

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF MONROE, LOUISIANA



**For The Year Ended
April 30, 2017**

**City of Monroe
Monroe, Louisiana**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**For The Year Ended
April 30, 2017**

**Honorable James Mayo
Mayor**

**Mr. Michal Echols
Chairman**

Prepared by the Department of Administration - Accounting Division

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

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**City of Monroe
Monroe, Louisiana**

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Monroe, Louisiana**

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City of Monroe, Louisiana

MAYOR-COUNCIL GOVERNMENT

Director of Administration

P. O. Box 123
Monroe, Louisiana 71210-0123
Phone (318) 329-2218
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October 31, 2017

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

*RE: Financial Statement Letter of Transmittal
Fiscal Year Ended April 30, 2017*

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, 2017. 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, 2017, 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 auditors' 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 with it. The City's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT



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 general public, including police and fire protection, public works, social services, public transportation, planning and zoning, economic development, 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 the General Fund and each Special Revenue Fund. For the General Fund and Capital Infrastructure Fund, this comparison is presented in Exhibits 2 through 3. For other nonmajor special revenue 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 through 40.

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.

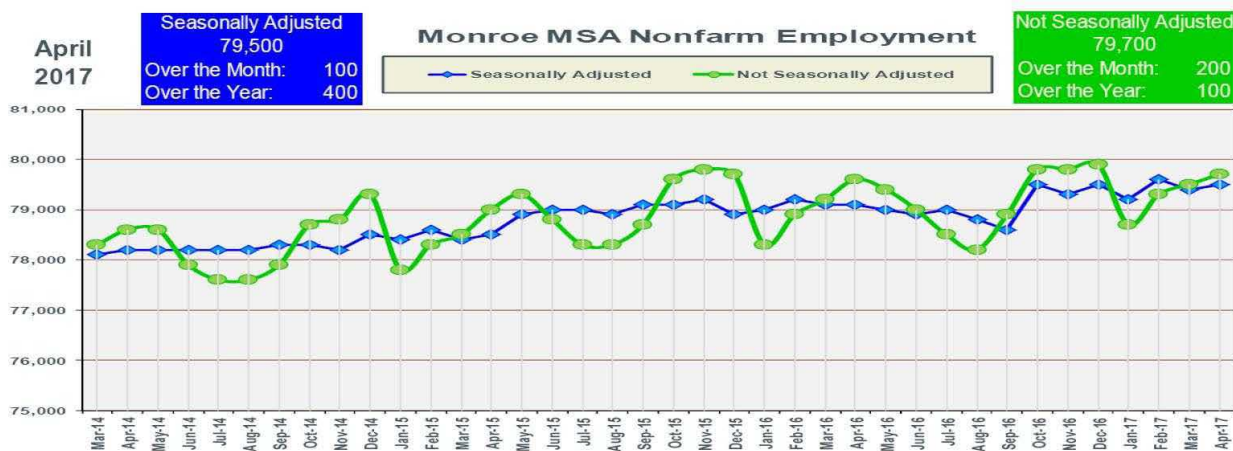
ECONOMIC CONDITION AND OUTLOOK

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 one of the third-largest telecommunication 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. The downtown area has been expanding and includes the Downtown RiverMarket, a cultural district along the Ouachita River that provides the perfect setting to shop, play, eat and celebrate. 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!



According to the Louisiana Workforce Commission, nonfarm employment has steadily risen for the Monroe MSA over the last several years. Since March 2014, the seasonally adjusted employment has increase by about 2 percent. Total nonfarm employment for the Monroe MSA was estimated at 79,700 for April 2017. This shows a gain of 200 jobs over the month and 100 jobs over the year. Trade, transportation and utilities added 300 jobs both over the month and over the year. Government lost 400 jobs over the year, with state government losing 300 jobs.



After 9 years of declines, the Monroe MSA has now enjoyed five straight years of modest growth. Expansions at IBM, CenturyLink and Vantage Health Plan should generate enough growth for the Monroe MSA to get back to its previous peak employment reached back in 2002.

General sales and use tax play a significant role in the financing of the General Fund, Street Improvement Fund and the Fire/Police Special Revenue Funds. In March 2016, a major flood hit Monroe with devastating consequences. It destroyed large parts of the city and caused consumers to change spending habits and buy products to replace lost possessions. This increase in spending caused a temporary increase in sales tax collections for the few months that followed. Despite the increase, sales tax collections for 2016 decreased by 0.4 percent over the previous year. For the fiscal year end 2017, sales tax collections decreased by 0.6 percent.

Internet sales continue to grow at the detriment of brick and mortar businesses. The way consumers shop is changing. However, legislation has failed to keep up with this changing trend. Legislation introduced to require online businesses to collect and remit sales and use tax has been slow in coming. It is estimated the local municipalities receive less than 50 percent of the sale tax that it should get from generated online sales. In December 2016, the U.S. Supreme court decided not to hear a challenge to a state law requiring internet retailers to notify customers and the state how much they owe in taxes. This was a step in the right direction and could lead to states and local jurisdictions collecting large amounts of lost revenue.

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, potentially a new Target store, and 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, West Monroe is promising a new major retailer and hotels to anchor areas marked for growth. Growth in surrounding communities like Sterlington impact Monroe, as businesses seek opportunities in new areas of population growth.

The current trend in general sales and use tax for the City of Monroe is showing a decrease of approximately 5 percent over the coming year.

MAJOR INITIATIVES DURING 2016-2017

The Mayor along with his staff developed a list of 60 priority projects for the City. It has been titled "60 for 60" and covers services or improvements provided by every function of the City and which the administration plans to complete during the current term or have been completed during the current administration. The list below are some of the major projects initiated, in progress or completed during the fiscal year.

- Fight the Blight
- Century Village and IBM Application Center
- Hwy 165S S. Infrastructure
- Retain Class 1 Fire rating
- Drainage improvement projects
- Enhance the City's Disadvantaged Business Enterprise (DBE) program
- Flood Disaster Recovery Plan
- Interstate 20 Lighting Project
- Kansas Lane Extension
- Plum Street Underpass
- Own Your Own Health (Support and promote healthcare and healthy lifestyles)

LONG-TERM FINANCIAL PLANNING

In accordance with section 5-05 of the City Charter, The Mayor submitted the five year 2018-2022 Capital Improvement Plan to the City Council. There are 15 projects that total approximately \$17.5 million in progress as of April 30, 2017. There are 29 projects from years 2018 through 2022, which total approximately \$145.4 million.

<u>Project</u>	<u>Funding</u>	<u>Amount</u>
Bridge Replacement/Repairs Multiple Sites	1% Sales Tax/FEMA	\$5,600,000
Hwy 165 Connector-Phase I	Capital Outlay	3,580,000
Jackson St. Overlay	1% Sales Tax/Urban Systems	1,626,000
North Area Pump Station	DEQ Loan/Bond Fund	2,316,000
North Area Basin Rehab	DEQ Loan/Bond Fund	4,202,000
Jackson St. Sewer Rehab	DEQ Loan/Bond Fund	4,500,000
Digester Roof Removal/Replace	DEQ Loan/EPA SAAP	4,900,000
Georgia St. Pump Station - Statewide Flood Program	State Grant/HMGP	5,430,000
Rocelle Pump Station – Statewide Flood Program	State Grant/HMGP	2,900,000
WTP Filter #2	Water Improvement Fund	3,500,000
Hwy 165 Tank & Main	Grant, CIC, Water Impr. Fund	2,200,000
Sidewalk & Lighting Projects	Capital Special Revenue Fund	4,085,400
Airport Taxiway Realignment	Grants	12,000,000
Airport Runway Extension	Grants	8,000,000
I-20 Garrett-Kansas Connector	Multiple	35,000,000
Kansas Lane Connector	Multiple	30,000,000
Frontage Road Project	I-20 Bond Fund	13,500,000

The City's administration plans to continue the process of looking ahead financially for its operational and capital needs.

AWARDS AND ACKNOWLEDGMENTS

In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA), a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report with contents conforming to program standards. Such reports must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

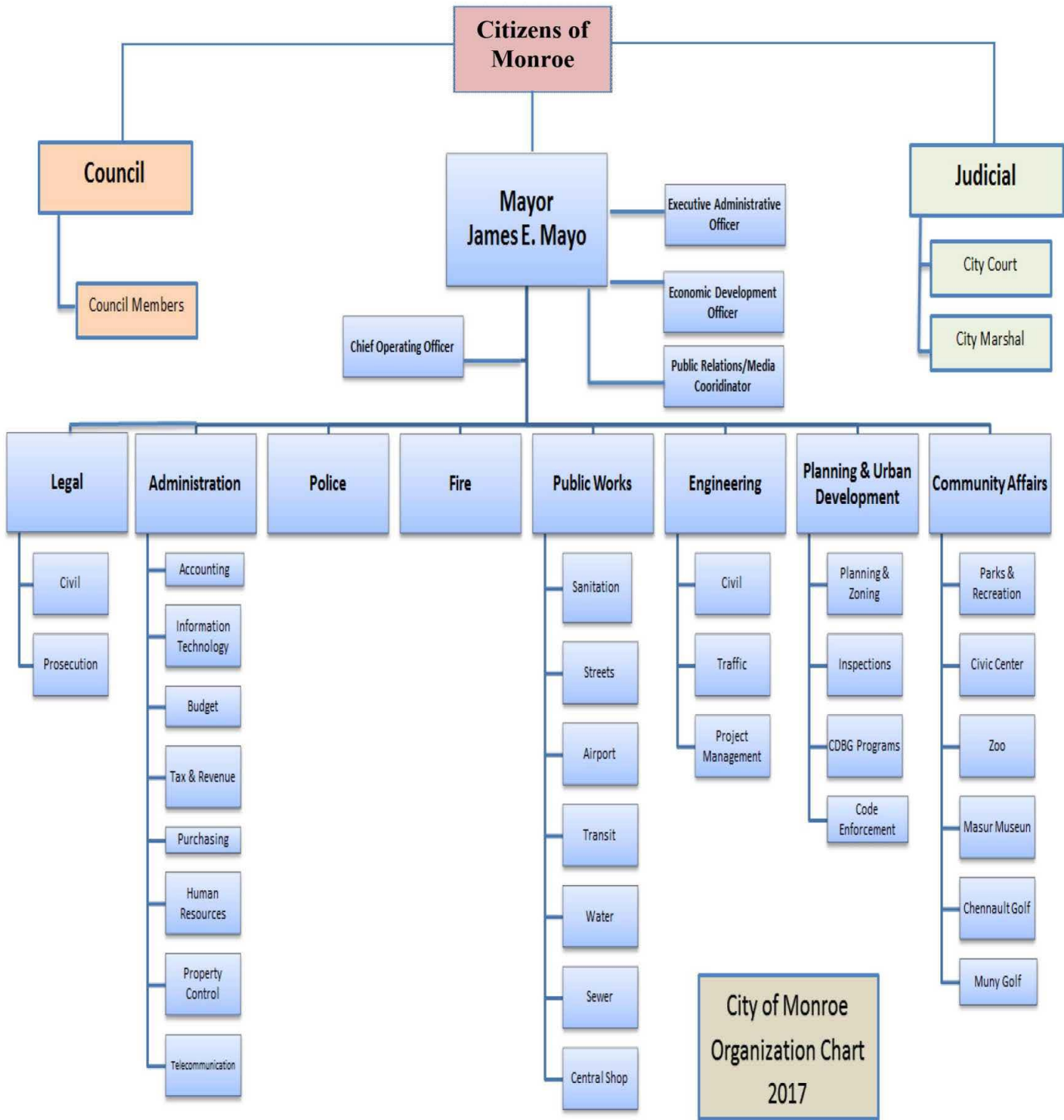
A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year. This is the first year for the City to apply for the Certificate of Achievement for Excellence in Financial Reporting. We believe that our current Comprehensive Financial Annual Report will meet the Certificate of Achievement Program guidelines.

Respectfully submitted,



Stacey Rowell, CPA
Director of Administration

CITY OF MONROE ORGANIZATIONAL CHART



**City of Monroe
Monroe, Louisiana**

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**CITY OF MONROE
PRINCIPAL OFFICIALS**



**Mayor
James E. "Jamie" Mayo**



**Council District 1
Michael Echols**



**Council District 2
Gretchen Ezernack**



**Council District 3
Juanita G. Woods**



**Council District 4
Kenneth Wilson**



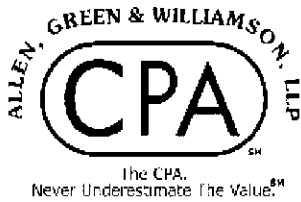
**Council District 5
Eddie Clark**

**CITY OF MONROE
DEPARTMENT HEADS**

<u>EMPLOYEE</u>	<u>DEPARTMENT</u>
Nanci Summersgill	Legal
Stacey Rowell David Barnes, Jr. (Retired May 2017)	Administration
Eugene Ellis (Interim) Quentine Holmes (Retired July 2017)	Police
Terry Williams	Fire
Tom Janway	Public Works
Kim Golden	Engineering
Jimmie Bryant (Interim) Chris Fisher (Resigned Oct 2017)	Planning & Urban Development
Robert Johnson John Ross (Retired July 2017)	Community Affairs

**City of Monroe
Monroe, Louisiana**

Independent Auditor's Report



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

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Partners: Tim Green, CPA
Amy Tynes, CPA, CFE
Aimee Buchanan, CPA
Nicia Mercer, CPA, CFE
Principal: Cindy Thomason, CPA

Eddi Hernandez, CPA
Aimee Jackson, CPA
Ronnie Jacola, 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, 2017, 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, 2017, 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.

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 Funding Progress for Other Post Employment Benefit Plan, Schedule of Other Post Employment Benefit Plan Employer Contributions, Schedule of Proportionate Share of Net Pension Liability, Schedule of Employer Contributions to Pension Plans and the Budgetary Comparison Schedules, 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 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

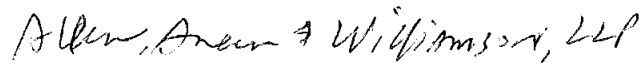
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, as listed in the table of contents, and the Introductory and Statistical Sections information, as listed 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, 2017 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

Monroe, Louisiana
October 31, 2017

**City of Monroe
Monroe, Louisiana**

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

DIVIDER

**City of Monroe
Monroe, Louisiana**

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DIVIDER

REQUIRED SUPPLEMENTARY INFORMATION:

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

City of Monroe
Management's Discussion and Analysis (MD&A)
April 30, 2017

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, 2017. 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 2017, the City adopted three new statements of financial accounting standards issued by the Governmental Accounting Standards Board:

- *Statement No. 72 – Fair Value Measurement and Application.* This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.
- *Statement No. 73 – Accounting and Financial reporting for Pensions and Related Assets That Are Not Within the Scope of GASB 68, and Amendment to Certain Provision of GASB Statements 67 and 68:* This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement 68, as well as for the assets accumulated for purposes of providing those pensions. It also amends certain provisions of Statement 67 and 68 that are within their respective scopes. This statement also clarifies the application of certain provisions of Statements 67 and 68.
- *Statement No. 77 – Tax Abatement Disclosures* establishes standards of accounting and financial reporting for tax abatements. Financial statement users need information about certain limitations on a government's ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens. Tax abatements are widely used by state and local governments, particularly to encourage economic development. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

The adoption of these standards had no impact on the government-wide or the governmental fund financial statements, but provide for guidance, clarification and/or additional disclosures in the notes to the financial statements and required supplementary information related to pensions. See Note 25 for more information regarding the City's tax abatements.

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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 \$141.8 million. Of this amount, \$49.0 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 decreased by approximately \$4.7 million. Part of this decrease is due to continued rising pension and healthcare costs and additional expenses incurred for clean-up and recovery after area-wide catastrophic flooding in March 2016.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$65.2 million, a decrease of \$3.5 million in comparison with the prior year. Of this amount, approximately \$11.9 million is in unassigned fund balance.
- The General Fund's fund balance was \$13.8 million at the end of the fiscal year, in which \$.3 million was nonspendable for inventories and prepaid items and the remaining \$13.5 million was unassigned.
- The City's total debt for bonds payable decreased by approximately \$8.3 million during the current fiscal year.

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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.

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

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
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Required Supplementary Information

Schedule of Funding Progress for Other Post-Employment Benefit Plan
Schedule of Employers Proportional Share of the Net Pension Liability
Schedule of Employers Contributions to Pension Plans
Budgetary Information for Major Funds

Supplementary Information

General Fund Accounts
Nonmajor Funds Combining Statements
Agency Funds Statements/Schedules
Schedule of Compensation Paid Board Members
Schedule of Compensation, Benefits and Other Payments to Agency Head

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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.

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

City of Monroe
Management's Discussion and Analysis (MD&A)
April 30, 2017

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.

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 \$141.8 million at April 30, 2017. Of this amount \$(85.8) million was 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, 2017

Table 1
Net Position
April 30,
(in millions)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Current and other assets	\$ 70.2	\$ 74.9	\$ 20.5	\$ 19.9	\$ 90.7	\$ 94.8
Capital assets	143.5	145.9	161.2	166.4	304.7	312.3
Total assets	<u>213.7</u>	<u>220.8</u>	<u>181.7</u>	<u>186.3</u>	<u>395.4</u>	<u>407.1</u>
Deferred outflow of resources	<u>26.6</u>	<u>15.9</u>	<u>5.8</u>	<u>4.2</u>	<u>32.4</u>	<u>20.1</u>
Liabilities						
Current and other liabilities	4.5	6.8	4.4	4.2	8.9	11.0
Long-term liabilities	192.1	181.4	81.4	82.1	273.5	263.5
Total liabilities	<u>196.6</u>	<u>188.2</u>	<u>85.8</u>	<u>86.3</u>	<u>282.4</u>	<u>274.5</u>
Deferred inflow of resources	<u>3.0</u>	<u>3.8</u>	<u>0.6</u>	<u>0.7</u>	<u>3.6</u>	<u>4.5</u>
Net position						
Net investment in capital assets	80.6	80.8	98.0	90.9	178.6	171.7
Restricted	40.7	45.9	8.3	7.7	49.0	53.6
Unrestricted	<u>(80.6)</u>	<u>(82.0)</u>	<u>(5.2)</u>	<u>4.9</u>	<u>(85.8)</u>	<u>(77.1)</u>
Total net position	<u>\$ 40.7</u>	<u>\$ 44.7</u>	<u>\$ 101.1</u>	<u>\$ 103.5</u>	<u>\$ 141.8</u>	<u>\$ 148.2</u>

The deficit of \$80.6 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 \$80.6 million.

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, 2017

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

	Governmental Activities		Business-Type		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues						
Charges for services	\$ 12.8	\$ 12.4	\$ 22.7	\$ 21.7	\$ 35.5	\$ 34.1
Operating grants and contributions	3.6	4.0	1.2	0.2	4.8	4.2
Capital grants and contributions	1.9	1.2	2.0	5.8	3.9	7.0
General Revenues						
Property taxes	8.9	8.8	2.5	2.5	11.4	11.3
Sales taxes	66.9	67.2	-	-	66.9	67.2
Other taxes	0.9	0.9	-	-	0.9	0.9
Other general revenues	1.6	0.5	-	-	1.6	0.5
Total revenues	<u>96.6</u>	<u>95.0</u>	<u>28.4</u>	<u>30.2</u>	<u>125.0</u>	<u>125.2</u>
Expenses:						
General government	17.3	21.7	-	-	17.3	21.7
Public safety	37.9	37.7	-	-	37.9	37.7
Public works	23.6	22.4	-	-	23.6	22.4
Culture and recreation	4.3	4.2	-	-	4.3	4.2
Planning and urban development	2.2	2.3	-	-	2.2	2.3
Economic development	0.1	0.2	-	-	0.1	0.2
Interest in debt	2.6	2.8	-	-	2.6	2.8
Airport	-	-	7.5	6.6	7.5	6.6
Transit	-	-	6.0	5.8	6.0	5.8
Civic center	-	-	4.1	3.4	4.1	3.4
Water	-	-	10.6	10.3	10.6	10.3
Sewer	-	-	11.6	11.7	11.6	11.7
Zoo	-	-	1.9	2.0	1.9	2.0
Total expenses	<u>88.0</u>	<u>91.3</u>	<u>41.7</u>	<u>39.8</u>	<u>129.7</u>	<u>131.1</u>
Increase (decrease) in net position before transfers and special items	8.6	3.7	(13.3)	(9.6)	(4.7)	(5.9)
Transfers	(10.9)	(14.4)	10.9	14.4	-	-
Change in net position	<u>(2.3)</u>	<u>(10.7)</u>	<u>(2.4)</u>	<u>4.8</u>	<u>(4.7)</u>	<u>(5.9)</u>
Net position - beginning, as originally stated	44.7	110.7	103.5	109.7	148.2	220.4
Prior period adjustment	(1.7)	(55.3)	-	(11.0)	(1.7)	(66.3)
Net position- beginning, restated	<u>43.0</u>	<u>55.4</u>	<u>103.5</u>	<u>98.7</u>	<u>146.5</u>	<u>154.1</u>
Net position- ending	<u>\$ 40.7</u>	<u>\$ 44.7</u>	<u>\$ 101.1</u>	<u>\$ 103.5</u>	<u>\$ 141.8</u>	<u>\$ 148.2</u>

City of Monroe
Management's Discussion and Analysis (MD&A)
April 30, 2017

Governmental Activities Expenses are classified by functions/programs. Public safety accounts for approximately \$37.9 million for fiscal year 2017. Other functions such as general government, public works, planning and urban development, culture and recreation and economic development totaled approximately \$47.5 million. The remaining cost represents payments for debt service and judgments totaling approximately \$2.6 million.

The related program revenues for fiscal year 2017 directly related to these expenses totaled \$18.3 million, which resulted in net program expenses of \$69.7 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 \$66.9 million of general revenues.
- Property taxes are the second largest revenue source to the City, generating approximately \$8.9 million of general revenues.

Business-type activities Business-type activities decreased the City's net position by approximately \$2.4 million. The key element of this decrease is due to a \$2.6 million decrease in airport operations.

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 \$65.2 million, a decrease of \$3.5 million in comparison with the prior year. Approximately \$52.4 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 \$12.8 million is committed, assigned or unassigned.

The General Fund is the chief operating fund of the City. At fiscal year end, fund balance of the General Fund was approximately \$13.8 million of which approximately \$.3 million was nonspendable because it is for inventories and prepaid items.

The fund balance of the City's General Fund increased by approximately \$.1 million during the current fiscal year.

The Capital Infrastructure Fund, a major special revenue fund, has a fund of \$26.4 million, which is an increase of \$.7 million from prior year. This fund increased due to less transfers out to other funds.

The nonmajor special revenue funds have a total fund balance of \$6.9 million. The nonmajor special revenue funds had a decrease of \$1.1 million mainly due to expenditures for repairs related to the March 2016 flood.

The debt service funds have a total fund balance of \$9.0 million, all of which is restricted for the payment of debt service. These funds had an increase of \$.5 million.

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Management's Discussion and Analysis (MD&A)
April 30, 2017

The capital project funds have a fund balance of approximately \$9.1 million all of which is restricted for capital improvements.

The City reported a prior period adjustment during the fiscal year of \$1.7 million. See Note 22 in the notes to the financial statements.

