>	<u>\$ -</u>	<u>\$ 1,075,244</u>

(Continued)

**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**April 30, 2019**

Exhibit 6

	<b>DOWNTOWN RIVER MARKET</b>	<b>MPD K-9 DONATIONS</b>	<b>SOUTHSIDE ECONOMIC DEV DISTRICT</b>	<b>TOTAL</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 26,505	\$ 96,674	\$ 7,322,232
Receivables	1,861	-	8,379	1,171,408
Interfund receivables	13,077	-	-	205,825
Prepaid items and other assets	-	-	-	368,023
<b>TOTAL ASSETS</b>	<b>14,938</b>	<b>26,505</b>	<b>105,053</b>	<b>9,067,488</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts and retainage payable	13,308	-	1,121	243,503
Accrued liabilities	-	-	558	558
Interfund payables	-	-	-	178,823
Unearned revenue	1,630	-	-	1,630
Due to others	-	-	-	23,114
<b>TOTAL LIABILITIES</b>	<b>14,938</b>	<b>-</b>	<b>1,679</b>	<b>447,628</b>
<b>FUND BALANCES:</b>				
<b>Nonspendable</b>				
Prepaid items and other assets	-	-	-	368,023
<b>Spendable</b>				
Restricted	-	26,505	-	5,527,240
Committed	-	-	103,374	1,178,618
Assigned	-	-	-	1,651,255
Unassigned (deficit)	-	-	-	(105,276)
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>26,505</b>	<b>103,374</b>	<b>8,619,860</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 14,938</b>	<b>\$ 26,505</b>	<b>\$ 105,053</b>	<b>\$ 9,067,488</b>

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**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances (Deficits)**  
**For the Year Ended April 30, 2019**

	<u>FIRE DEPARTMENT INSURANCE</u>	<u>COMMUNITY DEVELOPMENT BLOCK GRANT</u>	<u>FIRE AND POLICE CAPITAL TAX</u>	<u>EMERGENCY SHELTER</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ 1,373,550	\$ -
Sales	-	-	-	-
Intergovernmental revenues	188,510	758,858	137,147	179,602
Fees, charges and commissions for services	-	14,897	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	-	3,838	-
Miscellaneous revenues	-	-	-	-
Total revenues	<u>188,510</u>	<u>773,755</u>	<u>1,514,535</u>	<u>179,602</u>
<b>EXPENDITURES</b>				
Current:				
General government				
Financial administration	-	-	-	-
Other general government	-	-	-	-
Public safety				
Police	-	-	17,926	-
Fire	1,719	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Planning and urban development	-	608,078	-	159,429
Economic development and assistance	-	-	-	-
Capital outlay	-	165,701	146,397	-
Debt service:				
Principal retirement	-	-	914,197	-
Interest and bank charges	-	-	28,841	-
Total expenditures	<u>1,719</u>	<u>773,779</u>	<u>1,107,361</u>	<u>159,429</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>186,791</u>	<u>(24)</u>	<u>407,174</u>	<u>20,173</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>186,791</u>	<u>(24)</u>	<u>407,174</u>	<u>20,173</u>
<b>FUND BALANCES (Deficits) - BEGINNING</b>	<u>762,643</u>	<u>24</u>	<u>1,515,365</u>	<u>(3,885)</u>
<b>FUND BALANCES (Deficits) - ENDING</b>	<u>\$ 949,434</u>	<u>\$ -</u>	<u>\$ 1,922,539</u>	<u>\$ 16,288</u>

**Exhibit 7**

<b>CDBG HOME</b>	<b>CDBG LOAN</b>	<b>BOND FORFEITURE</b>
\$ -	\$ -	\$ -
-	-	-
28,544	-	-
6,882	-	11,053
-	-	-
-	1,939	-
-	18	45
<u>35,426</u>	<u>1,957</u>	<u>11,098</u>
-	-	-
-	-	7,311
-	-	-
-	-	-
-	-	-
30,646	-	-
-	-	-
-	-	-
<u>30,646</u>	<u>-</u>	<u>7,311</u>
<u>4,780</u>	<u>1,957</u>	<u>3,787</u>
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
-	-	-
<u>4,780</u>	<u>1,957</u>	<u>3,787</u>
<u>521</u>	<u>(51,966)</u>	<u>13,106</u>
<u>\$ 5,301</u>	<u>\$ (50,009)</u>	<u>\$ 16,893</u>

(Continued)

CITY OF MONROE  
Monroe, Louisiana

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances (Deficits)**  
**For the Year Ended April 30, 2019**

	<u>DARE PROGRAM</u>	<u>DELTA FEST</u>	<u>DIVERSION PROGRAM</u>	<u>EQUITABLE SHARE FEDERAL SEIZURE</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Intergovernmental revenues	22,905	-	-	-
Fees, charges and commissions for services	-	-	85,705	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	-	-	-
Miscellaneous revenues	-	-	-	-
Total revenues	<u>22,905</u>	<u>-</u>	<u>85,705</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
General government				
Financial administration	-	-	-	-
Other general government	-	-	6,332	-
Public safety				
Police	23,621	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Planning and urban development	-	-	-	-
Economic development and assistance	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and bank charges	-	-	-	-
Total expenditures	<u>23,621</u>	<u>-</u>	<u>6,332</u>	<u>-</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(716)</u>	<u>-</u>	<u>79,373</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	(4,200)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>(4,200)</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(716)</u>	<u>(4,200)</u>	<u>79,373</u>	<u>-</u>
<b>FUND BALANCES (Deficits) - BEGINNING</b>	<u>8,615</u>	<u>4,200</u>	<u>58,290</u>	<u>1,277</u>
<b>FUND BALANCES (Deficits) - ENDING</b>	<u>\$ 7,899</u>	<u>\$ -</u>	<u>\$ 137,663</u>	<u>\$ 1,277</u>

Exhibit 7

<u>DRUG SEIZURE LOCAL/STATE</u>	<u>POLICE SALARY SALES TAX</u>	<u>FIRE SALARY SALES TAX</u>	<u>JUSTICE ASSISTANCE GRANT</u>
\$ -	\$ -	\$ -	\$ -
-	3,929,983	3,929,983	-
-	-	-	46,800
-	-	-	-
7,958	-	-	-
-	4,102	3,585	-
-	-	-	-
<u>7,958</u>	<u>3,934,085</u>	<u>3,933,568</u>	<u>46,800</u>
-	-	-	-
-	-	-	-
13,365	3,719,608	-	46,800
-	-	4,083,219	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>13,365</u>	<u>3,719,608</u>	<u>4,083,219</u>	<u>46,800</u>
<u>(5,407)</u>	<u>214,477</u>	<u>(149,651)</u>	<u>-</u>
-	-	-	-
-	-	-	-
-	-	-	-
(5,407)	214,477	(149,651)	-
<u>16,624</u>	<u>1,034,135</u>	<u>1,102,554</u>	<u>-</u>
<u>\$ 11,217</u>	<u>\$ 1,248,612</u>	<u>\$ 952,903</u>	<u>\$ -</u>

(Continued)



**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances (Deficits)**  
**For the Year Ended April 30, 2019**

	<u>DOWNTOWN ECONOMIC DEVELOPMENT</u>	<u>ADMINISTRATIVE ECONOMIC DEVELOPMENT</u>	<u>HOME PROGRAM LOANS</u>	<u>REPAIRS AND MAINTENANCE</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Intergovernmental revenues	-	-	-	-
Fees, charges and commissions for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	-	3,329	7,211
Miscellaneous revenues	-	96,621	111	-
Total revenues	<u>-</u>	<u>96,621</u>	<u>3,440</u>	<u>7,211</u>
<b>EXPENDITURES</b>				
Current:				
General government				
Financial administration	-	-	-	-
Other general government	-	-	-	-
Public safety				
Police	-	-	-	-
Fire	-	-	-	-
Public works				
Culture and recreation	-	-	-	-
Planning and urban development	-	-	6,882	-
Economic development and assistance	658	20,000	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and bank charges	-	-	-	-
Total expenditures	<u>658</u>	<u>20,000</u>	<u>6,882</u>	<u>-</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(658)</u>	<u>76,621</u>	<u>(3,442)</u>	<u>7,211</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	60,000	-	-
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>60,000</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(658)	136,621	(3,442)	7,211
<b>FUND BALANCES (Deficits) - BEGINNING</b>	<u>11,316</u>	<u>245,013</u>	<u>479,134</u>	<u>1,102,872</u>
<b>FUND BALANCES (Deficits) - ENDING</b>	<u>\$ 10,658</u>	<u>\$ 381,634</u>	<u>\$ 475,692</u>	<u>\$ 1,110,083</u>

**Exhibit 7**

<u>CAPITAL</u>	<u>DEMOLITION</u>	<u>EMPLOYEES' BENEFITS</u>
\$ -	\$ -	\$ -
-	-	-
-	-	-
184,245	21,915	184,245
-	-	-
-	-	6,490
96,621	-	-
<u>280,866</u>	<u>21,915</u>	<u>190,735</u>
-	-	63,378
-	-	-
49,024	-	-
-	-	-
-	21,915	-
15,189	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>64,213</u>	<u>21,915</u>	<u>63,378</u>
<u>216,653</u>	<u>-</u>	<u>127,357</u>
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
-	-	-
216,653	-	127,357
-	-	947,887
<u>\$ 216,653</u>	<u>\$ -</u>	<u>\$ 1,075,244</u>

(Continued)

**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances (Deficits)**  
**For the Year Ended April 30, 2019**

Exhibit 7

	<b>DOWNTOWN RIVER MARKET</b>	<b>MPD K-9 DONATIONS</b>	<b>SOUTHSIDE ECONOMIC DEV DISTRICT</b>	<b>TOTAL</b>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ -	\$ 1,373,550
Sales	-	-	94,290	7,954,256
Intergovernmental revenues	1,500	-	-	1,363,866
Fees, charges and commissions for services	27,974	-	-	536,916
Fines and forfeitures	-	-	-	7,958
Use of money and property	-	-	-	30,494
Miscellaneous revenues	22,653	4,582	-	220,651
Total revenues	<u>52,127</u>	<u>4,582</u>	<u>94,290</u>	<u>11,487,691</u>
<b>EXPENDITURES</b>				
Current:				
General government				
Financial administration	-	-	-	63,378
Other general government	-	-	-	13,643
Public safety				
Police	-	4,432	-	3,874,776
Fire	-	-	-	4,084,938
Public works	-	-	-	21,915
Culture and recreation	260,110	-	-	275,299
Planning and urban development	-	-	-	805,035
Economic development and assistance	-	-	102,860	123,518
Capital outlay	-	-	-	312,098
Debt service:				
Principal retirement	-	-	-	914,197
Interest and bank charges	-	-	-	28,841
Total expenditures	<u>260,110</u>	<u>4,432</u>	<u>102,860</u>	<u>10,517,638</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(207,983)</u>	<u>150</u>	<u>(8,570)</u>	<u>970,053</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	207,983	-	-	267,983
Transfers out	-	-	-	(4,200)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>207,983</u>	<u>-</u>	<u>-</u>	<u>263,783</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	150	(8,570)	1,233,836
<b>FUND BALANCES (Deficits) - BEGINNING</b>	<u>-</u>	<u>26,355</u>	<u>111,944</u>	<u>7,386,024</u>
<b>FUND BALANCES (Deficits) - ENDING</b>	<u>\$ -</u>	<u>\$ 26,505</u>	<u>\$ 103,374</u>	<u>\$ 8,619,860</u>

(Concluded)

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FIRE DEPARTMENT INSURANCE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-1

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE OVER (UNDER)</b>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 160,000	\$ 188,510	\$ 28,510
Total Revenues	160,000	188,510	28,510
<b>EXPENDITURES</b>			
Current:			
Fire	138,000	1,719	136,281
Capital outlay	22,000	-	22,000
Total Expenditures	160,000	1,719	158,281
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	-	186,791	186,791
<b>FUND BALANCES - BEGINNING</b>	762,643	762,643	-
<b>FUND BALANCES - ENDING</b>	\$ 762,643	\$ 949,434	\$ 186,791

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-2

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE OVER (UNDER)</b>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 705,533	\$ 758,858	\$ 53,325
Fees, charges and commissions for services	1,200	14,897	13,697
Total Revenues	706,733	773,755	67,022
<b>EXPENDITURES</b>			
Current:			
Planning and urban development	706,733	608,078	98,655
Capital outlay	-	165,701	(165,701)
Total Expenditures	706,733	773,779	(67,046)
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	-	(24)	(24)
<b>FUND BALANCES - BEGINNING</b>	24	24	-
<b>FUND BALANCES - ENDING</b>	\$ 24	\$ -	\$ (24)

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FIRE AND POLICE CAPITAL TAX**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-3

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 1,259,016	\$ 1,373,550	\$ 114,534
Intergovernmental revenues	-	137,147	137,147
Use of money and property	2,503	3,838	1,335
Total Revenues	1,261,519	1,514,535	253,016
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Police	-	17,926	(17,926)
Capital outlay	204,000	146,397	57,603
Debt service:			
Principal retirement	914,213	914,197	16
Interest and bank charges	28,841	28,841	-
Total Expenditures	1,147,054	1,107,361	39,693
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	114,465	407,174	292,709
FUND BALANCES - BEGINNING	1,515,365	1,515,365	-
FUND BALANCES - ENDING	\$ 1,629,830	\$ 1,922,539	\$ 292,709

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**EMERGENCY SHELTER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-4

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE OVER (UNDER)</b>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 154,500	\$ 179,602	\$ 25,102
Total Revenues	154,500	179,602	25,102
<b>EXPENDITURES</b>			
Current:			
Planning and urban development	154,500	159,429	(4,929)
Total Expenditures	154,500	159,429	(4,929)
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	-	20,173	20,173
<b>FUND BALANCES - BEGINNING</b>	(3,885)	(3,885)	-
<b>FUND BALANCES - ENDING</b>	\$ (3,885)	\$ 16,288	\$ 20,173

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**CDBG HOME**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-5

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
<b>REVENUES</b>			
Intergovernmental revenues	\$ 248,651	\$ 28,544	\$ (220,107)
Fees, charges and commissions for services	-	6,882	6,882
Total Revenues	248,651	35,426	(213,225)
<b>EXPENDITURES</b>			
Current:			
Planning and urban development	248,651	30,646	218,005
Total Expenditures	248,651	30,646	218,005
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	-	4,780	4,780
<b>FUND BALANCES - BEGINNING</b>	521	521	-
<b>FUND BALANCES - ENDING</b>	\$ 521	\$ 5,301	\$ 4,780



**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**CDBG LOAN**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-6

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Use of money and property	\$ 1,600	\$ 1,939	\$ 339
Miscellaneous revenues	115	18	(97)
Total Revenues	1,715	1,957	242
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,715	1,957	242
FUND BALANCES - BEGINNING	(51,966)	(51,966)	-
FUND BALANCES - ENDING	\$ (50,251)	\$ (50,009)	\$ 242

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**BOND FORFEITURE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-7

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Fees, charges and commissions for services	\$ 10,500	\$ 11,053	\$ 553
Miscellaneous revenues	-	45	45
Total Revenues	10,500	11,098	598
EXPENDITURES			
Current:			
General government			
Other general government	8,000	7,311	689
Total Expenditures	8,000	7,311	689
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	2,500	3,787	1,287
FUND BALANCES - BEGINNING	13,106	13,106	-
FUND BALANCES - ENDING	\$ 15,606	\$ 16,893	\$ 1,287

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DARE PROGRAM**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-8

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
<b>REVENUES</b>			
Intergovernmental revenues	\$ 18,600	\$ 22,905	\$ 4,305
Total Revenues	18,600	22,905	4,305
<b>EXPENDITURES</b>			
Current:			
Public safety			
Police	23,932	23,621	311
Total Expenditures	23,932	23,621	311
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	(5,332)	(716)	4,616
<b>FUND BALANCES - BEGINNING</b>	8,615	8,615	-
<b>FUND BALANCES - ENDING</b>	\$ 3,283	\$ 7,899	\$ 4,616

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DELTA FEST**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-9

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE OVER (UNDER)</b>
OTHER FINANCING SOURCES (USES)			
Transfers out	\$ -	\$ (4,200)	\$ (4,200)
TOTAL OTHER FINANCING SOURCES	-	(4,200)	(4,200)
NET CHANGE IN FUND BALANCES	-	(4,200)	(4,200)
FUND BALANCES - BEGINNING	-	4,200	4,200
FUND BALANCES - ENDING	\$ -	\$ -	\$ -

**\*The City budgeted zero amounts.\***

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DIVERSION PROGRAM**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-10

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
<b>REVENUES</b>			
Fees, charges and commissions for services	\$ 76,000	\$ 85,705	\$ 9,705
Total Revenues	76,000	85,705	9,705
<b>EXPENDITURES</b>			
Current:			
General government			
Other general government	6,500	6,332	168
Total Expenditures	6,500	6,332	168
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	69,500	79,373	9,873
FUND BALANCES - BEGINNING	58,290	58,290	-
FUND BALANCES - ENDING	\$ 127,790	\$ 137,663	\$ 9,873

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**EQUITABLE SHARE FEDERAL SEIZURE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-11

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ -	\$ -	\$ -
Total Revenues	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES - BEGINNING	1,277	1,277	-
FUND BALANCES - ENDING	\$ 1,277	\$ 1,277	\$ -

**\*The City budgeted zero amounts.\***

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DRUG SEIZURE LOCAL/STATE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-12

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE OVER (UNDER)</b>
<b>REVENUES</b>			
Fines and forfeitures	\$ 6,671	\$ 7,958	\$ 1,287
Total Revenues	6,671	7,958	1,287
<b>EXPENDITURES</b>			
Current:			
Public safety			
Police	8,605	13,365	(4,760)
Total Expenditures	8,605	13,365	(4,760)
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>(1,934)</b>	<b>(5,407)</b>	<b>(3,473)</b>
<b>FUND BALANCES - BEGINNING</b>	<b>16,624</b>	<b>16,624</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 14,690</b>	<b>\$ 11,217</b>	<b>\$ (3,473)</b>

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**POLICE SALARY SALES TAX**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-13

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
<b>REVENUES</b>			
Local sources:			
Taxes:			
Sales	\$ 3,834,085	\$ 3,929,983	\$ 95,898
Use of money and property	846	4,102	3,256
Total Revenues	3,834,931	3,934,085	99,154
<b>EXPENDITURES</b>			
Current:			
Public safety			
Police	3,907,707	3,719,608	188,099
Total Expenditures	3,907,707	3,719,608	188,099
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(72,776)	214,477	287,253
FUND BALANCES - BEGINNING	1,034,135	1,034,135	-
FUND BALANCES - ENDING	\$ 961,359	\$ 1,248,612	\$ 287,253



**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FIRE SALARY SALES TAX**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-14

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE OVER (UNDER)</b>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Sales	\$ 3,834,085	\$ 3,929,983	\$ 95,898
Use of money and property	860	3,585	2,725
<b>Total Revenues</b>	<b>3,834,945</b>	<b>3,933,568</b>	<b>98,623</b>
<b>EXPENDITURES</b>			
Current:			
Public safety			
Fire	4,463,502	4,083,219	380,283
<b>Total Expenditures</b>	<b>4,463,502</b>	<b>4,083,219</b>	<b>380,283</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>(628,557)</b>	<b>(149,651)</b>	<b>478,906</b>
<b>FUND BALANCES - BEGINNING</b>	<b>1,102,554</b>	<b>1,102,554</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 473,997</b>	<b>\$ 952,903</b>	<b>\$ 478,906</b>

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUSTICE ASSISTANCE GRANT**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-15

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE OVER (UNDER)</b>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 42,120	\$ 46,800	\$ 4,680
Total Revenues	42,120	46,800	4,680
<b>EXPENDITURES</b>			
Current:			
Public safety			
Police	42,120	46,800	(4,680)
Total Expenditures	42,120	46,800	(4,680)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DOWNTOWN ECONOMIC DEVELOPMENT**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-16

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
EXPENDITURES			
Current:			
Economic development and assistance	\$ 1,133	\$ 658	\$ 475
Total Expenditures	1,133	658	475
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,133)	(658)	475
FUND BALANCES - BEGINNING	11,316	11,316	-
FUND BALANCES - ENDING	\$ 10,183	\$ 10,658	\$ 475

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**ADMINISTRATIVE ECONOMIC DEVELOPMENT**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-17

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE OVER (UNDER)</b>
<b>REVENUES</b>			
Miscellaneous revenues	\$ 93,000	\$ 96,621	\$ 3,621
Total Revenues	93,000	96,621	3,621
<b>EXPENDITURES</b>			
Current:			
Economic development and assistance	20,000	20,000	-
Total Expenditures	20,000	20,000	-
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>73,000</b>	<b>76,621</b>	<b>3,621</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	60,000	60,000
TOTAL OTHER FINANCING SOURCES	-	60,000	60,000
<b>NET CHANGE IN FUND BALANCES</b>	<b>73,000</b>	<b>136,621</b>	<b>63,621</b>
<b>FUND BALANCES - BEGINNING</b>	<b>245,013</b>	<b>245,013</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 318,013</b>	<b>\$ 381,634</b>	<b>\$ 63,621</b>

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**HOME PROGRAM LOANS**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-18

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
<b>REVENUES</b>			
Use of money and property	\$ 2,744	\$ 3,329	\$ 585
Miscellaneous revenues	60	111	51
Total Revenues	2,804	3,440	636
<b>EXPENDITURES</b>			
Current:			
Planning and urban development	-	6,882	(6,882)
Total Expenditures	-	6,882	(6,882)
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	2,804	(3,442)	(6,246)
<b>FUND BALANCES - BEGINNING</b>	479,134	479,134	-
<b>FUND BALANCES - ENDING</b>	\$ 481,938	\$ 475,692	\$ (6,246)

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**REPAIRS AND MAINTENANCE**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-19

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE OVER (UNDER)</b>
REVENUES			
Use of money and property	\$ 3,040	\$ 7,211	\$ 4,171
Total Revenues	3,040	7,211	4,171
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	3,040	7,211	4,171
FUND BALANCES - BEGINNING	1,102,872	1,102,872	-
FUND BALANCES - ENDING	\$ 1,105,912	\$ 1,110,083	\$ 4,171

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**CAPITAL**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-20

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
<b>REVENUES</b>			
Fees, charges and commissions for services	\$ 287,144	\$ 184,245	\$ (102,899)
Miscellaneous revenues	93,000	96,621	3,621
Total Revenues	380,144	280,866	(99,278)
<b>EXPENDITURES</b>			
Current:			
Public safety			
Police	49,025	49,024	1
Culture and recreation	15,535	15,189	346
Total Expenditures	64,560	64,213	347
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	315,584	216,653	(98,931)
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	\$ 315,584	\$ 216,653	\$ (98,931)

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DEMOLITION**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-21

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
<b>REVENUES</b>			
Fees, charges and commissions for services	\$ 21,584	\$ 21,915	\$ 331
Total Revenues	21,584	21,915	331
<b>EXPENDITURES</b>			
Current:			
Public works	57,136	21,915	35,221
Total Expenditures	57,136	21,915	35,221
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(35,552)	-	35,552
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	\$ (35,552)	\$ -	\$ 35,552



**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**EMPLOYEES' BENEFITS**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-22

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
<b>REVENUES</b>			
Fees, charges and commissions for services	\$ 287,144	\$ 184,245	\$ (102,899)
Use of money and property	-	6,490	6,490
Total Revenues	287,144	190,735	(96,409)
<b>EXPENDITURES</b>			
Current:			
General government			
Financial administration	59,528	63,378	(3,850)
Total Expenditures	59,528	63,378	(3,850)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	227,616	127,357	(100,259)
FUND BALANCES - BEGINNING	947,887	947,887	-
FUND BALANCES - ENDING	\$ 1,175,503	\$ 1,075,244	\$ (100,259)

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DOWNTOWN RIVER MARKET**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-23

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
<b>REVENUES</b>			
Intergovernmental revenues	\$ 3,985	\$ 1,500	\$ (2,485)
Fees, charges and commissions for services	29,700	27,974	(1,726)
Miscellaneous revenues	12,500	22,653	10,153
<b>Total Revenues</b>	46,185	52,127	5,942
<b>EXPENDITURES</b>			
Current:			
Culture and recreation	236,062	260,110	(24,048)
<b>Total Expenditures</b>	236,062	260,110	(24,048)
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	(189,877)	(207,983)	(18,106)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	189,877	207,983	18,106
<b>TOTAL OTHER FINANCING SOURCES</b>	189,877	207,983	18,106
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-
<b>FUND BALANCES - BEGINNING</b>	-	-	-
<b>FUND BALANCES - ENDING</b>	\$ -	\$ -	\$ -

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**MPD K-9 DONATIONS**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-24

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
<b>REVENUES</b>			
Miscellaneous revenues	\$ 2,582	\$ 4,582	\$ 2,000
Total Revenues	2,582	4,582	2,000
<b>EXPENDITURES</b>			
Current:			
Public safety			
Police	4,432	4,432	-
Total Expenditures	4,432	4,432	-
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	(1,850)	150	2,000
<b>FUND BALANCES - BEGINNING</b>	26,355	26,355	-
<b>FUND BALANCES - ENDING</b>	\$ 24,505	\$ 26,505	\$ 2,000

**CITY OF MONROE**  
**Monroe, Louisiana**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**SOUTHSIDE ECONOMIC DEVELOPMENT DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (GAAP Basis) and Actual**  
**For the Year Ended April 30, 2019**

Exhibit 8-25

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE OVER (UNDER)</b>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Sales	\$ 91,000	\$ 94,290	\$ 3,290
Total Revenues	91,000	94,290	3,290
<b>EXPENDITURES</b>			
Current:			
Economic development and assistance	100,259	102,860	(2,601)
Total Expenditures	100,259	102,860	(2,601)
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>(9,259)</b>	<b>(8,570)</b>	<b>689</b>
<b>FUND BALANCES - BEGINNING</b>	<b>111,944</b>	<b>111,944</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 102,685</b>	<b>\$ 103,374</b>	<b>\$ 689</b>

**City of Monroe  
Monroe, Louisiana**

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**City of Monroe  
Monroe, Louisiana**

**COMBINING NONMAJOR  
DEBT SERVICE FUNDS  
STATEMENTS**

**DIVIDER**

**City of Monroe  
Monroe, Louisiana**

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**DIVIDER**

**City of Monroe  
Monroe, Louisiana  
Nonmajor Debt Service Funds**

**I-20 Economic Development District** - The fund accounts for the accumulation of resources necessary for, and the payment of, general long-term debt principal, interest, and related costs associated with all bonds issued on behalf of the I-20 Economic Development District. Financing of this debt is through incremental sales tax funds returned by the State of Louisiana.

**Tower Drive Economic Development District** - The fund accounts for the accumulation of resources necessary for, and the payment of, general long-term debt principal, interest, and related costs associated with all bonds issued on behalf of the Tower Drive Economic Development District. Financing of this debt is through incremental sales tax funds returned by the State of Louisiana.

**Sales Tax Bond** - The fund accounts for the accumulation of resources necessary for, and the payment of various bond issues and DEQ loans. The financing of this debt is through a one percent (1%) sales tax.



**CITY OF MONROE  
Monroe, Louisiana**

**NONMAJOR DEBT SERVICE FUNDS  
Combining Balance Sheet  
April 30, 2019**

Exhibit 9

	<b>I-20 ECONOMIC DEVELOPMENT DISTRICT</b>	<b>TOWER DRIVE ECONOMIC DEVELOPMENT DISTRICT</b>	<b>SALES TAX BOND</b>	<b>TOTAL</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 5,067,476	\$ 417,356	\$ 4,070,270	\$ 9,555,102
Receivables	836,814	250,277	-	1,087,091
Interfund receivables	-	-	506,439	506,439
<b>TOTAL ASSETS</b>	<b>5,904,290</b>	<b>667,633</b>	<b>4,576,709</b>	<b>11,148,632</b>
<b>FUND BALANCES:</b>				
Restricted for debt service	5,904,290	667,633	4,576,709	11,148,632
<b>TOTAL FUND BALANCES</b>	<b>\$ 5,904,290</b>	<b>\$ 667,633</b>	<b>\$ 4,576,709</b>	<b>\$ 11,148,632</b>

**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR DEBT SERVICE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended April 30, 2019**

Exhibit 10

	<b>I-20 ECONOMIC DEVELOPMENT DISTRICT</b>	<b>TOWER DRIVE ECONOMIC DEVELOPMENT DISTRICT</b>	<b>SALES TAX BOND</b>	<b>TOTAL</b>
<b>REVENUES</b>				
Local sources:				
Taxes				
Sales	\$ 3,416,915	\$ 1,059,098	\$ -	\$ 4,476,013
Use of money and property	89,489	9,052	25,795	124,336
Total revenues	<u>3,506,404</u>	<u>1,068,150</u>	<u>25,795</u>	<u>4,600,349</u>
<b>EXPENDITURES</b>				
Current:				
General government				
Financial administration	8,408	4,261	4,808	17,477
Debt service:				
Principal retirement	2,415,000	830,000	2,538,600	5,783,600
Interest and bank charges	597,163	171,001	1,074,438	1,842,602
Total expenditures	<u>3,020,571</u>	<u>1,005,262</u>	<u>3,617,846</u>	<u>7,643,679</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>485,833</u>	<u>62,888</u>	<u>(3,592,051)</u>	<u>(3,043,330)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	4,356,592	4,356,592
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>4,356,592</u>	<u>4,356,592</u>
NET CHANGE IN FUND BALANCES	485,833	62,888	764,541	1,313,262
FUND BALANCES - BEGINNING	<u>5,418,457</u>	<u>604,745</u>	<u>3,812,168</u>	<u>9,835,370</u>
FUND BALANCES - ENDING	<u>\$ 5,904,290</u>	<u>\$ 667,633</u>	<u>\$ 4,576,709</u>	<u>\$ 11,148,632</u>

**City of Monroe  
Monroe, Louisiana**

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**City of Monroe  
Monroe, Louisiana**

**COMBINING NONMAJOR  
CAPITAL PROJECT FUNDS  
STATEMENTS**

**DIVIDER**

**City of Monroe  
Monroe, Louisiana**

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**DIVIDER**

**City of Monroe  
Monroe, Louisiana  
Nonmajor Capital Project Funds**

**US 165 Lighting Project** - This fund is to account for the lighting project along US Hwy 165.

**Tower Drive** - The fund is used to account for the infrastructure improvement projects within the defined Tower Drive District that are funded from the issuance of incremental sales tax bonds.

**Street Construction** - The fund is used to account for the reconstruction and repair of the streets in the City.

**Fire/Drainage Improvements** - The fund accounts for improvements to the City's overall drainage system/facilities, and constructing fire stations or acquiring fire trucks and apparatus. The fund is financed by bond funds and the 1% Capital Infrastructure Tax.

**US 165 Business Connector** - The fund is used to account for expenses associated with the construction of a connector road from US Hwy 165 to the Louisiana Purchase Gardens & Zoo entrance. The funding source is the State of Louisiana, Facility, Planning and Control.

**Kansas Lane Connector** - The fund is used to account for expenses associated with the construction of a connector road running from Kansas Lane to US Hwy 165 North. The project will be financed primarily by federal funds, with the balance coming from both state and local funds.

**Community Center Repairs** - The fund accounts for the expenses associated with repairs and upgrades to the restrooms/dressing rooms at the City's community centers and Civic Center, thereby enabling these facilities to be utilized as official GOHSEP disaster relief shelters. The project is funded by GOHSEP and the city match is repairs to the community center roofs.

**Capital Equipment Purchases** - The fund accounts for the expenses associated with the purchase of various capital equipment.

**Trails Grant Levee** - The fund is used to account for the expenses of multiple airport improvement projects funded by the State of Louisiana.

**Hwy 165 South Infrastructure Development** - The fund is used to account for the infrastructure for development along Hwy 165 South funded by the City.

**Georgia St. Pump Station** - The fund accounts for the building of a pump station. It is part of the statewide flood control projects. The project is funded by the State along with the City's 1% infrastructure sales tax.

**I-20 Corridor Improvements** - The fund is used to account for the infrastructure improvement projects within the defined I-20 District that are funded from the issuance of incremental sales tax bonds.

**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR CAPITAL PROJECTS FUNDS**  
**Combining Balance Sheet**  
**April 30, 2019**

	<u>U. S. 165 LIGHTING PROJECT</u>	<u>TOWER DRIVE</u>	<u>STREET CONSTRUCTION</u>	<u>FIRE/DRAINAGE IMPROVEMENTS</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 635,344	\$ 49,165	\$ 120,929
Interfund receivables	50,495	-	-	-
<b>TOTAL ASSETS</b>	<u>50,495</u>	<u>635,344</u>	<u>49,165</u>	<u>120,929</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts and retainage payable	-	-	691	-
Interfund payables	50,495	-	-	-
<b>TOTAL LIABILITIES</b>	<u>50,495</u>	<u>-</u>	<u>691</u>	<u>-</u>
<b>FUND BALANCES:</b>				
<b>Spendable</b>				
Restricted for capital improvements	-	635,344	48,474	120,929
Assigned for capital improvements	-	-	-	-
Unassigned (deficit)	-	-	-	-
<b>TOTAL FUND BALANCES (Deficits)</b>	<u>-</u>	<u>635,344</u>	<u>48,474</u>	<u>120,929</u>
<b>TOTAL LIABILITIES AND FUND BALANCES (Deficits)</b>	<u>\$ 50,495</u>	<u>\$ 635,344</u>	<u>\$ 49,165</u>	<u>\$ 120,929</u>

Exhibit 11

US 165 BUSINESS CONNECTOR	KANSAS LANE CONNECTOR	COMMUNITY CENTER REPAIRS
\$ 13,651	\$ 247,583	\$ 433
-	-	-
<u>13,651</u>	<u>247,583</u>	<u>433</u>
3,710	22,443	-
-	1,000,000	-
<u>3,710</u>	<u>1,022,443</u>	<u>-</u>
9,941	-	433
-	-	-
-	(774,860)	-
<u>9,941</u>	<u>(774,860)</u>	<u>433</u>
<u>\$ 13,651</u>	<u>\$ 247,583</u>	<u>\$ 433</u>

(Continued)



**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR CAPITAL PROJECTS FUNDS**  
**Combining Balance Sheet**  
**April 30, 2019**

	<u>CAPITAL EQUIPMENT PURCHASES</u>	<u>TRAILS GRANT LEVEE</u>	<u>HWY 165 S INFRASTRUCTURE</u>	<u>GEORGIA ST. PUMP STATION</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 300,000	\$ 68,781	\$ 25,166	\$ -
Interfund receivables	1,000,000	25,641	-	1,579
<b>TOTAL ASSETS</b>	<u>1,300,000</u>	<u>94,422</u>	<u>25,166</u>	<u>1,579</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts and retainage payable	-	17,342	-	-
Interfund payables	-	-	-	1,579
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>17,342</u>	<u>-</u>	<u>1,579</u>
<b>FUND BALANCES:</b>				
<b>Spendable</b>				
Restricted for capital improvements	-	77,080	25,166	-
Assigned for capital improvements	1,300,000	-	-	-
Unassigned (deficit)	-	-	-	-
<b>TOTAL FUND BALANCES (Deficits)</b>	<u>1,300,000</u>	<u>77,080</u>	<u>25,166</u>	<u>-</u>
<b>TOTAL LIABILITIES AND FUND BALANCES (Deficits)</b>	<u>\$ 1,300,000</u>	<u>\$ 94,422</u>	<u>\$ 25,166</u>	<u>\$ 1,579</u>

Exhibit 11

<u>I-20 CORRIDOR IMPROVEMENTS</u>	<u>TOTAL</u>
\$ 6,558,129	\$ 8,019,181
-	1,077,715
6,558,129	9,096,896
281,050	325,236
-	1,052,074
281,050	1,377,310
6,277,079	7,194,446
-	1,300,000
-	(774,860)
6,277,079	7,719,586
<u>\$ 6,558,129</u>	<u>\$ 9,096,896</u>

(Concluded)

CITY OF MONROE  
Monroe, Louisiana

**NONMAJOR CAPITAL PROJECTS FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances (Deficits)**  
**For the Year Ended April 30, 2019**

	<b>U.S. 165 LIGHTING PROJECT</b>	<b>TOWER DRIVE</b>	<b>STREET CONSTRUCTION</b>	<b>FIRE/DRAINAGE IMPROVEMENTS</b>
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	-	684
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>684</b>
<b>EXPENDITURES</b>				
Current:				
General government				
Financial administration	-	-	-	-
Capital outlay	50,495	-	-	-
<b>Total expenditures</b>	<b>50,495</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>(50,495)</b>	<b>-</b>	<b>-</b>	<b>684</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	50,495	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>50,495</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>684</b>
<b>FUND BALANCES (Deficits) - BEGINNING</b>	<b>-</b>	<b>635,344</b>	<b>48,474</b>	<b>120,245</b>
<b>FUND BALANCES (Deficits) - ENDING</b>	<b>\$ -</b>	<b>\$ 635,344</b>	<b>\$ 48,474</b>	<b>\$ 120,929</b>

Exhibit 12

US 165 BUSINESS CONNECTOR	KANSAS LANE CONNECTOR	COMMUNITY CENTER REPAIRS
\$ -	\$ 2,374,505	\$ -
-	-	-
-	2,374,505	-
-	-	-
-	2,193,166	-
-	2,193,166	-
-	181,339	-
-	-	-
-	-	-
-	181,339	-
9,941	(956,199)	433
<u>\$ 9,941</u>	<u>\$ (774,860)</u>	<u>\$ 433</u>

(Continued)

CITY OF MONROE  
Monroe, Louisiana

**NONMAJOR CAPITAL PROJECTS FUNDS**  
Combining Schedule of Revenues, Expenditures,  
and Changes in Fund Balances (Deficits)  
For the Year Ended April 30, 2019

	<u>CAPITAL EQUIPMENT PURCHASES</u>	<u>TRAILS GRANT LEVEE</u>	<u>HWY 165 S INFRASTRUCTURE</u>	<u>GEORGIA ST. PUMP STATION</u>
REVENUES				
Intergovernmental revenues	\$ -	\$ 69,500	\$ -	\$ -
Use of money and property	-	-	-	-
Total revenues	<u>-</u>	<u>69,500</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
General government				
Financial administration	-	-	-	-
Capital outlay	-	-	-	1,579
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,579</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>69,500</u>	<u>-</u>	<u>(1,579)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>1,300,000</u>	<u>-</u>	<u>-</u>	<u>1,579</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,300,000</u>	<u>-</u>	<u>-</u>	<u>1,579</u>
NET CHANGE IN FUND BALANCES	1,300,000	69,500	-	-
FUND BALANCES (Deficits) - BEGINNING	<u>-</u>	<u>7,580</u>	<u>25,166</u>	<u>-</u>
FUND BALANCES (Deficits) - ENDING	<u>\$ 1,300,000</u>	<u>\$ 77,080</u>	<u>\$ 25,166</u>	<u>\$ -</u>

Exhibit 12

<u>I-20 CORRIDOR IMPROVEMENTS</u>	<u>TOTAL</u>
\$ -	\$ 2,444,005
<u>103,161</u>	<u>103,845</u>
<u>103,161</u>	<u>2,547,850</u>
11,444	11,444
<u>1,024,633</u>	<u>3,269,873</u>
<u>1,036,077</u>	<u>3,281,317</u>
<u>(932,916)</u>	<u>(733,467)</u>
-	<u>1,352,074</u>
-	<u>1,352,074</u>
(932,916)	618,607
<u>7,209,995</u>	<u>7,100,979</u>
<u>\$ 6,277,079</u>	<u>\$ 7,719,586</u>

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**City of Monroe  
Monroe, Louisiana**

**COMBINING  
NONMAJOR ENTERPRISE FUNDS  
STATEMENTS**

**DIVIDER**



**City of Monroe  
Monroe, Louisiana**

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**DIVIDER**

**City of Monroe  
Monroe, Louisiana  
Nonmajor Enterprise Funds**

**Monroe Transit System** - The fund is used to account for the operations of the Monroe Transit System, such as administration, operations, maintenance, billing and collection.

**Monroe Civic Center** - The fund is used to account for the operations of the Monroe Civic Center, such as administration, operations, maintenance, billing and collection.

**Louisiana Purchase Gardens and Zoo** - The fund is used to account for the operations of the Louisiana Purchase Gardens & Zoo, such as administration, operations and maintenance of the zoo grounds and related facilities.

**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR ENTERPRISE FUNDS**  
**Combining Statement of Fund Net Position (Deficit)**  
**April 30, 2019**

Exhibit 13

	<b>MONROE TRANSIT SYSTEM</b>	<b>MONROE CIVIC CENTER</b>	<b>LOUISIANA PURCHASE GARDENS AND ZOO</b>	<b>TOTAL</b>
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 16,112	\$ 42,500	\$ 2,500	\$ 61,112
Restricted assets				
Receivables, net	52,807	54,293	51,985	159,085
Inventories	121,902	-	-	121,902
Prepaid expenses and other assets	124,806	92,865	5,971	223,642
<b>Total Current Assets</b>	<b>315,627</b>	<b>189,658</b>	<b>60,456</b>	<b>565,741</b>
Noncurrent Assets:				
Capital Assets				
Land and construction in progress	148,239	993,540	-	1,141,779
Depreciable assets, net of depreciation	2,942,978	1,642,929	368,710	4,954,617
<b>Total Noncurrent Assets</b>	<b>3,091,217</b>	<b>2,636,469</b>	<b>368,710</b>	<b>6,096,396</b>
<b>TOTAL ASSETS</b>	<b>3,406,844</b>	<b>2,826,127</b>	<b>429,166</b>	<b>6,662,137</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to pensions	583,086	360,907	367,409	1,311,402
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts and retainage payables	139,198	120,830	59,106	319,134
Unearned revenue	-	131,065	-	131,065
Customer deposits, net	2,500	-	-	2,500
Current portion of long term debt	90,764	31,375	58,744	180,883
<b>Total Current Liabilities</b>	<b>232,462</b>	<b>283,270</b>	<b>117,850</b>	<b>633,582</b>
Noncurrent Liabilities:				
Compensated absences	154,190	76,960	65,439	296,589
Revenue bonds, notes payable, net and pension liability	2,130,881	1,318,928	1,342,693	4,792,502
<b>Total Noncurrent Liabilities</b>	<b>2,285,071</b>	<b>1,395,888</b>	<b>1,408,132</b>	<b>5,089,091</b>
<b>TOTAL LIABILITIES</b>	<b>2,517,533</b>	<b>1,679,158</b>	<b>1,525,982</b>	<b>5,722,673</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to pensions	190,163	117,704	119,824	427,691
<b>NET POSITION</b>				
Net investment in capital assets	3,091,217	2,636,469	368,710	6,096,396
Unrestricted - (Deficit)	(1,808,983)	(1,246,297)	(1,217,941)	(4,273,221)
<b>TOTAL NET POSITION (Deficit)</b>	<b>\$ 1,282,234</b>	<b>\$ 1,390,172</b>	<b>\$ (849,231)</b>	<b>\$ 1,823,175</b>

**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR ENTERPRISE FUNDS**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**For the Year Ended April 30, 2019**