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, 2016 and the final budget amendment was adopted on April 25, 2017.

The City had increased the total amounts available for appropriations by \$.3 million in the final budget due to anticipated increases in ad valorem and general sales tax revenues, federal grant revenue and sales of assets. The actual amounts available for appropriations were \$77.5 million, which was \$.8 million over the final budgeted amount. The increase of the \$.8 million was due to receiving insurance proceeds of \$1 million from the April 2017 City Hall Annex South building fire, which occurred after the final budget amendment.

The City had increased the final budgeted charges to appropriations of \$1.8 million from the original budget due to anticipated increases in fringe benefits, contracted services, purchased professional and technical services, etc. However, the actual amount of charges for appropriation was more than the final budget amount by \$.7 million. This increase of actual charges in comparison to the final budget was due to salaries and wages and fringe benefits (group insurance).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At April 30, 2017, the City had \$304.7 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 \$7.6 million or 2.4% 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, 2017

Capital Assets
April 30,
(in millions)

	Governmental Activities		Business-Type		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 22.2	\$ 20.6	\$ 5.6	\$ 5.6	\$ 27.8	\$ 26.2
Buildings and improvements	43.9	41.8	77.7	77.0	121.6	118.8
Furniture and equipment	36.4	36.0	22.5	24.0	58.9	60.0
Construction in progress	14.5	12.1	14.1	10.5	28.6	22.6
Infrastructure	175.1	173.8	196.5	195.7	371.6	369.5
Totals	292.1	284.3	316.4	312.8	608.5	597.1
Less: accumulated depreciation	(148.6)	(138.4)	(155.2)	(146.4)	(303.8)	(284.8)
Total Net Capital Assets	<u>\$ 143.5</u>	<u>\$ 145.9</u>	<u>\$ 161.2</u>	<u>\$ 166.4</u>	<u>\$ 304.7</u>	<u>\$ 312.3</u>

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

- Evangeline Street Drainage Outfall
- Community Center/Bathroom Renovations
- Airport - Overflow Parking
 Central Avenue Lighting
 Limited Interior Renovations
- Sewer - Hadley Street Screen Design

Debt Administration At April 30, 2017, the City had \$273.5 million outstanding versus \$263.5 million in 2016 which is an increase of 3.8%. See Notes 8 through 11 in the notes to the financial statements for more information. At April 30, 2017, the City's outstanding debt consisted of:

Outstanding Debt
April 30
(in millions)

	Governmental Activities		Business-Type		Total	
	2017	2016	2017	2016	2017	2016
Tax increment bonds	\$ 28.0	\$ 31.1	\$ -	\$ -	\$ 28.0	\$ 31.1
Sales tax bonds	-	-	12.1	10.8	12.1	10.8
Sales tax refunding bonds	39.6	42.0	35.3	38.7	74.9	80.7
Airport revenue bonds	-	-	15.8	16.7	15.8	16.7
Claims and judgements	10.0	10.1	-	-	10.0	10.1
Capital leases	4.7	4.1	-	-	4.7	4.1
Notes payable	0.8	1.7	-	-	0.8	1.7
Compensated absences	6.4	6.3	1.3	1.3	7.7	7.6
Other post employment	19.3	16.4	-	-	19.3	16.4
Net pension liability	83.3	69.7	16.9	14.6	100.2	84.3
Total	<u>\$ 192.1</u>	<u>\$ 181.4</u>	<u>\$ 81.4</u>	<u>\$ 82.1</u>	<u>\$ 273.5</u>	<u>\$ 263.5</u>

City of Monroe
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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 2017-2018 fiscal year:

In March 2016, the City of Monroe and most of north Louisiana experienced an historic 500-year flood event. The City spent much of the first six months of fiscal year 2016-17 in repair and recovery mode. Every city department was impacted by the effects of the flood and consequently expenditures reflect the additional spending during this time. Sales tax revenues for the same period appear to be inflated by some post-flood spending. This impact makes projecting revenues for fiscal year 2017-18 more difficult. Traditional shopping in brick and mortar stores is giving way to more online purchasing. Nearby cities such as Sterlington, West Monroe, and Ruston are experiencing significant economic development which impacts the City's local economy. These factors all have an impact on the City's revenue streams.

However, the City has its share of economic development activities. The acquisition by CenturyLink of Level3 Communications secures the company as the state's largest corporate headquarters. The mixed-use area around CenturyLink, referred to as the CenturyLink-IBM Village will provide new housing, shopping and dining opportunities for the north Monroe area. The City is also aggressively pursuing the idea of a new downtown arena surrounded by mixed-use development. The Southside Economic Development District has approval from the State Bond Commission for a voter referendum on a dedicated hotel/motel tax that will fund economic development projects in south Monroe such as a small business incubator. The Mayor and the City continue work on the projects identified in the Mayor's 60 for 60 Initiative.

Also, at the beginning of the 2017-18 fiscal year, the Mayor assigned a Fiscal Review Committee and charged the group with finding operational savings and revenue enhancements that can be incorporated as standard operating procedures to ensure long-term financial stability that can weather the ups and downs of sales tax trends. Every department is required submit recommendations for their departments as well as be open to other areas the committee may identify for savings opportunities. The Fiscal Plan for 2017-18 is a fluid plan that is monitored and adjusted as needed.

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 OF NET POSITION
April 30, 2017

Statement A

	<i>PRIMARY GOVERNMENT</i>			COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
ASSETS				
Cash and cash equivalents	\$ 60,779,407	\$ 2,978,960	\$ 63,758,367	\$ 1,234,019
Investments	-	-	-	3,621
Restricted assets				
Cash and cash equivalents	-	10,478,319	10,478,319	-
Receivables, net	11,392,638	3,361,978	14,754,616	39,732
Internal balances	(2,841,942)	2,841,942	-	-
Inventories	157,842	638,686	796,528	-
Prepaid expenses	723,610	280,993	1,004,603	19,946
Capital assets				
Land and construction in progress	36,641,724	19,673,166	56,314,890	-
Depreciable assets, net of depreciation	106,863,949	141,509,990	248,373,939	94,091
TOTAL ASSETS	213,717,228	181,764,034	395,481,262	1,391,409
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	26,622,411	5,791,105	32,413,516	-
LIABILITIES				
Accounts and retainage payable	2,434,118	2,068,036	4,502,154	26,981
Accrued liabilities	1,363,399	53,426	1,416,825	10,461
Unearned revenues	799	47,310	48,109	-
Due to others	65,264	10,618	75,882	-
Deposits due others	-	1,539,947	1,539,947	-
Accrued interest payable	646,686	668,567	1,315,253	-
Long term liabilities				
Due within one year	14,234,423	6,540,470	20,774,893	4,617
Due in more than one year	177,878,618	74,899,153	252,777,771	641
TOTAL LIABILITIES	196,623,307	85,827,527	282,450,834	42,700
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	\$ 3,037,297	\$ 605,257	\$ 3,642,554	\$ -

(Continued)

CITY OF MONROE
Monroe, Louisiana

STATEMENT OF NET POSITION
April 30, 2017

Statement A

	<i>PRIMARY GOVERNMENT</i>			COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
NET POSITION				
Net investment in capital assets	\$ 80,556,958	\$ 97,975,457	\$ 178,532,415	\$ 88,833
Restricted for				
Debt service	8,385,442	7,250,575	15,636,017	-
Capital improvements	1,792,683	-	1,792,683	-
Public safety	3,117,810	-	3,117,810	-
Public works	26,407,307	-	26,407,307	-
Planning and urban development	336,621	-	336,621	-
Judicial	100,000	-	100,000	-
Recreation facilities	554,118	-	554,118	-
Revenue producing activity for airport	-	222,182	222,182	-
Passenger facility charges	-	830,231	830,231	-
Unrestricted (deficit)	(80,571,904)	(5,156,090)	(85,727,994)	1,259,876
TOTAL NET POSITION	\$ 40,679,035	\$ 101,122,355	\$ 141,801,390	\$ 1,348,709

(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, 2017

	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
FUNCTIONS/PROGRAMS				
Governmental Activities:				
General government	\$ 17,346,881	\$ 11,616,081	\$ 62,374	\$ -
Public safety	37,942,796	77,598	2,453,676	-
Public works	23,644,547	43,223	16,837	1,953,277
Culture and recreation	4,267,732	761,592	10,500	-
Planning and urban development	2,227,082	299,411	1,095,100	-
Economic development and assistance	65,000	-	-	-
Debt service interest	2,510,205	-	-	-
Capital lease interest	57,443	-	-	-
Total Governmental Activities	88,061,686	12,797,905	3,638,487	1,953,277
Business-Type Activities:				
Airport	7,475,291	3,452,378	105,792	732,506
Transit	5,991,290	647,927	1,050,182	1,290,035
Civic Center	4,159,138	1,283,063	-	-
Water	10,644,527	10,055,485	-	21,130
Sewer	11,621,383	6,919,003	32,832	-
Zoo	1,887,191	331,677	-	-
Total Business-Type Activities	41,778,820	22,689,533	1,188,806	2,043,671
Total Primary Government	129,840,506	35,487,438	4,827,293	3,996,948
Component units				
City Court	\$ 354,640	\$ 291,021		
City Marshal	218,934	222,630		
Total Component Units	\$ 573,574	\$ 513,651		

General revenues:	
Ad valorem tax	
Sales tax	
Other taxes	
Earnings on investments	
Gain (loss) on disposition of capital assets	
Miscellaneous	
Other Uses	
Transfers	
Total general revenues and transfers	
Changes in net position	
Net position - beginning, as originally stated	
Prior period adjustment (See Note 22)	
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
\$ (5,668,426)	\$ -	\$ (5,668,426)	
(35,411,522)	-	(35,411,522)	
(21,631,210)	-	(21,631,210)	
(3,495,640)	-	(3,495,640)	
(832,571)	-	(832,571)	
(65,000)	-	(65,000)	
(2,510,205)	-	(2,510,205)	
(57,443)	-	(57,443)	
<u>(69,672,017)</u>	<u>-</u>	<u>(69,672,017)</u>	
-	(3,184,615)	(3,184,615)	
-	(3,003,146)	(3,003,146)	
-	(2,876,075)	(2,876,075)	
-	(567,912)	(567,912)	
-	(4,669,548)	(4,669,548)	
-	(1,555,514)	(1,555,514)	
<u>-</u>	<u>(15,856,810)</u>	<u>(15,856,810)</u>	
<u>(69,672,017)</u>	<u>(15,856,810)</u>	<u>(85,528,827)</u>	
			\$ (63,619)
			3,696
			<u>\$ (59,923)</u>
8,911,057	2,526,727	11,437,784	-
66,864,083	-	66,864,083	-
868,295	-	868,295	-
146,541	35,317	181,858	2,872
213,988	(48,604)	165,384	-
1,282,606	-	1,282,606	8,406
(1,818)	-	(1,818)	-
<u>(10,939,540)</u>	<u>10,939,540</u>	<u>-</u>	<u>-</u>
<u>67,345,212</u>	<u>13,452,980</u>	<u>80,798,192</u>	<u>11,278</u>
<u>(2,326,805)</u>	<u>(2,403,830)</u>	<u>(4,730,635)</u>	<u>(48,645)</u>
44,698,992	103,526,185	148,225,177	1,397,354
(1,693,152)	-	(1,693,152)	-
<u>43,005,840</u>	<u>103,526,185</u>	<u>146,532,025</u>	<u>1,397,354</u>
<u>\$ 40,679,035</u>	<u>\$ 101,122,355</u>	<u>\$ 141,801,390</u>	<u>\$ 1,348,709</u>

**City of Monroe
Monroe, Louisiana**

**BASIC FINANCIAL STATEMENTS:
FUND FINANCIAL STATEMENTS (FFS)**

CITY OF MONROE
Monroe, Louisiana

GOVERNMENTAL FUNDS
Balance Sheet
April 30, 2017

Statement C

	GENERAL	SPECIAL REVENUE CAPITAL INFRASTRUCTURE	NONMAJOR GOVERNMENTAL	TOTAL
ASSETS				
Cash and cash equivalents	\$ 8,593,747	\$ 26,224,780	\$ 24,711,023	\$ 59,529,550
Receivables, net	5,184,760	1,296,035	4,564,843	11,045,638
Interfund receivables	1,660,606	-	673,576	2,334,182
Inventories	104,251	-	-	104,251
Prepaid expenses and other assets	210,875	-	512,735	723,610
TOTAL ASSETS	15,754,239	27,520,815	30,462,177	73,737,231
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts and retainage payable	995,079	717,326	697,261	2,409,666
Accrued liabilities	928,232	-	-	928,232
Interfund payables	11,345	396,182	4,768,597	5,176,124
Unearned revenue	-	-	799	799
Due to others	35,708	-	29,556	65,264
TOTAL LIABILITIES	1,970,364	1,113,508	5,496,213	8,580,085
FUND BALANCES:				
Nonspendable				
Prepaid expenses and other assets	210,875	-	512,735	723,610
Inventories	104,251	-	-	104,251
Spendable				
Restricted	-	26,407,307	25,144,476	51,551,783
Committed	-	-	283,421	283,421
Assigned	-	-	627,515	627,515
Unassigned (deficit)	13,468,749	-	(1,602,183)	11,866,566
TOTAL FUND BALANCES	13,783,875	26,407,307	24,965,964	65,157,146
TOTAL LIABILITIES AND FUND BALANCES	\$ 15,754,239	\$ 27,520,815	\$ 30,462,177	\$ 73,737,231

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

CITY OF MONROE
Monroe, Louisiana

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
April 30, 2017

Statement D

Total fund balances - governmental funds \$ 65,157,146

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.

Costs of capital assets - land and construction in progress	\$	36,596,724	
Costs of capital assets - depreciable assets		251,772,935	
Depreciation expense to date		<u>(146,783,168)</u>	
			141,586,491

Some revenues were collected more than sixty days after year-end and, therefore, are not available soon enough to pay for current-period expenditures.

Receivable - Sales tax increment - I-20 Corridor	\$	272,000	
Receivable - Sales tax increment - Tower Drive		<u>75,000</u>	
			347,000
Add deferred Outflows - Pensions			26,622,411

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.

Balances at April 30, 2017 are:			
Accrued interest payable			(646,686)
Bonds payable	\$	(67,235,800)	
Bond premium		(366,524)	
Claims and judgments payable		(10,009,611)	
Obligation under capital leases		(4,727,592)	
Note payable		(829,915)	
Compensated absences payable		(6,348,291)	
Other post-employment benefits		(19,290,496)	
Net pension obligation		<u>(83,304,812)</u>	
			(192,113,041)

Add Deferred Inflows - Pensions (3,037,297)

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.

Cash and cash equivalents	\$	1,249,857	
Inventories		53,591	
Capital assets cost	\$	3,717,285	
Less accumulated depreciation		<u>(1,798,103)</u>	
Total capital assets, net		1,919,182	
Accounts payable and accrued expenses		<u>(459,619)</u>	
			2,763,011
Total net position - governmental activities			<u>\$ 40,679,035</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, 2017

	GENERAL	SPECIAL REVENUE		TOTAL
		CAPITAL INFRASTRUCTURE	NONMAJOR GOVERNMENTAL	
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 7,649,405	\$ -	\$ 1,261,652	\$ 8,911,057
Sales	38,178,591	16,272,286	12,413,206	66,864,083
Other taxes, penalties and interest	868,295	-	-	868,295
Licenses, permits and assessments	3,326,117	-	-	3,326,117
Intergovernmental revenues	2,174,443	67,203	3,350,118	5,591,764
Fees, charges and commissions for services	7,387,443	-	1,368,436	8,755,879
Fines and forfeitures	624,099	-	8,977	633,076
Use of money and property	118,922	22,604	87,511	229,037
Miscellaneous revenues	59,050	-	223,556	282,606
Total revenues	60,386,365	16,362,093	18,713,456	95,461,914
EXPENDITURES				
Current:				
General government				
Legislative	552,684	-	-	552,684
Judicial	2,726,812	-	54,171	2,780,983
Executive	988,958	-	-	988,958
Financial administration	11,306,013	-	173,609	11,479,622
Other general government	875,223	-	-	875,223
Public Safety				
Police	12,958,632	-	4,161,404	17,120,036
Fire	12,507,424	-	4,203,058	16,710,482
Public Works	11,202,843	2,268,218	107,167	13,578,228
Culture and recreation	3,542,368	-	401,205	3,943,573
Planning and urban development	1,020,059	-	1,070,993	2,091,052
Economic development and assistance	-	-	65,000	65,000
Capital outlay	355,408	1,309,869	8,126,090	9,791,367
Debt service:				
Principal retirement	365,197	-	7,063,397	7,428,594
Interest and bank charges	92,731	653	2,697,132	2,790,516
Total expenditures	58,494,352	3,578,740	28,123,226	90,196,318
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,892,013	12,783,353	(9,409,770)	5,265,596
OTHER FINANCING SOURCES (USES)				
Transfers in	1,891,995	-	5,110,877	7,002,872
Transfers out	(5,180,635)	(12,095,420)	(1,637,270)	(18,913,325)
Sale of assets	179,037	-	-	179,037
Capital lease proceeds	320,107	-	1,626,825	1,946,932
Insurance recoveries	1,000,000	-	-	1,000,000
Other uses	(1,818)	-	-	(1,818)
TOTAL OTHER FINANCING SOURCES (USES)	(1,791,314)	(12,095,420)	5,100,432	(8,786,302)
NET CHANGE IN FUND BALANCES	100,699	687,933	(4,309,338)	(3,520,706)
FUND BALANCES - BEGINNING	14,110,717	25,719,374	30,540,913	70,371,004
Prior Period Adjustment (See Note 22)	(427,541)	-	(1,265,611)	(1,693,152)
FUND BALANCES - BEGINNING, AS RESTATED	13,683,176	25,719,374	29,275,302	68,677,852
FUND BALANCES - ENDING	\$ 13,783,875	\$ 26,407,307	\$ 24,965,964	\$ 65,157,146

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, 2017

Total net change in fund balances - governmental funds \$ (3,520,706)

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	\$ 9,791,367	
Depreciation	(12,065,217)	
		(2,273,850)

The net effect of various miscellaneous transactions involving capital assets, such as sales and trade-ins:

Basis of capital assets sold and traded in	34,951	
		34,951

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	178,327	
Principal payments	7,428,595	
		7,606,922

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	44,540	
Claims and judgments payable	131,093	
Accrued vacation and sick pay	(26,649)	
Net Pension Liability	(2,123,273)	
		(1,974,289)

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. (2,870,178)

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. 2,617,277

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. (1,946,932)

Total net change in net position - governmental activities. \$ (2,326,805)

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, 2017

	BUSINESS - TYPE ACTIVITIES - ENTERPRISE FUNDS					GOVERNMENTAL
	Major Funds					ACTIVITIES -
	MONROE REGIONAL AIRPORT	WATER FUND	SEWER FUND	NON-MAJOR	TOTAL ENTERPRISE	INTERNAL SERVICE FUNDS
ASSETS						
Current Assets:						
Cash and cash equivalents	\$ 209,456	\$ 2,292,669	\$ 463,035	\$ 13,800	\$ 2,978,960	\$ 1,249,857
Restricted assets						
Cash and cash equivalents	3,849,394	2,202,254	4,426,671	-	10,478,319	-
Receivables, net	532,652	1,542,750	1,232,130	54,446	3,361,978	-
Interfund receivables	260	4,435,866	-	11,346	4,447,472	-
Inventories	-	480,364	-	158,322	638,686	53,591
Prepaid expenses and other assets	9,625	1,977	-	269,391	280,993	-
Total Current Assets	4,601,387	10,955,880	6,121,836	507,305	22,186,408	1,303,448
Noncurrent Assets:						
Capital Assets						
Land and construction in progress	5,601,437	4,138,213	8,791,737	1,141,779	19,673,166	45,000
Depreciable assets, net of depreciation	55,658,526	19,251,286	60,256,171	6,344,007	141,509,990	1,874,182
Total Noncurrent Assets	61,259,963	23,389,499	69,047,908	7,485,786	161,183,156	1,919,182
TOTAL ASSETS	65,861,350	34,345,379	75,169,744	7,993,091	183,369,564	3,222,630
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	611,197	2,044,303	1,121,899	2,013,706	5,791,105	-
LIABILITIES						
Current Liabilities:						
Accounts and retainage payables	211,245	585,429	1,054,270	217,092	2,068,036	24,452
Accrued liabilities	-	53,426	-	-	53,426	435,167
Unearned revenue	-	-	-	47,310	47,310	-
Interfund payables	1,152,530	313,885	139,115	-	1,605,530	-
Due to others	3,000	-	-	7,618	10,618	-
Customer deposits, net	-	1,537,447	-	2,500	1,539,947	-
Accrued interest	206,169	42,403	419,995	-	668,567	-
Current portion of long term debt	607,841	717,786	4,934,579	280,264	6,540,470	-
Total Current Liabilities	2,180,785	3,250,376	6,547,959	554,784	12,533,904	459,619
Noncurrent Liabilities:						
Compensated absences	18,024	186,151	168,567	221,162	593,904	-
Revenue bonds, notes payable, net and pension liability	16,922,333	9,681,302	41,777,262	5,924,352	74,305,249	-
Total Noncurrent Liabilities	16,940,357	9,867,453	41,945,829	6,145,514	74,899,153	-
TOTAL LIABILITIES	19,121,142	13,117,829	48,493,788	6,700,298	87,433,057	459,619
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	61,746	212,411	118,126	212,974	605,257	-
NET POSITION						
Net investment in capital assets	45,429,963	19,213,211	25,846,497	7,485,786	97,975,457	1,919,182
Restricted						
Debt service	2,538,195	705,704	4,006,676	-	7,250,575	-
Revenue producing activity for airport	222,182	-	-	-	222,182	-
Passenger facility charges	830,231	-	-	-	830,231	-
Unrestricted (Deficit)	(1,730,912)	3,140,527	(2,173,444)	(4,392,261)	(5,156,090)	843,829
TOTAL NET POSITION (Deficit)	\$ 47,289,659	\$ 23,059,442	\$ 27,679,729	\$ 3,093,525	\$ 101,122,355	\$ 2,763,011