Exhibit 14

	<b>MONROE TRANSIT SYSTEM</b>	<b>MONROE CIVIC CENTER</b>	<b>LOUISIANA PURCHASE GARDENS AND ZOO</b>	<b>TOTAL</b>
<b>OPERATING REVENUES</b>				
Rents and fees	\$ 9,375	\$ 888,533	\$ 3,095	\$ 901,003
Fares	499,992	-	-	499,992
Advertising	27,126	-	-	27,126
Ticket sales and other	-	7,660	-	7,660
Admissions	-	-	303,658	303,658
Concessions and rides	-	164,494	113,044	277,538
Other operating revenue	5,026	26,089	10,629	41,744
<b>Total operating revenues</b>	<b>541,519</b>	<b>1,086,776</b>	<b>430,426</b>	<b>2,058,721</b>
<b>OPERATING EXPENSES</b>				
Salaries, wages, and benefits	1,841,216	1,171,756	1,225,903	4,238,875
Materials, repairs and supplies	803,048	237,208	101,716	1,141,972
Utilities and communications	120,189	548,817	80,793	749,799
Insurance	306,216	194,250	19,527	519,993
Promoter's expenses	-	391,194	48,735	439,929
Other operating expenses	392,992	348,880	416,046	1,157,918
Depreciation and amortization	1,124,588	592,687	137,123	1,854,398
<b>Total operating expenses</b>	<b>4,588,249</b>	<b>3,484,792</b>	<b>2,029,843</b>	<b>10,102,884</b>
<b>OPERATING INCOME (Loss)</b>	<b>(4,046,730)</b>	<b>(2,398,016)</b>	<b>(1,599,417)</b>	<b>(8,044,163)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Intergovernmental grants	437,382	-	-	437,382
Gain (loss) on sale of assets	(1,361)	-	-	(1,361)
Interest income	-	3,202	3,202	6,404
Property taxes	-	1,142,946	1,142,946	2,285,892
<b>Total nonoperating revenues (expenses)</b>	<b>436,021</b>	<b>1,146,148</b>	<b>1,146,148</b>	<b>2,728,317</b>
<b>Income(Loss) before capital contributions and transfers</b>	<b>(3,610,709)</b>	<b>(1,251,868)</b>	<b>(453,269)</b>	<b>(5,315,846)</b>
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>				
Capital contributions	654,523	-	-	654,523
Transfers in	2,170,328	540,143	279,578	2,990,049
<b>Total Capital Contributions and Transfers</b>	<b>2,824,851</b>	<b>540,143</b>	<b>279,578</b>	<b>3,644,572</b>
<b>CHANGE IN NET POSITION</b>	<b>(785,858)</b>	<b>(711,725)</b>	<b>(173,691)</b>	<b>(1,671,274)</b>
<b>NET POSITION (Deficit) - BEGINNING</b>	<b>2,068,092</b>	<b>2,101,897</b>	<b>(675,540)</b>	<b>3,494,449</b>
<b>NET POSITION (Deficit) - ENDING</b>	<b>\$ 1,282,234</b>	<b>\$ 1,390,172</b>	<b>\$ (849,231)</b>	<b>\$ 1,823,175</b>

**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR ENTERPRISE FUNDS**  
**Combining Statement of Cash Flows**  
**For the Year Ended April 30, 2019**

Exhibit 15

	MONROE TRANSIT SYSTEM	MONROE CIVIC CENTER	LOUISIANA PURCHASE GARDENS AND ZOO	TOTAL
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 564,575	\$ 1,080,126	\$ 401,818	\$ 2,046,519
Payments to suppliers for goods and services	(1,581,003)	(1,616,884)	(635,134)	(3,833,021)
Payments to employees for services and benefits	(1,502,216)	(1,023,492)	(1,088,394)	(3,614,102)
Net cash provided (used) for operating activities	<u>(2,518,644)</u>	<u>(1,560,250)</u>	<u>(1,321,710)</u>	<u>(5,400,604)</u>
<b>CASH FLOWS (USES) FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Operating grants	437,382	-	-	437,382
Ad valorem taxes	-	1,142,946	1,142,946	2,285,892
Transfers in	2,170,328	551,111	291,361	3,012,800
Net cash provided (used) for noncapital financing activities	<u>2,607,710</u>	<u>1,694,057</u>	<u>1,434,307</u>	<u>5,736,074</u>
<b>CASH FLOWS (USES) FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Capital grant	654,523	-	-	654,523
Acquisition of capital assets	(128,504)	(18,999)	-	(147,503)
Proceeds from sale of capital assets, net of expenses	(1,361)	-	-	(1,361)
Principal paid on debt	(598,412)	(86,010)	(115,799)	(800,221)
Net cash provided (used) for capital and related financing activities	<u>(73,754)</u>	<u>(105,009)</u>	<u>(115,799)</u>	<u>(294,562)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Earnings on investments	-	3,202	3,202	6,404
Net cash provided (used) for investing activities	<u>-</u>	<u>3,202</u>	<u>3,202</u>	<u>6,404</u>
Net increase (decrease) in cash and cash equivalents	15,312	32,000	-	47,312
CASH AND CASH EQUIVALENTS - BEGINNING	800	10,500	2,500	13,800
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 16,112</u>	<u>\$ 42,500</u>	<u>\$ 2,500</u>	<u>\$ 61,112</u>
Reconciliation to balance sheet				
Cash	\$ 16,112	\$ 42,500	\$ 2,500	\$ 61,112
	<u>\$ 16,112</u>	<u>\$ 42,500</u>	<u>\$ 2,500</u>	<u>\$ 61,112</u>

(Continued)

**CITY OF MONROE**  
**Monroe, Louisiana**

**NONMAJOR ENTERPRISE FUNDS**  
**Combining Statement of Cash Flows**  
**For the Year Ended April 30, 2019**

Exhibit 15

	<b>MONROE TRANSIT SYSTEM</b>	<b>MONROE CIVIC CENTER</b>	<b>LOUISIANA PURCHASE GARDENS AND ZOO</b>	<b>TOTAL</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ (4,046,730)	\$ (2,398,016)	\$ (1,599,417)	\$ (8,044,163)
Adjustments to reconcile operating income to net cash provided (used) for operating activities:				
Depreciation	1,124,588	592,687	137,123	1,854,398
Pension expense related to change in deferred outflows and deferred inflows	235,415	86,906	94,864	417,185
(Increase) decrease in accounts receivable	23,056	(28,608)	(28,608)	(34,160)
(Increase) decrease in inventories	(35,802)	-	-	(35,802)
(Increase) decrease in prepaid expenses	6,681	73,775	(945)	79,511
Increase (decrease) in accounts payable	70,563	37,154	32,628	140,345
Increase (decrease) in unearned revenue	-	21,958	-	21,958
Increase (decrease) in due to others	-	(7,464)	-	(7,464)
Increase (decrease) in compensated absences	103,585	61,358	42,645	207,588
Net cash provided (used) by operating activities	<u>\$ (2,518,644)</u>	<u>\$ (1,560,250)</u>	<u>\$ (1,321,710)</u>	<u>\$ (5,400,604)</u>

**Schedule of non-cash capital and related financing activities:**

Part of the operating grant revenue was recognized by the recordation of a receivable	\$ -
	(Concluded)

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**City of Monroe  
Monroe, Louisiana**

**COMBINING  
INTERNAL SERVICE FUNDS  
STATEMENTS**

**DIVIDER**



**City of Monroe  
Monroe, Louisiana**

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**DIVIDER**

**City of Monroe  
Monroe, Louisiana  
Internal Service Funds**

**Employees' Group Insurance** - The fund is used to account for the provision of the City's self-insurance health benefits. This includes administration fees, collection of premiums and payment of expenses.

**Central Shop** - The fund is used to account for the provision of repair and maintenance services and motor fuels to the various City departments (except for Transit and Fire Department).

**CITY OF MONROE**  
**Monroe, Louisiana**

**PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS**  
**Combining Statement of Net Position**  
**April 30, 2019**

Exhibit 16

	<b>EMPLOYEES' GROUP INSURANCE</b>	<b>CENTRAL SHOP</b>	<b>TOTAL</b>
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 1,006,955	\$ 20	\$ 1,006,975
Receivables, net	422,983	-	422,983
Inventories	-	38,108	38,108
	<u>1,429,938</u>	<u>38,128</u>	<u>1,468,066</u>
Total current assets			
Noncurrent Assets			
Land and construction in progress	-	45,000	45,000
Depreciable assets, net of depreciation	-	1,703,120	1,703,120
	<u>-</u>	<u>1,748,120</u>	<u>1,748,120</u>
Total noncurrent assets			
	<u>1,429,938</u>	<u>1,786,248</u>	<u>3,216,186</u>
<b>TOTAL ASSETS</b>			
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts and retainage payable	-	36,125	36,125
Accrued liabilities	738,631	-	738,631
	<u>738,631</u>	<u>36,125</u>	<u>774,756</u>
Total current liabilities			
<b>NET POSITION</b>			
Net investment in capital assets	-	1,748,120	1,748,120
Unrestricted	691,307	2,003	693,310
	<u>\$ 691,307</u>	<u>\$ 1,750,123</u>	<u>\$ 2,441,430</u>
Total Net Position			

**CITY OF MONROE**  
**Monroe, Louisiana**

**PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS**  
**Combining Statement of Revenues, Expenses,**  
**and Changes in Fund Net Position**  
**For the Year Ended April 30, 2019**

Exhibit 17

	<u>EMPLOYEES'</u> <u>GROUP</u> <u>INSURANCE</u>	<u>CENTRAL</u> <u>SHOP</u>	<u>TOTAL</u>
Operating revenues			
Charges for services	\$ 11,291,046	\$ 1,264,348	\$ 12,555,394
Total operating revenues	<u>11,291,046</u>	<u>1,264,348</u>	<u>12,555,394</u>
Operating expenses			
Benefits paid to participants	12,020,468	-	12,020,468
Salaries, wages, and benefits	-	1,015,109	1,015,109
Materials, repairs, and supplies	-	9,235	9,235
Utilities and communications	-	43,195	43,195
Shop expenses	-	671,853	671,853
Other operating expenses	197	10,703	10,900
Depreciation and amortization	-	85,156	85,156
Total operating expenses	<u>12,020,665</u>	<u>1,835,251</u>	<u>13,855,916</u>
Operating income (loss)	<u>(729,619)</u>	<u>(570,903)</u>	<u>(1,300,522)</u>
Nonoperating revenues (expenses)			
Interest income	6,217	-	6,217
Total nonoperating revenues (expenses)	<u>6,217</u>	<u>-</u>	<u>6,217</u>
Income (loss) before contributions and transfer	(723,402)	(570,903)	(1,294,305)
Other Financing Sources (Uses)			
Transfers in	-	482,669	482,669
Total other financing sources (uses)	<u>-</u>	<u>482,669</u>	<u>482,669</u>
Change in net position	(723,402)	(88,234)	(811,636)
Total net position - Beginning	<u>1,414,709</u>	<u>1,838,357</u>	<u>3,253,066</u>
Total net position - Ending	<u>\$ 691,307</u>	<u>\$ 1,750,123</u>	<u>\$ 2,441,430</u>

**CITY OF MONROE**  
**Monroe, Louisiana**

**PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS**  
**Combining Statement of Cash Flows**  
**For the Year Ended April 30, 2019**

Exhibit 18

	<b>EMPLOYEES' GROUP INSURANCE</b>	<b>CENTRAL SHOP</b>	<b>TOTAL</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from interfund services provided	\$ 10,868,062	\$ 1,264,348	\$ 12,132,410
Benefit payments to participants	(11,959,773)		(11,959,773)
Payments to suppliers for goods and services	(197)	(731,888)	(732,085)
Payments to employees for services and benefits	-	(1,015,109)	(1,015,109)
Net cash provided (used) for operating activities	<u>(1,091,908)</u>	<u>(482,649)</u>	<u>(1,574,557)</u>
<b>CASH FLOW (USES) FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfers in	-	482,669	482,669
Net cash provided (used) for noncapital financing activities	<u>-</u>	<u>482,669</u>	<u>482,669</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Earnings on investments	6,217	-	6,217
Net cash provided (used) for investing activities	<u>6,217</u>	<u>-</u>	<u>6,217</u>
Net increase (decrease) in cash and cash equivalents	(1,085,691)	20	(1,085,671)
CASH AND CASH EQUIVALENTS - BEGINNING	<u>2,092,646</u>	<u>-</u>	<u>2,092,646</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 1,006,955</u>	<u>\$ 20</u>	<u>\$ 1,006,975</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ (729,619)	\$ (570,903)	\$ (1,300,522)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	-	85,156	85,156
Changes in assets and liabilities			
(Increase) Decrease in accounts receivable	(422,984)	-	(422,984)
(Increase) Decrease in inventories	-	(5,237)	(5,237)
Increase (Decrease) in accounts payable	-	8,370	8,370
Increase (Decrease) in accrued liabilities	60,695	-	60,695
Increase (Decrease) in interfund payable	-	(35)	(35)
Net cash provided (used) for operating activities	<u>\$ (1,091,908)</u>	<u>\$ (482,649)</u>	<u>\$ (1,574,557)</u>

**City of Monroe  
Monroe, Louisiana**

**COMBINING  
PENSION TRUST FUNDS  
STATEMENTS**

**DIVIDER**

**City of Monroe  
Monroe, Louisiana**

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**DIVIDER**

**City of Monroe  
Monroe, Louisiana  
Pension Trust Funds**

**Bus Drivers' Pension Fund** - The fund accounts for the payments to the eligible retirees. In 1983 the employees of the Transit system agreed to join the Municipal Employees' Retirement System of Louisiana (MERS). This fund makes payments only and has sufficient funds to meet its obligations to remaining retirees.

**Police Pension Fund** - The fund accounts for the payments to the eligible retirees. In 1983 the employees of the Monroe Police Department agreed to join the Municipal Police Employees' Retirement System of Louisiana (MPERS). This fund makes payments only and has sufficient funds to meet its obligations to remaining retirees.



**CITY OF MONROE**  
**Monroe, Louisiana**

**FIDUCIARY FUNDS**  
**Combining Statement of Net Position**  
**April 30, 2019**

Exhibit 19

	<u>PENSION TRUST FUNDS</u>		<u>TOTAL</u>
	<u>BUS DRIVERS' PENSION FUND</u>	<u>POLICE PENSION FUND</u>	
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 6,725	\$ 101,621	\$ 108,346
Total assets	<u>6,725</u>	<u>101,621</u>	<u>108,346</u>
<b>NET POSITION</b>			
Net position			
Restricted for retirement benefits	<u>6,725</u>	<u>101,621</u>	<u>108,346</u>
Total net position	<u><u>\$ 6,725</u></u>	<u><u>\$ 101,621</u></u>	<u><u>\$ 108,346</u></u>

**CITY OF MONROE**  
**Monroe, Louisiana**

**FIDUCIARY FUNDS**  
**Combining Statement of Changes in Fiduciary Net Position**  
**For the Year Ended April 30, 2019**

**Exhibit 20**

	<b>PENSION TRUST FUNDS</b>		<b>TOTAL</b>
	<b>BUS DRIVERS' PENSION FUND</b>	<b>POLICE PENSION FUND</b>	
<b>ADDITIONS</b>			
Investment income			
Interest	\$ 183	\$ 581	\$ 764
Total additions	183	581	764
<b>DEDUCTIONS</b>			
Benefits paid	3,300	2,413	5,713
Total deductions	3,300	2,413	5,713
Changes in net position	(3,117)	(1,832)	(4,949)
Net Position, beginning	9,842	103,453	113,295
Net Position, ending	\$ 6,725	\$ 101,621	\$ 108,346

**City of Monroe  
Monroe, Louisiana**

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**City of Monroe  
Monroe, Louisiana**

**COMBINING  
AGENCY FUNDS  
STATEMENTS**

**DIVIDER**

**City of Monroe  
Monroe, Louisiana**

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**DIVIDER**

**City of Monroe  
Monroe, Louisiana  
Agency Funds**

**Monroe Police Department Evidence** - The fund accounts for the assets seized by the Monroe Police Department.

**Property Tax Collection** - The fund accounts for the collection and distribution of property taxes for the City.

**Bid Bond Agency Fund** - The fund accounts for the collection/return of deposits for bids or permits to contractors.

**Sales Tax Collection Agency** - The fund accounts for the collection and distribution of sales taxes assessed by the various taxing bodies within Ouachita Parish.

**CITY OF MONROE  
Monroe, Louisiana**

**AGENCY FUNDS  
Combining Statement of Fiduciary Assets and Liabilities  
April 30, 2019**

Exhibit 21

	<b>MONROE POLICE DEPARTMENT EVIDENCE</b>	<b>PROPERTY TAX COLLECTION</b>	<b>BID BOND AGENCY FUND</b>	<b>SALES TAX COLLECTION AGENCY</b>	<b>TOTAL</b>
<b>ASSETS</b>					
Current assets					
Cash and cash equivalents	\$ 167,295	\$ 5,582	\$ 13,076	\$ 1,561,099	\$ 1,747,052
Receivables	-	-	-	15,429,805	15,429,805
Total assets	<u>167,295</u>	<u>5,582</u>	<u>13,076</u>	<u>16,990,904</u>	<u>17,176,857</u>
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	-	-	-	8,548	8,548
Due to others	167,295	5,582	13,076	16,982,356	17,168,309
Total liabilities	<u>\$ 167,295</u>	<u>\$ 5,582</u>	<u>\$ 13,076</u>	<u>\$ 16,990,904</u>	<u>\$ 17,176,857</u>

**CITY OF MONROE  
Monroe, Louisiana**

**Exhibit 22**

**AGENCY FUNDS  
Combining Statement of Changes in Assets and Liabilities  
For the Year Ended April 30, 2019**

	Balance May 01, 2018	Additions	Deductions	Balance April 30, 2019
<b>*****MONROE POLICE DEPARTMENT EVIDENCE*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 167,337	\$ 3,417	\$ (3,459)	\$ 167,295
Total assets	<u>167,337</u>	<u>3,417</u>	<u>(3,459)</u>	<u>167,295</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	-	4,039	(4,039)	-
Due to others	167,337	3,997	(4,039)	167,295
Total liabilities	<u>167,337</u>	<u>8,036</u>	<u>(8,078)</u>	<u>167,295</u>
<b>*****PROPERTY TAX COLLECTION*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	2,711	3,109	(238)	5,582
Total assets	<u>2,711</u>	<u>3,109</u>	<u>(238)</u>	<u>5,582</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	-	200	(200)	-
Due to others	2,711	3,109	(238)	5,582
Total liabilities	<u>2,711</u>	<u>3,309</u>	<u>(438)</u>	<u>5,582</u>
<b>*****BID BOND AGENCY FUND*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	13,076	-	-	13,076
Total assets	<u>13,076</u>	<u>-</u>	<u>-</u>	<u>13,076</u>
<b>LIABILITIES</b>				
Current liabilities				
Due to others	13,076	-	-	13,076
Total liabilities	<u>13,076</u>	<u>-</u>	<u>-</u>	<u>13,076</u>
<b>*****SALES TAX COLLECTION AGENCY*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	1,488,199	195,918,539	(195,845,639)	1,561,099
Receivables	14,858,761	15,429,805	(14,858,761)	15,429,805
Total assets	<u>16,346,960</u>	<u>211,348,344</u>	<u>(210,704,400)</u>	<u>16,990,904</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	103,402	16,529,722	(16,624,576)	8,548
Due to others	16,243,558	194,818,622	(194,079,824)	16,982,356
Total liabilities	<u>\$ 16,346,960</u>	<u>\$ 211,348,344</u>	<u>\$ (210,704,400)</u>	<u>\$ 16,990,904</u>

(Continued)



**CITY OF MONROE  
Monroe, Louisiana**

**Exhibit 22**

**AGENCY FUNDS  
Combining Statement of Changes in Assets and Liabilities  
For the Year Ended April 30, 2019**

	Balance May 01, 2018	Additions	Deductions	Balance April 30, 2019
*****TOTAL*****				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,671,323	\$ 195,925,065	\$ (195,849,336)	\$ 1,747,052
Receivables	14,858,761	15,429,805	(14,858,761)	15,429,805
Total assets	16,530,084	211,354,870	(210,708,097)	17,176,857
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	103,402	16,529,922	(16,624,776)	8,548
Due to others	16,426,682	194,825,728	(194,084,101)	17,168,309
Total liabilities	\$ 16,530,084	\$ 211,355,650	\$ (210,708,877)	\$ 17,176,857

(Concluded)