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, 2017

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					GOVERNMENTAL
	Major Funds					ACTIVITIES
	MONROE REGIONAL AIRPORT	WATER FUND	SEWER FUND	NON-MAJOR	TOTAL ENTERPRISE	INTERNAL SERVICE FUNDS
OPERATING REVENUES						
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,838,095
Rents and fees	2,532,354	-	-	1,043,689	3,576,043	-
Fares	-	-	-	596,954	596,954	-
Passenger facility fee	462,859	-	-	-	462,859	-
Advertising	11,801	-	-	46,234	58,035	-
Ticket sales and other	-	-	-	6,235	6,235	-
Admissions	-	-	-	252,347	252,347	-
Concessions and ndes	-	-	-	289,609	289,609	-
Water sales	-	10,054,866	-	-	10,054,866	-
Sewerage fees	-	-	6,919,001	-	6,919,001	-
Other operating revenue	145,240	619	2	27,599	173,460	-
Air Industrial Park rent	300,124	-	-	-	300,124	-
Total operating revenues	<u>3,452,378</u>	<u>10,055,485</u>	<u>6,919,003</u>	<u>2,262,667</u>	<u>22,689,533</u>	<u>13,838,095</u>
OPERATING EXPENSES						
Benefits paid to participants	-	-	-	-	-	10,543,989
Salaries, wages, and benefits	1,549,202	4,323,291	2,500,781	5,230,830	13,604,104	980,642
Materials, repairs and supplies	696,973	2,501,074	2,163,657	1,730,951	7,092,655	8,029
Utilities and communications	344,156	682,460	628,341	767,810	2,422,767	37,795
Shop expenses	-	-	-	-	-	510,938
Insurance	23,000	-	-	536,930	559,930	-
Promoter's expenses	17,461	-	-	441,593	459,054	-
Other operating expenses	387,893	999,064	698,213	1,212,359	3,297,529	24,019
Depreciation and amortization	3,618,647	1,973,866	4,504,241	2,115,594	12,212,348	86,656
Total operating expenses	<u>6,637,332</u>	<u>10,479,755</u>	<u>10,495,233</u>	<u>12,036,067</u>	<u>39,648,387</u>	<u>12,192,068</u>
OPERATING INCOME (Loss)	<u>(3,184,954)</u>	<u>(424,270)</u>	<u>(3,576,230)</u>	<u>(9,773,400)</u>	<u>(16,958,854)</u>	<u>1,646,027</u>
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental grants	138,612	-	32,832	1,050,182	1,221,626	-
Gain (loss) on sale of assets	114,783	2,512	(56,436)	(109,463)	(48,604)	-
Interest income	3,684	6,344	20,865	4,424	35,317	337
Property taxes	421,691	-	-	2,105,036	2,526,727	-
Interest expense	(837,959)	(164,772)	(1,126,150)	(1,552)	(2,130,433)	-
Total nonoperating revenues (expenses)	<u>(159,189)</u>	<u>(155,916)</u>	<u>(1,128,889)</u>	<u>3,048,627</u>	<u>1,604,633</u>	<u>337</u>
Income(Loss) before capital contributions and transfers	<u>(3,344,143)</u>	<u>(580,186)</u>	<u>(4,705,119)</u>	<u>(6,724,773)</u>	<u>(15,354,221)</u>	<u>1,646,364</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS						
Capital contributions	699,686	21,130	-	1,290,035	2,010,851	-
Transfers in	-	670,174	6,017,737	4,405,008	11,092,919	970,913
Transfers out	-	(7,510)	(145,869)	-	(153,379)	-
Total Capital Contributions and Transfers	<u>699,686</u>	<u>683,794</u>	<u>5,871,868</u>	<u>5,695,043</u>	<u>12,950,391</u>	<u>970,913</u>
CHANGE IN NET POSTION	<u>(2,644,457)</u>	<u>103,608</u>	<u>1,166,749</u>	<u>(1,029,730)</u>	<u>(2,403,830)</u>	<u>2,617,277</u>
NET POSITION - BEGINNING	<u>49,934,116</u>	<u>22,955,834</u>	<u>26,512,980</u>	<u>4,123,255</u>	<u>103,526,185</u>	<u>145,734</u>
NET POSITION - ENDING	<u>\$ 47,289,659</u>	<u>\$ 23,059,442</u>	<u>\$ 27,679,729</u>	<u>\$ 3,093,525</u>	<u>\$ 101,122,355</u>	<u>\$ 2,763,011</u>

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, 2017

Statement I

GOVERNMENTAL

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					ACTIVITIES
	Major Funds					INTERNAL SERVICE FUNDS
	MONROE REGIONAL AIRPORT	WATER FUND	SEWER FUND	NON-MAJOR	TOTAL ENTERPRISE	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 3,399,755	\$ 9,881,396	\$ 6,820,853	\$ 2,262,667	\$ 22,364,671	\$ -
Receipts from interfund services provided	-	-	-	-	-	13,838,095
Payments to suppliers for goods and services	(1,103,661)	(3,716,915)	(4,292,646)	(6,315,254)	(15,428,476)	(13,502,529)
Payments for interfund services provided	1,327	(1,824,275)	-	6,751	(1,816,197)	-
Payments to employees for services and benefits	(1,470,996)	(4,261,198)	(2,415,161)	(5,087,764)	(13,235,119)	(980,642)
Net cash provided (used) for operating activities	826,425	79,008	113,046	(9,133,600)	(8,115,121)	(645,076)
CASH FLOWS (USES) FROM NONCAPITAL FINANCING ACTIVITIES:						
Operating grants	-	-	-	2,347,524	2,347,524	-
Ad valorem taxes	421,691	-	-	2,105,036	2,526,727	-
Transfers ins (outs)	-	662,664	5,871,868	4,405,008	10,939,540	970,913
Net cash provided (used) for noncapital financing activities	421,691	662,664	5,871,868	8,857,568	15,813,791	970,913
CASH FLOWS (USES) FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Capital grants	2,056,358	21,130	-	1,290,035	3,367,523	-
Acquisition of capital assets	(1,444,882)	(1,761,626)	(2,867,210)	(1,005,575)	(7,079,293)	-
Proceeds from sale of capital assets	114,783	2,512	21,322	-	138,617	-
Bond proceeds	-	135,490	2,824,601	-	2,960,091	-
Principal paid on debt	(545,000)	(464,280)	(4,603,659)	-	(5,612,939)	-
Interest paid on debt	(842,387)	(168,241)	(1,159,790)	-	(2,170,418)	-
Net cash provided (used) for capital and related financing activities	(661,128)	(2,235,015)	(5,784,736)	284,460	(8,396,419)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Earnings on investments	3,684	6,344	20,865	4,424	35,317	337
Interest expense	-	-	-	(1,552)	(1,552)	-
Net cash provided (used) for investing activities	3,684	6,344	20,865	2,872	33,765	337
Net increase (decrease) in cash and cash equivalents	590,672	(1,486,999)	221,043	11,300	(663,984)	326,174
CASH AND CASH EQUIVALENTS - BEGINNING	3,468,178	5,981,922	4,668,663	2,500	14,121,263	923,683
CASH AND CASH EQUIVALENTS - ENDING	\$ 4,058,850	\$ 4,494,923	\$ 4,889,706	\$ 13,800	\$ 13,457,279	\$ 1,249,857
Reconciliation to balance sheet						
Cash	\$ 209,456	\$ 2,292,669	\$ 463,035	\$ 13,800	\$ 2,978,960	\$ 1,249,857
Restricted assets - cash	3,849,394	2,202,254	4,426,671	-	10,478,319	-
	\$ 4,058,850	\$ 4,494,923	\$ 4,889,706	\$ 13,800	\$ 13,457,279	\$ 1,249,857
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	(3,184,954)	(424,270)	(3,576,230)	(9,773,400)	(16,958,854)	1,646,027
Adjustments to reconcile operating income to net cash provided (used) for operating activities						
Depreciation	3,618,647	1,973,866	4,504,241	2,115,594	12,212,348	86,656
Pension expense related to change in net pension liability	68,182	183,821	98,882	176,263	527,148	-
(Increase) decrease in accounts receivable	-	(174,089)	(98,150)	-	(272,239)	-
(Increase) decrease in interfund receivable	1,327	(1,824,275)	-	6,751	(1,816,197)	-
(Increase) decrease in inventories	-	(119,532)	-	47,311	(72,221)	2,398
(Increase) decrease in prepaid expenses	-	(1,977)	-	(7,915)	(9,892)	-
Increase (decrease) in accounts payable	(4,783)	195,743	60,706	(220,160)	31,506	9,827
Increase (decrease) in accrued liabilities	-	-	-	-	-	(92,481)
Increase (decrease) in unearned revenue	(52,623)	-	-	38,664	(13,959)	-
Increase (decrease) in interfund payable	367,605	311,560	(864,329)	(1,483,511)	(1,668,675)	(2,297,503)
Increase (decrease) in due to others	3,000	52,503	-	-	55,503	-
Increase (decrease) in customer deposits	-	27,386	1,188	-	28,574	-
Increase (decrease) in compensated absences	10,024	(121,728)	(13,262)	(33,197)	(158,163)	-
Net cash provided (used) by operating activities	\$ 826,425	\$ 79,008	\$ 113,046	\$ (9,133,600)	\$ (8,115,121)	\$ (645,076)

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, 2017

	PENSION TRUST FUNDS	AGENCY FUNDS	TOTAL	COMPONENT UNITS	
				AGENCY FUNDS	
				CITY COURT OF MONROE	MONROE CITY MARSHAL
ASSETS					
Current assets					
Cash and cash equivalents	\$ 118,663	\$ 1,532,852	\$ 1,651,515	\$ 2,031,215	\$ 14,799
Accounts receivable	-	14,661,760	14,661,760	-	-
Total assets	118,663	16,194,612	16,313,275	2,031,215	14,799
LIABILITIES					
Current liabilities					
Accounts payable	-	25,592	25,592	-	-
Due to other funds	-	-	-	-	-
Due to others	-	16,169,020	16,169,020	2,031,215	14,799
Total liabilities	-	16,194,612	16,194,612	2,031,215	14,799
Net position					
Restricted for pensions	118,663	-	118,663	-	-
Total net position	\$ 118,663	\$ -	\$ 118,663	\$ -	\$ -

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

CITY OF MONROE
Monroe, Louisiana

FIDUCIARY FUNDS
Statement of Changes in Net Position
For the Year Ended April 30, 2017

Statement K

**PENSION
TRUST
FUNDS**

ADDITIONS

Investment income
Interest

\$ 193

Total additions

193

DEDUCTIONS

Benefits paid

5,691

Total deductions

5,691

Changes in net position

(5,498)

Net Position, beginning

124,161

Net Position, ending

\$ 118,663

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

CITY OF MONROE
Monroe, Louisiana

Discretely Presented Component Units
Combining Statement of Net Position
April 30, 2017

Statement L

	CITY COURT OF MONROE	MONROE CITY MARSHAL	TOTAL
ASSETS			
Current assets			
Cash and cash equivalents	\$ 1,223,421	\$ 10,598	\$ 1,234,019
Investment	-	3,621	3,621
Receivables	25,822	13,910	39,732
Prepaid expenses	18,828	1,118	19,946
Total current assets	1,268,071	29,247	1,297,318
Capital assets, net of accumulated depreciation			
Total assets	1,355,424	35,985	1,391,409
LIABILITIES			
Current liabilities			
Accounts payable	12,927	14,054	26,981
Accrued expenses	-	10,461	10,461
Noncurrent liabilities			
Obligation under capital lease			
Due within one year	3,802	815	4,617
Due in more than one year	641	-	641
Total liabilities	17,370	25,330	42,700
NET POSITION			
Net investment in capital assets	82,910	5,923	88,833
Unrestricted	1,255,144	4,732	1,259,876
Total Net Position	1,338,054	10,655	1,348,709
Total liabilities and net position	\$ 1,355,424	\$ 35,985	\$ 1,391,409

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

CITY OF MONROE
Monroe, Louisiana

Discretely Presented Component Units
Combining Statement of Activities
For the Year Ended April 30, 2017

Statement M

	CITY COURT OF MONROE	MONROE CITY MARSHAL	TOTAL
EXPENDITURES			
Judiciary			
Personal services	\$ 1,502,376	\$ 1,228,153	\$ 2,730,529
Operating services	281,982	159,325	441,307
Materials and supplies	33,599	14,287	47,886
Travel and other	63,023	3,355	66,378
Depreciation	9,962	3,836	13,798
Interest	129	360	489
	<u>1,891,071</u>	<u>1,409,316</u>	<u>3,300,387</u>
PROGRAM REVENUES			
Fees, charges, and court costs			
Marshal's fees	-	196,682	196,682
Court costs	121,766	-	121,766
Civil fees	42,560	-	42,560
Agency fees	5,395	-	5,395
Probation fees	75,699	-	75,699
Reinstatement fees	600	-	600
Bond forfeitures	6,276	-	6,276
Other charges for services	38,725	25,948	64,673
	<u>291,021</u>	<u>222,630</u>	<u>513,651</u>
Total program revenues	<u>291,021</u>	<u>222,630</u>	<u>513,651</u>
Net program expense	<u>(1,600,050)</u>	<u>(1,186,686)</u>	<u>(2,786,736)</u>
GENERAL REVENUES			
Intergovernmental - City of Monroe	1,536,431	1,190,382	2,726,813
Investment earnings	2,868	4	2,872
Bond forfeitures	-	8,406	8,406
	<u>1,539,299</u>	<u>1,198,792</u>	<u>2,738,091</u>
Total general revenues	<u>1,539,299</u>	<u>1,198,792</u>	<u>2,738,091</u>
Changes in net assets	(60,751)	12,106	(48,645)
NET POSITION			
Beginning of year (deficit)	<u>1,398,805</u>	<u>(1,451)</u>	<u>1,397,354</u>
End of year	<u>\$ 1,338,054</u>	<u>\$ 10,655</u>	<u>\$ 1,348,709</u>

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

**City of Monroe
Monroe, Louisiana**

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Monroe, Louisiana**

NOTES TO THE FINANCIAL STATEMENTS

DIVIDER

**City of Monroe
Monroe, Louisiana**

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DIVIDER

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

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CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

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.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

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. Although the City Council can, to a limited degree, impose its will on the court through City Council ordinances, the City provides office space, court facilities and some furnishings, and compensation to the court. Although the court functions entirely within the City of Monroe, it provides no direct services to the City or City Council. However, based on criteria 2 above, it has been determined that the court is a component unit of the City and should be included in the City's financial statements through discrete presentation.

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. However, based on criteria 2 above, it has been determined that the City Marshal is a component unit of the City and should be included in the City's financial statements through discrete presentation.

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.

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, not component units. 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.

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

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

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.

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.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

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.

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.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

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 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.

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.

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.

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.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

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.

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.

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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 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

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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, 2017, the City adopted a budget for the General Fund and all Special Revenue funds.

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.

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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. 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	\$ 7,919,142
Passenger Facilities Charges	790,911
Air Industrial Park	314,119
Utility Deposits	<u>1,454,147</u>
Total	<u>\$10,478,319</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 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.

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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 columns in the government-wide financial statements. The capitalization threshold for all movable capital assets is \$3,000 per unit and land is capitalized at a zero dollar threshold.

All purchased capital assets are valued at cost where historical records are available and at estimated cost where no historical records are available. Donated fixed assets are valued at their fair market 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. The City does have deferred outflows related to the net pension liability. Refer to Note 8 for additional information.

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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 related to the net pension liability. Refer to Note 8 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, 2017, 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.

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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 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 \$15,636,017.
- 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 \$1,572,503.
- 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 \$2,347,516.
- 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 \$26,407,307.

Unrestricted Net Position - Represent net position not appropriate 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.

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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 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 or ordinances 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.

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 2018 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 2018 tax roll.

For capital improvements, 3.25 mills was renewed by the voters in 2008, levied in fiscal 2009, and will expire with the 2018 tax roll.

For airport improvements, 1.00 mills was passed by the voters in 2009, levied in fiscal 2009, and will expire with the 2018 tax roll.

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

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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	July 28, 2016
Tax bills mailed	November 2016
Taxes due date	December 31, 2016
Lien date	January 1, 2017
Penalties and interest are added	January 1, 2017
Collection dates	November 2016 thru February 2017
Tax sale – 2016 delinquent property	May 24, 2016

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, 2016. Total assessed value for the City of Monroe was \$416,771,391 for the 2016 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 2016, 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 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 2016 property taxes to be collected occurs in December 2016 and January and February 2017. 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, 2017) as the date an enforceable legal claim occurs for 2016 property taxes. Property tax revenue is recognized in the

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period for which the taxes are levied (budgeted). Accordingly, the 2016 property taxes are budgeted in the 2016-2017 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	2008	2.50	2.51	2018
LA Purchase Garden & Zoo	&LA Purchase Garden & Zoo Enterprise Fund	2008	2.50	2.51	2018
Capital Improvements	Capital Improvement Capital Project Fund	2008	3.25	3.27	2018
Police Department	Fire & Police Capital Tax Special Revenue Fund	2009	1.50	1.51	2018
Fire Department	Fire & Police Capital Tax Special Revenue Fund	2009	1.50	1.51	2018
Airport Improvements	Airport Enterprise Fund	2009	1.00	1.01	2018

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 four funds at April 30, 2017. The Emergency Shelter special revenue fund had a fund deficit of \$6,114. This deficit will be cleared by the reduction of administrative costs charged to this fund. The CDBG Loan special revenue fund has a deficit fund balance of \$18,954. This deficit will be cleared by reprogramming funds for low income grant recipients. The US 165 Lighting, Kansas Lane Connector and Community Center Repairs capital project funds have deficits of \$3,318, \$359,470 and \$1,017,027, respectively. These deficits will be cleared by future grant revenues.

The Louisiana Purchase Gardens and Zoo fund has a deficit fund balance of \$344,635. This deficit will be cleared by an increase in admission prices that went into effect in January 2017.

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Excess of Expenditures Over Appropriations in Individual Funds: The following individual funds had actual expenditures over budgeted expenditures for the year ended April 30, 2017:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund	\$ 62,959,133	\$ 63,676,805	\$ (717,672)
Capital Infrastructure	15,186,596	15,674,160	(487,564)
Emergency Shelter	215,117	226,325	(11,208)
DARE Program	24,809	28,382	(3,573)
Diversion Program	-	415	(415)
Police Salary Sales Tax	3,975,508	3,980,995	(5,487)
Fire Salary Sales Tax	4,094,739	4,111,789	(17,050)
Repairs and Maintenance	-	20,303	(20,303)
Capital	845,434	948,215	(102,781)
Demolition	33,249	60,965	(27,716)
Downtown River Market	271,196	288,565	(17,369)
MPD K-9 Donations	1,329	1,934	(605)
Fire Capital Lease	-	8,698	(8,698)
Southside Economic Development District	13,529	28,125	(14,596)

3. CASH AND CASH EQUIVALENTS

At April 30, 2017, the City has cash and cash equivalents, totaling \$75,888,201, (including \$1,651,515 in fiduciary funds and excluding discretely presented component units) as follows:

Petty cash	\$ 20,260
Demand deposits	60,716,967
Money market funds	1,625,592
Regions trust cash	12,517,014
LAMP	1,008,368
Total	<u>\$ 75,888,201</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, 2017.

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

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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, 2017, are secured, as follows:

Bank balances	\$ 84,533,545
Federal deposit insurance	\$ 1,000,000
Collateralized with pledged securities, not in the City's name	83,533,545
Total	\$ 84,533,545

4. RECEIVABLES

Accounts receivable of \$14,754,616 at April 30, 2017, are comprised of the following:

	Taxes - Ad Valorem	Taxes - Sales	Grants	Customer Accounts	Other	Total
Governmental Funds						
General	\$ 98,079	\$ 3,053,345	\$ 93,377	\$ 600,715	\$ 1,339,244	\$ 5,184,760
Capital Infrastructure	-	1,269,226	26,809	-	-	1,296,035
Nonmajor Governmental	16,211	1,639,670	2,411,364	-	497,598	4,564,843
Total Governmental	114,290	5,962,241	2,531,550	600,715	1,836,842	11,045,638
Proprietary Funds						
Monroe Regional Airport	5,404	-	301,038	180,536	45,674	532,652
Water Fund	-	-	-	1,542,750	-	1,542,750
Sewer Fund	-	-	22,239	1,210,141	-	1,232,380
Nonmajor Enterprise	27,020	-	24,886	2,250	40	54,196
Total Proprietary	\$ 32,424	\$ -	\$ 348,163	\$ 2,935,677	\$ 45,714	\$ 3,361,978
Long-term receivables reported in governmental activities						347,000
TOTAL						\$ 14,754,616

The receivables shown above are net of an allowance for doubtful accounts of \$2,237,336 as of April 30, 2017. The allowance for doubtful accounts was reported for the following customer accounts receivables:

Fund	Type of Sale	Amount
General	Garbage Collections	\$ 454,746
Water	Water Sales	958,380
Sewer	Sewer Fees	824,210
		\$ 2,237,336

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5. CHANGES IN CAPITAL ASSETS

The following schedule presents changes in capital assets for the year ended April 30, 2017:

	Balance April 30, 2016	Additions	Retirements	Balance April 30, 2017
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 20,560,354	\$ 1,575,621	\$ -	\$ 22,135,975
Land - internal service	45,000	-	-	45,000
Construction in progress	12,069,440	5,718,416	(3,327,107)	14,460,749
Total capital assets not being depreciated	<u>32,674,794</u>	<u>7,294,037</u>	<u>(3,327,107)</u>	<u>36,641,724</u>
Capital assets, being depreciated				
Buildings and improvements	38,451,152	2,015,027	-	40,466,179
Buildings and improvements - internal service	3,406,242	-	-	3,406,242
Equipment and Furniture	35,730,337	2,497,331	(2,069,110)	36,158,558
Equipment and Furniture - internal service	266,043	-	-	266,043
Infrastructure	173,836,118	1,312,080	-	175,148,198
Total capital assets being depreciated	<u>251,689,892</u>	<u>5,824,438</u>	<u>(2,069,110)</u>	<u>255,445,220</u>
Less: accumulated depreciation	(136,744,475)	(12,065,217)	2,026,524	(146,783,168)
Less: accumulated depreciation - internal service	<u>(1,711,447)</u>	<u>(86,656)</u>	<u>-</u>	<u>(1,798,103)</u>
Total accumulated depreciation	<u>(138,455,922)</u>	<u>(12,151,873)</u>	<u>2,026,524</u>	<u>(148,581,271)</u>
Total capital assets being depreciated, net	<u>113,233,970</u>	<u>(6,327,435)</u>	<u>(42,586)</u>	<u>106,863,949</u>
Total governmental funds capital assets, net	<u>\$ 145,908,764</u>	<u>\$ 966,602</u>	<u>\$ (3,369,693)</u>	<u>\$ 143,505,673</u>

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	Balance <u>April 30, 2016</u>	Additions	Retirements	Balance <u>April 30, 2017</u>
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 5,607,941	\$ -	\$ -	\$ 5,607,941
Construction in progress	<u>10,558,475</u>	<u>5,492,170</u>	<u>(1,985,420)</u>	<u>14,065,225</u>
Total capital assets not being depreciated	16,166,416	5,492,170	(1,985,420)	19,673,166
Capital assets, being depreciated				
Buildings/Improvements	76,972,326	1,274,205	(542,460)	77,704,071
Infrastructure	195,742,263	711,216	-	196,453,479
Equipment	<u>24,011,345</u>	<u>1,664,879</u>	<u>(3,129,005)</u>	<u>22,547,219</u>
Total capital assets being depreciated	296,725,934	3,650,300	(3,671,465)	296,704,769
Less: accumulated depreciation	<u>(146,466,677)</u>	<u>(12,212,348)</u>	<u>3,484,246</u>	<u>(155,194,779)</u>
Total capital assets being depreciated, net	<u>150,259,257</u>	<u>(8,562,048)</u>	<u>(187,219)</u>	<u>141,509,990</u>
Total business-type activities capital assets, net	<u>\$ 166,425,673</u>	<u>\$ (3,069,878)</u>	<u>\$ (2,172,639)</u>	<u>\$ 161,183,156</u>

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

Governmental Activities:	
General Government	\$ 1,568,938
Public Safety	1,573,803
Public Works - internal service	86,656
Public Works	8,802,753
Planning and Urban Development	10,802
Culture and Recreation	108,921
Total depreciation expense - governmental activities	<u>\$ 12,151,873</u>
Business-Type Activities:	
Airport	\$ 3,618,647
Transit	817,172
Civic Center	1,141,704
Zoo	156,718
Water	1,973,866
Sewer	4,504,241
Total depreciation expense - business-type activities	<u>\$ 12,212,348</u>

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, 2017 consist of the following:

Fund	Salaries and Benefits	Claims Payable	Total
General	\$ 928,232	\$ -	\$ 928,232
Water fund	53,426	-	53,426
Internal Service	-	435,167	435,167
TOTAL	\$ 981,658	\$ 435,167	\$ 1,416,825

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 \$2,283,728 for the year ended April 30, 2017.