**City of Monroe  
Monroe, Louisiana**

**OTHER MISCELLANEOUS SCHEDULES**

**DIVIDER**

**City of Monroe  
Monroe, Louisiana**

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**DIVIDER**

**City of Monroe  
Monroe, Louisiana**

**SCHEDULE OF LONG-TERM OBLIGATIONS  
FOR THE YEAR ENDED April 30, 2019**

**Exhibit 23**

Issue Dates	Remaining Interest Rates	Original Amount	Balance April 30, 2018	Issued	Retired	Balance April 30, 2019	Amount Due Within A Year	Principal Maturity Schedule For Future Years	
<b>GOVERNMENTAL ACTIVITIES</b>									
<b>Tax Increment Bonds:</b>									
Tower Drive Series 2012	2012	2.71%	\$ 10,590,000	\$ 6,310,000	-	\$ (830,000)	\$ 5,480,000	\$ 855,000	\$855,000 - \$975,000 to March 1, 2025
I-20 Development Series 2011	2011	3.00% - 5.00%	10,000,000	5,770,000	-	(735,000)	5,035,000	760,000	\$760,000 - \$935,000 to March 1, 2025
I-20 Development Series 2012	2012	2.71%	20,530,000	12,765,000	-	(1,680,000)	11,085,000	1,725,000	\$1,725,000 - \$1,975,000 to March 1, 2025
Total Tax Increment Bonds			<u>41,120,000</u>	<u>24,845,000</u>	<u>-</u>	<u>(3,245,000)</u>	<u>21,600,000</u>	<u>3,340,000</u>	
<b>Sales Tax Bonds:</b>									
Series 2011A Refunding	2011	3.19%	14,690,000	13,310,000	-	(305,000)	13,005,000	315,000	\$315,000 - \$1,780,000 to July 1, 2027
Series 2012 Refunding	2012	3.00% - 4.00%	16,860,000	12,615,000	-	(1,030,000)	11,585,000	1,040,000	\$245,000 - \$1,740,000 to July 1, 2027
Series 2017 Refunding	2017	2.10%	12,535,800	12,535,800	-	(1,203,600)	11,332,200	1,509,600	\$1,139,000 - \$2,516,000 to July 1, 2026
			<u>44,085,800</u>	<u>38,460,800</u>	<u>-</u>	<u>(2,538,600)</u>	<u>35,922,200</u>	<u>2,864,600</u>	
Bond Premium				293,507		(64,944)	228,563	56,871	
Total Bonds Payable, net				<u>63,599,307</u>	<u>-</u>	<u>(5,848,544)</u>	<u>57,750,763</u>	<u>6,261,471</u>	
<b>Other:</b>									
Claims and Judgments			8,411,965	1,993,203	(1,454,856)	8,950,312	1,454,856		
Capital Leases			3,440,229	534,630	(1,344,580)	2,630,279	1,484,649		\$260,613 - \$1,484,649 to February 11, 2023
Accrued Vacation and Sick Pay			5,739,079	3,485,154	(3,296,385)	5,927,848	3,296,385		
Other post employment benefits			66,299,756	2,034,502	(1,788,546)	66,545,712			
Net Pension Liability			73,473,890	5,853,249	(9,470,484)	69,856,655			
Total Other			<u>157,364,919</u>	<u>13,900,738</u>	<u>(17,354,851)</u>	<u>153,910,806</u>	<u>6,235,890</u>		
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>			<u>85,205,800</u>	<u>220,964,226</u>	<u>13,900,738</u>	<u>(23,203,395)</u>	<u>211,661,569</u>	<u>12,497,361</u>	
<b>BUSINESS TYPE ACTIVITIES</b>									
<b>Sales Tax Bonds - Water:</b>									
Series 2006	2006	3.45%	3,000,000	1,900,000	-	(145,000)	1,755,000	150,000	\$150,000 - \$205,000 to July 1, 2028
Series 2011 Refunding	2011	5.00%	1,916,000	764,000	-	(244,000)	520,000	256,000	\$244,000 - \$264,000 to July 1, 2020
Series 2017 Refunding	2017	2.10%	1,179,840	1,179,840	-	(113,280)	1,066,560	142,080	\$142,080 - \$236,800 to July 1, 2026
Total Sales Tax Bonds - Water			<u>6,095,840</u>	<u>3,843,840</u>	<u>-</u>	<u>(502,280)</u>	<u>3,341,560</u>	<u>548,080</u>	
<b>Water Revenue Bonds:</b>									
Series 2018	2018	3.00% - 5.00%	35,295,000	-	35,295,000	-	35,295,000	660,000	\$590,000 - \$2,045,000 to November 1, 2048
Total Water Revenue Bonds			<u>35,295,000</u>	<u>-</u>	<u>35,295,000</u>	<u>-</u>	<u>35,295,000</u>	<u>660,000</u>	
<b>Sales Tax Bonds - Sewer:</b>									
Series 2008 - DEQ #5	2008	0.95%	14,000,000	6,922,976	789,850	(685,000)	7,027,826	690,000	\$690,000 - \$765,000 to July 1, 2030
Series 2011 Refunding	2011	5.00%	7,664,000	3,056,000	-	(976,000)	2,080,000	1,024,000	\$1,024,000 - \$1,056,000 to July 1, 2020
Series 2012A Refunding	2012	2.89%	32,000,000	22,705,000	-	(1,990,000)	20,715,000	2,050,000	\$2,050,000 - \$2,575,000 to June 1, 2027
Series 2013 - DEQ #6	2013	0.95%	11,700,000	4,907,956	1,584,471	(388,000)	6,104,427	758,000	\$758,000 - \$1,869,473 to July 1, 2029
Series 2017 Refunding	2017	2.10%	4,719,360	4,719,360	-	(453,120)	4,266,240	568,320	\$428,800 - \$947,200 to July 1, 2026
Total Sales Tax Bonds			<u>70,083,360</u>	<u>42,311,292</u>	<u>2,374,321</u>	<u>(4,492,120)</u>	<u>40,193,493</u>	<u>5,090,320</u>	
<b>Airport General Obligation Bonds:</b>									
Series 2017 LCDA Taxable Revenue Refunding	2017	3.00% - 4.10%	15,625,000	15,425,000	-	(725,000)	14,700,000	390,000	\$390,000 - \$1,195,000 to February 1, 2039
Total Airport Revenue Bonds			<u>15,625,000</u>	<u>15,425,000</u>	<u>-</u>	<u>(725,000)</u>	<u>14,700,000</u>	<u>390,000</u>	
Bond Discount				(112,394)		5,352	(107,042)	(5,352)	
Bond Premium				-	1,570,486	(285,543)	1,284,943	286,989	
Total Bonds Payable, net				<u>61,467,738</u>	<u>39,239,807</u>	<u>(5,999,591)</u>	<u>94,707,954</u>	<u>6,970,037</u>	
<b>Other:</b>									
Accrued Vacation and Sick Pay			1,195,310	695,851	(604,076)	1,287,085	604,074		
Net Pension Liability			16,491,353	912,927	(1,934,100)	15,470,180	-		
<b>TOTAL BUSINESS TYPE ACTIVITIES</b>			<u>127,099,200</u>	<u>79,154,401</u>	<u>40,848,585</u>	<u>(8,537,767)</u>	<u>111,465,219</u>	<u>7,574,111</u>	
<b>TOTAL ALL ACTIVITIES</b>			<u>\$ 212,305,000</u>	<u>\$ 300,118,627</u>	<u>\$ 54,749,323</u>	<u>\$ (31,741,162)</u>	<u>\$ 323,126,788</u>	<u>\$ 20,071,472</u>	

**City of Monroe  
Monroe, Louisiana**

**Schedule of Compensation Paid Council Members  
For the Year Ended April 30, 2019**

**Exhibit 24**

The schedule of compensation paid Council members is in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the City members is included in the legislative expenditures of the general fund. In accordance with Section 2-05 of the Home Rule Charter of the City of Monroe, the council, through Ordinance #10312, has set compensation of council members at \$1,000 per month. In addition to the compensation paid all council members, the chairperson of the council receives an additional \$500 per month to perform the duties of that office.

<u>Council Member</u>	<u>District</u>	<u>Amount</u>
Gretchen Ezernack- Chairperson	2	\$18,000
Mike Echols	1	11,999
Juanita Woods	3	11,999
Kenneth Wilson	4	11,999
Eddie Clark	5	<u>11,999</u>
Total		<u>\$65,996</u>

**City of Monroe  
Monroe, Louisiana**

**Schedule of Compensation Benefits, and Other Payments to Agency Head  
or Chief Executive Officer  
For the Year Ended April 30, 2019**

**Exhibit 25**

**MAYOR JAMIE MAYO**

<u>Agency Head</u>	
<u>Purpose</u>	<u>Amount</u>
Salary	\$ 90,000
Benefits - Insurance	16,642
Benefits - Retirement	23,183
Benefits - Life insurance	285
Benefits - Dental and vision	1,223
Car allowance	6,850
Dues	6,489
Travel	695
Registration fees	1,750
Conference travel	5,077
Fuel card	1,513
	<u>\$ 153,707</u>

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**City of Monroe  
Monroe, Louisiana**

**STATISTICAL SECTION**

**DIVIDER**



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**DIVIDER**

**CITY OF MONROE, LOUISIANA  
STATISTICAL SECTION**

This part of the Government's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

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Table 1

**CITY OF MONROE, LOUISIANA**  
Net Position by Component  
Last Ten Fiscal Years Ended April 30,  
(accrual basis of accounting)(in millions)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities:										
Net investment in capital assets	\$ 75.6	\$ 75.1	\$ 80.6	\$ 80.8	\$ 80.7	\$ 90.1	\$ 88.7	\$ 86.4	\$ 68.0	\$ 74.4
Restricted	49.5	49.3	40.7	45.9	44.6	65.0	68.0	70.2	56.1	69.5
Unrestricted	(124.6)	(83.5)	(80.6)	(82.0)	(14.6)	(105.2)	(107.4)	(97.3)	(55.4)	(61.2)
Total governmental activities net position	0.5	40.9	40.7	44.7	110.7	49.9	49.3	59.2	68.7	82.8
Business-type activities:										
Net investment in capital assets	97.5	98.1	98.0	90.9	98.5	98.8	101.3	98.3	75.0	70.4
Restricted	7.2	7.1	8.3	7.7	2.6	-	-	-	-	-
Unrestricted	(5.2)	(4.3)	(5.2)	4.9	8.6	71.1	73.7	75.3	88.2	77.7
Total business-type activities net position	99.5	100.9	101.1	103.5	109.7	169.9	175.0	173.6	163.2	148.0
Primary government:										
Net investment in capital assets	173.1	173.2	178.6	171.7	179.2	188.9	189.9	184.7	143.1	144.8
Restricted	56.7	56.4	49.0	53.6	47.2	65.0	68.0	70.2	56.1	69.5
Unrestricted	(129.8)	(87.8)	(85.8)	(77.1)	(6.0)	(34.1)	(33.7)	(22.0)	32.8	16.5
Total primary government activities net position	\$ 100.0	\$ 141.8	141.8	\$ 148.2	\$ 220.4	\$ 219.8	\$ 224.3	\$ 232.8	\$ 231.9	\$ 230.8

Source: Comprehensive Annual Financial Report (2017-2019) and Annual Financial Reports (2010-2016).

Unaudited - See accompanying independent auditors' report.

Table 2

**CITY OF MONROE, LOUISIANA**  
**Changes in Net Position**  
**Last Ten Fiscal Years Ended April 30,**  
**(accrual basis of accounting)**

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Expenses:</b>										
<b>Governmental activities:</b>										
General government	\$ 19,866,704	\$ 18,295,015	\$ 17,346,881	\$ 21,686,830	\$ 20,427,348	\$ 27,545,756	\$ 23,254,941	\$ 23,859,624	\$ 21,826,923	\$ 23,870,534
Public safety	34,834,975	37,803,395	37,942,796	37,675,903	34,549,272	33,506,246	33,116,458	33,966,941	34,962,553	33,344,579
Public works	19,319,959	22,796,686	23,644,547	22,418,900	21,386,343	21,173,776	29,417,301	21,116,447	20,026,135	18,424,296
Culture and recreation	4,955,410	4,740,849	4,267,732	4,272,866	4,883,891	4,160,881	3,863,274	4,010,640	4,482,718	3,746,494
Planning and urban development	1,919,557	2,400,399	2,227,083	2,250,288	2,346,757	2,539,065	3,080,582	3,615,611	2,960,383	2,921,511
Economic development and assistance	123,518	128,128	65,000	158,143	987,483	108,413	1,493,583	148,241	259,889	347,982
Interest on long-term debt (3)	1,883,428	2,115,116	2,567,648	2,782,886	3,541,149	6,130,958	5,719,710	9,268,884	8,293,102	7,847,894
Judgments (1)	-	-	-	-	-	109,568	252,807	259,185	222,627	548,486
Intergovernmental expenditures (1)	-	-	-	-	-	2,100,665	9,026,505	19,651,533	20,763,834	16,630,521
<b>Total governmental activities expenses</b>	<b>82,903,551</b>	<b>88,279,588</b>	<b>88,061,687</b>	<b>91,245,816</b>	<b>88,122,243</b>	<b>97,375,328</b>	<b>109,225,161</b>	<b>115,897,106</b>	<b>113,798,164</b>	<b>107,682,297</b>
<b>Business-type activities:</b>										
Airport	7,002,853	7,553,682	7,475,291	6,648,648	6,237,895	4,789,469	4,641,770	3,426,004	2,429,526	2,365,597
Transit	4,588,249	5,081,582	5,991,290	5,804,506	5,988,833	5,570,764	5,305,452	5,297,264	4,788,581	4,574,730
Civic Center	3,484,792	3,783,823	4,159,138	3,432,748	3,748,825	3,432,539	3,699,250	3,455,183	3,505,620	3,222,770
Water	12,089,028	10,666,783	10,644,527	10,333,675	10,826,152	9,820,954	8,426,120	7,985,770	7,925,705	7,058,381
Sewer	11,547,495	12,162,425	11,621,383	11,725,840	11,210,852	9,505,236	9,224,629	8,962,434	8,358,063	8,722,436
Zoo	2,029,843	2,065,467	1,887,191	1,964,310	1,814,115	1,568,254	1,707,326	1,510,984	1,424,752	1,547,009
Livestock Arena (2)	-	-	-	-	-	-	-	-	-	9,724
<b>Total business-type activities expenses</b>	<b>40,742,260</b>	<b>41,313,762</b>	<b>41,778,820</b>	<b>39,909,727</b>	<b>39,826,672</b>	<b>34,687,216</b>	<b>33,004,547</b>	<b>30,637,639</b>	<b>28,432,247</b>	<b>27,500,647</b>
<b>Total primary government expenses</b>	<b>123,645,811</b>	<b>129,593,350</b>	<b>129,840,507</b>	<b>131,155,543</b>	<b>127,948,915</b>	<b>132,062,544</b>	<b>142,229,708</b>	<b>146,534,745</b>	<b>142,230,411</b>	<b>135,182,944</b>
<b>Program revenues:</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
General government	9,102,755	10,565,990	11,616,081	11,160,651	10,826,085	15,124,930	16,454,391	17,063,945	17,135,319	16,884,964
Public safety	266,135	72,009	77,598	77,829	98,001	164,708	198,582	166,031	163,737	348,626
Public works	56,299	74,899	43,223	93,535	45,151	5,060,101	3,358,096	3,496,454	3,862,881	3,647,074
Culture and recreation	568,617	525,534	761,592	750,885	510,082	586,558	473,005	555,579	625,161	503,326
Planning and urban development	523,633	369,927	299,411	332,427	319,184	362,493	347,975	329,213	404,416	645,985
Economic development and assistance	-	-	-	-	-	90,246	88,861	630,421	84,123	82,733
Operating grants and contributions	3,479,420	4,685,583	3,638,487	4,044,195	3,526,935	4,286,304	4,883,249	6,164,182	5,876,841	5,734,666
Capital grants and contributions	3,132,303	5,220,961	1,953,277	1,206,800	1,213,893	1,214,329	5,972,916	7,281,978	12,591,009	11,110,912
<b>Total governmental activities program revenues</b>	<b>\$ 17,129,162</b>	<b>\$ 21,514,903</b>	<b>\$ 18,389,669</b>	<b>\$ 17,666,322</b>	<b>\$ 16,539,331</b>	<b>\$ 26,889,669</b>	<b>\$ 31,777,075</b>	<b>\$ 35,687,803</b>	<b>\$ 40,743,487</b>	<b>\$ 38,958,286</b>

(Continued)

Table 2

CITY OF MONROE, LOUISIANA  
 Changes in Net Position  
 Last Ten Fiscal Years Ended April 30,  
 (accrual basis of accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Business-type activities:</b>										
Charges for services:										
Airport	\$ 3,973,203	\$ 3,590,506	\$ 3,452,378	\$ 3,009,819	\$ 3,835,552	\$ 3,051,049	\$ 2,633,553	\$ 1,952,251	\$ 1,817,913	\$ 1,581,908
Transit	540,227	585,480	647,927	652,843	667,460	686,548	643,697	626,017	575,569	614,686
Civic Center	1,086,776	1,446,497	1,283,063	1,395,947	1,674,128	1,772,882	1,925,906	1,812,927	1,895,725	1,890,082
Water	11,054,343	9,437,868	10,055,485	9,569,729	9,286,511	9,972,379	8,482,854	8,764,784	9,240,665	8,660,784
Sewer	6,814,858	6,895,015	6,919,003	6,873,266	6,688,952	7,092,568	4,606,989	4,497,756	4,664,723	4,697,416
Zoo	430,426	354,887	331,677	277,247	227,848	307,184	262,901	272,348	295,658	320,168
Livestock Arena (2)	-	-	-	-	-	-	-	-	-	5,805
Operating grants and contributions	876,503	1,137,533	1,188,806	217,135	1,763,474	2,022,035	1,512,231	1,070,688	607,183	1,695,247
Capital grants and contributions	1,874,186	4,794,018	2,043,671	5,839,420	6,948,537	3,115,074	10,299,961	20,698,670	22,867,569	17,183,477
Total business-type activities program revenues	26,650,522	28,241,804	25,922,010	27,835,406	31,092,462	28,019,719	30,368,092	39,695,441	41,965,005	36,649,573
Total primary government program revenues	43,779,684	49,756,707	44,311,679	45,501,728	47,631,793	54,909,388	62,145,167	75,383,244	82,708,492	75,607,859
<b>Net expenses:</b>										
Governmental activities	(65,774,389)	(66,764,685)	(69,672,018)	(73,579,494)	(71,582,912)	(70,485,659)	(77,448,086)	(80,209,303)	(73,054,677)	(68,724,011)
Business-type activities	(14,091,738)	(13,071,958)	(15,856,810)	(12,074,321)	(8,734,210)	(6,667,497)	(2,636,455)	9,057,802	13,532,758	9,148,926
Total primary government net expenses	(79,866,127)	(79,836,643)	(85,528,828)	(85,653,815)	(80,317,122)	(77,153,156)	(80,084,541)	(71,151,501)	(59,521,919)	(59,575,085)
<b>General revenues and other changes in net position:</b>										
<b>Governmental activities:</b>										
Taxes:										
Ad valorem	9,417,702	9,306,674	8,911,057	8,756,638	8,452,463	8,855,173	8,590,203	8,831,465	8,376,272	8,742,774
Sales	65,643,307	64,706,353	66,864,083	67,202,147	66,426,764	62,838,605	59,792,503	59,925,541	57,935,882	55,760,791
Other	2,005,561	872,303	868,295	869,714	928,384	977,910	1,003,304	1,099,414	908,430	907,167
Earnings on investments	782,433	242,471	146,541	88,332	129,222	277,976	278,110	207,819	309,889	291,396
Gain (loss) on disposition of capital assets	-	-	213,988	117,437	105,747	312,833	107,992	183,828	(194,952)	339,241
Miscellaneous	104,627	2,057,380	1,282,606	332,732	1,019,721	109,801	77,360	29,350	104,192	(273,838)
Other uses	-	-	(1,818)	-	-	-	-	-	-	-
Transfers	(9,607,579)	(10,151,549)	(10,939,540)	(14,442,471)	(9,081,122)	366,807	(2,339,279)	(46,259)	335,225	(97,220)
Insurance proceeds	-	-	-	-	-	-	20,485	490,178	-	100,000
Total governmental activities general revenues	68,346,051	67,033,632	67,345,212	62,924,529	67,981,179	73,739,105	67,530,678	70,721,336	67,774,938	65,770,311
<b>Business-type activities</b>										
Taxes:										
Ad valorem	2,745,783	2,662,801	2,526,727	2,477,683	2,405,159	1,998,902	1,938,048	1,985,735	1,903,918	1,961,546
Earnings on investments	314,615	27,521	35,317	16,770	6,147	3,454	3,545	2,182	-	-
Gain (loss) on disposition of capital assets	-	-	(48,604)	(19,160)	-	(40,231)	(305,267)	(647,677)	(25,881)	(1,036,001)
Bond Issuance Cost	-	-	-	-	-	-	-	-	-	-
Miscellaneous	60,506	-	-	-	-	-	-	(38,610)	-	-
Transfers	9,607,579	10,151,549	10,939,540	14,442,471	9,081,122	(366,807)	2,339,279	46,259	(315,075)	97,220
Total business-type activities general revenues	\$ 12,728,483	\$ 12,841,871	\$ 13,452,980	\$ 16,917,764	\$ 11,492,428	\$ 1,595,318	\$ 3,975,605	\$ 1,347,889	\$ 1,562,962	\$ 1,022,765

(Continued)

Table 2

**CITY OF MONROE, LOUISIANA**  
 Changes in Net Position  
 Last Ten Fiscal Years Ended April 30,  
 (accrual basis of accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total primary government general revenues	\$ 81,074,534	\$ 79,875,503	\$ 80,798,192	\$ 79,842,293	\$ 79,473,607	\$ 75,334,423	\$ 71,506,283	\$ 72,069,225	\$ 69,337,900	\$ 66,793,076
Changes in net position:										
Governmental activities	2,571,662	268,947	(2,326,806)	(10,654,965)	(3,601,733)	3,253,446	(9,917,408)	(9,487,967)	(5,279,739)	(2,953,700)
Business-type activities	(1,363,255)	(230,087)	(2,403,830)	4,843,443	2,758,218	(5,072,179)	1,339,150	10,405,691	15,095,720	10,171,691
Total primary government net revenues	<u>\$ 1,208,407</u>	<u>\$ 38,860</u>	<u>\$ (4,730,636)</u>	<u>\$ (5,811,522)</u>	<u>\$ (843,515)</u>	<u>\$ (1,818,733)</u>	<u>\$ (8,578,258)</u>	<u>\$ 917,724</u>	<u>\$ 9,815,981</u>	<u>\$ 7,217,991</u>

(Concluded)

Source: Comprehensive Annual Financial Report (2017-2019) and Annual Financial Reports (2010-2016).

## Note:

(1) The City's financial reporting of Enterprise Funds, such as the Airport, Water and Sewer funds, in the Fund Financial Statements and the corresponding roll up into the Business-type activities has historically included all capital and other long-term assets, but did not include the related long term debt. The long term debt balances and activities, such as revenue and general obligation bonds, were not reported in the Enterprise Funds at the Fund Financial Statement level nor the Business-type Activities at the Government-wide Financial Statement level. The long-term debt transactions were instead being reported as part of the Governmental Activities in the Government-wide Financial Statement and in the Governmental Fund Types in the Fund Financial Statements. This practice changed for fiscal year ended April 30, 2015.

(2) The Livestock Arena fund was closed in fiscal year 2011.

(3) Prior year categories of 'Debt Service Interest' and 'Capital Lease Interest' have been combined under one category.

Unaudited - See accompanying independent auditors' report.