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, 2017.

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, 2017.

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, 2017 as follows: Policemen's, \$105,653 and Bus Drivers', \$13,010. The Policemen's and Bus Drivers' Pension and Relief Funds do not issue a standalone report.

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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, www.lampers.org, and www.fffret.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.

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

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

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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.

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

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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 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.

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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 2016-2017 fiscal year is 22.75% and the employee contribution rate is 9.5%. The City's contributions to MERS for the year ended was \$4,126,107. 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 31.75% and 10%, respectively. The employer and employee contribution rates for all Non-Hazardous duty members hired after January 1, 2013 were 33.75% 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 34.75% and 7.5%, respectively. The City's contributions to the MPERS for the City's fiscal year was \$2,729,307. The contribution required for FRS for the City's fiscal year for employers was 27.25% below poverty and 25.25% 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 \$2,300,055.

The employer contribution rate for MERS for the plan's 2015-2016 fiscal year is 19.75% and the employee contribution rate is 9.5%. The City's contributions to MERS for the plan's year ended was \$3,861,213. 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 29.5% and 10%, respectively. The employer and employee contribution rates for all Non-Hazardous duty members hired after January 1, 2013 were 31.5% 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 32.0% and 7.5%, respectively. The City's contributions to the MPERS for the year plans 2015-2016 fiscal year was \$2,604,850. The contribution required for FRS for the plans 2015-2016 fiscal year for employers was 29.25% below poverty and 27.25% above poverty. For employees the rates were 10% above poverty and 8% below poverty. The City's contributions to the FRS for the plan 2015-2016 fiscal year was \$2,482,909.

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 \$654,665 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 \$585,868 for MPERS and \$1,011,659 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, 2017, the City reported liabilities of \$44,284,267, \$29,514,748, and \$26,391,200 for its proportionate share of the MERS, MPERS, and FRS, respectively, Net Pension Liability (NPL). The NPL was measured as of June 30, 2016, 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, 2016 as compared to the total of all employers' contributions to the respective retirement plans during the year ended 2016. As of June 30, 2016, 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	10.80444%	0.00522%
MPERS	3.14897%	0.05836%
FRS	4.03479%	0.04382%

For the year ended April 30, 2017, the City recognized a total pension expense of \$14,058,082, or \$6,164,607 for MERS, \$3,714,542 for MPERS and \$4,178,933 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	\$ -	\$ -	\$ -	\$ -	\$ 897,163	\$ 469,505	\$ 1,008,208	\$ 2,374,876
Changes of assumptions	1,033,163	1,435,024	219,503	2,687,690	-	1,777	7,098	8,875
Net difference between projected and actual earnings on pension plan investments	6,436,851	4,541,539	6,121,336	17,099,726	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,613	325,851	181,228	513,692	102,166	307,977	243,403	653,546
Employer contributions subsequent to the measurement date	2,195,264	2,296,649	1,829,390	6,321,303	-	-	-	-
Total	\$ 9,671,891	\$ 8,599,063	\$ 8,351,457	\$26,622,411	\$ 999,329	\$ 779,259	\$ 1,258,709	\$ 3,037,297

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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	\$ -	\$ -	\$ -	\$ -	\$ 502,685	\$ -	\$ 36,459	\$ 539,144
Changes of assumptions	578,888	-	7,938	586,826	-	-	257	257
Net difference between projected and actual earnings on pension plan investments	3,676,486	-	221,360	3,897,846	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,705	-	6,554	10,259	57,244	-	8,612	65,856
Employer contributions subsequent to the measurement date	1,230,019	-	66,155	1,296,174	-	-	-	-
Total	\$ 5,489,098	\$ -	\$ 302,007	\$ 5,791,105	\$ 559,929	\$ -	\$ 45,328	\$ 605,257

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, 2017. 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
2018	\$ 2,044,935	\$ 1,118,298	\$ 1,358,976	\$ 4,522,209
2019	1,371,484	1,339,642	1,358,976	4,070,102
2020	2,100,185	1,911,648	1,743,471	5,755,304
2021	1,050,266	1,153,567	891,379	3,095,212
2022	-	-	(82,754)	(82,754)
2023	-	-	(6,690)	(6,690)

Business-Type Activities:

	MERS	MPERS	FRS	Total
2018	\$ 1,145,789	\$ -	\$ 49,143	\$ 1,194,932
2019	768,451	-	49,143	817,594
2020	1,176,747	-	63,048	1,239,795
2021	518,591	-	32,425	551,016
2022	-	-	(2,993)	(2,993)
2023	-	-	(242)	(242)

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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, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:

	MERS	MPERS	FRS
Valuation Date	June 30, 2016	June 30, 2016	June 30, 2016
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	7.5%, net of investment exp.	7.5%, net of investment exp.	7.5%, net of investment exp.
Inflation Rate	2.875% per annum	2.875% per annum	2.875% 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 5 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	2010-2014 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:

	Target Allocation	LT Expected Real Rate of Return
MERS (arithmetic)		
Public equity	50.00%	2.60%
Public fixed income	35.00%	1.80%
Alternatives	15.00%	0.80%
Total	<u>100.00%</u>	<u>5.20%</u>
Inflation		<u>2.50%</u>
Expected arithmetic nominal return		<u><u>7.70%</u></u>
MPERS (arithmetic)		
Equity	53.00%	3.69%
Fixed Income	21.00%	0.49%
Alternative	20.00%	1.11%
Other	6.00%	0.21%
Total	<u>100.00%</u>	<u>5.50%</u>
Inflation		<u>2.75%</u>
Expected arithmetic nominal return		<u><u>8.25%</u></u>
FRS (arithmetic)		
Equity	58.00%	6.77%
Fixed Income	24.00%	1.85%
Alternative	8.00%	6.67%
Other	10.00%	4.30%
Total	<u>100.00%</u>	<u>5.34%</u>
Inflation		<u>3.00%</u>
Expected arithmetic nominal return		<u><u>8.34%</u></u>

Discount Rate. The discount rate used to measure the total pension liability was 7.50%. 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 fiduciary net position was projected to be

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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	\$ 56,293,549	\$ 44,284,267	\$ 34,036,673
MPERS	39,345,699	29,514,748	21,260,775
FRS	35,955,879	26,391,200	18,347,484

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, 2017, the City had \$222,419, \$0, and \$0 in payables to MERS, MPERS, and FRS, respectively, for the April 2017 employee and employer legally required contributions.

9. OTHER POST-EMPLOYMENT BENEFITS

Plan Description - The City of Monroe's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. The City of Monroe's plan is a single-employer defined benefit plan, which does not issue a stand-alone financial report.

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.

Contribution Rates - Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Funding Policy - Until 2008, the City of Monroe recognized the cost of providing post-employment medical benefits (the City of Monroe's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2017 and 2016, the City of Monroe's portion of health care funding cost for retired employees totaled \$2,356,043 and \$1,394,346, respectively.

Effective May 1, 2008, the City of Monroe implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

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Annual Required Contribution - The City of Monroe's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	2017	2016
Normal Cost	\$ 1,542,828	\$ 983,904
30-year UAL amortization amount	3,976,169	2,548,000
Annual required contribution (ARC)	\$ 5,518,997	\$ 3,531,904

Net Post-employment Benefit Obligation (Asset) - The table below shows the City of Monroe's Net Other Post-employment Benefit (OPEB) Obligation for fiscal years ending April 30, 2017, 2016 and 2015 respectively:

	2017	2016	2015
Beginning Net OPEB Obligation	\$ 16,420,317	\$ 14,542,045	\$ 12,662,824
Annual required contribution	5,518,997	3,531,904	3,396,062
Interest on Net OPEB Obligation	656,814	581,682	506,513
ARC Adjustment	(949,589)	(840,968)	(732,293)
OPEB Cost	5,226,222	3,272,618	3,170,282
Contribution to Irrevocable Trust	-	-	-
Current year retiree premium	(2,356,043)	(1,394,346)	(1,291,061)
Change in Net OPEB Obligation	2,870,179	1,878,272	1,879,221
Ending Net OPEB Obligation	\$ 19,290,496	\$ 16,420,317	\$ 14,542,045

The following table shows the City of Monroe's annual post employment benefits OPEB cost, percentage of the cost contributed, and the net unfunded OPEB obligation or liability for this year:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Liability (Asset)
April 30, 2017	\$ 5,226,222	45.08%	\$ 19,290,496
April 30, 2016	3,272,618	42.61%	16,420,317
April 30, 2015	3,170,282	40.72%	14,542,045

Funded Status and Funding Progress - In 2017 the City of Monroe made no contributions to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the May 1, 2016 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year April 30, 2017 was \$71,506,263 which is defined as that portion, as determined by a particular actuarial cost method (the City of Monroe uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost. The required schedule of funding progress immediately following the notes presents multiyear trend information about whether the actuarial value plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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	2017
Actuarial Accrued Liability (AAL)	\$ 71,506,263
Actuarial Value of Plan Assets (AVP)	-
Unfunded Act. Accrued Liability (UAAL)	\$ 71,506,263
Funded Ratio (AVP/AAL)	0.00%
Covered Payroll (active plan members)	\$ 42,841,673
UAAL as a percentage of covered payroll	166.91%

Actuarial Methods and Assumptions - Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the City of Monroe and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the City of Monroe and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the City of Monroe and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method - The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

Actuarial Value of Plan Assets - There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50 will be used.

Turnover Rate - An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 13%.

Post employment Benefit Plan Eligibility Requirements - Based on past experience, it has been assumed that entitlement to benefits will commence eight years after the earliest retirement (D.R.O.P. entry) eligibility, as described above under "Plan Description". The eight years represents three years in the D.R.O.P. plus five additional years. Medical benefits are provided to employees upon actual retirement.

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Investment Return Assumption (Discount Rate) - GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate - The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

Mortality Rate - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits - The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The City pays 60% of the total blended retiree premiums before and after Medicare premium receive a \$50 monthly discount on their share of the premium. Since unblended rates are required by GASB 45, we have estimated the total unblended rates to be 130% of the blended rates before age 65 and 80% of the blended rates after age 65. The unblended employer rate is then the estimated total unblended rate less the retiree's share of the premium.

Inflation Rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

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%.

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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%.

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	\$ 26,676	\$ 26,676
Police communication equipment	1,178,708	117,871	530,418
Fire equipment	2,494,292	304,953	615,487
Police vehicles	1,464,943	73,247	73,247

The future minimum lease payments are as follows:

<u>Fiscal Years Ended April 30:</u>	<u>Future Minimum Lease Payments</u>
2018	\$ 1,410,952
2019	1,415,878
2020	1,418,367
2021	791,428
	<u>\$ 5,036,625</u>
Less: Amounts representing Interest	(309,033)
Present Value of Future Minimum Lease Payments	<u>\$ 4,727,592</u>

11. LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions of the City of Monroe for the year ended April 30, 2017:

	<u>Balance April 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance April 30, 2017</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities:</u>					
Tax increment bonds	\$ 31,065,000	\$ -	\$ (3,065,000)	\$ 28,000,000	\$ 3,155,000
Sales tax revenue bonds	41,519,400	-	(2,283,600)	39,235,800	2,362,800
Premium	544,851	-	(178,327)	366,524	81,091
Total bonds payable	<u>73,129,251</u>	<u>-</u>	<u>(5,526,927)</u>	<u>67,602,324</u>	<u>5,598,891</u>
Claims and judgments	10,140,704	402,355	(533,448)	10,009,611	533,448
Capital leases	4,124,070	1,946,932	(1,343,410)	4,727,592	1,287,363
Notes payable	1,644,595	-	(814,680)	829,915	829,915
Accrued vacation and sick pay	6,321,642	3,655,412	(3,628,763)	6,348,291	3,628,763
Other post employment benefits	16,420,317	5,226,222	(2,356,043)	19,290,496	2,356,043
Net pension liability	69,661,246	23,065,788	(9,422,222)	83,304,812	-
Total Long-Term Debt	<u>\$ 181,441,825</u>	<u>\$ 34,296,709</u>	<u>\$ (23,625,493)</u>	<u>\$ 192,113,041</u>	<u>\$ 14,234,423</u>

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	Balance April 30, 2016	Additions	Deletions	Balance April 30, 2017	Amounts Due Within One Year
<u>Business-type Activities:</u>					
Sales tax revenue bonds - Water	\$ 4,637,120	\$ -	\$ (464,280)	\$ 4,172,840	\$ 478,440
Premium - Water	17,242	-	(13,794)	3,448	3,448
Sales tax revenue bonds - Sewer	44,966,674	2,824,601	(4,603,659)	43,187,616	4,707,170
Premium - Sewer	68,969	-	(55,174)	13,795	13,795
General obligation bonds - Airport	16,375,000	-	(545,000)	15,830,000	585,000
Total bonds payable	66,065,005	2,824,601	(5,681,907)	63,207,699	5,787,853
Accrued vacation and sick pay	1,337,228	761,911	(752,618)	1,346,521	752,617
Net pension liability	14,666,703	3,945,219	(1,726,519)	16,885,403	-
Total Long-Term Debt	<u>\$ 82,068,936</u>	<u>\$ 7,531,731</u>	<u>\$ (8,161,044)</u>	<u>\$ 81,439,623</u>	<u>\$ 6,540,470</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</u>	<u>Balance April 30, 2017</u>	<u>Amounts Due Within A Year</u>
GOVERNMENTAL ACTIVITIES						
Tax Increment Bonds:						
Tower Drive Series 2012	2012	\$ 10,590,000	2.71%	2025	\$ 7,120,000	\$ 810,000
I-20 Development Series 2011	2011	10,000,000	3.00% - 5.00%	2025	6,480,000	710,000
I-20 Development Series 2012	2012	20,530,000	2.71%	2025	14,400,000	1,635,000
Total Tax Increment Bonds		<u>41,120,000</u>			<u>28,000,000</u>	<u>3,155,000</u>
Sales Tax Bonds:						
Series 2007A Refunding	2007	19,951,200	5.705%	2027	12,025,800	1,077,800
Series 2011A Refunding	2011	14,690,000	3.19%	2028	13,600,000	290,000
Series 2012 Refunding	2012	16,860,000	2.00% - 4.00%	2028	13,610,000	995,000
Total Sales Tax Bonds		<u>51,501,200</u>			<u>39,235,800</u>	<u>2,362,800</u>
TOTAL GOVERNMENTAL ACTIVITIES		<u>\$ 92,621,200</u>			<u>\$ 67,235,800</u>	<u>\$ 5,517,800</u>
BUSINESS TYPE ACTIVITIES						
Sales Tax Bonds - Water:						
Series 2006	2006	\$ 3,000,000	3.45%	2029	\$ 2,040,000	\$ 140,000
Series 2007A Refunding	2007	1,877,760	5.705%	2027	1,131,840	101,440
Series 2011 Refunding	2011	1,916,000	2.50% - 5.00%	2021	1,001,000	237,000
Total Sales Tax Bonds - Water		<u>6,793,760</u>			<u>4,172,840</u>	<u>478,440</u>
Sales Tax Bonds - Sewer:						
Series 2007A Refunding	2007	7,511,040	5.705%	2027	4,527,360	405,760
Series 2008 - DEQ #5	2008	14,000,000	0.95%	2026	6,265,650	675,000
Series 2011 Refunding	2011	7,664,000	2.50% - 5.00%	2021	4,004,000	948,000
Series 2012A Refunding	2012	32,000,000	2.89%	2028	24,640,000	1,935,000
Series 2013 - DEQ #6	2013	11,700,000	0.95%	2028	3,750,606	743,410
Total Sales Tax Bonds - Sewer		<u>72,875,040</u>			<u>43,187,616</u>	<u>4,707,170</u>
General Obligation Bonds - Airport:						
Series 2009 Airport Bonds	2009	19,250,000	3.25% - 5.5%	2039	15,830,000	585,000
Total Airport Revenue Bonds		<u>19,250,000</u>			<u>15,830,000</u>	<u>585,000</u>
TOTAL BUSINESS TYPE ACTIVITIES		<u>\$ 98,918,800</u>			<u>\$ 63,190,456</u>	<u>\$ 5,770,610</u>

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The debt service requirements to amortize all bonds, capital leases and notes payable outstanding at April 30, 2017, are as follows:

Year Ended April 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 7,635,078	\$ 2,365,480	\$ 10,000,558	\$ 5,763,540	\$ 2,101,102	\$ 7,864,642
2019	7,033,384	2,144,255	9,177,639	5,939,610	1,939,008	7,878,618
2020	7,232,039	1,914,407	9,146,446	5,774,034	1,765,264	7,539,298
2021	6,792,580	1,682,575	8,475,155	5,950,124	1,609,331	7,559,455
2022	7,590,872	1,451,346	9,042,218	5,216,959	1,461,106	6,678,065
2023-2027	33,044,354	3,238,228	36,282,582	20,536,189	5,151,593	25,687,782
2028-2032	3,465,000	55,762	3,520,762	6,955,000	2,673,981	9,628,981
2033-2037	-	-	-	5,450,000	1,334,576	6,784,576
2038-2039	-	-	-	1,605,000	134,202	1,739,202
Total	\$ 72,793,307	\$ 12,852,053	\$ 85,645,360	\$ 63,190,456	\$ 18,170,163	\$ 81,360,619

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.

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 \$599,331 in a debt service fund for the payment of the bonds. Total principal and interest remaining to be paid on the bonds is \$7,120,000 and \$895,249, respectively. For the year ended April 30, 2017, the City received \$1,056,005 from the collection of the incremental sales tax and paid \$785,000 in bond principal and \$214,225 in debt service interest. The annual required principal and interest payments are estimated to be 95% of the tax revenues over the next 8 years.

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.

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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 \$5,241,996 in a debt service fund for the payment of the bonds. Total principal and interest remaining to be paid on the bonds is \$20,880,000 and \$3,202,467, respectively. For the year ended April 30, 2017, the City received \$3,383,769 from the collection of the incremental sales tax and paid \$2,280,000 in bond principal and \$726,500 in debt service interest. The annual required principal and interest payments are estimated to be 89% of the tax revenues over the next 8 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 \$3,190,801 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:

	<u>Original Amount</u>	<u>Remaining Principal</u>	<u>Remaining Interest</u>	<u>Final Year Payment</u>
Series 2006	\$ 3,000,000	\$ 2,040,000	\$ 450,914	2029
Series 2007A	29,340,000	17,685,000	3,589,508	2027
Series 2008 DEQ #5	14,000,000	6,265,650	276,084	2026
Series 2011 Refunding	9,580,000	5,005,000	357,875	2021
Series 2011A Refunding	14,690,000	13,600,000	2,949,634	2028
Series 2012 Refunding	16,860,000	13,610,000	3,042,031	2028
Series 2012A Refunding	32,000,000	24,640,000	4,119,261	2028
Series 2013 DEQ #6	11,700,000	3,750,606	353,998	2028
Total	<u>\$ 131,170,000</u>	<u>\$ 86,596,256</u>	<u>\$ 15,139,305</u>	

For the year ended, April 30, 2017, the City received \$16,272,286 from the collection of the 1% sales and use tax and paid \$7,351,539 in bond principal and \$2,961,465 in debt service interest. The annual required principal and interest payments are estimated to be 63% of the tax revenues over the next 13 years.

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13. INTERFUND RECEIVABLES AND PAYABLES

Individual fund balances due from/to other funds at April 30, 2017, are as follows:

	Interfund Receivable					Total
	General	Nonmajor Governmental	Monroe Regional Airport	Water	Nonmajor Enterprise	
Interfund Payable						
General	\$ -	\$ -	\$ -	\$ -	\$ 11,345	\$ 11,345
Capital Infrastructure	69,426	305,626	-	21,130	-	396,182
Nonmajor Governmental	1,180,812	221,325	-	3,366,460	-	4,768,597
Monroe Regional Airport	104,253	-	-	1,048,276	1	1,152,530
Water Fund	306,115	7,510	260	-	-	313,885
Sewer Fund	-	139,115	-	-	-	139,115
Total	\$ 1,660,606	\$ 673,576	\$ 260	\$ 4,435,866	\$ 11,346	\$ 6,781,654

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.

14. INTERFUND TRANSFERS

The following transfers were made between the various funds of the City during the year ended April 30, 2017:

	Transfers Out					Total
	General	Capital Infrastructure	Nonmajor Governmental	Water	Sewer	
Transfers In						
General	\$ -	\$ 1,106,604	\$ 785,391	\$ -	\$ -	\$ 1,891,995
Nonmajor Governmental	274,714	4,307,659	381,879	7,510	139,115	5,110,877
Water Fund	-	663,420	-	-	6,754	670,174
Sewer Fund	-	6,017,737	-	-	-	6,017,737
Nonmajor Enterprise	4,405,008	-	-	-	-	4,405,008
Internal Service	500,913	-	470,000	-	-	970,913
Total	\$ 5,180,635	\$ 12,095,420	\$ 1,637,270	\$ 7,510	\$ 145,869	\$ 19,066,704

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.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

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 rendered in favor of the plaintiff will not materially affect the financial position of the City at April 30, 2017.

The City is a party to a variety of suits involving sales taxes assessed on different businesses, city employee/employer relations, and a suit involving sewer collections. The City is unable to make an estimate of the possible liability, if any, of these matters at the current time.

Construction Commitments. The City has active construction projects as of April 30, 2017. 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
I-20 Frontage Rd N-Garrett to Millhaven Exit	\$ 1,625,586	\$ 2,079,689
Basin MR 04/05/07A	3,055,389	1,434,518
North Area Pump Station-Basin MR 27(A)/30/31	1,198,415	1,999,729
Forsythe Pump Stations	1,704,855	35,048

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

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	\$ 442,142
Nonmajor Governmental	51,343
Monroe Regional Airport	236,927
Water	321,458
Sewer	496,755
Nonmajor Enterprise	2,200,865
Internal Service	99,171
	<u>\$ 3,848,661</u>

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.

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Notes To The Financial Statements
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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 \$2,010,254 and the related expenditures are as follows:

Marshal/Deputy Marshal	\$	84,283
Monroe Police Department		828,469
Monroe Fire Department		<u>1,097,502</u>
Total	\$	<u><u>2,010,254</u></u>

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, 2017. 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 \$124,627,174 (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 3rd 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 2017 the City retained specific stop-loss coverage which provides excess coverage for claims in excess of \$250,000.