Table 3

**CITY OF MONROE, LOUISIANA**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>General Fund (1):</b>										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,724,847	\$ 952,886
Unreserved	-	-	-	-	-	-	-	-	12,138,111	11,922,900
<b>Nonspendable:</b>										
Prepaid expenses and other assets	273,052	317,807	210,875	265,384	238,759	423,153	283,645	282,866	-	-
Inventories	110,571	119,012	104,251	114,736	144,580	106,317	118,623	442,929	-	-
<b>Spendable:</b>										
Restricted	-	-	-	-	-	-	1,359,151	1,555,353	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	13,725,110	13,517,367	13,468,749	13,730,601	14,731,745	13,840,047	12,473,120	11,728,959	-	-
<b>Total general fund</b>	<u>14,108,733</u>	<u>13,954,186</u>	<u>13,783,875</u>	<u>14,110,721</u>	<u>15,115,084</u>	<u>14,369,517</u>	<u>14,234,539</u>	<u>14,010,107</u>	<u>13,862,958</u>	<u>12,875,786</u>
<b>All Other Governmental Funds (1):</b>										
Reserved	-	-	-	-	-	-	-	-	60,948,815	68,919,501
Unreserved	-	-	-	-	-	-	-	-	10,630,105	12,197,264
<b>Nonspendable:</b>										
Prepaid expenses and other assets	368,023	432,719	512,734	574,942	647,447	694,293	785,025	507,852	-	-
Inventories	-	-	-	-	-	-	-	-	-	-
<b>Spendable:</b>										
Restricted	49,839,409	46,587,288	51,551,783	54,813,742	62,236,054	65,019,501	63,865,253	68,612,928	-	-
Committed	1,178,618	1,059,831	283,421	243,837	309,364	-	-	-	-	-
Assigned	2,951,255	1,438,315	627,515	807,466	1,423,321	4,004,460	8,578,104	6,651,080	-	-
Unassigned (deficit)	(880,136)	(1,308,799)	(1,602,183)	(179,703)	(98,313)	(460,406)	(384,367)	(968,014)	-	-
<b>Total all other governmental funds</b>	<u>53,457,169</u>	<u>48,209,354</u>	<u>51,373,270</u>	<u>56,260,284</u>	<u>64,517,873</u>	<u>69,257,848</u>	<u>72,844,015</u>	<u>74,803,846</u>	<u>71,578,920</u>	<u>81,116,765</u>
<b>Grand Total of funds</b>	<u>\$ 67,565,902</u>	<u>\$ 62,163,540</u>	<u>\$ 65,157,145</u>	<u>\$ 70,371,005</u>	<u>\$ 79,632,957</u>	<u>\$ 83,627,365</u>	<u>\$ 87,078,554</u>	<u>\$ 88,813,953</u>	<u>\$ 85,441,878</u>	<u>\$ 93,992,551</u>

Source: Comprehensive Annual Financial Report (2017-2019) and Annual Financial Reports (2010-2016).

Note:

(1) Fund balance classifications were modified in fiscal year 2011 to comply with the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

Unaudited - See accompanying independent auditors' report.

Table 4

**CITY OF MONROE, LOUISIANA**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Revenues:</b>										
Taxes:										
Ad valorem taxes	\$ 9,417,702	\$ 9,306,674	\$ 8,911,057	\$ 8,756,638	\$ 8,452,463	\$ 8,855,173	\$ 8,590,203	\$ 8,822,000	\$ 8,496,850	\$ 8,699,085
Sales and use taxes	65,643,307	64,734,104	66,864,083	67,209,288	66,407,623	62,834,492	61,030,048	59,788,937	57,947,060	55,683,943
Other taxes, penalties and interest	2,005,561	872,303	868,295	869,714	928,384	977,910	1,003,304	1,099,413	908,429	907,167
Licenses, permits and assessments	3,199,747	2,905,768	3,326,117	3,023,799	3,058,213	2,860,418	2,858,845	2,868,503	2,803,437	2,709,272
Intergovernmental revenues	7,167,472	9,162,303	5,591,764	5,309,295	5,245,652	5,444,201	11,215,859	14,407,174	16,623,689	16,665,173
Fees, charges and commissions for service	6,637,233	8,003,028	8,755,879	8,447,735	8,050,622	9,090,201	8,741,139	8,880,669	9,076,642	9,235,211
Fines of forfeitures	504,229	596,695	633,076	774,704	633,654	725,333	797,249	729,959	888,064	948,032
Use of money and property	878,559	342,182	229,037	198,999	184,433	274,139	278,110	330,625	470,653	488,470
Miscellaneous revenues	275,865	301,603	282,606	332,732	921,363	347,699	73,144	682,415	338,232	304,052
Total revenues	<u>95,729,675</u>	<u>96,224,660</u>	<u>95,461,914</u>	<u>94,922,904</u>	<u>93,882,407</u>	<u>91,409,566</u>	<u>94,587,901</u>	<u>97,609,695</u>	<u>97,553,056</u>	<u>95,640,405</u>
<b>Expenditures:</b>										
Current:										
General government										
Legislative	462,492	568,093	552,684	525,655	433,557	359,096	335,388	360,809	330,769	296,371
Judicial	2,597,797	2,807,644	2,780,983	2,655,744	2,688,857	2,392,498	3,213,669	3,180,845	3,157,317	2,963,232
Executive	2,290,619	878,545	988,958	984,057	947,702	910,744	857,649	826,086	762,443	780,624
Financial administration	10,632,322	12,662,282	11,479,622	11,477,318	10,342,748	10,218,191	10,618,246	9,810,231	8,171,945	8,667,079
Other general government (1)	849,874	1,309,882	875,223	826,573	748,607	784,967	86,535	27,342	-	-
Public safety										
Police	16,061,477	17,414,018	17,120,036	17,796,230	15,760,367	16,490,133	16,503,208	17,089,400	18,338,197	16,893,806
Fire	16,374,874	16,824,028	16,710,482	17,275,398	17,044,652	16,144,429	15,895,058	16,107,768	15,748,564	15,620,462
Public works										
Culture and recreation	9,616,268	12,377,042	13,578,228	12,486,273	11,269,963	11,115,830	11,484,536	11,310,536	10,788,910	10,145,132
Planning and urban development	4,632,818	4,265,942	3,943,573	3,956,308	3,780,283	3,649,118	3,318,696	3,477,724	4,001,570	3,309,415
Economic development and assistance	1,878,602	2,336,632	2,091,053	2,142,708	2,280,592	2,525,234	2,991,757	3,456,501	2,948,741	2,921,511
Capital outlay	123,518	128,128	65,000	158,143	987,483	108,413	1,493,584	389,636	183,841	347,982
Capital outlay	6,156,719	11,223,063	9,791,367	9,023,989	4,333,026	13,595,608	20,183,831	23,366,798	27,641,119	27,389,394
Debt Service:										
Principal retirement	7,128,180	7,517,673	7,428,594	6,824,339	6,146,463	10,051,451	10,745,910	9,749,481	8,730,284	8,498,313
Interest and bank charges	1,938,849	2,410,624	2,790,516	2,928,858	3,220,415	6,302,057	5,585,853	7,081,359	7,788,583	7,642,775
Total expenditures	<u>80,744,409</u>	<u>92,723,596</u>	<u>90,196,319</u>	<u>89,061,593</u>	<u>79,984,715</u>	<u>94,647,769</u>	<u>103,313,920</u>	<u>106,234,516</u>	<u>108,592,283</u>	<u>105,476,096</u>
Excess (deficiency) of revenues over expenditures	\$ <u>14,985,266</u>	\$ <u>3,501,064</u>	\$ <u>5,265,595</u>	\$ <u>5,861,311</u>	\$ <u>13,897,692</u>	\$ <u>(3,238,203)</u>	\$ <u>(8,726,019)</u>	\$ <u>(8,624,821)</u>	\$ <u>(11,039,227)</u>	\$ <u>(9,835,691)</u>

(Continued)



Table 4

**CITY OF MONROE, LOUISIANA**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Other financing sources (uses)										
Transfers in	\$ 6,910,532	\$ 8,306,049	\$ 7,002,872	\$ 8,828,494	\$ 6,043,643	\$ 16,668,506	\$ 28,058,560	\$ 32,749,176	\$ 17,315,756	\$ 24,824,327
Transfers out	(17,000,780)	(18,147,255)	(18,913,325)	(24,085,238)	(17,592,988)	(17,291,370)	(31,135,866)	(33,163,896)	(17,237,443)	(25,281,078)
Sales of assets	(27,286)	101,453	179,037	133,480	105,747	334,746	105,058	188,226	61,636	369,147
Bond proceeds	-	12,535,800	-	-	-	-	85,809,858	35,589,849	2,348,605	25,940,339
Payment to refunded bond escrow agent	-	(10,948,000)	-	-	-	-	(76,297,979)	(24,391,166)	-	-
Capital lease proceeds	534,630	-	1,946,932	-	2,500,000	75,132	1,480,145	179,801	-	-
Refund of sales tax	-	-	-	-	-	-	(1,053,741)	-	-	-
Insurance proceeds	-	1,657,282	1,000,000	-	98,358	-	24,585	490,178	-	100,000
Other uses	-	-	(1,818)	-	-	-	-	-	-	-
Total other financing sources(uses)	<u>(9,582,904)</u>	<u>(6,494,671)</u>	<u>(8,786,302)</u>	<u>(15,123,264)</u>	<u>(8,845,240)</u>	<u>(212,986)</u>	<u>6,990,620</u>	<u>11,642,168</u>	<u>2,488,554</u>	<u>25,952,735</u>
Net change in fund balances	\$ <u>5,402,362</u>	\$ <u>(2,993,607)</u>	\$ <u>(3,520,707)</u>	\$ <u>(9,261,953)</u>	\$ <u>5,052,452</u>	\$ <u>(3,451,189)</u>	\$ <u>(1,735,399)</u>	\$ <u>3,017,347</u>	\$ <u>(8,550,673)</u>	\$ <u>16,117,044</u>
Debt service as a percentage of noncapital expenditures	12.2%	12.2%	12.7%	12.2%	12.4%	20.2%	19.6%	20.3%	20.4%	20.7%

(Concluded)

Source: Comprehensive Annual Financial Report (2017-2019) and Annual Financial Reports (2010-2016).

Note:

(1) Prior to fiscal year 2014, the expenditures for the City Court and City Marshal was reported under the Judicial dept.

Unaudited - See accompanying independent auditors' report.

Table 5

**CITY OF MONROE, LOUISIANA**  
**Governmental Activities Tax Revenue by Source**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

<u>Fiscal Year</u>	<u>Sales &amp; Use Tax</u>	<u>Ad Valorem Tax</u>	<u>Other Taxes</u>	<u>Total</u>
2019	\$ 65,643,307	\$ 9,417,702	\$ 2,005,561	\$ 77,066,570
2018	64,734,104	9,306,674	872,303	74,913,081
2017	66,864,083	8,911,057	868,295	76,643,435
2016	67,209,288	8,756,638	869,714	76,835,640
2015	66,407,623	8,452,463	928,384	75,788,470
2014	62,834,492	8,855,173	977,910	72,667,575
2013	61,030,048	8,590,203	1,003,304	70,623,555
2012	59,788,937	8,822,000	1,099,413	69,710,350
2011	57,947,060	8,496,850	908,429	67,352,339
2010	55,683,943	8,699,085	907,167	65,290,195

Source: Comprehensive Annual Financial Report (2017-2019) and Annual Financial Reports (2010-2016).

Unaudited - See accompanying independent auditors' report.

Table 6

CITY OF MONROE, LOUISIANA  
Assessed Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year	Real Property	Personal Property	Public Service/Rolling Stock	Total Taxable Assessed Value	Total Direct Tax Rate-Millages	Estimated Actual Value	Ratio of Total Assessed Value to Estimated Actual Value
2019	\$ 284,444,551	\$ 134,025,134	\$ 20,423,405	\$ 438,893,091	27.09	\$ 3,819,640,031	11.5%
2018	281,224,499	132,831,061	20,207,974	434,263,534	27.09	3,778,617,293	11.5%
2017	268,615,057	128,053,575	20,102,759	416,771,391	27.09	3,620,252,106	11.5%
2016	264,499,938	121,352,104	19,631,578	405,483,620	27.15	3,532,539,719	11.5%
2015	262,343,805	119,871,957	17,678,063	399,893,825	27.15	3,493,296,682	11.4%
2014	257,445,563	122,491,596	17,022,350	396,959,509	27.15	3,459,155,670	11.5%
2013	257,724,431	117,416,763	15,519,798	390,660,992	27.15	3,422,101,922	11.4%
2012	255,082,446	116,370,390	16,184,811	387,637,647	27.15	3,391,366,304	11.4%
2011	249,408,657	119,451,024	14,892,790	383,752,471	27.15	3,349,997,890	11.5%
2010	245,466,973	124,654,382	18,416,581	388,537,936	27.15	3,359,365,267	11.6%

Source: Ouachita Parish Tax Assessor, Grand Recapitulation of Assessment Rolls.

Unaudited - See accompanying independent auditors' report.

Table 7

**CITY OF MONROE, LOUISIANA**  
 Property Tax Rates and Tax Levies - Direct and Overlapping Governments  
 Last Ten Fiscal Years

Fiscal Year	City of Monroe Rates							Overlapping Rates		Total Direct/ Overlapping Rates	Tax Levies			
	General Operating	Civic Center	Zoo	Capital Improv.	Fire/Police	Airport	Total City Millage	School	Parish		City	School	Parish (1)	Total
2019	14.77	2.51	2.51	3.27	3.02	1.01	27.09	35.63	42.33	105.05	\$ 11,889,614	\$ 14,095,732	\$ 45,057,837	\$ 71,043,183
2018	14.77	2.51	2.51	3.27	3.02	1.01	27.09	41.28	42.33	110.70	11,764,199	17,926,460	44,589,198	74,279,857
2017	14.77	2.51	2.51	3.27	3.02	1.01	27.09	41.28	42.29	110.66	11,290,337	17,204,384	42,699,205	71,193,926
2016	14.90	2.50	2.50	3.25	3.00	1.00	27.15	41.28	41.92	110.35	11,008,880	16,738,430	41,024,792	68,772,103
2015	14.90	2.50	2.50	3.25	3.00	1.00	27.15	41.28	41.92	110.35	10,857,117	16,507,684	40,001,725	67,366,526
2014	14.90	2.50	2.50	3.25	3.00	1.00	27.15	41.28	41.61	110.04	10,777,451	16,386,546	39,092,077	66,256,074
2013	14.90	2.50	2.50	3.25	3.00	1.00	27.15	37.63	42.09	106.87	10,606,446	14,700,589	37,554,287	62,861,322
2012	14.90	2.50	2.50	3.25	3.00	1.00	27.15	44.64	42.07	113.86	10,524,362	17,304,160	36,123,005	63,951,527
2011	14.90	2.50	2.50	3.25	3.00	1.00	27.15	44.64	42.76	114.55	10,418,880	17,130,725	35,819,551	63,369,156
2010	14.90	2.50	2.50	3.25	3.00	1.00	27.15	41.16	42.99	111.30	10,548,805	15,992,227	36,314,862	62,855,894

Source: Ouachita Parish Tax Assessor, Grand Recapitulation of Assessment Rolls.

Note:

(1) The Tax Levies for the Parish column have been restated for all prior years to exclude the homestead tax.

Unaudited - See accompanying independent auditors' report.

Table 8

**CITY OF MONROE, LOUISIANA**  
Principal Property Taxpayers  
Current Calendar Year and Nine Years Ago

Taxpayer	2018			2009		
	Assessed Value	Rank	Percentage of total assessed value	Assessed Value	Rank	Percentage of total assessed value
Entergy	\$ 71,041,120	1	16.36%	\$ 33,417,215	2	8.73%
Graphic Packaging Intl, LLC	51,673,965	2	11.90%	43,907,427	1	11.47%
Angus Chemical Company	18,531,886	3	4.27%			
ETC Tiger Pipeline	16,745,730	4	3.86%			
Kinder Morgan	16,551,720	5	3.81%			
Gulf Crossing Pipeline	13,008,010	6	3.00%	12,864,315	5	3.36%
CenturyLink	11,965,800	7	2.76%			
Gulf South Pipeline	11,574,130	8	2.67%	14,495,520	4	3.79%
Atmos Entergy	11,331,960	9	2.61%			
AT&T Corporation	9,241,740	10	2.13%	16,182,280	3	4.23%
Centerpoint Energy				11,741,490	6	3.07%
JP Morgan Chase Bank				11,651,615	7	3.04%
Iasis Glenwood Regional Medical				10,439,176	8	2.73%
Dow Chemical Company				8,349,664	9	2.18%
Century Telephone				8,201,310	10	2.14%
Total amount for top ten principal taxpayers	231,666,061		53.35%	171,250,012		44.73%
Total for remaining taxpayers	202,597,473		46.65%	211,587,513		55.27%
Total amount for all taxpayers	\$ 434,263,534		100.00%	\$ 382,837,525		100.00%

Source: Ouachita Parish Tax Assessor. Parish wide.

Unaudited - See accompanying independent auditors' report.

Table 9

CITY OF MONROE, LOUISIANA  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Adjustments (1)	Adjusted Tax Levy	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Taxes Collected	Percentage of Total Tax Collections to Tax Levy
				Amount	Percentage of Levy Collected			
2019	\$ 11,889,614	\$ 274,060	\$ 12,163,674	\$ 11,997,697	98.6%	\$ -	\$ 11,997,697	98.6%
2018	11,764,199	252,434	12,016,633	11,823,759	98.4%	7,916	11,831,675	98.5%
2017	11,290,337	103,210	11,393,547	11,327,548	99.4%	10,314	11,337,862	99.5%
2016	11,008,880	161,819	11,170,699	11,047,851	98.9%	13,971	11,061,822	99.0%
2015	10,857,117	82,111	10,939,228	10,795,776	98.7%	147,117	10,942,893	100.0%
2014	10,777,451	139,527	10,916,978	10,905,260	99.9%	11,080	10,916,340	100.0%
2013	10,606,446	138,431	10,744,877	10,629,123	98.9%	113,526	10,742,649	100.0%
2012	10,524,362	222,230	10,746,592	10,439,366	97.1%	20,573	10,459,939	97.3%
2011	10,418,880	228,969	10,647,849	10,217,119	96.0%	215,412	10,432,531	98.0%
2010	10,548,805	247,084	10,795,889	10,475,319	97.0%	175,622	10,650,941	98.7%

Source: Comprehensive Annual Financial Report (2017-2019) and Annual Financial Reports (2010-2016).

Note:

(1) Adjustments include Grass cutting charges, demolition charges, tax changes from assessor's office and payments in lieu of taxes.

Unaudited - See accompanying independent auditors' report.

**Table 10**

**CITY OF MONROE, LOUISIANA**  
 Sales Tax Revenues  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

<b>Fiscal Year (1)</b>	<b>General 2.5% (2)</b>	<b>Fire/Police 0.49%</b>	<b>Street Improvement 1.0%</b>	<b>Total</b>
2019	\$ 37,172,188	\$ 7,859,966	\$ 16,040,850	\$ 61,073,004
2018	36,843,648	7,799,018	15,916,623	60,559,289
2017	38,178,591	7,973,432	16,272,286	62,424,309
2016	38,433,891	8,071,758	16,473,032	62,978,681
2015	38,103,284	7,919,504	16,162,855	62,185,643
2014	35,968,775	7,502,388	15,312,078	58,783,241
2013	34,932,439	7,168,956	14,630,826	56,732,221
2012	33,917,672	6,951,662	14,188,067	55,057,401
2011	32,954,334	6,770,780	13,822,788	53,547,902
2010	31,887,986	6,557,755	13,380,893	51,826,634

Source: Comprehensive Annual Financial Report (2017-2019) and Annual Financial Reports (2010-2016).

Note:

(1) Figures do not include the sale tax increment collected by the State within the Economic Development Districts.

(2) There is a 1% exemption of sales tax on the purchase of food and prescription drugs reducing the tax rate to 1.5%.

Unaudited - See accompanying independent auditors' report.

Table 11

CITY OF MONROE, LOUISIANA  
Direct and Overlapping Sales Tax Rates  
Last Ten Fiscal Years

Fiscal Year	City of Monroe Rates			Overlapping Rates		Total Local Rate	State	Total Local and State	
	Municipality	Fire/Police	Street Improvement	City School Board (1)	Parish School Board (1)				
2019		2.50%	0.49%	1.00%	1.6505%	0.3495%	5.99%	4.45%	10.44%
2018	(3)	2.50%	0.49%	1.00%	1.6495%	0.3505%	5.99%	4.45%	10.44%
2017		2.50%	0.49%	1.00%	1.6505%	0.3495%	5.99%	5.00%	10.99%
2016	(2)	2.50%	0.49%	1.00%	1.6480%	0.3520%	5.99%	5.00%	10.99%
2015		2.50%	0.49%	1.00%	1.6495%	0.3505%	5.99%	4.00%	9.99%
2014		2.50%	0.49%	1.00%	1.6500%	0.3500%	5.99%	4.00%	9.99%
2013		2.50%	0.49%	1.00%	1.6495%	0.3505%	5.99%	4.00%	9.99%
2012		2.50%	0.49%	1.00%	1.6495%	0.3505%	5.99%	4.00%	9.99%
2011		2.50%	0.49%	1.00%	1.6495%	0.3505%	5.99%	4.00%	9.99%
2010		2.50%	0.49%	1.00%	1.6495%	0.3505%	5.99%	4.00%	9.99%

Source: City of Monroe Taxation & Revenue Division

Note:

(1) The 0.5% Monroe/Ouachita Parish School Board Tax of 1968 is prorated between the two school boards annually on the basis of average daily membership for the proceeding school year.. The ratio of Ouachita Parish School Board (OPSB) and Monroe City School Board (MCSB) for each fiscal year:

2019: 69.9% OPSB, 30.1% MCSB

2018: 70.1% OPSB, 29.9% MCSB

2017: 69.9% OPSB, 30.1% MCSB

2016: 70.4% OPSB, 29.6% MCSB

2015: 70.1% OPSB, 29.9% MCSB

2014: 70.0% OPSB, 30.0% MCSB. For years prior to 2014, the ratio is averaged at 70.1% OPSB, 29.9% MCSB.