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Beginning balance	\$ 527,648	\$ 872,419	\$ 962,622
Current year claims and changes in estimates	10,238,829	10,226,963	11,325,791
Claims paid	<u>(10,331,310)</u>	<u>(10,571,734)</u>	<u>(11,415,994)</u>
Ending balance	<u><u>\$ 435,167</u></u>	<u><u>\$ 527,648</u></u>	<u><u>\$ 872,419</u></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

CITY OF MONROE
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Notes To The Financial Statements
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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>2017</u>	<u>2016</u>	<u>2015</u>
Beginning balance	\$ 10,140,704	\$ 10,219,981	\$ 9,754,763
Current year claims and changes in estimates	402,355	1,918,833	2,279,850
Claims paid	(533,448)	(1,998,110)	(1,814,632)
Ending balance	<u>\$ 10,009,611</u>	<u>\$ 10,140,704</u>	<u>\$ 10,219,981</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, 2017, 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 \$814,690 at April 30, 2017.

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, 2017.

	<u>Total Collections</u>	<u>Collection Cost</u>	<u>Protested Taxes</u>	<u>Final Distribution</u>
City of West Monroe	\$ 22,425,633	\$ (54,798)	\$ (1,737)	\$ 22,369,098
Town of Sterlington	815,761	(5,078)	-	810,683
Town of Richwood	303,327	(192)	-	303,135
Monroe City School Board	29,128,713	(194,146)	(10,273)	28,924,294
Ouachita Parish School Board	46,804,949	(282,097)	(3,824)	46,519,028
Ouachita Parish Police Jury	17,541,573	(38,432)	-	17,503,141
Ouachita Parish Sheriff Office	4,481,801	(21,481)	-	4,460,320
Monroe/W Monroe Convention & Visitor's Bureau	1,800,771	(4,046)	-	1,796,725
Subtotal	<u>123,302,528</u>	<u>(600,270)</u>	<u>(15,834)</u>	<u>122,686,424</u>
City of Monroe	<u>62,387,381</u>	<u>-</u>	<u>(24,647)</u>	<u>62,362,734</u>
Total	<u>\$ 185,689,909</u>	<u>\$ (600,270)</u>	<u>\$ (40,481)</u>	<u>\$ 185,049,158</u>

CITY OF MONROE
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Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

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

Fund	Nonspendable	Amount
Major Funds:		
General Fund	Prepaid expenses and other assets	\$ 210,875
General Fund	Inventories	104,251
Total Major Funds		315,126
Non-major Funds:		
Special Revenue Funds:		
Community Development Block Grant	Prepaid expenses and other assets	3,601
CDBG Home	Prepaid expenses and other assets	3,600
CDBG Loan	Prepaid expenses and other assets	64,464
HOME Program Loans	Prepaid expenses and other assets	155,088
Capital	Prepaid expenses and other assets	285,982
Total Non-major Funds		512,735
Total Nonspendable		\$ 827,861

CITY OF MONROE
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Notes To The Financial Statements
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Restricted Fund Balance

<u>Fund</u>	<u>Restricted For</u>	<u>Amount</u>
Major Funds		
Special Revenue-Capital Infrastructure	Debt	\$ 10,638,741
	Public works	15,768,566
		<u>26,407,307</u>
Total Major Funds		
Non-Major Funds		
Special Revenue Funds		
Fire Department Insurance	Public safety	725,294
Urban Development Action	Planning and urban development	947
Fire and Police Capital Tax	Capital improvements	1,572,503
City Prosecuting Attorney	Judicial	100,000
DARE Program	Public safety	8,660
Equitable Share Federal Seizure	Public safety	8,349
Police Salary Sales Tax	Public safety	1,148,098
Fire Salary Sales Tax	Public safety	1,199,418
HOME Program Loans	Planning and urban development	335,674
MPD K-9/Donations	Public safety	27,991
PTFA-2015	Recreation facilities	554,118
Debt-Service Funds		
I-20 Economic District	Debt	5,241,996
Tower Dr. Economic District	Debt	599,331
Sales Tax Debt	Debt	3,190,801
Capital Projects Funds		
Tower Drive	Capital improvements	635,344
Street Construction	Capital improvements	61,853
Fire/Drainage Improvements	Capital improvements	120,019
US 165 Business Connector	Capital improvements	9,941
Trails Grant Levee	Capital improvements	7,581
Hwy 165 S Infrastructure	Capital improvements	20,786
I-20 Corridor Improvements	Capital improvements	9,575,772
		<u>25,144,476</u>
Total Non-Major Funds		
		<u>\$ 51,551,783</u>
Total Restricted		

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Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

Committed Fund Balance

<u>Fund</u>	<u>Committed For</u>	<u>Amount</u>
Non-Major Funds		
Special Revenue Funds		
Employees' Benefits	Employees' benefits	\$ 238,342
Southside Economic Dev. District	Economic Development	45,079
Total Committed		<u><u>\$ 283,421</u></u>

Assigned Fund Balance

<u>Fund</u>	<u>Assigned For</u>	<u>Amount</u>
Non-Major Funds		
Special Revenue Funds		
Diversion Program	Judicial	\$ 49,000
Drug Seizure Local/State	Public safety	9,452
Downtown Economic Development	Economic development	54,995
Administrative Economic Development	Economic development	499,540
Repairs & Maintenance	Repairs and capital improvements	2,409
Demolition	Public works	12,119
Total Assigned		<u><u>\$ 627,515</u></u>

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
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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	3,447,947	12,752,053
Administrative Costs (Professional Fees)	200,000	43,184	156,816
Total	<u>\$ 17,759,503</u>	<u>\$ 4,850,634</u>	<u>\$ 12,908,869</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 2017 resulting in a restriction of net position from passenger facility charges as follows:

	Accrual Basis	Cash Basis
PFC revenues / receipts	\$ 5,629,237	\$ 5,589,917
Interest earnings	51,627	51,627
Total revenues / receipts	<u>5,680,864</u>	<u>5,641,544</u>
Expenses / disbursements for PFC projects	<u>(4,850,634)</u>	<u>(4,850,634)</u>
Net PFC cash, April 30, 2017		<u>\$ 790,910</u>
Net position restricted for PFC, April 30, 2017	<u>\$ 830,230</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.

21. NEW GASB STANDARDS In fiscal year 2017, the City implemented the following GASB Statements:

- *Statement No. 72 – Fair Value Measurement and Application.* This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

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Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

- *Statement No. 73 – Accounting and Financial reporting for Pensions and Related Assets That Are Not Within the Scope of GASB 68, and Amendment to Certain Provision of GASB Statements 67 and 68:* This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement 68, as well as for the assets accumulated for purposes of providing those pensions. It also amends certain provisions of Statement 67 and 68 that are within their respective scopes. This statement also clarifies the application of certain provisions of Statements 67 and 68.
- *Statement No. 77 – Tax Abatement Disclosures* establishes standards of accounting and financial reporting for tax abatements. Financial statement users need information about certain limitations on a government’s ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens. Tax abatements are widely used by state and local governments, particularly to encourage economic development. This Statement requires disclosure of tax abatement information about (1) a reporting government’s own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government’s tax revenues.

22. RESTATEMENT OF NET POSITION

The City had reported grant receivables at fiscal year ended April 30, 2016, which have not been received. As a result, the City reported a prior period adjustment in the General Fund of \$427,541 and in the Nonmajor Governmental Capital Project Funds of \$1,265,611 as a reduction of accounts receivable and fund balance, which totaled \$1,693,152 reported in the government-wide statement of activities. Although the City still expects to receive these grant funds, the timing and the amount to be received could not be determined at April 30, 2017.

23. CHANGES IN PRESENTATION

The following funds were reported as major funds for the fiscal years ended April 30,

	<u>2017</u>	<u>2016</u>
Governmental Funds		
General Fund	Yes	Yes
Capital Infrastructure	Yes	Yes
I-20 Corridor Improvements	No	Yes
Enterprise Funds		
Monroe Regional Airport	Yes	Yes
Water Fund	Yes	Yes
Sewer Fund	Yes	Yes

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Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

24. SUBSEQUENT EVENTS

On April 11, 2017, the City adopted a resolution providing for the issuance of Sales Tax Revenue and Refunding Bonds not to exceed \$20,000,000. These bonds refunded Series 2009 Airport Bonds. On May 4, 2017, the City had issued the taxable revenue refunding bonds in the amount of \$15,625,000.

25. 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 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. The amount of tax abatement under this program during the fiscal year ended April 30, 2017 by authorized millage is as follows:

District	Millage	Assessed Valuate Lost to ITEP	Estimated Tax Dollar Lost to ITEP
Monroe City General Fund	0.01049	\$ 6,212,312	\$ 65,167
Monroe Rec Facilities	0.00189	6,212,312	11,741
Monroe Safety Services	0.00107	6,212,312	6,647
Monroe Drainage Facilities	0.00132	6,212,312	8,200
Monroe Civic Center	0.00251	6,212,312	15,593
La. Purchase Gardens and Zoo	0.00251	6,212,312	15,593
Monroe Capital Improvements	0.00327	6,212,312	20,314
Monroe Police Department	0.00151	6,212,312	9,381
Monroe Fire Department	0.00151	6,212,312	9,381
Monroe Airport	0.00101	6,212,312	6,274
			<u>\$ 168,291</u>

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Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2017

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 this program during the fiscal year ended April 30, 2017 by authorized millage is as follows:

<u>District</u>	<u>Millage</u>	<u>Assessed Valuate Lost to RTA</u>	<u>Estimated Tax Dollar Lost to RTA</u>
Monroe City General Fund	0.01049	\$ 32,564,867	\$ 341,605
Monroe Rec Facilities	0.00189	32,564,867	61,548
Monroe Safety Services	0.00107	32,564,867	34,844
Monroe Drainage Facilities	0.00132	32,564,867	42,986
Monroe Civic Center	0.00251	32,564,867	81,738
La. Purchase Gardens and Zoo	0.00251	32,564,867	81,738
Monroe Capital Improvements	0.00327	32,564,867	106,487
Monroe Police Department	0.00151	32,564,867	49,173
Monroe Fire Department	0.00151	32,564,867	49,173
Monroe Airport	0.00101	32,564,867	32,891
			<u>\$ 882,183</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.

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REQUIRED SUPPLEMENTAL INFORMATION

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DIVIDER

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

**City of Monroe
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**SCHEDULE OF FUNDING PROGRESS FOR OTHER POST EMPLOYMENT BENEFIT PLAN
April 30, 2017**

Exhibit 1-1

<u>Fiscal Year Ended</u>	<u>Actuarial Valuation Date</u>	<u>(a) Actuarial Value of Assets</u>	<u>(b) Actuarial Accrued Liability (AAL)</u>	<u>(b-a) Unfunded AAL (UAAL)</u>	<u>(a/b) Funded Ratio</u>	<u>(c) Covered Payroll</u>	<u>(b-a/c) UAAL as a Percentage of Covered Payroll</u>
4/30/2017	5/1/2016	\$ -	\$71,506,263	\$ 71,506,263	0%	\$ 42,841,673	166.91%
4/30/2016	5/1/2014	-	45,822,790	45,822,790	0%	42,425,428	108.01%
4/30/2015	5/1/2014	-	44,060,375	44,060,375	0%	41,043,364	107.35%
4/30/2014	5/1/2013	-	47,185,560	47,185,560	0%	41,707,775	113.10%
4/30/2013	5/1/2012	-	45,370,731	45,370,731	0%	39,530,834	114.80%
4/30/2012	5/1/2011	-	48,477,341	48,477,341	0%	34,503,979	140.50%

**City of Monroe
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**SCHEDULE OF OTHER POST EMPLOYMENT BENEFIT PLAN EMPLOYER CONTRIBUTIONS
April 30, 2017**

Exhibit 1-2

<u>Fiscal Year End</u>	<u>Annual OPEB Cost</u>	<u>Amount Contributed</u>	<u>Percentage of Annual OPEB Costs Contributed</u>	<u>Net OPEB Obligation</u>
4/30/2017	\$ 5,226,221	\$ 2,356,043	45.08%	\$ 19,290,495
4/30/2016	3,272,618	1,394,346	42.61%	16,420,317
4/30/2015	3,170,282	1,291,061	40.72%	14,542,045
4/30/2014	3,471,669	1,560,852	44.96%	12,662,824
4/30/2013	3,364,999	1,445,233	42.95%	10,752,007
4/30/2012	3,799,718	1,474,671	38.81%	8,832,240

**City of Monroe
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**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
April 30, 2017**

Exhibit 1-3

<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>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Municipal Employees' Retirement System (MERS)					
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)					
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)					
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.

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**SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLANS
April 30, 2017**

Exhibit 1-4

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
Municipal Employees' Retirement System (MERS)					
2017	\$ 4,126,107	\$ 4,126,107	\$ -	\$18,605,867	22.18%
2016	3,674,106	3,674,106	-	18,603,068	19.75%
Municipal Police Employees' Retirement System (MPERS)					
2017	\$ 2,729,307	\$ 2,729,307	\$ -	\$ 8,700,663	31.37%
2016	2,605,884	2,605,884	-	8,739,551	29.82%
Firefighters' Retirement System (FRS)					
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
Monroe, Louisiana**

**Notes to Required Supplementary Information for Pensions
For Fiscal Year Ended April 30, 2017**

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.

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.

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.

**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, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
BUDGETARY FUND BALANCES, BEGINNING	\$ 15,181,270	\$ 13,683,176	\$ 13,683,176	\$ -
Resources (Inflows)				
Local sources:				
Ad valorem tax revenue				
General property taxes	4,187,769	4,315,141	4,475,755	160,614
1974 Recreation maintenance tax	731,817	754,075	790,818	36,743
1974 Public safety tax	412,620	425,170	445,693	20,523
1974 Drainage maintenance tax	509,936	525,446	551,971	26,525
Capital improvement tax	1,265,109	1,303,586	1,367,931	64,345
Adjudicated property	27,475	27,475	17,237	(10,238)
Total Ad valorem tax revenue	7,134,726	7,350,893	7,649,405	298,512
Sales and use tax revenue				
General sales and use tax	37,810,735	38,210,735	38,178,591	(32,144)
Total sales and use tax revenue	37,810,735	38,210,735	38,178,591	(32,144)
Other tax revenue				
Franchise fees	905,930	905,930	799,164	(106,766)
Beer tax	72,000	72,000	69,131	(2,869)
Total other tax revenue	977,930	977,930	868,295	(109,635)
Licenses and permits				
Liquor licenses	83,945	83,945	77,168	(6,777)
Occupational licenses	2,720,685	2,720,685	3,023,318	302,633
Video bingo licenses	2,000	2,000	1,000	(1,000)
Building permits	120,000	120,000	99,057	(20,943)
Sewer permits and inspections	67,000	67,000	16,601	(50,399)
Plumbing permits and inspections	55,000	55,000	43,075	(11,925)
Electrical permits and inspections	40,000	40,000	44,479	4,479
Gas permits and inspections	12,400	12,400	4,400	(8,000)
Heating and air conditioning permits	19,000	19,000	7,730	(11,270)
Mobile sign permits	35	35	-	(35)
Off premise sign permits	6,300	6,300	510	(5,790)
Culvert and drain project permits	1,330	1,330	1,750	420
Other engineering permits	-	-	5,439	5,439
Storm water permits	4,552	4,552	1,590	(2,962)
Total license and permits	3,132,247	3,132,247	3,326,117	193,870
Other income				
Penalties and interest	4,820	4,820	1,138	(3,682)
Sale of scrap	-	346	399	53
Cash shortage/overage	-	-	(2,166)	(2,166)
Vending commissions	-	750	1,604	854
Police miscellaneous	60,000	60,000	57,378	(2,622)
Contributions and donations - private	2,200	2,200	397	(1,803)
Tuition income	-	-	300	300
Total other income	\$ 67,020	\$ 68,116	\$ 59,050	\$ (9,066)

(Continued)

CITY OF MONROE
Monroe, Louisiana

Exhibit 2

General Fund
Budgetary Comparison Schedule
For the Year Ended April 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Resources (Inflows)				
Use of Money and property				
Rental income-usage fees	\$ 76,205	\$ 83,255	\$ 82,833	\$ (422)
Interest income	30,000	30,000	36,089	6,089
Total use of property and money	106,205	113,255	118,922	5,667
Fines and forfeitures				
City court fines	630,000	630,000	582,707	(47,293)
Environmental court fines	2,775	2,775	4,152	1,377
Overparking fines	27,960	27,960	33,140	5,180
DWI Probation fines	2,000	2,000	-	(2,000)
False alarm fees	10,000	10,000	4,100	(5,900)
Total fines and forfeitures	672,735	672,735	624,099	(48,636)
Other state grants				
State supplemental pay	2,214,000	2,214,000	2,010,254	(203,746)
Other state grants	2,214,000	2,214,000	2,010,254	(203,746)
Federal grants				
Federal grant direct noncategory	-	834,891	-	(834,891)
Direct federal grant	7,536	7,536	3,289	(4,247)
Indirect federal grant	-	-	71,830	71,830
Federal grant-Louisiana Highway Safety	104,000	104,000	40,800	(63,200)
HIDTA	52,000	52,000	48,270	(3,730)
Total federal grants	163,536	998,427	164,189	(834,238)
Fees, charges and commissions				
Sales tax commission	725,770	725,770	744,635	18,865
Signal light reimbursement	185,440	185,440	187,967	2,527
City court civil fees	210,000	210,000	268,091	58,091
City sanitation service	3,155,235	3,155,235	3,097,108	(58,127)
Cemetery Lots	16,375	16,375	10,950	(5,425)
Grass cutting fees	104,750	104,750	177,360	72,610
Ticket review fees	1,530	1,530	355	(1,175)
Copy charges	1,325	1,325	1,057	(268)
NSF fees	16,870	16,870	8,893	(7,977)
Royalty income	2,640	2,640	1,080	(1,560)
Commissions	8,125	725	610	(115)
American payment system fees	4,215	4,215	2,314	(1,901)
Postage	750	750	66	(684)
Legal and other professional	25,550	25,550	17,711	(7,839)
Energy franchise fees	2,357,960	2,357,960	2,098,483	(259,477)
Community policing fees	50,000	50,000	-	(50,000)
Appearance and surrender fees	50,000	50,000	53,165	3,165
Tuition income	5,000	5,000	4,955	(45)
Fire reports	\$ -	\$ 50	\$ 125	\$ 75

(Continued)

CITY OF MONROE
Monroe, Louisiana

Exhibit 2

General Fund
Budgetary Comparison Schedule
For the Year Ended April 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Resources (Inflows)				
Zoning income	\$ 118,000	\$ 118,000	\$ 69,622	\$ (48,378)
Recreation department revenue	49,700	50,853	44,467	(6,386)
Golf course fees	616,939	613,189	569,421	(43,768)
Street cut reimbursement	100,000	100,000	29,008	(70,992)
Demolition	20,000	20,000	-	(20,000)
Total fees, charges and commissions	7,826,174	7,816,227	7,387,443	(428,784)
Transfers from other funds	1,067,048	1,224,333	1,891,995	667,662
Sale of assets	-	179,839	179,037	(802)
Capital proceeds	-	-	320,107	320,107
Insurance recoveries	-	-	1,000,000	1,000,000
Amounts available for appropriations	76,353,626	76,641,913	77,460,680	818,767
Charges to appropriations (outflows)				
Current:				
Legislative division - Council and staff	742,143	702,367	552,684	149,683
Judicial division	2,724,709	2,724,709	2,726,812	(2,103)
Executive division - Chief executive and staff	997,805	1,022,805	988,958	33,847
Administration division	10,537,849	11,858,506	11,306,013	552,493
Other general government	868,428	868,428	875,223	(6,795)
Police division	12,928,416	12,928,416	12,958,632	(30,216)
Fire division	12,928,933	12,928,933	12,507,424	421,509
Public Works division	9,797,965	9,693,465	10,242,624	(549,159)
Engineering	1,057,138	1,056,638	960,219	96,419
Culture and recreation	3,651,684	3,651,684	3,542,368	109,316
Planning and urban development division	1,120,576	1,120,576	1,020,059	100,517
Debt Service:				
General interest expense	57,443	97,443	92,731	4,712
Capital leases	199,663	199,663	199,663	-
Principal retirement	-	-	165,534	(165,534)
Capital expenditures	220,118	220,118	355,408	(135,290)
Other uses	-	-	1,818	(1,818)
Transfers to other funds	3,339,486	3,885,382	5,180,635	(1,295,253)
Total charges to appropriations	61,172,356	62,959,133	63,676,805	(717,672)
BUDGETARY FUND BALANCES, ENDING	\$ 15,181,270	\$ 13,682,780	\$ 13,783,875	\$ 101,095

(Concluded)

CITY OF MONROE
Monroe, Louisiana

CAPITAL INFRASTRUCTURE
Budgetary Comparison Schedule
For the Year Ended April 30, 2017

Exhibit 3

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>(NEGATIVE)</u>
BUDGETARY FUND BALANCES, BEGINNING	\$ 24,537,880	\$ 25,719,374	\$ 25,719,374	\$ -
Resources (inflows)				
Local sources:				
Taxes:				
Sales - Street Improvement	14,200,000	15,300,000	16,272,286	972,286
Use of money and property	45,000	45,000	22,604	(22,396)
Amounts available for appropriations	<u>38,782,880</u>	<u>41,064,374</u>	<u>42,014,264</u>	<u>949,890</u>
Charges to appropriations (outflows)				
Current:				
Public works	1,106,067	2,965,096	2,268,218	696,878
Capital outlay	15,000	521,500	1,309,869	(788,369)
Debt service:				
Debt Service interest and bank charges	-	-	653	(653)
Transfers to other funds	14,000,000	11,700,000	12,095,420	(395,420)
Total charges to appropriations	<u>15,121,067</u>	<u>15,186,596</u>	<u>15,674,160</u>	<u>(487,564)</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 23,661,813</u>	<u>\$ 25,877,778</u>	<u>\$ 26,340,104</u>	<u>\$ 462,326</u>

CITY OF MONROE
Monroe, Louisiana

Notes to the Budgetary Comparison Schedules
For the Year Ended April 30, 2017

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, 2017, 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, 2017

Note B. Budget to GAAP Reconciliation

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

	GENERAL FUND	CAPITAL INFRASTRUCTURE
<u>Sources/inflows of resources:</u>		
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 77,460,680	\$ 42,014,264
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(13,683,176)	(25,719,374)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes	(1,891,995)	-
Sale of capital assets, capital lease proceeds and insurance recoveries are inflows of budgetary resources but are not revenues for financial reporting purposes	(1,499,144)	-
	<u>60,386,365</u>	<u>16,294,890</u>
<u>Uses/outflows of resources:</u>		
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	63,676,805	15,674,160
Transfers to other funds and other uses are outflows of budgetary resources but are not expenditures for financial reporting purposes	(5,182,453)	(12,095,420)
	<u>\$ 58,494,352</u>	<u>\$ 3,578,740</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>60,386,365</u>	<u>16,294,890</u>
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 58,494,352</u>	<u>\$ 3,578,740</u>

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	\$62,959,133	\$63,676,805	\$(717,672)
Capital Infrastructure	15,186,596	15,674,160	(487,564)

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**City of Monroe
Monroe, Louisiana**

SUPPLEMENTARY INFORMATION

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Monroe, Louisiana**

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DIVIDER

**City of Monroe
Monroe, Louisiana**

**COMBINING
NONMAJOR GOVERNMENTAL FUNDS
STATEMENTS**

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**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, 2017

Exhibit 4

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
ASSETS				
Cash and cash equivalents	\$ 6,014,099	\$ 8,014,394	\$ 10,682,530	\$ 24,711,023
Receivables	1,733,636	1,017,734	1,813,473	4,564,843
Interfund receivables	207,046	-	466,530	673,576
Prepaid expenses and other assets, net	512,735	-	-	512,735
TOTAL ASSETS	8,467,516	9,032,128	12,962,533	30,462,177
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts and retainage payable	257,381	-	439,880	697,261
Interfund payables	1,297,425	-	3,471,172	4,768,597
Unearned revenue	799	-	-	799
Due to others	29,556	-	-	29,556
TOTAL LIABILITIES	1,585,161	-	3,911,052	5,496,213
FUND BALANCES:				
Nonspendable				
Prepaid expenses and other assets	512,735	-	-	512,735
Spendable				
Restricted	5,681,052	9,032,128	10,431,296	25,144,476
Committed	283,421	-	-	283,421
Assigned	627,515	-	-	627,515
Unassigned (deficit)	(222,368)	-	(1,379,815)	(1,602,183)
TOTAL FUND BALANCES	6,882,355	9,032,128	9,051,481	24,965,964
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,467,516	\$ 9,032,128	\$ 12,962,533	\$ 30,462,177

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, 2017

Exhibit 5

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 1,261,652	\$ -	\$ -	\$ 1,261,652
Sales	7,973,432	4,439,774	-	12,413,206
Intergovernmental revenues	1,456,008	-	1,894,110	3,350,118
Fees, charges and commissions for services	1,368,436	-	-	1,368,436
Fines and forfeitures	8,977	-	-	8,977
Use of money and property	10,629	62,373	14,509	87,511
Miscellaneous revenues	223,556	-	-	223,556
	<u>12,302,690</u>	<u>4,502,147</u>	<u>1,908,619</u>	<u>18,713,456</u>
Total revenues				
EXPENDITURES				
Current:				
General government				
Judicial	54,171	-	-	54,171
Financial administration	118,527	8,401	46,681	173,609
Public safety				
Police	4,161,404	-	-	4,161,404
Fire	4,203,058	-	-	4,203,058
Public works	76,197	-	30,970	107,167
Culture and recreation	401,205	-	-	401,205
Planning and urban development	1,070,993	-	-	1,070,993
Economic development and assistance	65,000	-	-	65,000
Capital outlay	2,138,456	-	5,987,634	8,126,090
Debt service:				
Principal retirement	1,714,797	5,348,600	-	7,063,397
Interest and bank charges	73,674	2,621,823	1,635	2,697,132
	<u>14,077,482</u>	<u>7,978,824</u>	<u>6,066,920</u>	<u>28,123,226</u>
Total expenditures				
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(1,774,792)</u>	<u>(3,476,677)</u>	<u>(4,158,301)</u>	<u>(9,409,770)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	530,573	4,002,032	578,272	5,110,877
Transfers out	(1,532,557)	-	(104,713)	(1,637,270)
Capital proceeds	1,626,825	-	-	1,626,825
	<u>624,841</u>	<u>4,002,032</u>	<u>473,559</u>	<u>5,100,432</u>
TOTAL OTHER FINANCING SOURCES				
NET CHANGE IN FUND BALANCES	(1,149,951)	525,355	(3,684,742)	(4,309,338)
FUND BALANCES - BEGINNING	8,032,306	8,506,773	14,001,834	30,540,913
PRIOR PERIOD ADJUSTMENT	-	-	(1,265,611)	(1,265,611)
FUND BALANCES - BEGINNING AS RESTATED	8,032,306	8,506,773	12,736,223	29,275,302
FUND BALANCES (Deficit) - ENDING	<u>\$ 6,882,355</u>	<u>\$ 9,032,128</u>	<u>\$ 9,051,481</u>	<u>\$ 24,965,964</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.

Urban Development Action - The fund accounts for federal funds used to aid in construction of single-family dwellings.

Rental Rehabilitation - The fund accounts for federal funds used to bring rental units to minimum standards.

CDBG Economic Development - The fund receives funds from the Community Development fund and is used to make temporary loans to community businesses that have difficulty obtaining other financing.

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.

City Prosecuting Attorney - 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.

**City of Monroe
Monroe, Louisiana**

Nonmajor Special Revenue Funds

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.

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.

**City of Monroe
Monroe, Louisiana**

Nonmajor Special Revenue Funds

PTFA-2012 - The fund receives its funding from the Public Trust Finance Authority. The funds in this year are dedicated to the Community Centers and Parks & Recreation upgrades.

Ouachita Well - The funds are provided by the Blue Cross/Blue Shield Challenge grant. The grant purpose is to promote a healthy lifestyle and healthy living in Louisiana.

Fire Capital Lease - The fund accounts for the lease funds obtained on behalf of the Monroe Fire Department and the capital purchases made with those funds.

PTFA-2015 - The fund receives its funding from the Public Trust Finance Authority. The funds will be used for infrastructure and economic development.

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.

Garrett Building Repairs - The fund receives its funding from a local grant and will be used to renovate the Garrett Building and make it usable for education, community events and exhibitions.

CITY OF MONROE
Monroe, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
April 30, 2017

	FIRE DEPARTMENT INSURANCE	COMMUNITY DEVELOPMENT BLOCK GRANT	URBAN DEVELOPMENT ACTION	RENTAL REHABILITATION
ASSETS				
Cash and cash equivalents	\$ 515,542	\$ 50	\$ 19,137	\$ 123,462
Receivables	209,752	208,591	-	-
Interfund receivables	-	8,866	-	-
Prepaid expenses and other assets	-	3,601	-	-
TOTAL ASSETS	725,294	221,108	19,137	123,462
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts and retainage payable	-	85,568	-	-
Interfund payables	-	132,125	18,190	123,462
Unearned revenue	-	799	-	-
Due to others	-	2,616	-	-
TOTAL LIABILITIES	-	221,108	18,190	123,462
FUND BALANCES:				
Nonspendable				
Prepaid expenses and other assets	-	3,601	-	-
Spendable				
Restricted	725,294	-	947	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	-	(3,601)	-	-
TOTAL FUND BALANCES	725,294	-	947	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 725,294	\$ 221,108	\$ 19,137	\$ 123,462

Exhibit 6

CDBG ECONOMIC DEVELOPMENT	FIRE AND POLICE CAPITAL TAX	EMERGENCY SHELTER	CDBG HOME	CDBG LOAN	CITY PROSECUTING ATTORNEY
\$ 10,835	\$ 1,625,384	\$ -	\$ 2,734	\$ -	\$ 180,993
-	16,211	87,039	10,955	-	-
-	-	-	-	-	-
-	-	-	3,600	64,464	-
10,835	1,641,595	87,039	17,289	64,464	180,993
-	56,070	84,505	1,735	-	396
10,835	13,022	8,648	7,533	80,685	80,597
-	-	-	-	-	-
-	-	-	7,500	2,733	-
10,835	69,092	93,153	16,768	83,418	80,993
-	-	-	3,600	64,464	-
-	1,572,503	-	-	-	100,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(6,114)	(3,079)	(83,418)	-
-	1,572,503	(6,114)	521	(18,954)	100,000
\$ 10,835	\$ 1,641,595	\$ 87,039	\$ 17,289	\$ 64,464	\$ 180,993

(Continued)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
April 30, 2017

	DARE PROGRAM	DELTA FEST	DIVERSION PROGRAM	EQUITABLE SHARE FEDERAL SEIZURE
ASSETS				
Cash and cash equivalents	\$ 1,175	\$ 15,475	\$ 149,593	\$ 8,349
Receivables	12,537	1,000	-	-
Interfund receivables	-	-	-	-
Prepaid expenses and other assets	-	-	-	-
TOTAL ASSETS	13,712	16,475	149,593	8,349
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts and retainage payable	5,052	16,475	-	-
Interfund payables	-	-	100,593	-
Unearned revenue	-	-	-	-
Due to others	-	-	-	-
TOTAL LIABILITIES	5,052	16,475	100,593	-
FUND BALANCES:				
Nonspendable				
Prepaid expenses and other assets	-	-	-	-
Spendable				
Restricted	8,660	-	-	8,349
Committed	-	-	-	-
Assigned	-	-	49,000	-
Unassigned (deficit)	-	-	-	-
TOTAL FUND BALANCES	8,660	-	49,000	8,349
TOTAL LIABILITIES AND FUND BALANCES	\$ 13,712	\$ 16,475	\$ 149,593	\$ 8,349

Exhibit 6

DRUG SEIZURE LOCAL/STATE	POLICE SALARY SALES TAX	FIRE SALARY SALES TAX	JUSTICE ASSISTANCE GRANT
\$ 8,134	\$ 837,130	\$ 888,450	\$ 8,000
1,318	310,968	310,968	63,274
-	-	-	-
-	-	-	-
<u>9,452</u>	<u>1,148,098</u>	<u>1,199,418</u>	<u>71,274</u>
-	-	-	-
-	-	-	71,274
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>71,274</u>
-	-	-	-
-	1,148,098	1,199,418	-
-	-	-	-
9,452	-	-	-
-	-	-	-
<u>9,452</u>	<u>1,148,098</u>	<u>1,199,418</u>	<u>-</u>
\$ 9,452	\$ 1,148,098	\$ 1,199,418	\$ 71,274

(Continued)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
April 30, 2017

	DOWNTOWN ECONOMIC DEVELOPMENT	ADMINISTRATIVE ECONOMIC DEVELOPMENT	HOME PROGRAM LOANS	REPAIRS AND MAINTENANCE
ASSETS				
Cash and cash equivalents	\$ 10,431	\$ 513,819	\$ 154,201	\$ 22,712
Receivables	44,564	-	-	-
Interfund receivables	-	-	198,180	-
Prepaid expenses and other assets	-	-	155,088	-
TOTAL ASSETS	54,995	513,819	507,469	22,712
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts and retainage payable	-	-	-	-
Interfund payables	-	14,279	-	20,303
Unearned revenue	-	-	-	-
Due to others	-	-	16,707	-
TOTAL LIABILITIES	-	14,279	16,707	20,303
FUND BALANCES:				
Nonspendable				
Prepaid expenses and other assets	-	-	155,088	-
Spendable				
Restricted	-	-	335,674	-
Committed	-	-	-	-
Assigned	54,995	499,540	-	2,409
Unassigned (deficit)	-	-	-	-
TOTAL FUND BALANCES	54,995	499,540	490,762	2,409
TOTAL LIABILITIES AND FUND BALANCES	\$ 54,995	\$ 513,819	\$ 507,469	\$ 22,712

Exhibit 6

CAPITAL	DEMOLITION	EMPLOYEES' BENEFITS
\$ -	\$ 12,119	\$ 60,541
227,801	-	227,801
-	-	-
285,982	-	-
513,783	12,119	288,342
-	-	-
353,957	-	50,000
-	-	-
-	-	-
353,957	-	50,000
285,982	-	-
-	-	-
-	-	238,342
-	12,119	-
(126,156)	-	-
159,826	12,119	238,342
\$ 513,783	\$ 12,119	\$ 288,342

(Continued)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
April 30, 2017

	DOWNTOWN RIVER MARKET	MPD K-9 DONATIONS	PTFA - 2012	OUACHITA WELL
ASSETS				
Cash and cash equivalents	\$ 3,013	\$ 27,491	\$ 211,922	\$ -
Receivables	357	500	-	-
Interfund receivables	-	-	-	-
Prepaid expenses and other assets	-	-	-	-
TOTAL ASSETS	3,370	27,991	211,922	-
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts and retainage payable	3,370	-	-	-
Interfund payables	-	-	211,922	-
Unearned revenue	-	-	-	-
Due to others	-	-	-	-
TOTAL LIABILITIES	3,370	-	211,922	-
FUND BALANCES:				
Nonspendable				
Prepaid expenses and other assets	-	-	-	-
Spendable				
Restricted	-	27,991	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	-	-	-	-
TOTAL FUND BALANCES	-	27,991	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,370	\$ 27,991	\$ 211,922	\$ -

Exhibit 6

FIRE CAPITAL LEASE	PTFA - 2015	SOUTHSIDE ECONOMIC DEV DISTRICT	GARRETT BUILDING REPAIRS	TOTAL
\$ -	\$ 554,118	\$ 49,289	\$ -	\$ 6,014,099
-	-	-	-	1,733,636
-	-	-	-	207,046
-	-	-	-	512,735
-	554,118	49,289	-	8,467,516
-	-	4,210	-	257,381
-	-	-	-	1,297,425
-	-	-	-	799
-	-	-	-	29,556
-	-	4,210	-	1,585,161
-	-	-	-	512,735
-	554,118	-	-	5,681,052
-	-	45,079	-	283,421
-	-	-	-	627,515
-	-	-	-	(222,368)
-	554,118	45,079	-	6,882,355
\$ -	\$ 554,118	\$ 49,289	\$ -	\$ 8,467,516

(Concluded)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended April 30, 2017

	FIRE DEPARTMENT INSURANCE	COMMUNITY DEVELOPMENT BLOCK GRANT	URBAN DEVELOPMENT ACTION	RENTAL REHABILITATION
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Intergovernmental revenues	209,752	546,875	-	-
Fees, charges and commissions for services	-	2,563	947	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	-	-	-
Miscellaneous revenues	-	-	-	-
Total revenues	<u>209,752</u>	<u>549,438</u>	<u>947</u>	<u>-</u>
EXPENDITURES				
Current:				
General government				
Judicial	-	-	-	-
Financial administration	-	-	-	-
Public safety				
Police	-	-	-	-
Fire	91,269	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Planning and urban development	-	566,930	-	-
Economic development and assistance	-	-	-	-
Capital outlay	535,677	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and bank charges	-	-	-	-
Total expenditures	<u>626,946</u>	<u>566,930</u>	<u>-</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(417,194)</u>	<u>(17,492)</u>	<u>947</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	17,492	-	-
Transfers out	(2,990)	-	(18,190)	(115,992)
Capital proceeds	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>(2,990)</u>	<u>17,492</u>	<u>(18,190)</u>	<u>(115,992)</u>
NET CHANGE IN FUND BALANCES	<u>(420,184)</u>	<u>-</u>	<u>(17,243)</u>	<u>(115,992)</u>
FUND BALANCES - BEGINNING	<u>1,145,478</u>	<u>-</u>	<u>18,190</u>	<u>115,992</u>
FUND BALANCES (Deficit) - ENDING	<u>\$ 725,294</u>	<u>\$ -</u>	<u>\$ 947</u>	<u>\$ -</u>

Exhibit 7

CDBG ECONOMIC DEVELOPMENT	FIRE AND POLICE CAPITAL TAX	EMERGENCY SHELTER	CDBG HOME	CDBG LOAN	CITY PROSECUTING ATTORNEY
\$ -	\$ 1,261,652	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	220,211	269,040	-	-
-	-	-	45	1,603	6,276
-	-	-	-	-	-
-	2,919	-	-	1,640	-
-	-	-	-	134	-
-	1,264,571	220,211	269,085	3,377	6,276
-	-	-	-	-	-
-	-	-	-	-	-
-	1,500	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	226,325	269,040	-	-
-	-	-	-	-	-
-	1,592,486	-	-	-	-
-	900,117	-	-	-	-
-	42,920	-	-	-	-
-	2,537,023	226,325	269,040	-	-
-	(1,272,452)	(6,114)	45	3,377	6,276
-	-	-	-	-	-
(10,835)	(179,664)	-	-	-	(80,597)
-	1,626,825	-	-	-	-
(10,835)	1,447,161	-	-	-	(80,597)
(10,835)	174,709	(6,114)	45	3,377	(74,321)
10,835	1,397,794	-	476	(22,331)	174,321
\$ -	\$ 1,572,503	\$ (6,114)	\$ 521	\$ (18,954)	\$ 100,000

(Continued)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended April 30, 2017

	DARE PROGRAM	DELTA FEST	DIVERSION PROGRAM	EQUITABLE SHARE FEDERAL SEIZURE
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Intergovernmental revenues	27,785	-	-	-
Fees, charges and commissions for services	-	80,075	63,608	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	-	-	-
Miscellaneous revenues	-	1,003	-	-
Total revenues	<u>27,785</u>	<u>81,078</u>	<u>63,608</u>	<u>-</u>
EXPENDITURES				
Current:				
General government				
Judicial	-	-	415	-
Financial administration	-	-	-	-
Public safety				
Police	28,382	-	-	2,995
Fire	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	112,640	-	-
Planning and urban development	-	-	-	-
Economic development and assistance	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and bank charges	-	-	-	-
Total expenditures	<u>28,382</u>	<u>112,640</u>	<u>415</u>	<u>2,995</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(597)</u>	<u>(31,562)</u>	<u>63,193</u>	<u>(2,995)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	31,562	-	-
Transfers out	(74,749)	-	(100,593)	-
Capital proceeds	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>(74,749)</u>	<u>31,562</u>	<u>(100,593)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(75,346)</u>	<u>-</u>	<u>(37,400)</u>	<u>(2,995)</u>
FUND BALANCES - BEGINNING	<u>84,006</u>	<u>-</u>	<u>86,400</u>	<u>11,344</u>
FUND BALANCES (Deficit) - ENDING	<u>\$ 8,660</u>	<u>\$ -</u>	<u>\$ 49,000</u>	<u>\$ 8,349</u>

Exhibit 7

DRUG SEIZURE LOCAL/STATE	POLICE SALARY SALES TAX	FIRE SALARY SALES TAX	JUSTICE ASSISTANCE GRANT
\$ -	\$ -	\$ -	\$ -
-	3,986,716	3,986,716	-
-	-	-	96,034
-	-	-	-
8,977	-	-	-
-	696	882	-
-	-	-	-
<u>8,977</u>	<u>3,987,412</u>	<u>3,987,598</u>	<u>96,034</u>
-	-	-	-
-	-	-	-
539	3,980,995	-	96,034
-	-	4,111,789	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>539</u>	<u>3,980,995</u>	<u>4,111,789</u>	<u>96,034</u>
<u>8,438</u>	<u>6,417</u>	<u>(124,191)</u>	<u>-</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>8,438</u>	<u>6,417</u>	<u>(124,191)</u>	<u>-</u>
<u>1,014</u>	<u>1,141,681</u>	<u>1,323,609</u>	<u>-</u>
<u>\$ 9,452</u>	<u>\$ 1,148,098</u>	<u>\$ 1,199,418</u>	<u>\$ -</u>

(Continued)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended April 30, 2017

	DOWNTOWN ECONOMIC DEVELOPMENT	ADMINISTRATIVE ECONOMIC DEVELOPMENT	HOME PROGRAM LOANS	REPAIRS AND MAINTENANCE
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Intergovernmental revenues	58,974	-	-	-
Fees, charges and commissions for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	-	4,270	-
Miscellaneous revenues	-	102,622	183	-
Total revenues	<u>58,974</u>	<u>102,622</u>	<u>4,453</u>	<u>-</u>
EXPENDITURES				
Current:				
General government				
Judicial	-	-	-	-
Financial administration	-	-	-	20,303
Public safety				
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Planning and urban development	-	-	-	-
Economic development and assistance	-	65,000	-	-
Capital outlay	10,293	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and bank charges	-	-	-	-
Total expenditures	<u>10,293</u>	<u>65,000</u>	<u>-</u>	<u>20,303</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>48,681</u>	<u>37,622</u>	<u>4,453</u>	<u>(20,303)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(170,240)	-	-
Capital proceeds	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>(170,240)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>48,681</u>	<u>(132,618)</u>	<u>4,453</u>	<u>(20,303)</u>
FUND BALANCES - BEGINNING	<u>6,314</u>	<u>632,158</u>	<u>486,309</u>	<u>22,712</u>
FUND BALANCES (Deficit) - ENDING	<u>\$ 54,995</u>	<u>\$ 499,540</u>	<u>\$ 490,762</u>	<u>\$ 2,409</u>

Exhibit 7

CAPITAL	DEMOLITION	EMPLOYEES' BENEFITS
\$ -	\$ -	\$ -
-	-	-
-	-	-
584,604	14,215	584,604
-	-	-
-	-	-
92,622	-	-
<u>677,226</u>	<u>14,215</u>	<u>584,604</u>
53,756	-	-
-	-	70,099
49,025	-	-
-	-	-
-	60,965	-
-	-	-
-	-	-
-	-	-
814,680	-	-
30,754	-	-
<u>948,215</u>	<u>60,965</u>	<u>70,099</u>
<u>(270,989)</u>	<u>(46,750)</u>	<u>514,505</u>
179,664	-	-
(28,985)	-	(520,000)
-	-	-
<u>150,679</u>	<u>-</u>	<u>(520,000)</u>
(120,310)	(46,750)	(5,495)
280,136	58,869	243,837
<u>\$ 159,826</u>	<u>\$ 12,119</u>	<u>\$ 238,342</u>

(Continued)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended April 30, 2017

	DOWNTOWN RIVER MARKET	MPD K-9 DONATIONS	PTFA - 2012	OUACHITA WELL
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-
Intergovernmental revenues	10,500	-	-	-
Fees, charges and commissions for services	29,896	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	-	222	-
Miscellaneous revenues	24,775	2,217	-	-
Total revenues	<u>65,171</u>	<u>2,217</u>	<u>222</u>	<u>-</u>
EXPENDITURES				
Current:				
General government				
Judicial	-	-	-	-
Financial administration	-	-	-	-
Public safety				
Police	-	1,934	-	-
Fire	-	-	-	-
Public works				
Culture and recreation	288,565	-	-	-
Planning and urban development	-	-	-	-
Economic development and assistance	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and bank charges	-	-	-	-
Total expenditures	<u>288,565</u>	<u>1,934</u>	<u>-</u>	<u>-</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(223,394)</u>	<u>283</u>	<u>222</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	223,394	-	-	1,522
Transfers out	-	-	(211,922)	(17,800)
Capital proceeds	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>223,394</u>	<u>-</u>	<u>(211,922)</u>	<u>(16,278)</u>
NET CHANGE IN FUND BALANCES	-	283	(211,700)	(16,278)
FUND BALANCES - BEGINNING	<u>-</u>	<u>27,708</u>	<u>211,700</u>	<u>16,278</u>
FUND BALANCES (Deficit) - ENDING	<u>\$ -</u>	<u>\$ 27,991</u>	<u>\$ -</u>	<u>\$ -</u>

Exhibit 7

FIRE CAPITAL LEASE	PTFA - 2015	SOUTHSIDE ECONOMIC DEV DISTRICT	GARRETT BUILDING REPAIRS	TOTAL
\$ -	\$ -	\$ -	\$ -	\$ 1,261,652
-	-	-	-	7,973,432
-	-	-	16,837	1,456,008
-	-	-	-	1,368,436
-	-	-	-	8,977
-	-	-	-	10,629
-	-	-	-	223,556
-	-	-	16,837	12,302,690
-	-	-	-	54,171
-	-	28,125	-	118,527
-	-	-	-	4,161,404
-	-	-	-	4,203,058
-	-	-	15,232	76,197
-	-	-	-	401,205
8,698	-	-	-	1,070,993
-	-	-	-	65,000
-	-	-	-	2,138,456
-	-	-	-	1,714,797
-	-	-	-	73,674
8,698	-	28,125	15,232	14,077,482
(8,698)	-	(28,125)	1,605	(1,774,792)
2,990	-	73,204	745	530,573
-	-	-	-	(1,532,557)
-	-	-	-	1,626,825
2,990	-	73,204	745	624,841
(5,708)	-	45,079	2,350	(1,149,951)
5,708	554,118	-	(2,350)	8,032,306
\$ -	\$ 554,118	\$ 45,079	\$ -	\$ 6,882,355

(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, 2017

Exhibit 8

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Intergovernmental revenues	\$ 160,000	\$ 209,752	\$ 49,752
Total Revenues	160,000	209,752	49,752
EXPENDITURES			
Current:			
Fire	138,000	91,269	46,731
Capital outlay	676,228	535,677	140,551
Total Expenditures	814,228	626,946	187,282
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(654,228)	(417,194)	237,034
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(2,990)	(2,990)
TOTAL OTHER FINANCING SOURCES	-	(2,990)	(2,990)
NET CHANGE IN FUND BALANCES	(654,228)	(420,184)	234,044
FUND BALANCES - BEGINNING	-	1,145,478	1,145,478
FUND BALANCES (Deficit) - ENDING	\$ (654,228)	\$ 725,294	\$ 1,379,522

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, 2017

Exhibit 9

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Intergovernmental revenues	\$ 645,261	\$ 546,875	\$ (98,386)
Fees, charges and commissions for services	1,170	2,563	1,393
Total Revenues	646,431	549,438	(96,993)
EXPENDITURES			
Current:			
Planning and urban development	698,974	566,930	132,044
Total Expenditures	698,974	566,930	132,044
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(52,543)	(17,492)	35,051
OTHER FINANCING SOURCES (USES)			
Transfers in	53,713	17,492	(36,221)
TOTAL OTHER FINANCING SOURCES	53,713	17,492	(36,221)
NET CHANGE IN FUND BALANCES	1,170	-	(1,170)
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES (Deficit) - ENDING	\$ 1,170	\$ -	\$ (1,170)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
URBAN DEVELOPMENT ACTION
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended April 30, 2017

Exhibit 10

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Fees, charges and commissions for services	\$ 947	\$ 947	\$ -
Total Revenues	947	947	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	947	947	-
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(18,190)	(18,190)
TOTAL OTHER FINANCING SOURCES	-	(18,190)	(18,190)
NET CHANGE IN FUND BALANCES	947	(17,243)	(18,190)
FUND BALANCES - BEGINNING	-	18,190	18,190
FUND BALANCES - ENDING	\$ 947	\$ 947	\$ -

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
RENTAL REHABILITATION
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended April 30, 2017

Exhibit 11

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:	\$ -	\$ -	\$ -
Total Revenues	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(115,992)	(115,992)
TOTAL OTHER FINANCING SOURCES	-	(115,992)	(115,992)
NET CHANGE IN FUND BALANCES	-	(115,992)	(115,992)
FUND BALANCES - BEGINNING	-	115,992	115,992
FUND BALANCES - ENDING	\$ -	\$ -	\$ -

The City budgeted zero amounts.