(2) State sales tax rate increased from 4.0% to 5.0% on April 1, 2016.

(3) State sales tax rate decreased from 5.0% to 4.45% on July 1, 2018.

Unaudited - See accompanying independent auditors' report.



Table 12

CITY OF MONROE, LOUISIANA  
Ratio of Outstanding Debt by Type  
Last Ten Fiscal Years  
(accrual basis of accounting)

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income (1)	Debt Per Capita (1)
	Tax Increment Bonds	Sales Tax Bonds	Capital Leases	Notes Payable	Sales Tax Bonds	Revenue Bonds	General Obligation Bonds	Certificate of Indebtedness			
2019	\$ 21,600,000	\$ 36,150,763	\$ 2,630,279	\$ -	\$ 42,338,633	\$ 35,295,000 (2)	\$ 14,700,000	\$ -	\$ 152,714,675	2.5%	3,190
2018	24,845,000	38,754,307	3,440,229	-	46,042,738	-	15,425,000	-	128,507,274	2.1%	2,666
2017	28,000,000	39,602,324	4,727,592	829,915	47,377,699	-	15,830,000	-	136,367,530	2.3%	2,819
2016	31,065,000	42,064,251	4,124,070	1,644,595	49,646,899	-	16,375,000	-	144,919,815	2.4%	2,963
2015	34,055,000	44,490,204	3,656,606	3,746,998	52,806,739	-	16,885,000	-	155,640,547	2.7%	3,171
2014	37,147,740	45,346,215	2,798,901	3,229,366	55,301,975	-	17,360,000	-	161,184,197	2.9%	3,282
2013	40,034,675	46,443,986	3,135,985	4,000,000	59,307,478	-	17,800,000	330,000	171,052,124	3.2%	3,478
2012	18,955,000	69,749,644	1,915,854	487,011	20,065,966	40,820,530	18,210,000	645,000	170,849,005	3.2%	3,479
2011	9,705,000	82,644,786	1,973,496	1,114,804	10,924,133	42,858,615	18,590,000	950,000	168,760,834	3.2%	3,442
2010	10,185,000	86,538,547	2,147,939	1,718,818	11,341,300	42,485,010	18,940,000	1,245,000	174,601,614	3.5%	3,568

Source: Comprehensive Annual Financial Report (2017-2019) and Annual Financial Reports (2010-2016).

Note:

(1) See Table 17- Demographic and Economic Statistics for personal income and population data.

(2) Issued \$35.3MM in Water Revenue Bonds.

Unaudited - See accompanying independent auditors' report.

**Table 13**

**CITY OF MONROE, LOUISIANA**  
Ratio of General Bonded Debt Outstanding  
Last Ten Fiscal Years  
(accrual basis of accounting)

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Percentage of Actual Taxable Value of Property (1)</b>	<b>Per Capita (1)</b>
2019	\$ 14,700,000	0.38%	\$ 307.04
2018	15,425,000	0.41%	320.02
2017	15,830,000	0.44%	327.26
2016	16,375,000	0.46%	334.79
2015	16,885,000	0.48%	344.00
2014	17,360,000	0.50%	353.43
2013	17,800,000	0.52%	361.95
2012	18,210,000	0.54%	370.85
2011	18,590,000	0.55%	379.19
2010	18,940,000	0.56%	387.01

Source: Comprehensive Annual Financial Report (2017 & 2018) and Annual Financial Reports (2009-2016).

Note:

(1) See Table 17- Demographic and Economic Statistics for property value and population data.

Unaudited - See accompanying independent auditors' report.

Table 14

**CITY OF MONROE, LOUISIANA**  
Direct and Overlapping Governmental Activities Debt  
April 30, 2019

<b>Jurisdiction</b>	<b>Debt Outstanding (1)</b>	<b>Estimated Percentage Applicable (2)</b>	<b>Estimated Share of Overlapping Debt</b>
Ouachita Parish School Board (3)	\$ 154,050,000	10.2%	\$ 15,647,823
Ouachita Parish Police Jury (4)	6,773,063	10.2%	687,982
Monroe City School Board (5)	73,965,000	100%	73,965,000
Subtotal overlapping debt			90,300,806
City of Monroe direct debt	60,381,042		60,381,042
Total direct and overlapping debt			<u>\$ 150,681,848</u>

## Source:

Financial statements of applicable jurisdictions.

Ouachita Parish Tax Assessor.

## Note:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Monroe. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping government.

(1) Debt outstanding obtained from the financial statements of the applicable jurisdictions.

(2) The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of the government's taxable assessed value that is within the City's boundaries and dividing it by the government's total taxable assessed value.

(3) Ouachita Parish School Board debt outstanding as of June 30, 2018.

(4) Ouachita Parish Police Jury debt outstanding as of December 31, 2017.

(5) Monroe City School Board debt outstanding as of June 30, 2018.

Unaudited - See accompanying independent auditors' report.

CITY OF MONROE, LOUISIANA  
 Legal Debt Margin Information  
 Last Ten Fiscal Years

Fiscal Year	Assessed Value	Any One Purpose (1)	Aggregate All Purposes (1)	Debt Outstanding (2)	Legal Debt Margin	Legal Debt Margin to Aggregate Debt Limit
2019	\$ 438,893,091	\$ 43,889,309	\$ 153,612,582	\$ 14,700,000	\$ 138,912,582	90.43%
2018	434,263,534	43,426,353	151,992,237	15,425,000	136,567,237	89.85%
2017	416,771,391	41,677,139	145,869,987	15,830,000	130,039,987	89.15%
2016	405,483,620	40,548,362	141,919,267	16,375,000	125,544,267	88.46%
2015	399,893,825	39,989,383	139,962,839	16,885,000	123,077,839	87.94%
2014	396,959,509	39,695,951	138,935,828	17,360,000	121,575,828	87.51%
2013	390,660,992	39,066,099	136,731,347	17,800,000	118,931,347	86.98%
2012	387,637,647	38,763,765	135,673,176	18,210,000	117,463,176	86.58%
2011	383,752,471	38,375,247	134,313,365	18,590,000	115,723,365	86.16%
2010	(3) 388,537,936	38,853,794	135,988,278	18,940,000	117,048,278	86.07%

## Sources:

Source: Comprehensive Annual Financial Report (2017-2019) and Annual Financial Reports (2010-2016).

Ouachita Parish Tax Assessor.

## Note:

(1) Total debt applicable to limits includes all general obligation bonds from assessed property taxes in their original principal amount outstanding. Louisiana Revised Statue Title 39 Section 562 allows a maximum of 10% of assessed valuation for bonded debt for any one purpose. However, the 10% can be exceeded if the aggregate issued for all purposes does not exceed 35% of the total assessed valuation.

(2) Indebtedness for all purposes combined for debt secured by ad valorem taxes.

(3) The City issued Series 2009 Airport Bonds in the amount of \$19,250,000 to mature in February 2039.

Unaudited - See accompanying independent auditors' report.

Table 16

CITY OF MONROE, LOUISIANA  
Pledged Revenue Coverage -Water & Sewer  
Last Ten Fiscal Years  
(accrual basis of accounting)

Fiscal Year	Sales Tax Collections	Sales Tax Revenue Bonds						Total Debt Service	Coverage
		Water Fund			Sewer Fund				
		Principal	Interest	Total	Principal	Interest	Total		
2019	\$ 16,040,850	\$ 502,280	\$ 106,634	\$ 608,914	\$ 4,492,120	\$ 853,966	\$ 5,346,086	\$ 5,955,000	2.69
2018	15,916,623	1,508,840	138,264	1,647,104	8,828,360	987,981	9,816,341	11,463,445	1.39
2017	16,272,286	464,280	164,772	629,052	4,603,120	1,126,150	5,729,270	6,358,322	2.56
2016	16,473,032	448,120	183,538	631,658	3,825,688	1,233,499	5,059,187	5,690,845	2.89
2015	16,162,855	434,640	184,993	619,633	3,668,560	1,294,599	4,963,159	5,582,792	2.90
2014	15,312,078	421,120	226,168	647,288	3,729,480	1,476,953	5,206,433	5,853,721	2.62
2013	14,630,826	221,960	180,847	402,807	3,187,840	1,249,841	4,437,681	4,840,488	3.02
2012	14,188,067	193,400	164,904	358,304	3,013,600	1,499,432	4,513,032	4,871,336	2.91
2011	13,822,788	185,200	168,272	353,472	2,275,800	1,552,335	3,828,135	4,181,607	3.31
2010	13,380,893	177,960	175,056	353,016	2,191,840	1,575,422	3,767,262	4,120,278	3.25

Source: Comprehensive Annual Financial Report (2017-2019) and Annual Financial Reports (2010-2016).

Unaudited - See accompanying independent auditors' report.

**Table 17**

**CITY OF MONROE, LOUISIANA**  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Population (2)</b>	<b>Estimated Actual Value of Taxable Property (3)</b>	<b>Personal Income (4)</b>	<b>Per Capita Estimated Actual Value of Taxable Property</b>	<b>City School Enrollment (5)</b>	<b>Unemployment Rate (1)</b>
2019	47,877	\$ 3,819,640,031	\$ 6,179,350,000	\$ 79,780	8,265	4.40%
2018	48,200	3,778,617,293	5,999,386,000	78,395	8,399	4.60%
2017	48,371	3,620,252,106	5,999,386,000	74,843	8,386	5.70%
2016	48,911	3,532,539,719	5,999,386,000	72,224	8,526	6.54%
2015	49,085	3,493,296,682	5,783,387,000	71,168	8,488	7.00%
2014	49,119	3,459,155,670	5,510,459,000	70,424	8,571	7.26%
2013	49,178	3,422,101,922	5,383,683,000	69,586	8,608	7.75%
2012	49,104	3,391,366,304	5,342,556,000	69,065	8,683	8.34%
2011	49,025	3,349,997,890	5,248,000,000	68,332	8,841	8.26%
2010	48,939	3,359,365,267	5,053,166,000	68,644	8,711	6.95%

Sources:

- (1) Louisiana Workforce Commission. Data for the Monroe MSA, April's report.
- (2) U.S. Census.
- (3) Ouachita Parish Tax Assessor.
- (4) Bureau of Economic Analysis. Personal income data for Ouachita Parish. CAINC1 Personal Income Summary.
- (5) Louisiana Department of Education. Student enrollment is as of February 1st and includes counts for preschool and Pre-K students.

Table 18

CITY OF MONROE, LOUISIANA  
Principal Employers  
Current Year and Nine Years Ago

	Fiscal Year 2019			Fiscal Year 2010		
	Number of Employees		% of Total Employment (1)	Number of Employees		% of Total Employment (1)
Ouachita Parish School District	2,844	1	3.64%	3,029	1	3.98%
CenturyLink	2,360	2	3.02%	1,500	4	1.97%
St. Francis Specialty Hospital, Inc.	1,584	3	2.03%	1,750	3	2.30%
Monroe City School District	1,348	4	1.72%	1,400	5	1.84%
IASIS Healthcare (Glenwood Medical Center)	1,156	5	1.48%	586	10	0.77%
City of Monroe	1,105	6	1.41%	1,000	8	1.31%
JPMorgan Chase	930	7	1.19%	1,800	2	2.37%
Wal-Mart Stores, Inc.	912	8	1.17%			0.00%
University of Louisiana at Monroe	885	9	1.13%	1,067	7	1.40%
Graphic Packaging International, Inc.	840	10	1.07%	1,100	6	1.45%
University Health Conway (Formerly E.A. Conway)				959	9	1.26%

Source:

- North Louisiana Economic Partnership
- Ouachita Parish School Board
- City of Monroe
- Louisiana Workforce Commission
- University of Louisiana Monroe, Center for Business and Economic Research

Note:

(1) Percentage of total employment calculated based on the total nonfarm employment (not seasonally adjusted) for the Monroe-MSA as of April of each year.

Unaudited - See accompanying independent auditors' report.

Table 19

**CITY OF MONROE, LOUISIANA**  
City Government Employees by Function  
Last Ten Fiscal Years

Function	Fiscal Year									
	2019 (1)	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government	86.00	89	101	101	101	97	84	82	78	75
Judicial	48.02	41	43	46	45	38	37	34	33	31
Public Safety:										
Police	174.38	168	186	195	190	185	172	169	160	157
Fire	201.00	203	194	208	194	184	180	181	178	161
Public Works	123.25	105	138	134	158	150	131	120	103	95
Engineering	28.25	22	25	23	24	25	21	16	13	13
Culture and recreation	145.81	129	111	117	112	102	88	75	69	63
Planning and urban development	25.00	19	23	24	24	24	20	19	15	15
Airport	21.00	17	18	17	14	11	7	5	5	5
Mass Transit	46.00	25	32	37	45	40	37	33	33	29
Water Distribution	74.00	52	52	54	57	56	56	49	45	41
Sewer System	49.00	24	27	30	29	29	22	21	15	12
<b>Total</b>	<b>1021.71</b>	<b>894</b>	<b>950</b>	<b>986</b>	<b>993</b>	<b>941</b>	<b>855</b>	<b>804</b>	<b>747</b>	<b>697</b>

Source: City of Monroe Personnel Department and Budget Office.

Note:

(1) The positions reported are full-time equivalent (FTE) budgeted positions. Prior to fiscal year 2019, the personnel counts included only regular full and part-time employees at fiscal year end.

Unaudited - See accompanying independent auditors' report.



Table 20

CITY OF MONROE, LOUISIANA  
Operating Indicators by Function  
Last Ten Fiscal Years

Function	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public safety:										
Police:										
Tickets issued	5,382	7,276	6,897	7,928	7,068	11,701	15,186	11,134	17,977	21,393
Physical arrests	5,012	4,643	5,530	6,577	6,192	6,619	6,665	6,354	7,962	8,338
Fire:										
Fire Calls Answered	2,872	1,197	3,890	3,840	3,705	3,009	2,776	2,489	2,383	2,400
EMS Calls Answered	4,319	3,937	3,112	2,939	3,018	3,230	3,636	3,749	3,769	3,615
Culture and recreation:										
Athletic field permits issued	24	22	5	6	4	4	5	5	6	6
Civic center events	332	220	126	390	322	313	306	265	247	334
Civic center use days	286	216	105	283	265	240	279	237	255	226
Water and sewerage:										
Total water treated (millions of gallons)	4,885	4,820	5,149	5,023	4,855	4,419	4,395	4,601	4,507	4,433
Total water delivered (millions of gallons)	4,627	4,593	4,848	4,748	4,569	4,151	4,140	4,342	4,291	4,219
Water main breaks	476	445	870	425	293	124	109	61	80	107
Water taps	26	102	73	134	145	48	48	120	33	33
Total sewage treated (millions of gallons)	7,471	9,792	7,463	7,379	8,769	7,271	6,238	6,998	7,330	7,920
Sanitation:										
Solid waste average daily tons per day	136.17	123.03	137.27	159.23	186.44	149.75	153.43	159.70	159.09	144.61
Waste tires picked up	3,734	7,040	6,107	5,604	6,527	7,398	8,808	4,801	2,194	3,679
Transit:										
Bus riders	756,379	930,137	1,053,444	1,128,831	1,131,709	1,201,352	1,156,190	1,188,829	1,179,652	1,160,954
Airport:										
Passenger arrivals (in thousands)	107	98	103	108	114	114	101	104	101	85
Passenger departures (in thousands)	109	99	105	109	117	116	101	104	103	85
Scheduled flight departures	3,065	2,773	3,052	3,205	3,153	3,239	3,406	3,326	3,950	3,991
Freight/Mail (in thousands)	162	184	173	181	184	267	292	369	376	481
Scheduled carriers	5	6	3	3	4	4	5	8	9	7

Source: Various City Departments.

Note:

Unaudited - See accompanying independent auditors' report.

Table 21

**CITY OF MONROE, LOUISIANA**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public safety:										
Police:										
Stations (includes training facility)	3	3	3	3	3	3	3	3	2	2
Police units	159	189	109	98	95	91	89	85	83	81
Fire:										
Stations (includes training facility)	10	10	10	10	9	9	9	9	9	9
Fire trucks	14	14	14	14	14	14	14	14	14	14
Highways and streets:										
Streets (miles)	411.81	411.81	411.81	411.81	411.81	411.81	411.81	411.81	411.81	411.81
Traffic signals	29	29	29	29	29	29	29	29	29	29
Flashing beacons	7	7	7	7	7	7	7	7	7	7
Sanitation:										
Garbage trucks	8	8	8	8	8	8	8	8	8	8
Trash trucks	5	5	5	5	5	5	5	5	5	5
Tow trucks	2	2	2	2	2	2	2	2	2	2
Culture and recreation:										
Parks acreage	574.02	574.02	574.02	574.02	574.02	574.02	574.02	574.02	574.02	574.02
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	32	32	32	32	32	32	32	32	32	32
Civic centers	1	1	1	1	1	1	1	1	1	1
Community centers	7	7	7	7	7	7	7	7	7	7
Water and sewerage:										
Water mains (miles)	433.96	433.96	433.96	433.96	433.96	433.96	433.96	433.96	433.96	433.96
Sanitary sewers (miles)	315.26	315.26	315.26	315.26	315.26	315.26	315.26	315.26	315.26	315.26
Transit:										
Public buses	20	17	21	23	21	21	20	23	23	26
Para-transit buses	5	5	3	3	3	3	3	3	3	3
Trolleys (1)	-	-	-	-	1	1	1	1	1	1

Source: Various City Departments.

Note:

(1) Trolley bus service discontinued in fiscal year 2016.

Unaudited - See accompanying independent auditors' report.

**City of Monroe  
Monroe, Louisiana**

**Single Audit Report  
And Other Information  
For The Year Ended April 30, 2019**

**City of Monroe  
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**City of Monroe**

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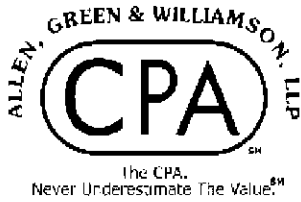
**City of Monroe**

**SINGLE AUDIT  
DIVIDER**

**City of Monroe**

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**DIVIDER**



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Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

### Independent Auditor's Report

Council Members and Honorable Mayor Mayo  
City of Monroe  
Monroe, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Monroe (the City) as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 31, 2019. Our report includes a reference to other auditors who audited the financial statements of the City Court of Monroe and the Monroe City Marshal, which represents the aggregate discretely presented component units, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by the other auditor.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2019-001 and 2019-002 that we consider to be significant deficiencies.

### **Compliance and Other Matters**

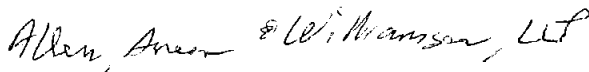
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **The City's Response to Findings**

The City's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs and Corrective Action Plan for Current Year Findings and Questioned Costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.



ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
October 31, 2019

# ALLEN, GREEN & WILLIAMSON, LLP



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(Retired) 1963 - 2000

## **Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

### **Independent Auditor's Report**

Council Members and Honorable Mayor Mayo  
City of Monroe  
Monroe, Louisiana

#### **Report on Compliance for Each Major Federal Program**

We have audited the City of Monroe's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended April 30, 2019. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

#### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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'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 on compliance for major federal programs. However, our audit does not provide a legal determination of the City's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended April 30, 2019.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2019-003 and 2019-004. Our opinion on each major federal program is not modified with respect to these matters.

The City's response to the noncompliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs and Corrective Action Plan for Current Year Findings and Questioned Costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2019-003 and 2019-004 that we consider to be significant deficiencies.