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
CDBG ECONOMIC DEVELOPMENT
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended April 30, 2017

Exhibit 12

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:	\$ -	\$ -	\$ -
Total Revenues	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(10,835)	(10,835)
TOTAL OTHER FINANCING SOURCES	-	(10,835)	(10,835)
NET CHANGE IN FUND BALANCES	-	(10,835)	(10,835)
FUND BALANCES - BEGINNING	-	10,835	10,835
FUND BALANCES - ENDING	\$ -	\$ -	\$ -

The City budgeted zero amounts.

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, 2017

Exhibit 13

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 1,260,958	\$ 1,261,652	\$ 694
Use of money and property	2,726	2,919	193
Total Revenues	1,263,684	1,264,571	887
EXPENDITURES			
Current:			
Public safety			
Police	-	1,500	(1,500)
Capital outlay	2,793,117	1,592,486	1,200,631
Debt service:			
Principal retirement	491,852	900,117	(408,265)
Interest and bank charges	32,861	42,920	(10,059)
Total Expenditures	3,317,830	2,537,023	780,807
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(2,054,146)	(1,272,452)	781,694
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(179,664)	(179,664)
Capital proceeds	1,625,423	1,626,825	1,402
TOTAL OTHER FINANCING SOURCES	1,625,423	1,447,161	(178,262)
NET CHANGE IN FUND BALANCES	(428,723)	174,709	603,432
FUND BALANCES - BEGINNING	-	1,397,794	1,397,794
FUND BALANCES (Deficit) - ENDING	\$ (428,723)	\$ 1,572,503	\$ 2,001,226

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, 2017

Exhibit 14

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Intergovernmental revenues	\$ 228,593	\$ 220,211	\$ (8,382)
Total Revenues	228,593	220,211	(8,382)
EXPENDITURES			
Current:			
Planning and urban development	215,117	226,325	(11,208)
Total Expenditures	215,117	226,325	(11,208)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	13,476	(6,114)	(19,590)
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES (Deficit) - ENDING	\$ 13,476	\$ (6,114)	\$ (19,590)

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, 2017

Exhibit 15

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Intergovernmental revenues	\$ 297,934	\$ 269,040	\$ (28,894)
Fees, charges and commissions for services	-	45	45
Total Revenues	297,934	269,085	(28,849)
EXPENDITURES			
Current:			
Planning and urban development	297,934	269,040	28,894
Total Expenditures	297,934	269,040	28,894
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	45	45
FUND BALANCES - BEGINNING	-	476	476
FUND BALANCES - ENDING	\$ -	\$ 521	\$ 521

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, 2017

Exhibit 16

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Fees, charges and commissions for services	\$ -	\$ 1,603	\$ 1,603
Use of money and property	1,475	1,640	165
Miscellaneous revenues	120	134	14
Total Revenues	1,595	3,377	1,782
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,595	3,377	1,782
FUND BALANCES - BEGINNING	-	(22,331)	(22,331)
FUND BALANCES (Deficit) - ENDING	\$ 1,595	\$ (18,954)	\$ (20,549)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
CITY PROSECUTING ATTORNEY
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended April 30, 2017

Exhibit 17

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Fees, charges and commissions for services	\$ 6,451	\$ 6,276	\$ (175)
Total Revenues	6,451	6,276	(175)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	6,451	6,276	(175)
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(80,597)	(80,597)
TOTAL OTHER FINANCING SOURCES	-	(80,597)	(80,597)
NET CHANGE IN FUND BALANCES	6,451	(74,321)	(80,772)
FUND BALANCES - BEGINNING	-	174,321	174,321
FUND BALANCES - ENDING	\$ 6,451	\$ 100,000	\$ 93,549

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, 2017

Exhibit 18

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Intergovernmental revenues	\$ 15,248	\$ 27,785	\$ 12,537
Total Revenues	15,248	27,785	12,537
EXPENDITURES			
Current:			
Public safety			
Police	24,809	28,382	(3,573)
Total Expenditures	24,809	28,382	(3,573)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(9,561)	(597)	8,964
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(74,749)	(74,749)
TOTAL OTHER FINANCING SOURCES	-	(74,749)	(74,749)
NET CHANGE IN FUND BALANCES	(9,561)	(75,346)	(65,785)
FUND BALANCES - BEGINNING	-	84,006	84,006
FUND BALANCES (Deficit) - ENDING	\$ (9,561)	\$ 8,660	\$ 18,221

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, 2017

Exhibit 19

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Intergovernmental revenues	\$ 7,500	\$ -	\$ (7,500)
Fees, charges and commissions for services	221,587	80,075	(141,512)
Miscellaneous revenues	15,000	1,003	(13,997)
Total Revenues	244,087	81,078	(163,009)
EXPENDITURES			
Current:			
Culture and recreation	249,663	112,640	137,023
Total Expenditures	249,663	112,640	137,023
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(5,576)	(31,562)	(25,986)
OTHER FINANCING SOURCES (USES)			
Transfers in	5,076	31,562	26,486
TOTAL OTHER FINANCING SOURCES	5,076	31,562	26,486
NET CHANGE IN FUND BALANCES	(500)	-	500
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES (Deficit) - ENDING	\$ (500)	\$ -	\$ 500

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, 2017

Exhibit 20

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Fees, charges and commissions for services	\$ 50,000	\$ 63,608	\$ 13,608
Total Revenues	50,000	63,608	13,608
EXPENDITURES			
Current:			
General government			
Judicial	-	415	(415)
Total Expenditures	-	415	(415)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	50,000	63,193	13,193
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(100,593)	(100,593)
TOTAL OTHER FINANCING SOURCES	-	(100,593)	(100,593)
NET CHANGE IN FUND BALANCES	50,000	(37,400)	(87,400)
FUND BALANCES - BEGINNING	-	86,400	86,400
FUND BALANCES (Deficit) - ENDING	\$ 50,000	\$ 49,000	\$ (1,000)

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, 2017

Exhibit 21

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Miscellaneous revenues	\$ -	\$ -	\$ -
Total Revenues	-	-	-
EXPENDITURES			
Current:			
Public safety			
Police	2,995	2,995	-
Total Expenditures	2,995	2,995	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(2,995)	(2,995)	-
FUND BALANCES - BEGINNING	-	11,344	11,344
FUND BALANCES (Deficit) - ENDING	\$ (2,995)	\$ 8,349	\$ 11,344

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, 2017

Exhibit 22

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Fines and forfeitures	\$ 12,000	\$ 8,977	\$ (3,023)
Total Revenues	12,000	8,977	(3,023)
EXPENDITURES			
Current:			
Public safety			
Police	540	539	1
Total Expenditures	540	539	1
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	11,460	8,438	(3,022)
FUND BALANCES - BEGINNING	-	1,014	1,014
FUND BALANCES (Deficit) - ENDING	\$ 11,460	\$ 9,452	\$ (2,008)

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, 2017

Exhibit 23

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Sales	\$ 3,959,752	\$ 3,986,716	\$ 26,964
Use of money and property	1,416	696	(720)
Total Revenues	3,961,168	3,987,412	26,244
EXPENDITURES			
Current:			
Public safety			
Police	3,975,508	3,980,995	(5,487)
Total Expenditures	3,975,508	3,980,995	(5,487)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(14,340)	6,417	20,757
FUND BALANCES - BEGINNING	-	1,141,681	1,141,681
FUND BALANCES (Deficit) - ENDING	\$ (14,340)	\$ 1,148,098	\$ 1,162,438

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, 2017

Exhibit 24

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Taxes:			
Sales	\$ 3,959,752	\$ 3,986,716	\$ 26,964
Use of money and property	2,771	882	(1,889)
Total Revenues	3,962,523	3,987,598	25,075
EXPENDITURES			
Current:			
Public safety			
Fire	4,094,739	4,111,789	(17,050)
Total Expenditures	4,094,739	4,111,789	(17,050)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(132,216)	(124,191)	8,025
FUND BALANCES - BEGINNING	-	1,323,609	1,323,609
FUND BALANCES (Deficit) - ENDING	\$ (132,216)	\$ 1,199,418	\$ 1,331,634

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, 2017

Exhibit 25

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Intergovernmental revenues	\$ 105,400	\$ 96,034	\$ (9,366)
Total Revenues	105,400	96,034	(9,366)
EXPENDITURES			
Current:			
Public safety			
Police	105,400	96,034	9,366
Total Expenditures	105,400	96,034	9,366
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, 2017

Exhibit 26

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Intergovernmental revenues	\$ 20,586	\$ 58,974	\$ 38,388
Total Revenues	20,586	58,974	38,388
EXPENDITURES			
Capital outlay	10,293	10,293	-
Total Expenditures	10,293	10,293	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	10,293	48,681	38,388
FUND BALANCES - BEGINNING	-	6,314	6,314
FUND BALANCES - ENDING	\$ 10,293	\$ 54,995	\$ 44,702

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, 2017

Exhibit 27

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Use of money and property	\$ 5,000	\$ -	\$ (5,000)
Miscellaneous revenues	100,000	102,622	2,622
Total Revenues	105,000	102,622	(2,378)
EXPENDITURES			
Current:			
Economic development and assistance	65,000	65,000	-
Total Expenditures	65,000	65,000	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	40,000	37,622	(2,378)
OTHER FINANCING SOURCES (USES)			
Transfers out	(180,489)	(170,240)	10,249
TOTAL OTHER FINANCING SOURCES	(180,489)	(170,240)	10,249
NET CHANGE IN FUND BALANCES	(140,489)	(132,618)	7,871
FUND BALANCES - BEGINNING	-	632,158	632,158
FUND BALANCES - ENDING	\$ (140,489)	\$ 499,540	\$ 640,029

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, 2017

Exhibit 28

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Use of money and property	\$ 4,400	\$ 4,270	\$ (130)
Miscellaneous revenues	210	183	(27)
Total Revenues	4,610	4,453	(157)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	4,610	4,453	(157)
FUND BALANCES - BEGINNING	-	486,309	486,309
FUND BALANCES - ENDING	\$ 4,610	\$ 490,762	\$ 486,152

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, 2017

Exhibit 29

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Use of money and property	\$ 54	\$ -	\$ (54)
Total Revenues	54	-	(54)
EXPENDITURES			
Current:			
Financial administration	-	20,303	(20,303)
Total Expenditures	-	20,303	(20,303)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	54	(20,303)	(20,357)
FUND BALANCES - BEGINNING	-	22,712	22,712
FUND BALANCES - ENDING	\$ 54	\$ 2,409	\$ 2,355

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, 2017**

Exhibit 30

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Fees, charges and commissions for services	\$ 325,000	\$ 584,604	\$ 259,604
Use of money and property	3,000	-	(3,000)
Miscellaneous revenues	90,000	92,622	2,622
Total Revenues	418,000	677,226	259,226
EXPENDITURES			
Current:			
General government			
Judicial	-	53,756	(53,756)
Public safety			
Police	-	49,025	(49,025)
Debt service:			
Principal retirement	814,680	814,680	-
Interest and bank charges	30,754	30,754	-
Total Expenditures	845,434	948,215	(102,781)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(427,434)	(270,989)	156,445
OTHER FINANCING SOURCES (USES)			
Transfers in	177,655	179,664	2,009
Transfers out	-	(28,985)	(28,985)
TOTAL OTHER FINANCING SOURCES	177,655	150,679	(26,976)
NET CHANGE IN FUND BALANCES	(249,779)	(120,310)	129,469
FUND BALANCES - BEGINNING	-	280,136	280,136
FUND BALANCES (Deficit) - ENDING	\$ (249,779)	\$ 159,826	\$ 409,605

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, 2017

Exhibit 31

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Fees, charges and commissions for services	\$ 12,490	\$ 14,215	\$ 1,725
Total Revenues	12,490	14,215	1,725
EXPENDITURES			
Current:			
Public works	33,249	60,965	(27,716)
Total Expenditures	33,249	60,965	(27,716)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(20,759)	(46,750)	(25,991)
FUND BALANCES - BEGINNING	-	58,869	58,869
FUND BALANCES (Deficit) - ENDING	\$ (20,759)	\$ 12,119	\$ 32,878

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, 2017

Exhibit 32

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Fees, charges and commissions for services	\$ 325,000	\$ 584,604	\$ 259,604
Total Revenues	325,000	584,604	259,604
EXPENDITURES			
Current:			
General government			
Financial administration	70,099	70,099	-
Total Expenditures	70,099	70,099	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	254,901	514,505	259,604
OTHER FINANCING SOURCES (USES)			
Transfers out	(470,000)	(520,000)	(50,000)
TOTAL OTHER FINANCING SOURCES	(470,000)	(520,000)	(50,000)
NET CHANGE IN FUND BALANCES	(215,099)	(5,495)	209,604
FUND BALANCES - BEGINNING	-	243,837	243,837
FUND BALANCES (Deficit) - ENDING	\$ (215,099)	\$ 238,342	\$ 453,441

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, 2017

Exhibit 33

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Intergovernmental revenues	\$ -	\$ 10,500	\$ 10,500
Fees, charges and commissions for services	58,123	29,896	(28,227)
Miscellaneous revenues	12,500	24,775	12,275
Total Revenues	70,623	65,171	(5,452)
EXPENDITURES			
Current:			
Culture and recreation	271,196	288,565	(17,369)
Total Expenditures	271,196	288,565	(17,369)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(200,573)	(223,394)	(22,821)
OTHER FINANCING SOURCES (USES)			
Transfers in	200,573	223,394	22,821
TOTAL OTHER FINANCING SOURCES	200,573	223,394	22,821
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -

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, 2017

Exhibit 34

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Miscellaneous revenues	\$ 10,000	\$ 2,217	\$ (7,783)
Total Revenues	10,000	2,217	(7,783)
EXPENDITURES			
Current:			
Public safety			
Police	1,329	1,934	(605)
Total Expenditures	1,329	1,934	(605)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	8,671	283	(8,388)
NET CHANGE IN FUND BALANCES	8,671	283	(8,388)
FUND BALANCES - BEGINNING	-	27,708	27,708
FUND BALANCES - ENDING	\$ 8,671	\$ 27,991	\$ 19,320

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
PTFA - 2012
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended April 30, 2017

Exhibit 35

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Use of money and property	\$ 176	\$ 222	\$ 46
Total Revenues	176	222	46
EXPENDITURES			
General government	-	-	-
Total Expenditures	-	-	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	176	222	46
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(211,922)	(211,922)
TOTAL OTHER FINANCING SOURCES	-	(211,922)	(211,922)
NET CHANGE IN FUND BALANCES	176	(211,700)	(211,876)
FUND BALANCES - BEGINNING	-	211,700	211,700
FUND BALANCES (Deficit) - ENDING	\$ 176	\$ -	\$ (176)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
OUACHITA WELL
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended April 30, 2017

Exhibit 36

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Intergovernmental revenues	\$ 53,372	\$ -	\$ (53,372)
Total Revenues	53,372	-	(53,372)
EXPENDITURES			
General government	-	-	-
Total Expenditures	-	-	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	53,372	-	(53,372)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	1,522	1,522
Transfers out	-	(17,800)	(17,800)
TOTAL OTHER FINANCING SOURCES	-	(16,278)	(16,278)
NET CHANGE IN FUND BALANCES	53,372	(16,278)	(69,650)
FUND BALANCES - BEGINNING	-	16,278	16,278
FUND BALANCES (Deficit) - ENDING	\$ 53,372	\$ -	\$ (53,372)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
FIRE CAPITAL LEASE
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended April 30, 2017

Exhibit 37

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Miscellaneous revenues	\$ -	\$ -	\$ -
Total Revenues	-	-	-
EXPENDITURES			
Current:			
Planning and urban development	-	8,698	(8,698)
Total Expenditures	-	8,698	(8,698)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	-	(8,698)	(8,698)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	2,990	2,990
TOTAL OTHER FINANCING SOURCES	-	2,990	2,990
NET CHANGE IN FUND BALANCES	-	(5,708)	(5,708)
FUND BALANCES - BEGINNING	-	5,708	5,708
FUND BALANCES - ENDING	\$ -	\$ -	\$ -

The City budgeted zero amounts.

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
PTFA - 2015
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended April 30, 2017

Exhibit 38

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Miscellaneous revenues	\$ -	\$ -	\$ -
Total Revenues	-	-	-
 FUND BALANCES - BEGINNING	-	554,118	554,118
 FUND BALANCES - ENDING	\$ -	\$ 554,118	\$ 554,118

The City budgeted zero amounts.

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, 2017

Exhibit 39

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Miscellaneous revenues	\$ -	\$ -	\$ -
Total Revenues	-	-	-
EXPENDITURES			
Current:			
Financial administration	13,529	28,125	(14,596)
Total Expenditures	13,529	28,125	(14,596)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(13,529)	(28,125)	(14,596)
OTHER FINANCING SOURCES (USES)			
Transfers in	23,204	73,204	50,000
TOTAL OTHER FINANCING SOURCES	23,204	73,204	50,000
NET CHANGE IN FUND BALANCES	9,675	45,079	35,404
FUND BALANCES - BEGINNING	-	-	-
FUND BALANCES - ENDING	\$ 9,675	\$ 45,079	\$ 35,404

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
GARRETT BUILDING REPAIRS
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended April 30, 2017

Exhibit 40

	BUDGET	ACTUAL	VARIANCE OVER (UNDER)
REVENUES			
Local sources:			
Intergovernmental revenues	\$ 16,837	\$ 16,837	\$ -
Total Revenues	16,837	16,837	-
EXPENDITURES			
Current:			
Public works	15,232	15,232	-
Total Expenditures	15,232	15,232	-
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,605	1,605	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	745	745
TOTAL OTHER FINANCING SOURCES	-	745	745
NET CHANGE IN FUND BALANCES	1,605	2,350	745
FUND BALANCES - BEGINNING	-	(2,350)	(2,350)
FUND BALANCES (Deficit) - ENDING	\$ 1,605	\$ -	\$ (1,605)

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, 2017**

Exhibit 41

	I-20 ECONOMIC DEVELOPMENT DISTRICT	TOWER DRIVE ECONOMIC DEVELOPMENT DISTRICT	SALES TAX BOND	TOTAL
ASSETS				
Cash and cash equivalents	\$ 4,479,084	\$ 344,509	\$ 3,190,801	\$ 8,014,394
Receivables	762,912	254,822	-	1,017,734
TOTAL ASSETS	5,241,996	599,331	3,190,801	9,032,128
FUND BALANCES:				
Restricted for debt service	5,241,996	599,331	3,190,801	9,032,128
TOTAL FUND BALANCES	\$ 5,241,996	\$ 599,331	\$ 3,190,801	\$ 9,032,128

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, 2017

Exhibit 42

	I-20 ECONOMIC DEVELOPMENT DISTRICT	TOWER DRIVE ECONOMIC DEVELOPMENT DISTRICT	SALES TAX BOND	TOTAL
REVENUES				
Local sources:				
Taxes				
Sales	\$ 3,383,769	\$ 1,056,005	\$ -	\$ 4,439,774
Use of money and property	4,348	882	57,143	62,373
Total revenues	<u>3,388,117</u>	<u>1,056,887</u>	<u>57,143</u>	<u>4,502,147</u>
EXPENDITURES				
Current:				
General government				
Financial administration	8,401	-	-	8,401
Debt service:				
Principal retirement	2,280,000	785,000	2,283,600	5,348,600
Interest and bank charges	726,560	218,435	1,676,828	2,621,823
Total expenditures	<u>3,014,961</u>	<u>1,003,435</u>	<u>3,960,428</u>	<u>7,978,824</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	373,156	53,452	(3,903,285)	(3,476,677)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	4,002,032	4,002,032
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>4,002,032</u>	<u>4,002,032</u>
NET CHANGE IN FUND BALANCES	373,156	53,452	98,747	525,355
FUND BALANCES - BEGINNING	<u>4,868,840</u>	<u>545,879</u>	<u>3,092,054</u>	<u>8,506,773</u>
FUND BALANCES - ENDING	<u>\$ 5,241,996</u>	<u>\$ 599,331</u>	<u>\$ 3,190,801</u>	<u>\$ 9,032,128</u>

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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.

North 18TH Street Extension - The fund is used to account for construction along the North 18th Street Extension.

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.

DRU Gustav/Ike Storm Water - The fund accounts for the expenses associated with the repairs/replacement of certain storm water facilities throughout the City. The City's match is the engineering expense.

Rochelle Pump Station - The fund accounts for the building of a retention pond and pump station project. 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.