The City's response to the internal control over compliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs and Corrective Action Plan for Current Year Findings and Questioned Costs. The City's response was not subjected to auditing procedure applied in the audit of compliance and accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Monroe as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated October 31, 2019, that includes a reference to the reports of other auditors, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
October 31, 2019

**City of Monroe**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended April 30, 2019**

Federal Grantor / Pass-Through Grantor / Program Title	CFDA No.	Pass-Through Grant Number	Grant Identification Number	Passed Through to Subrecipient	Federal Expenditures
<b><u>U. S. Department of Housing and Urban Development</u></b>					
<b>Direct:</b>					
Community Development Block Grant - 2014	14.218	N/A	B-14-MC-22-0005		\$ 49,595
Community Development Block Grant - 2015	14.218	N/A	B-15-MC-22-0005		28,820
Community Development Block Grant - 2015	14.218	N/A	B-16-MC-22-0005		225,766
Community Development Block Grant - 2015	14.218	N/A	B-17-MC-22-0005	\$ 29,000	409,134
Community Development Block Grant - 2016	14.218	N/A	B-18-MC-22-0005	25,000	45,543
CDBG Subtotal				54,000	758,858
Home Investment Partnership Grant -2017	14.239	N/A	M-17-MC-22-0206		28,544
<b>Pass-Through Programs:</b>					
Louisiana Housing Corporation:					
Emergency Shelter Grant Program - 2016	14.231	LHA13-15-17	N/A	174,385	179,602
<b>Total Dept. Housing &amp; Urban Development</b>				<b>228,385</b>	<b>967,004</b>
<b><u>U. S. Department of Justice</u></b>					
<b>Direct:</b>					
Office of Justice Program (JAG)	16.738	N/A	2016 DJ-BX-0799		46,800
Victim of Crime Assistance Program	16.575	N/A	2016-VA-GX-0074		137,147
Bulletproof Vest Partnership Program 2013	16.607	N/A	15-0404-0-1-754		2,783
<b>Total Department of Justice</b>					<b>186,730</b>
<b><u>U. S. Department of Transportation</u></b>					
<b>Direct:</b>					
Airport Improvement Program:					
Grant 36 Extend Runway 14/32 (Design Only)	20.106	N/A	3-22-0033-033-2015		87,066
Grant 36 Extend Runway 14/32 (Design Only)	20.106	N/A	3-22-0033-036-2017		385,555
Grant 37 Extend Runway 14/32 (Phase II/III Construction)	20.106	N/A	3-22-0033-037-2018		559,040
<b>Total Airport Improvement Program Grant</b>					<b>1,031,661</b>
Federal Transit Cluster					
Federal Transit Formula Grants	20.507	N/A	LA 2016-004		52,807
Federal Transit Formula Grants	20.507	N/A	LA 2018-012		265,771
Federal Transit Formula Grants	20.507	N/A	LA 2018-002		187,464
Federal Transit Formula Grants	20.507	N/A	LA 2018-012		414,252
<b>Total Federal Transit Cluster</b>					<b>920,294</b>
<b>Pass-Through Programs:</b>					
LA Highway Safety Commission					
Highway Safety Cluster:					
State and Community Highway Safety (Section 402)	20.600	2017-30-40	2017-30-34 (Section 402)		12,240
State and Community Highway Safety (Section 405)	20.601		2017-30-40 (Section 164)		11,460
Alcohol High Visibility Enforcement (Section 410 HVE)	20.601	2017-30-40	2017-30-40 (Section 405)		10,330
<b>Total Highway Safety Cluster</b>					<b>34,030</b>
LA Highway Safety Commission					
Highway Planning and Construction Cluster					
Highway Safety Improvement Program	20.205	52129	G16GC001A		18,250
LA Dept of Transportation and Development					
Highway Planning and Construction Cluster					
Kansas Lane Extension	20.205	H007289	H007289		2,374,505
Office of State Parks/Dept. of Culture, Recreation and Tourism	20.219	H.010874	15-09-02		69,500
<b>Total Highway Planning and Construction Cluster</b>					<b>2,462,255</b>
<b>Total Department of Transportation</b>					<b>4,448,240</b>
<b><u>Delta Regional Authority</u></b>					
<b>Direct:</b>					
Delta Regional Area Economic Development	90.201		LA-50367		104,456
					<b>\$ 104,456</b>

(continued)

**City of Monroe**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended April 30, 2019**

Federal Grantor / Pass-Through Grantor / Program Title	CFDA No.	Pass-Through Grant Number	Grant Identification Number	Passed Through to Subrecipient	Federal Expenditures
<b><u>U. S. Department of Homeland Security</u></b>					
<b>Pass-Through Programs :</b>					
Louisiana Department of Homeland Security and Emergency Preparedness					
Disaster Grants-Public Assistance (Severe Storms, Tornadoes, & Flooding)-FEMA	97.036	N/A	FEMA-4263-PA-LA		\$ 395,167
<b>Pass-Through Programs :</b>					
Louisiana Department of Public Safety					
Assistance to Firefighters Grant - FEMA	97.044	N/A	EMW-2017-FO-03704		30,730
<b>Total U. S. Department of Homeland Security</b>					<u>425,897</u>
<b><u>U.S. Department of Health and Human Services</u></b>					
<b>Pass-Through Programs :</b>					
Jefferson Parish Sheriff's Office/West Monroe Police Department					
Office of National Drug Control Policy-High Intensity Drug Trafficking Area (HIDTA)	93.276	N/A	N/A		<u>56,541</u>
<b>Total U.S. Department of Health and Human Services - Office of National Drug Policy</b>					<u>56,541</u>
<b>Total Federal Expenditures</b>				<u>\$ 228,385</u>	<u>\$ 6,188,868</u>

(concluded)

**City of Monroe**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended April 30, 2019**

**NOTE 1 - GENERAL** The accompanying Schedule of Expenditures of Federal Awards, presents the activity of all federal award activity of the City of Monroe (the City) under programs of the federal government for the year ended April 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

**NOTE 2 - BASIS OF ACCOUNTING** The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's primary government financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where in certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3 - LOANS RECEIVABLE OUTSTANDING** The City has loans receivable outstanding under CFDA #14.218 CDBG Entitlement Grants of \$55,267 and under CFDA #14.239 Home Investment Partnership Grants of \$124,825 at April 30, 2019.

**NOTE 4 - FUNDS PROVIDED TO SUBRECIPIENTS** Of the Federal expenditures presented on this schedule, the City provided \$228,385 through the Community Development Block Grants and the Emergency Shelter Grant Programs to sub recipients.

**NOTE 5 - RELATIONSHIP OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS TO THE PRIMARY GOVERNMENT FINANCIAL STATEMENTS** The following reconciliation is provided to help the reader of the City's financial statements and supplementary information relate such information to the Schedule of Expenditures of Federal Awards for the year ended April 30, 2019:

Major funds:	
General Fund	\$ 153,523
Capital Infrastructure	383,978
Monroe Regional Airport	1,031,661
Water	104,456
Nonmajor special revenue funds:	
Community Development Block Grant	758,858
Fire and Police Capital Tax	137,147
Emergency Shelter	179,602
CDBG Home	28,544
Justice Assistance Program	46,800
Nonmajor capital project funds:	
Kansas Lane Connector	2,374,505
Trails Grant Levee	69,500
Nonmajor Enterprise Funds:	
Monroe Transit System	920,294
Total	<u>\$ 6,188,868</u>

**NOTE 6 - DE MINIMIS INDIRECT COST RATE** The City did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**City of Monroe**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended April 30, 2019**

**Part I - Summary of Auditor's Results**

**Financial Statement Audit**

- i. The type of audit report issued was unmodified.
- ii. There were two significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America. The significant deficiencies were not considered to be material weaknesses.
- iii. There were no instance of noncompliance, as defined by the Government Auditing Standards, to the financial statement.

**Audit of Federal Awards**

- iv. There were two significant deficiencies required to be disclosed by the Uniform Guidance. The significant deficiencies were not considered to be material weaknesses.
- v. The type of report the auditor issued on compliance for major programs was unmodified.
- vi. The audit disclosed two audit findings which the auditor is required to report under the Uniform Guidance.
- vii. The major federal programs are:
  - CFDA #20.205 and 20.219 Highway Planning and Construction Cluster
  - CFDA#20.106 Airport Improvement Program
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in the Uniform Guidance, Section .520(b) was \$750,000.
- ix. The auditee does not qualify as a low-risk auditee under the Uniform Guidance.



City of Monroe  
Schedule of Findings and Questioned Costs  
For the Year Ended April 30, 2019

**Part II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:**

**Reference # and Title:**            **2019-001**            **Timecard System Needs to be Implemented City-wide**

**Entity-wide or program/department specific:** This finding applies to entity-wide.

**Criteria or specific requirement:** A good internal control over time documentation requires a system that is comprehensive, accountable, and consistently applied.

**Condition found:** The City has palm reading timecard terminals located throughout the departments for purpose of accounting for the hours worked by employees of the City. The software system and the terminals seem to be functioning properly and provide good documentation of the clocking in and clocking out by employees using this system. However, the system is not being used by all departments. In fact, many large departments and maybe even the majority of the employees are not using this timecard system. For example the Police and Fire Departments employees are using a manual systems for part of the personnel, which is basically on an honor system, while others can be documented through dispatch reports. The employees on the honor system are automatically given eight hours a day as being worked unless the employee submits paperwork reflecting that they were off or out.

The official timekeeper for each department corrects clock in and clock out errors upon receipt of either a verbal communication, an email/text from the employee requesting the clock in/out error be corrected, or via communication from the Division Head/Department Head. Other departments require an official clocking errors form be completed by the employee and be approved by the Division Head/Department Head of that employee before the change is inputted.

The official timekeeper generally prints the timecard for each employee for the entire pay period after all time has been entered. Thereafter, the printed timecard is submitted to the employee for approval and to the Division Head or Department Head for approval. Thereafter the official timekeeper will submit the data to the City Hall for further payroll processing.

Although the City has made great strides to implement citywide policies and procedures over timekeeping it wasn't until after year end that the Fire Department's system has been implemented whereas the Police Department is still working on strengthening their timekeeping policies and procedures.

**Context:** There are approximately 950 employees paid by the City.

**Possible asserted effect (cause and effect):**

**Cause:** The City does not have written policies and procedures regarding timekeeping for the various department as well as not utilizing the current palm reading terminals in place within the departments.

**Effect:** The internal controls over timekeeping are weakened.

**Recommendation to prevent future occurrences:** The City should continue to strive to implement consistent timekeeping policies and procedures throughout all departments as well as quality control system to ensure these policies and procedures are being adhered to.

**City of Monroe**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended April 30, 2019**

**Origination date and prior year reference (if applicable):** This finding originated in fiscal year ended April 30, 2017.

**View of responsible official:** See auditee prepared corrective action plan included later in this report as “Corrective Action Plan for Current Year Findings and Questioned Costs.”

**Reference # and Title:**                **2019-002**                **Year-End Financial Reporting**

**Entity-wide or program/department specific:** This finding applies to entity-wide.

**Criteria or specific requirement:** Good internal control over financial reporting requires that accounting records contain accurate and complete information to ensure that financials accruals are accurate at year-end.

**Condition found:** During the testing of year-end report balances associated with accounts receivable and accounts payable, it was noted that several accrual items were not properly reported. The auditors proposed entries to management to correct year-end balances. Additionally, it was noted, in testing the bank reconciliations, the City posted deposits received after year-end to cash as of April 30, 2019.

**Possible asserted effect (cause and effect):**

**Cause:** The City had turnover in several positions within the accounting department, which did not allow the City to perform adequate quality reviews of accrual balances to ensure the accruals were valid, complete, and accurate.

**Effect:** The internal controls over year-end financial reporting are weakened.

**Recommendation to prevent future occurrences:** The City should provide additional training to department personnel that are recording year-end receipts to ensure deposits received after year end are properly recorded in the subsequent year, not the current audit year even if the collection pertains to an accrual or charge in the audit year. The City should strive to ensure quality control procedures are performed at year-end to ensure financial reporting is complete and accurate.

**Origination date and prior year reference (if applicable):** This finding originated in fiscal year ended April 30, 2019.

**View of responsible official:** See auditee prepared corrective action plan included later in this report as “Corrective Action Plan for Current Year Findings and Questioned Costs.”

**City of Monroe**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended April 30, 2019**

**Part III – Findings and questioned costs for federal awards which are required to be reported under the Uniform Guidance:**

**Reference # and Title:            2019-003            Airport Improvement Program – Cash Management**

**CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the name of Pass-Through Entity:** This finding relates to the Airport Improvement Program - CFDA# 20.106 for the Federal Award Years 2017 and 2018 received from Federal Agency: U.S. Department of Transportation.

**Criteria or specific requirement:** In accordance with requirements of 2 CFR section 200.305, non-Federal entities must establish written procedures over cash management, which includes criteria of how the entity will minimize the time elapsing between the transfer from the federal awarding agency and the disbursement of funds for the program costs.

**Condition found:** In testing cash management, it was noted that the City’s written policy nor procedures over cash management address the amount of time between the transfer from the federal awarding agency and the disbursement of funds for the program costs. Although the amount of time isn’t reflected in the policy, the industry normal standards are three days between the time the transfer from the federal awarding agency was received and the payment of program costs, if the payment wasn’t paid before the monies were requested from the federal awarding agency. However, in testing ten disbursements, it was noted that, for three disbursements, the time between the transfer from the federal awarding agency and the payment of program costs was more than three days.

**Context:** Ten expenditures tested, which represented 67% of the grant.

**Possible asserted effect (cause and effect):**

**Cause:** The auditor was unable to determine the cause.

**Effect:** The City is not in compliance with federal compliance requirements related to cash management.

**Recommendation to prevent future occurrences:** The City should establish written policies and procedures over cash management in order to eliminate uncertainty as well as establish quality control procedures to ensure the policies are being adhere to. Specifically, the City should define the number of days that they consider reasonable for payment of invoices/charges after the date of the collection of the Federal Award.

**Origination date and prior year reference (if applicable):** This finding originated fiscal year end April 30, 2019.

**View of responsible official:** See auditee prepared corrective action plan included later in this report as “Corrective Action Plan for Current Year Findings and Questioned Costs.”

**City of Monroe**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended April 30, 2019**

**Part III – Findings and questioned costs for federal awards which are required to be reported under the Uniform Guidance:**

**Reference # and Title:**        **2019-004**        **Airport Improvement Program – Reporting**

**CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the name of Pass-Through Entity:** This finding relates to the Airport Improvement Program - CFDA# 20.106 for the Federal Award Years 2017 and 2018 received from Federal Agency: U.S. Department of Transportation.

**Criteria or specific requirement:** Based on the grant award letter, the City is required to submit the SF-425, “Federal Financial Report,” annually, due 90 days after the end of each federal fiscal year, which is December 31<sup>st</sup>.

**Condition found:** The City did not submit the required annual reports for the open grants.

**Context:** The City has two open grants under the AIP program.

**Possible asserted effect (cause and effect):**

**Cause:** The auditor was unable to determine the cause.

**Effect:** The City is not in compliance with federal compliance requirements related to reporting.

**Recommendation to prevent future occurrences:** The City should establish quality control procedures to ensure the federal reports are properly completed and submitted timely.

**Origination date and prior year reference (if applicable):** This finding originated fiscal year end April 30, 2019.

**View of responsible official:** See auditee prepared corrective action plan included later in this report as “Corrective Action Plan for Current Year Findings and Questioned Costs.”

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**City of Monroe**

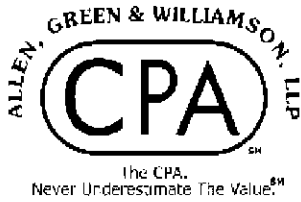
**PASSENGER FACILITY CHARGE PROGRAM (PFC) REPORTS AS  
REQUIRED BY FEDERAL AVIATION ADMINISTRATION**

**DIVIDER**

**City of Monroe**

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**DIVIDER**



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Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF REVENUES AND EXPENDITURES OF PASSENGER FACILITY CHARGES

### INDEPENDENT AUDITOR'S REPORT

City of Monroe  
Monroe, Louisiana

#### *Compliance*

We have audited the compliance of the City of Monroe (the "City") with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (the "Guide"), for its passenger facility charge program for the year ended April 30, 2019.

#### *Management's Responsibility*

Management is responsible for compliance with the requirements of the laws and regulations of the Passenger Facility Charge Program (the "Program").

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the City's compliance based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the Guide. Those standards and the Guide 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 the Program occurred. An audit includes examining, on a test basis, evidence about the City'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 on compliance for the Program. However, our audit does not provide a legal determination of the City's compliance.



### ***Opinion on the Passenger Facility Charge Program***

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its Passenger Facility Charge Program for the year ended April 30, 2019.

### ***Internal Control Over Compliance***

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations applicable to the passenger facility charge program. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on compliance in order to determine the auditing procedures that are appropriate under the circumstances for the purpose of expressing an opinion on compliance and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a compliance requirement of the Program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a compliance requirement of the Program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

The purpose of this report on compliance and internal control over compliance is solely to describe the scope of our testing of compliance and internal control over compliances and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose. Although the report is not suitable for any other purpose, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

### ***Report on Schedule of Expenditures of Passenger Facility Charges***

We have audited the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Monroe as of and for the year ended April 30, 2019, and the related notes to the financial statements which collectively comprise the City's basic financial statements. We have issued our report thereon dated October 31, 2019 that includes a reference to the report of other auditors, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements which collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Passenger Facility Charges is presented for the purpose of additional analysis, as required by the Guide, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information

directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Passenger Facility Charges is fairly stated in all material respects in relation to the basic financial statement as a whole.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

October 31, 2019

**City of Monroe**  
**Schedule of Expenditures of Passenger Facility Charges**  
**Monroe Regional Airport**  
**For the Year Ended April 30, 2019**

	<b>FY 18</b>						
	<b>Program</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>FY-19</b>	<b>Program</b>
	<b>Total</b>	<b>May-July</b>	<b>Aug-Oct</b>	<b>Nov-Jan</b>	<b>Feb-Apr</b>	<b>Total</b>	<b>Total</b>
<b><u>Revenue</u></b>							
Collections	\$6,005,914	\$ 115,567	\$ 107,618	\$ 119,558	\$ 109,337	\$ 452,080	\$ 6,457,994
Interest	51,888	616	956	1,758	1,856	5,186	57,074
Total Revenue	<u>6,057,802</u>	<u>116,183</u>	<u>108,574</u>	<u>121,316</u>	<u>111,193</u>	<u>457,266</u>	<u>6,515,068</u>
<b><u>Disbursements</u></b>							
Application 03-01-C-00-MLU-001	504,334	-	-	-	-	-	504,334
Application 03-01-C-00-MLU-002	40,700	-	-	-	-	-	40,700
Application 03-01-C-00-MLU-003	401,025	-	-	-	-	-	401,025
Application 06-02-C-00-MLU-002	413,444	-	-	-	-	-	413,444
Application 08-03-C-00-MLU-001	3,832,947	64,664	88,992	88,992	88,992	331,640	4,164,587
Application 08-03-C-00-MLU-002	43,184	387	481	320	339	1,527	44,711
Total Disbursements	<u>5,235,634</u>	<u>65,051</u>	<u>89,473</u>	<u>89,312</u>	<u>89,331</u>	<u>333,167</u>	<u>5,568,801</u>
Net PFC Revenue	<u>822,168</u>	<u>51,132</u>	<u>19,101</u>	<u>32,004</u>	<u>21,862</u>	<u>124,099</u>	<u>946,267</u>
PFC Account Balance (cash basis)	<u>\$ 822,168</u>	<u>\$ 873,300</u>	<u>\$ 892,401</u>	<u>\$ 924,405</u>	<u>\$ 946,267</u>	<u>\$ 946,267</u>	<u>\$ 946,267</u>

**City of Monroe**

**OTHER INFORMATION**

**DIVIDER**

**City of Monroe**

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**DIVIDER**

City of Monroe, Louisiana  
Mayor-Council Government

James E. "Jamie" Mayo  
Mayor



Stacey Rowell  
Director of Administration

**Status of Prior Year Audit Findings and Questioned Costs as of April 30, 2019:**

**Reference # and Title: 2018-001 Sales Tax Collections**

**Entity-wide or program/department specific:** This finding applies to the Tax and Revenue Department.

**Condition:** Best accounting practices recommend for internal control purposes that cash receipts be deposited daily. Additionally, collections should be stamped the date received. This process will assist management in performing quality control procedures in ensuring deposits are made daily.

It was noted through observation and testing, sales tax remittances paid with check or money order are being separated from the remittances and payments are being placed in a stack to be processed at a later date. Additionally, it was noted these sales tax remittances are not being stamped as to the date received by the Tax and Revenue Department. Therefore, the auditor was unable to determine if deposits are being made on a timely basis.

**Corrective action taken:** The sales tax returns are now being date stamped and work is being performed in a timely manner. This item is considered cleared.

**Reference # and Title: 2018-002 Credit Card Documentation**

**Entity-wide or program/department specific:** This finding is entity-wide.

**Condition:** Good internal controls provide a system that documents the date, the purpose and by whom the credit card charges were incurred; additionally, for the purchase of meals, those attending should be documented.

The documentation for credit card purchases needs improvement. Of the limited testing by external auditors, incidents occurred where the documentation did not include the purpose of a meal, who participated in the meal, and who actually incurred the charge. Four transactions had no original detail receipts, seven transactions were missing the purpose of each purchase, and two transactions did not include the name of the person who consumed the meals.

**Corrective action taken.** The City has implemented the use of a permission to purchase form that is to be completed before making a credit card purchase. This form requires the purchaser's name, business purpose of the purchase, estimated amount, items to be purchased and the signature of the supervisor approving the purchase. When the purchase is complete the credit card is returned along with the receipt. The business purpose for meetings along with a list of employees attending is required for purchases of food for meetings. In addition, all food purchases are now required to be approved through the Director of Administration so that it can be determined that the purchase is necessary and for a city purpose. See current year management letter item 2019-M1 for additional information.

Status of Prior Year Audit Findings and Questioned Costs as of April 30, 2019 continued:

**Reference # and title:** 2018-003 Timecard System Needs to Be Implemented City-wide

**Entity-wide or program/department specific:** This finding is entity-wide.

**Condition:** A good internal control over time documentation requires a system that is comprehensive, accountable, and consistently applied.

The City has palm reading timecard terminals located throughout the departments for purpose of accounting for the hours worked by employees of the City. The software system and the terminals seem to be functioning properly and provide good documentation of the clocking in and clocking out by employees using this system. However, the system is not being used by all departments. In fact, many large departments and maybe even the majority of the employees are not using this timecard system. For example the Police and Fire Departments employees are using a manual system that relies extensively on an honor system that the employee is working and the time the employee is working. Generally, the employees on the honor system are automatically given eight hours a day as being worked unless the employee submits paperwork reflecting that they were off or out.

Other departments are using the palm reading timecard system extensively by clocking in at the time of starting work, clocking out when going to lunch, clocking in when returning from lunch, as well as clocking out at the end of the day. Periodically, clocking in and clocking out will occur when the employee takes a leave of absence.

The official timekeeper for each department corrects clock in and clock out errors upon receipt of either a verbal communication, an email/text from the employee requesting the clock in/out error be corrected, or via communication from the Division Head/Department Head. Other departments require an official clocking errors form be completed by the employee and be approved by the Division Head/Department Head of that employee before the change is inputted.

The official timekeeper generally prints the timecard for each employee for the entire pay period after all time has been entered. Thereafter, the printed timecard is submitted to the employee for approval and to the Division Head or Department Head for approval. Thereafter the official timekeeper will submit the data to the City Hall for further payroll processing.

Certain key employees of the City use the palm reading timecard system for an “attendance only” documentation. This “attendance only” system for key employees only requires the employee to clock in sometimes during the day. No clocking in at the start time, no clocking out for lunch and back in to start the afternoon shift, nor clocking out at the end of the day is required.

**Corrective action:** The City has developed new policies and procedures to alleviate the concerns related to the City’s timekeeping practices. While this does not implement the use of timeclocks for everyone, the policies provide for additional personnel in each department to begin using the timeclock. The remaining personnel will now have their time/attendance documented by the methods spelled out in these policies and procedures. We believe these new policies and procedures provide the accountability that was previously lacking. See current year finding 2019-001 for additional information.

**Status of Prior Year Audit Findings and Questioned Costs as of April 30, 2019 continued:**

**Reference # and Title: 2018-004 Time & Employee Absences Documentation Needs Improvement**

**Entity-wide or program/department specific:** This finding is generally entity-wide.

**Condition:** Good internal control requires adequate documentation for expenses/expenditures, which should be adequately approved by supervisors and time records should be signed by the applicable employee.

In our testing of fifty payroll disbursements, the following items were noted:

- Seven disbursements did not have the employee's signature on the time records,
- Two instances of the supervisor not approving the employee's timesheet, and
- One employee's payroll file did not contain documentation of the completion of USCIS Form I-9 "Employment Eligibility Verification" issued by the Department of Homeland Security.

In our testing of twenty-six instances of employees taking leave, the following items were noted:

- Eleven exceptions of the time records not documenting leave and attendance,
- Ten exceptions of missing supervisor's approval of employee leave, and
- Two exceptions to maintaining written leave records.
- It was noted that some employees have access to change their leave record in the time system, rather than having another employee make the change for them.

**Corrective action taken:** Timekeeping policies and procedures were reviewed with all supervisors, department head and timekeepers. The Director of Administration met with the supervisors that were noted by the exceptions. This item is considered cleared.

Respectfully submitted,



Stacey Rowell, CPA  
Director of Administration



City of Monroe, Louisiana  
Mayor-Council Government

James E. "Jamie" Mayo  
Mayor



Stacey Rowell  
Director of Administration

**Corrective Action Plan for Current Year Findings and Questioned Costs**

The following information contains the Corrective Action Plan for Current Year Audit Findings and Questioned Costs as of and for the year ended April 30, 2019:

**Reference # and Title:** 2019-001 Timecard System Needs to be Implemented City-wide

**Entity-wide or program/department specific:** This finding applies to entity-wide.

**Criteria or specific requirement:** A good internal control over time documentation requires a system that is comprehensive, accountable, and consistently applied.

**Condition found:** The City has palm reading timecard terminals located throughout the departments for purpose of accounting for the hours worked by employees of the City. The software system and the terminals seem to be functioning properly and provide good documentation of the clocking in and clocking out by employees using this system. However, the system is not being used by all departments. In fact, many large departments and maybe even the majority of the employees are not using this timecard system. For example the Police and Fire Departments employees are using a manual systems for part of the personnel, which is basically on an honor system, while others can be documented through dispatch reports. The employees on the honor system are automatically given eight hours a day as being worked unless the employee submits paperwork reflecting that they were off or out.

The official timekeeper for each department corrects clock in and clock out errors upon receipt of either a verbal communication, an email/text from the employee requesting the clock in/out error be corrected, or via communication from the Division Head/Department Head. Other departments require an official clocking errors form be completed by the employee and be approved by the Division Head/Department Head of that employee before the change is inputted.

The official timekeeper generally prints the timecard for each employee for the entire pay period after all time has been entered. Thereafter, the printed timecard is submitted to the employee for approval and to the Division Head or Department Head for approval. Thereafter the official timekeeper will submit the data to the City Hall for further payroll processing.

Although the City has made great strides to implement citywide policies and procedures over timekeeping it wasn't until after year end that the Fire Department's system has been implemented whereas the Police Department is still working on strengthening their timekeeping policies and procedures.

**Corrective action plan:** The Fire Department has implemented timeclock procedures for the administrative personnel not assigned to individual fire stations. Suppression personnel and their supervisory positions utilize the Station Activity Logs and the Fire Department's strict Relief Time/Miss Out policy as sufficient documentation and mitigating factor as an alternative to punching the timeclocks.

## Corrective Action Plan for Current Year Findings and Questioned Costs (continued)

The Police Department has implemented timeclock procedures for non-commissioned personnel. The Police Department uses LadTech as a scheduling tool and has a strict miss-out policy for patrol officers.

Further use of the timeclocks in these departments may be considered in the future if deemed appropriate.

**Person responsible for corrective action:**

Chief Terry Williams, MFD Telephone: (318) 329-2472  
Chief Eugene Ellis, MPD Telephone: (318) 329-2225  
City of Monroe  
P. O. Box 123  
Monroe, Louisiana 71210

**Anticipated completion date:** December 2019

**Reference # and Title:** 2019-002 Year-End Financial Reporting

**Entity-wide or program/department specific:** This finding applies to entity-wide.

**Criteria or specific requirement:** Good internal control over financial reporting requires that accounting records contain accurate and complete information to ensure that financials accruals are accurate at year-end.

**Condition found:** During the testing of year-end report balances associated with accounts receivable and accounts payable, it was noted that several accrual items were not properly reported. The auditors proposed entries to management to correct year-end balances. Additionally, it was noted, in testing the bank reconciliations, the City posted deposits received after year-end to cash as of April 30, 2019.

**Corrective action plan:** Accounting will continue to closely monitor year-end invoices and deposits and enhance training to the other departments in order to ensure that year-end balances are accurate. Cash will be posted in the month that it is received, and appropriate corresponding accounts receivables will be recorded. In addition, the Accounting department is now fully staffed and is hiring an additional account clerk, both of which will allow for closer monitoring of invoices and receipts.

**Person responsible for corrective action:**

Melanie Watson Telephone: (318) 329-3345  
Director of Accounting  
City of Monroe  
P. O. Box 123  
Monroe, Louisiana 71210

**Anticipated completion date:** Ongoing

## Corrective Action Plan for Current Year Findings and Questioned Costs (continued)

**Reference # and Title:**        2019-003                    Airport Improvement Program – Cash Management

**CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the name of Pass-Through Entity:** This finding relates to the Airport Improvement Program - CFDA# 20.106 for the Federal Award Years 2017 and 2018 received from Federal Agency: U.S. Department of Transportation.

**Condition found:** In accordance with requirements of 2 CFR section 200.305, non-Federal entities must establish written procedures over cash management, which includes criteria of how the entity will minimize the time elapsing between the transfer from the federal awarding agency and the disbursement of funds for the program costs.

In testing cash management, it was noted that the City’s written policy nor procedures over cash management address the amount of time between the transfer from the federal awarding agency and the disbursement of funds for the program costs. Although the amount of time isn’t reflected in the policy, the industry normal standards are three days between the time the transfer from the federal awarding agency was received and the payment of program costs, if the payment wasn’t paid before the monies were requested from the federal awarding agency. However, in testing ten disbursements, it was noted that, for three disbursements, the time between the transfer from the federal awarding agency and the payment of program costs was more than three days.

**Corrective action plan:** The City’s policies and procedures over cash management will be updated to specify time constraints between receiving federal money and the disbursement of funds for the program costs. In addition, whenever possible, the City will make every effort to only request funds after the disbursement has been made and communicate with all federal program personnel regarding guidelines, policies and procedures.

**Person responsible for corrective action:**

Ron Phillips, Airport Director                    Telephone: (318) 329-5927  
Melanie Watson, Director of Accounting        Telephone: (318) 329-3345  
City of Monroe  
P. O. Box 123  
Monroe, Louisiana 71210

**Anticipated completion date:** November 2019

**Reference # and Title:**        2019-004                    Airport Improvement Program – Reporting

**CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the name of Pass-Through Entity:** This finding relates to the Airport Improvement Program - CFDA# 20.106 for the Federal Award Years 2017 and 2018 received from Federal Agency: U.S. Department of Transportation.

**Criteria or specific requirement:** Based on the grant award letter, the City is required to submit the SF-425, “Federal Financial Report,” annually, due 90 days after the end of each federal fiscal year, which is December 31<sup>st</sup>.

**Condition found:** The City did not submit the required annual reports for the open grants.

**Corrective action plan:** The 2018 report has been submitted and the current report will be completed by November 30<sup>th</sup>. All future reports will be filed timely.

**Corrective Action Plan for Current Year Findings and Questioned Costs (continued)**

**Person responsible for corrective action:**

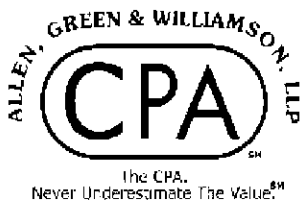
Melanie Watson Telephone: (318) 329-3345  
Director of Accounting  
City of Monroe  
P. O. Box 123  
Monroe, Louisiana 71210

**Anticipated completion date:** November 2019

Respectfully submitted,



Stacey Rowell, CPA  
Director of Administration



# ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Sandra Harper, CPA  
Jennie Henry, CPA, CFE  
Austin Hogue, CPA  
Mallory Stone, CPA  
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2006

## Management Letter

City of Monroe  
Monroe, Louisiana

In planning and performing our audit of the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Monroe (the City) as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, we considered the City's internal control over financial reporting (internal control) to plan our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control.

However, during our audit, we noted certain matters involving internal control that are presented for your consideration. This letter does not affect our report dated October 31, 2019, on the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Monroe (the City). We will review the status of these comments during our next audit engagement. Our comments and recommendations, which have been discussed with appropriate members of management, is intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation. Our comments and management's responses are summarized as follows:

### 2019-M1      Credit Card Testing

**Comment:** Good internal controls provide a system that documents the date, the purpose and by whom the credit card charges were incurred. Additionally, documentation should include itemized receipts and not include the payment of sales tax. Although the City's credit card documentation has improved, it was noted in testing twenty credit card transactions, five transactions did not include the itemized receipt information. It was also noted that the City is not always getting the sales tax exempted from the purchase.

**Recommendation:** The City should continue to train City personnel on obtaining itemized receipt documentation for credit card purchases as well as provide departments with appropriate sales tax exemption information in order for these departments to provide to the applicable vendors being utilized.

**Management's response:** The City will continue to train employees on the proper policies and procedures when making a credit card transaction. In addition, a copy of the sales tax exemption form will be made available on the City's intranet site so that it is readily available for all purchasers.

City of Monroe  
Management Letter Items  
For Year End April 30, 2019

**2019-M2**      **Sales Tax Delinquent Accounts**

**Comment:** Good internal controls require delinquent sales tax accounts to be actively reviewed and outstanding balances collected. In testing the sales tax delinquent accounts report, it was noted several accounts with balances over 60 days were not being actively worked by personnel. In most of the cases noted, the sales tax account was current as it relates to recently filed months of sales tax reports; however, the sales tax vendor also had balances due from older months of sales tax reports filed.

**Recommendation:** The City should establish quality control procedures to review and resolve old outstanding balances owed on delinquent returns.

**Management's response:** The City is researching a new collection alternative that would allow for the collection of old outstanding balances.

\*\*\*\*\*

Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Monroe, as of and for the year ended April 30, 2019, which collectively comprise the City's basic financial statements, and therefore, may not reveal all weaknesses in policies and procedures that may exist.

Immediately following this letter are the Status of Prior Management Letter Items. This information has not been audited by Allen, Green & Williamson, LLP, and no opinion is expressed. However, we did follow-up on the prior management letter items and performed procedures to assess the reasonableness of the Status of Prior Management Letter Items prepared by management and we would report, as a current-year management item when Allen, Green & Williamson, LLP concludes that the Status of Prior Management Letter Item materially misrepresents the Status of any prior management letter item.

Also included are management's responses to our current year management letter items. We have performed no audit work to verify the content of the responses.

This report is intended solely for the information and use of the council, management, 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. Although the intended use of this letter may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

*Allen Green & Williamson LLP*  
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
October 31, 2019

**City of Monroe**  
**Status of Prior Year Management Letter Items**  
**For the Year Ended April 30, 2019**

**2018-M1**      **Millage Rates Need to Be Updated for Allocation Purposes**

**Comment:** The allocation of ad valorem taxes between applicable funds for the year ended April 30, 2019 was incorrect due to the entry made to allocate the ad valorem taxes to each applicable fund was using the millage rates in effect for calendar year 2016 rather than calendar year 2017. This resulted in the General Fund erroneously receiving approximately \$60,000 more in revenues while several other funds of the City were collectively shortchanged by the \$60,000. The City had corrected the calculation and the General Fund had reimbursed the other funds for the amounts shortchanged after the auditor had brought it to their attention.

**Recommendation:** The City should establish review procedures to ensure the allocation of ad valorem taxes is properly updated each year.

**Management's response:** The City has continued to review the rates and will continue to do so in the future. This item is considered cleared.

**2018-M2**      **Bond Refundings**

**Comment:** The City had refunded two bonds during the current fiscal year. It was noted by the auditor, the City did not initially record the bond discount and deferred outflows of resources related to refundings properly. The City provided correcting entries after the auditor had brought it to their attention.

**Recommendation:** The City should establish procedures to ensure that journal entries are thoroughly reviewed to ensure bond refunding transactions are properly reported in the City's financial statements.

**Management's response:** The City is complying with GASB requirements for properly recording debt transactions. This item is considered cleared.

**2018-M3**      **Accounts Receivable Aging**

**Comment:** The accounts receivable utilities aging for trash, sewer, and water reflects approximate \$6.3 million in balance due at April 30, 2019. Approximately \$3.0 million of this balance represents accounts with balances that the charges are more than 120 days old. Due to the nature of utilities and the ability of the City to disconnect the property owners quickly for nonpayment, the City having this size balance more than 120 days past due does not seem prudent. It was also noted that the City is not consistently depositing receipts on a daily basis.

**Recommendation:** A concentrated effort should be made by the City to clear up these old balances by having the property owner pay their bill for these past due balances. Additionally, the City should review its practice to strengthen the collection policy so that new utility charges are paid before reaching the 90 and 120 days in arrears. Additionally, the City should establish monitoring procedures to ensure receipts are being deposited on a daily basis.

**Management's response:** The City began using the Bad Debt process in the Utility Management software to maintain realistic Utility Accounts Receivable balances and will continue to write off bad debt on a yearly basis. The City is adhering to its cutoff procedures in an effort to reduce the amount of customers in delinquent status. This item is considered cleared.

**City of Monroe**  
**Status of Prior Year Management Letter Items**  
**For the Year Ended April 30, 2019**

**2018-M4**      **Civic Center Deposits**

**Comment:** Good internal controls require deposits being stamped to determine the date received and deposited in a timely manner. When testing thirty deposits at the Civic Center, two deposits had exceptions: one deposit was not deposited timely and one deposit could not be determined if deposited timely due to no documentation of when the deposit was received.

**Recommendation:** The Civic Center personnel should make a concentrated effort to ensure all receipts are stamped the date received and deposits made timely. The City should establish monitoring procedures over receipts to ensure adherence to policies and procedures.

**Management's response:** Accounting is continuing to monitor deposit documentation and continues to communicate with all departments regarding proper documentation. This item is considered cleared.

**2018-M5**      **Material & Supplies Inventory at Water Distribution, Sewer, & Central Warehouse**

**Comment:** The auditors did a physical inspection during the City's actual inventory count at year-end. Later the auditors attempted to trace the actual items inspected during the inventory count to the final inventory list provided by the three departments. There were some discrepancies and certain items of inventory were recounted. Also, the auditor traced the cost for several items listed on the final inventory list to actual vendor invoices in order to substantiate that the cost of inventory was properly valued. The City was able to provide some vendor invoices supporting the cost of the items while for other items the original invoices were not provided. Inventory valuation and control is not reliable, which may be in part attributable to the inventory software system. Additionally, it is noted that all water distribution inventory is being maintained in the inventory software system such as fire hydrants and items in the yard. The City is not consistently accounting for obsolete items and estimating the allowance for obsolete items.

**Recommendation:** The final inventory listing provided to the auditors after all items have been counted should be complete and accurate and the cost for the items should be supported by paid invoices. Additional care should be taken in compiling the final inventory listing for each department's inventory. The City should establish procedures that are consistent when establishing the estimate for obsolete inventory.

**Management's response:** This item is considered cleared.

**2018-M6**      **Timely Requests for Reimbursements of Grants**

**Condition found:** In reviewing of the City's grant revenues, it was noted that requests for reimbursements of grant expenditures are not always being completed and submitted to the awarding agency in a timely manner for reimbursements. It was additionally noted that the City is not fully reconciling the grant requests to the monies received to ensure reimbursements are complete and accurate.

**Recommendation:** The City should establish procedures to ensure reimbursement requests are being submitted in a timely manner and that the request are complete and accurate. Additionally, the City should establish timelines to ensure money that has been requested is received. If funds have not been received within the set timeline, then staff should follow-up on the request with the awarding agency.

**Management's response:** The City is processing grant reimbursement requests on a timely basis. This item is considered cleared.



**City of Monroe**  
**Status of Prior Year Management Letter Items**  
**For the Year Ended April 30, 2019**

**2018-M7**      **Bids**

**Comment:** A review of the bids let and received reflected the following deviations from state statute governing purchasing goods, materials, and public works:

- Two instances of ads reflected date of bid opening to be less than the required 25 days for public works.
- One instance of the second lowest bid being awarded and the bid file was not adequately documented with the reason for not going with the lowest bid until asked by the auditor.
- One instance in which the ad reflected that sealed bids were to be received until November 31, 2018 but bids were opened in February 2018.

**Recommendation:** Purchasing personnel should review the state statutes regarding bidding to assure that the City complies fully with the state laws regarding purchasing.

**Management's response:** Purchasing is complying with state bid law. This item is considered cleared.

**2018-M8**      **Issuance of Police Traffic Tickets**

**Comment:** In recent years a management letter item included in the annual management letter was reported suggesting that from the raw data reviewed in that fiscal year the number of traffic tickets issued by patrolmen appeared to be extremely low. The audit procedure performed of the Police Department by the auditors in that earlier fiscal year was to test the accounting for ticket books issued by the Police Department to the patrol officers. The ticket books included ten blank tickets that are used by the patrol officers to issue a citation whenever a driver violates a traffic ordinance. During this testing, it was noted that the number of ticket books issued to each patrol officer during that audit period averaged seven ticket books or seventy tickets per officer. Using fifty work weeks in a year, it appears an officer is issuing 1 ½ tickets per week. This calculated average number of tickets being issued per officer seems low.

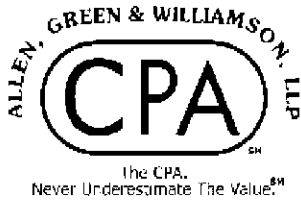
The City expanded its annual financial report and prepared a Comprehensive Annual Financial Report (CAFR) starting with the fiscal year ended April 30, 2017. The CAFR is recommended by the Governmental Accounting Standards Board, the financial accounting and reporting standard setters for governmental entities in the United States. One section of the CAFR is what is called the Statistical Section that includes financial data of the City for the past ten years. Table 20 of the Statistical Section reflects the number of traffic tickets issued by the City during the past ten fiscal years. That table reflects that the number of tickets issued annually has declined steadily during the ten years from 27,594 for 2009 to 3,191 for 2018.

This table reinforces the focus of the previous year management letter item that the City may be missing out on revenues that some municipalities depend on greatly for their source of funding for various City activities.

**Recommendation:** Based on the raw data and the statistical section info concerning traffic tickets issued, the City may want to consider studying this matter to determine if additional revenue could appropriately be increased.

**Management's response:** The City continues to review this revenue source. This item is considered cleared.

## **AGREED UPON PROCEDURES**



# ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Monroe, LA 71211-6075

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Jennie Henry, CPA, CFE  
Austin Hogue, CPA  
Mallory Stone, CPA  
Audit Manager: Margie Williamson, CPA

Ernest L. Allen, CPA  
(Retired) 1963 - 2000

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

Council Members and Honorable Mayor Mayo  
City of Monroe  
Monroe, Louisiana

We have performed the procedures enumerated below, which were agreed to by the City of Monroe, and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the year ended April 30, 2019. The City's management is responsible for the control and compliance areas identified in these Statewide Agreed-Upon Procedures. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the reports. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

### *Written Policies and Procedures*

---

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
  - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) **Disbursements**, including processing, reviewing, and approving.
  - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
  - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
  - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

- g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) ***Ethics*** including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt service requirements.
- k) ***Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available systems and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

**Comment:** Two items noted in testing the City's policies and procedures. The City's ethics policy does not require that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.

Although the City's disaster recovery/business continuity doesn't specifically address periodic testing/verification that backups can be restored, the City does have mitigating controls in that their practice includes restoring previous backups.

**Management Response:** The City will begin requiring all employees to attest through signature verification that they have read the entity's ethics policy.

### ***Bank Reconciliations***

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2. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
  - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
  - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

**Comment:** Two exceptions noted in applying the agreed upon procedures, in which the reconciliations were not prepared within 2 months of the related statement closing date.

**Management Response:** The City has distributed the various bank reconciliations to multiple personnel in order to facilitate the timely completion of the reconciliations.

### ***Collections***

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3. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
4. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
5. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
6. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #2 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
  - a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to deposit slip.
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
  - e) Trace the actual deposit per the bank statement to the general ledger.

**Comment:** When reviewing the procedures over collections, it was noted that the Police Department has three cashiers; however, all cashiers share the one cash drawer.

When testing cash receipts, the auditor was unable to determine timeliness of deposits for the two receipts selected for the Street Improvement Program account.

**Management Response:** The City is date stamping checks when received and making timely deposits.

### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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7. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
8. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
  - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
9. Using the monthly statements or combined statements selected under #8 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

**Comment:** Two exceptions were noted related to credit card transactions. The City's Purchasing Department had purchased multiple gift cards from one vendor without proper written documentation of the business purposes. The purchase was a result of an email phishing scam; however, City Administration was able to stop the scam before City funds were released.

**Management Response:** The City has held training to alleviate this issue.

### ***Payroll and Personnel***

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10. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

11. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #10 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
12. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
13. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

**Comment:** Five employees were selected for testing. Although the attendance record was not approved by the supervisor for one of the employees, the payroll as a whole had supervisor approval.

**Management Response:** The City continues to monitor payroll documentation through the payroll process.

### ***Ethics***

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14. Using the 5 randomly selected employees/officials from procedure #10 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
  - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

**Comment:** The City doesn't require employees to attest through signature verification that he/she has read the entity's policy. Therefore, five exceptions were noted in applying the agreed upon procedure.

**Management Response:** The City is making signature verification mandatory.

### ***Other***

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15. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

16. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

**Comment:** There were no exceptions noted as a result of applying agreed upon procedures.

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We were not engaged to and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those control and compliance area identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those control and compliance area identified in the SAUPs and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Allen Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
October 31, 2019