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.

Enhancement Winnsboro Road - The fund is used for the construction of sidewalks along Winnsboro Road.

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, 2017

	U. S. 165 LIGHTING PROJECT	NORTH 18TH STREET EXTENSION	TOWER DRIVE	STREET CONSTRUCTION
ASSETS				
Cash and cash equivalents	\$ -	\$ 104,713	\$ 635,344	\$ -
Receivables	-	-	-	262,761
Interfund receivables	-	-	-	-
TOTAL ASSETS	-	104,713	635,344	262,761
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts and retainage payable	-	-	-	14,466
Interfund payables	3,318	104,713	-	186,442
TOTAL LIABILITIES	3,318	104,713	-	200,908
FUND BALANCES:				
Spendable				
Restricted for capital improvements	-	-	635,344	61,853
Unassigned (deficit)	(3,318)	-	-	-
TOTAL FUND BALANCES (Deficits)	(3,318)	-	635,344	61,853
TOTAL LIABILITIES AND FUND BALANCES (Deficits)	\$ -	\$ 104,713	\$ 635,344	\$ 262,761

Exhibit 43

FIRE/DRAINAGE IMPROVEMENTS	US 165 BUSINESS CONNECTOR	KANSAS LANE CONNECTOR	COMMUNITY CENTER REPAIRS
\$ 120,019	\$ 13,981	\$ -	\$ -
-	-	1,453,943	433
-	-	-	220,766
<u>120,019</u>	<u>13,981</u>	<u>1,453,943</u>	<u>221,199</u>
-	4,040	39,448	-
-	-	1,773,965	1,238,226
-	<u>4,040</u>	<u>1,813,413</u>	<u>1,238,226</u>
120,019	9,941	-	-
-	-	(359,470)	(1,017,027)
<u>120,019</u>	<u>9,941</u>	<u>(359,470)</u>	<u>(1,017,027)</u>
<u>\$ 120,019</u>	<u>\$ 13,981</u>	<u>\$ 1,453,943</u>	<u>\$ 221,199</u>

(Continued)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR CAPITAL PROJECTS FUNDS
Combining Balance Sheet
April 30, 2017

	DRU GUSTAV/IKE STORM WATER	ROCHELLE PUMP STATION	TRAILS GRANT LEVEE	HWY 165 S INFRASTRUCTURE
ASSETS				
Cash and cash equivalents	\$ 71,983	\$ -	\$ -	\$ -
Receivables	88,300	-	8,036	-
Interfund receivables	7,836	84,860	-	146,625
TOTAL ASSETS	168,119	84,860	8,036	146,625
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts and retainage payable	168,119	-	455	52,634
Interfund payables	-	84,860	-	73,205
TOTAL LIABILITIES	168,119	84,860	455	125,839
FUND BALANCES:				
Spendable				
Restricted for capital improvements	-	-	7,581	20,786
Unassigned (deficit)	-	-	-	-
TOTAL FUND BALANCES (Deficits)	-	-	7,581	20,786
TOTAL LIABILITIES AND FUND BALANCES (Deficits)	\$ 168,119	\$ 84,860	\$ 8,036	\$ 146,625

Exhibit 43

ENHANCEMENT WINNSBORO ROAD	GEORGIA ST. PUMP STATION	I-20 CORRIDOR IMPROVEMENTS	TOTAL
\$ -	\$ -	\$ 9,736,490	\$ 10,682,530
-	-	-	1,813,473
-	6,443	-	466,530
-	6,443	9,736,490	12,962,533
-	-	160,718	439,880
-	6,443	-	3,471,172
-	6,443	160,718	3,911,052
-	-	9,575,772	10,431,296
-	-	-	(1,379,815)
-	-	9,575,772	9,051,481
\$ -	\$ 6,443	\$ 9,736,490	\$ 12,962,533

(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, 2017

	U.S. 165 LIGHTING PROJECT	NORTH 18TH STREET EXTENSION	TOWER DRIVE	STREET CONSTRUCTION
REVENUES				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ 345,937
Use of money and property	-	-	-	-
Total revenues	-	-	-	345,937
EXPENDITURES				
Current:				
General government				
Financial administration	-	-	4,650	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital outlay	3,318	-	-	512,625
Debt service:				
Interest and bank charges	-	-	-	-
Total expenditures	3,318	-	4,650	512,625
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(3,318)	-	(4,650)	(166,688)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(104,713)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(104,713)	-	-
NET CHANGE IN FUND BALANCES	(3,318)	(104,713)	(4,650)	(166,688)
FUND BALANCES (Deficits) - BEGINNING	-	104,713	639,994	228,541
PRIOR PERIOD ADJUSTMENT	-	-	-	-
FUND BALANCES (Deficits) - BEGINNING AS RESTATED	-	104,713	639,994	228,541
FUND BALANCES (Deficits) - ENDING	\$ (3,318)	\$ -	\$ 635,344	\$ 61,853

Exhibit 44

FIRE/DRAINAGE IMPROVEMENTS	US 165 BUSINESS CONNECTOR	KANSAS LANE CONNECTOR	COMMUNITY CENTER REPAIRS
\$ -	\$ -	\$ 1,453,943	\$ -
154	-	-	-
154	-	1,453,943	-
-	-	-	-
-	-	-	-
-	8,565	8,811	-
4,875	69,543	1,525,322	220,766
-	-	-	-
4,875	78,108	1,534,133	220,766
(4,721)	(78,108)	(80,190)	(220,766)
-	-	-	220,766
-	-	-	-
-	-	-	220,766
(4,721)	(78,108)	(80,190)	-
124,740	88,049	(30,696)	-
-	-	(248,584)	(1,017,027)
124,740	88,049	(279,280)	(1,017,027)
\$ 120,019	\$ 9,941	\$ (359,470)	\$ (1,017,027)

(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, 2017

	DRU GUSTAV/IKE STORM WATER	ROCHELLE PUMP STATION	TRAILS GRANT LEVEE	HWY 165 S INFRASTRUCURE
REVENUES				
Intergovernmental revenues	\$ 86,194	\$ -	\$ 8,036	\$ -
Use of money and property	-	-	-	-
Total revenues	<u>86,194</u>	<u>-</u>	<u>8,036</u>	<u>-</u>
EXPENDITURES				
Current:				
General government				
Financial administration	-	-	-	-
Public safety	-	-	-	-
Public works	-	12,860	-	-
Capital outlay	98,480	72,000	19,280	208,596
Debt service:				
Interest and bank charges	-	-	-	-
Total expenditures	<u>98,480</u>	<u>84,860</u>	<u>19,280</u>	<u>208,596</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(12,286)</u>	<u>(84,860)</u>	<u>(11,244)</u>	<u>(208,596)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	12,286	84,860	18,825	229,382
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>12,286</u>	<u>84,860</u>	<u>18,825</u>	<u>229,382</u>
NET CHANGE IN FUND BALANCES	-	-	7,581	20,786
FUND BALANCES (Deficits) - BEGINNING	-	-	-	-
PRIOR PERIOD ADJUSTMENT	-	-	-	-
FUND BALANCES (Deficits)- BEGINNING AS RESTATED	-	-	-	-
FUND BALANCES (Deficits) - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,581</u>	<u>\$ 20,786</u>

Exhibit 44

ENHANCEMENT WINNSBORO ROAD	GEORGIA ST. PUMP STATION	I-20 CORRIDOR IMPROVEMENTS	TOTAL
\$ -	\$ -	\$ -	\$ 1,894,110
-	-	14,355	14,509
-	-	14,355	1,908,619
-	-	42,031	46,681
-	-	-	-
-	734	-	30,970
5,710	5,709	3,241,410	5,987,634
-	-	1,635	1,635
5,710	6,443	3,285,076	6,066,920
(5,710)	(6,443)	(3,270,721)	(4,158,301)
5,710	6,443	-	578,272
-	-	-	(104,713)
5,710	6,443	-	473,559
-	-	(3,270,721)	(3,684,742)
-	-	12,846,493	14,001,834
-	-	-	(1,265,611)
-	-	12,846,493	12,736,223
\$ -	\$ -	\$ 9,575,772	\$ 9,051,481

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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
April 30, 2017

Exhibit 45

	MONROE TRANSIT SYSTEM	MONROE CIVIC CENTER	LOUISIANA PURCHASE GARDENS AND ZOO	TOTAL
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 800	\$ 10,500	\$ 2,500	\$ 13,800
Receivables, net	24,926	16,010	13,510	54,446
Interfund receivables	-	5,673	5,673	11,346
Inventories	158,322	-	-	158,322
Prepaid expenses and other assets	166,250	99,077	4,064	269,391
Total Current Assets	350,298	131,260	25,747	507,305
Noncurrent Assets:				
Capital Assets				
Land and construction in progress	148,239	993,540	-	1,141,779
Depreciable assets, net of depreciation	2,752,469	2,931,940	659,598	6,344,007
Total Noncurrent Assets	2,900,708	3,925,480	659,598	7,485,786
TOTAL ASSETS	3,251,006	4,056,740	685,345	7,993,091
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	1,074,543	480,098	459,065	2,013,706
LIABILITIES				
Current Liabilities:				
Accounts and retainage payables	105,880	70,893	40,319	217,092
Unearned revenue	-	47,310	-	47,310
Due to others	-	7,618	-	7,618
Customer deposits, net	2,500	-	-	2,500
Current portion of long term debt	159,867	55,772	64,625	280,264
Total Current Liabilities	268,247	181,593	104,944	554,784
Noncurrent Liabilities:				
Compensated absences	126,155	44,010	50,997	221,162
Revenue bonds, notes payable, net and pension liability	3,189,774	1,403,638	1,330,940	5,924,352
Total Noncurrent Liabilities	3,315,929	1,447,648	1,381,937	6,145,514
TOTAL LIABILITIES	3,584,176	1,629,241	1,486,881	6,700,298
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	117,582	49,557	45,835	212,974
NET POSITION				
Net investment in capital assets	2,900,708	3,925,480	659,598	7,485,786
Unrestricted - (deficit)	(2,276,917)	(1,067,440)	(1,047,904)	(4,392,261)
TOTAL NET POSITION (Deficit)	\$ 623,791	\$ 2,858,040	\$ (388,306)	\$ 3,093,525

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, 2017

Exhibit 46

	MONROE TRANSIT SYSTEM	MONROE CIVIC CENTER	LOUISIANA PURCHASE GARDENS AND ZOO	TOTAL
OPERATING REVENUES				
Rents and fees	\$ -	\$ 1,036,597	\$ 7,092	\$ 1,043,689
Fares	596,954	-	-	596,954
Advertising	41,234	5,000	-	46,234
Ticket sales and other	-	6,235	-	6,235
Admissions	-	-	252,347	252,347
Concessions and rides	-	230,108	59,501	289,609
Other operating revenue	9,739	5,123	12,737	27,599
Air Industrial Park rent	-	-	-	-
Total operating revenues	647,927	1,283,063	331,677	2,262,667
OPERATING EXPENSES				
Salaries, wages, and benefits	2,808,227	1,222,144	1,200,459	5,230,830
Materials, repairs and supplies	1,272,962	355,429	102,560	1,730,951
Utilities and communications	133,482	563,797	70,531	767,810
Insurance	421,817	101,224	13,889	536,930
Promoter's expenses	-	412,394	29,199	441,593
Other operating expenses	536,078	362,446	313,835	1,212,359
Depreciation and amortization	817,172	1,141,704	156,718	2,115,594
Total operating expenses	5,989,738	4,159,138	1,887,191	12,036,067
OPERATING INCOME (Loss)	(5,341,811)	(2,876,075)	(1,555,514)	(9,773,400)
NONOPERATING REVENUES (EXPENSES)				
Intergovernmental grants	1,050,182	-	-	1,050,182
Gain (loss) on sale of assets	(109,463)	-	-	(109,463)
Interest income	-	2,212	2,212	4,424
Property taxes	-	1,052,518	1,052,518	2,105,036
Interest expense	(1,552)	-	-	(1,552)
Total nonoperating revenues (expenses)	939,167	1,054,730	1,054,730	3,048,627
Income(Loss) before capital contributions and transfers	(4,402,644)	(1,821,345)	(500,784)	(6,724,773)
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital contributions	1,290,035	-	-	1,290,035
Transfers in	3,307,169	778,528	319,311	4,405,008
Total Capital Contributions and Transfers	4,597,204	778,528	319,311	5,695,043
CHANGE IN NET POSTION	194,560	(1,042,817)	(181,473)	(1,029,730)
NET POSITION (Deficit) - BEGINNING	429,231	3,900,857	(206,833)	4,123,255
NET POSITION (Deficit) - ENDING	\$ 623,791	\$ 2,858,040	\$ (388,306)	\$ 3,093,525

CITY OF MONROE
Monroe, Louisiana

NONMAJOR ENTERPRISE FUNDS
Combining Statement of Cash Flows
For the Year Ended April 30, 2017

Exhibit 47

	MONROE TRANSIT SYSTEM	MONROE CIVIC CENTER	LOUISIANA PURCHASE GARDENS AND ZOO	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 647,927	\$ 1,283,063	\$ 331,677	\$ 2,262,667
Payments to suppliers for goods and services	(3,816,281)	(1,951,629)	(547,344)	(6,315,254)
Payments for interfund services provided	-	12,424	(5,673)	6,751
Payments to employees for services and benefits	(2,772,987)	(1,164,346)	(1,150,431)	(5,087,764)
Net cash provided (used) for operating activities	(5,941,341)	(1,820,488)	(1,371,771)	(9,133,600)
CASH FLOWS (USES) FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating grants	2,352,064	(2,270)	(2,270)	2,347,524
Ad valorem taxes	-	1,052,518	1,052,518	2,105,036
Transfers in	3,307,169	778,528	319,311	4,405,008
Net cash provided (used) for noncapital financing activities	5,659,233	1,828,776	1,369,559	8,857,568
CASH FLOWS (USES) FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital grants	1,290,035	-	-	1,290,035
Acquisition of capital assets	(1,005,575)	-	-	(1,005,575)
Net cash provided (used) for capital and related financing activities	284,460	-	-	284,460
CASH FLOWS FROM INVESTING ACTIVITIES				
Earnings on investments	-	2,212	2,212	4,424
Interest expense	(1,552)	-	-	(1,552)
Net cash provided (used) for investing activities	(1,552)	2,212	2,212	2,872
Net increase (decrease) in cash and cash equivalents	800	10,500	-	11,300
CASH AND CASH EQUIVALENTS - BEGINNING	-	-	2,500	2,500
CASH AND CASH EQUIVALENTS - ENDING	\$ 800	\$ 10,500	\$ 2,500	\$ 13,800

(Continued)

**CITY OF MONROE
Monroe, Louisiana**

**NONMAJOR ENTERPRISE FUNDS
Combining Statement of Cash Flows
For the Year Ended April 30, 2017**

Exhibit 47

	MONROE TRANSIT SYSTEM	MONROE CIVIC CENTER	LOUISIANA PURCHASE GARDENS AND ZOO	TOTAL
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (5,341,811)	\$ (2,876,075)	\$ (1,555,514)	\$ (9,773,400)
Adjustments to reconcile operating income to net cash provided (used) for operating activities:				
Depreciation	817,172	1,141,704	156,718	2,115,594
Pension expense related to change in deferred outflows and deferred inflows	89,003	43,589	43,671	176,263
(Increase) decrease in interfund receivable	-	12,424	(5,673)	6,751
(Increase) decrease in inventories	47,311	-	-	47,311
(Increase) decrease in prepaid expenses	18,538	(26,309)	(144)	(7,915)
Increase (decrease) in accounts payable	(153,633)	(49,641)	(16,886)	(220,160)
Increase (decrease) in unearned revenue	-	38,964	(300)	38,664
Increase (decrease) in interfund payable	(1,364,158)	(119,353)	-	(1,483,511)
Increase (decrease) in compensated absences	(53,763)	14,209	6,357	(33,197)
Net cash provided (used) by operating activities	\$ (5,941,341)	\$ (1,820,488)	\$ (1,371,771)	\$ (9,133,600)

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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, 2017

Exhibit 48

	EMPLOYEES' GROUP INSURANCE	CENTRAL SHOP	TOTAL
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 1,249,857	\$ -	\$ 1,249,857
Inventories	-	53,591	53,591
Total current assets	1,249,857	53,591	1,303,448
Noncurrent Assets			
Land and construction in progress	-	45,000	45,000
Depreciable assets, net of depreciation	-	1,874,182	1,874,182
Total noncurrent assets	-	1,919,182	1,919,182
TOTAL ASSETS	1,249,857	1,972,773	3,222,630
LIABILITIES			
Current Liabilities:			
Accounts and retainage payable	-	24,452	24,452
Accrued liabilities	435,167	-	435,167
Total current liabilities	435,167	24,452	459,619
NET POSITION			
Net investment in capital assets	-	1,919,182	1,919,182
Unrestricted	814,690	29,139	843,829
Total Net Position	\$ 814,690	\$ 1,948,321	\$ 2,763,011

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, 2017

Exhibit 49

	<u>EMPLOYEES'</u> <u>GROUP</u> <u>INSURANCE</u>	<u>CENTRAL</u> <u>SHOP</u>	<u>TOTAL</u>
Operating revenues			
Charges for services	\$ 12,790,014	\$ 1,048,081	\$ 13,838,095
Total operating revenues	<u>12,790,014</u>	<u>1,048,081</u>	<u>13,838,095</u>
Operating expenses			
Benefits paid to participants	10,543,989	-	10,543,989
Salaries, wages, and benefits	-	980,642	980,642
Materials, repairs, and supplies	-	8,029	8,029
Utilities and communications	-	37,795	37,795
Shop expenses	-	510,938	510,938
Other operating expenses	204	23,815	24,019
Depreciation and amortization	-	86,656	86,656
Total operating expenses	<u>10,544,193</u>	<u>1,647,875</u>	<u>12,192,068</u>
Operating income (loss)	<u>2,245,821</u>	<u>(599,794)</u>	<u>1,646,027</u>
Nonoperating revenues (expenses)			
Interest income	<u>337</u>	<u>-</u>	<u>337</u>
Total nonoperating revenues (expenses)	<u>337</u>	<u>-</u>	<u>337</u>
Income (loss) before contributions and transfer	2,246,158	(599,794)	1,646,364
Other Financing Sources (Uses)			
Transfers in	<u>470,000</u>	<u>500,913</u>	<u>970,913</u>
Total other financing sources (uses)	<u>470,000</u>	<u>500,913</u>	<u>970,913</u>
Change in net position	2,716,158	(98,881)	2,617,277
Total net position (deficit) - Beginning	<u>(1,901,468)</u>	<u>2,047,202</u>	<u>145,734</u>
Total net position - Ending	<u>\$ 814,690</u>	<u>\$ 1,948,321</u>	<u>\$ 2,763,011</u>

CITY OF MONROE
Monroe, Louisiana

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS
Combining Statement of Cash Flows
For the Year Ended April 30, 2017

Exhibit 50

	EMPLOYEES' GROUP INSURANCE	CENTRAL SHOP	TOTAL
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 12,790,014	\$ 1,048,081	\$ 13,838,095
Payments to suppliers for goods and services	(12,934,177)	(568,352)	(13,502,529)
Payments to employees for services and benefits	-	(980,642)	(980,642)
Net cash provided (used) for operating activities	<u>(144,163)</u>	<u>(500,913)</u>	<u>(645,076)</u>
CASH FLOW (USES) FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in	470,000	500,913	970,913
Net cash provided (used) for noncapital financing activities	<u>470,000</u>	<u>500,913</u>	<u>970,913</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Earnings on investments	337	-	337
Net cash provided (used) for investing activities	<u>337</u>	<u>-</u>	<u>337</u>
Net increase (decrease) in cash and cash equivalents	326,174	-	326,174
CASH AND CASH EQUIVALENTS - BEGINNING	<u>923,683</u>	<u>-</u>	<u>923,683</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 1,249,857</u>	<u>\$ -</u>	<u>\$ 1,249,857</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 2,245,821	\$ (599,794)	\$ 1,646,027
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	-	86,656	86,656
Changes in assets and liabilities			
(Increase) Decrease in inventories	-	2,398	2,398
Increase (Decrease) in accounts payable	-	9,827	9,827
Increase (Decrease) in accrued liabilities	(92,481)	-	(92,481)
Increase (Decrease) in interfund payable	(2,297,503)	-	(2,297,503)
Net cash provided (used) for operating activities	<u>\$ (144,163)</u>	<u>\$ (500,913)</u>	<u>\$ (645,076)</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, 2017

Exhibit 51

	PENSION TRUST FUNDS		TOTAL
	BUS DRIVERS' PENSION FUND	POLICE PENSION FUND	
ASSETS			
Current assets			
Cash and cash equivalents	\$ 13,010	\$ 105,653	\$ 118,663
Total assets	<u>13,010</u>	<u>105,653</u>	<u>118,663</u>
Net position			
Restricted for retirement benefits	<u>13,010</u>	<u>105,653</u>	<u>118,663</u>
Total net position	<u>\$ 13,010</u>	<u>\$ 105,653</u>	<u>\$ 118,663</u>

CITY OF MONROE
Monroe, Louisiana

FIDUCIARY FUNDS
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended April 30, 2017

Exhibit 52

	PENSION TRUST FUNDS		TOTAL
	BUS DRIVERS' PENSION FUND	POLICE PENSION FUND	
ADDITIONS			
Investment income			
Interest	\$ 81	\$ 112	\$ 193
Total additions	81	112	193
DEDUCTIONS			
Benefits paid	3,300	2,391	5,691
Total deductions	3,300	2,391	5,691
Changes in net position	(3,219)	(2,279)	(5,498)
Net Position, beginning	16,229	107,932	124,161
Net Position, ending	\$ 13,010	\$ 105,653	\$ 118,663

**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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**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.

BellSouth (AT&T) - The fund accounts for the collection and remittance of payments on behalf of AT&T.

CITY OF MONROE
Monroe, Louisiana

AGENCY FUNDS
Combining Statement of Fiduciary Assets and Liabilities
For the Year Ended April 30, 2017

	MONROE POLICE DEPARTMENT EVIDENCE	PROPERTY TAX COLLECTION	BID BOND AGENCY FUND	SALES TAX COLLECTION AGENCY
ASSETS				
Current assets				
Cash and cash equivalents	\$ 160,534	\$ 1,210	\$ 13,076	\$ 1,355,475
Receivables	-	-	-	14,661,760
Total assets	<u>160,534</u>	<u>1,210</u>	<u>13,076</u>	<u>16,017,235</u>
LIABILITIES				
Current liabilities				
Accounts payable	-	-	-	25,592
Due to others	160,534	1,210	13,076	15,991,643
Total liabilities	<u>\$ 160,534</u>	<u>\$ 1,210</u>	<u>\$ 13,076</u>	<u>\$ 16,017,235</u>

Exhibit 53

BELL SOUTH (AT&T)	TOTAL
\$ 2,557	\$ 1,532,852
<u>-</u>	<u>14,661,760</u>
<u>2,557</u>	<u>16,194,612</u>
-	25,592
<u>2,557</u>	<u>16,169,020</u>
<u>\$ 2,557</u>	<u>\$ 16,194,612</u>

CITY OF MONROE
Monroe, Louisiana

Exhibit 54

AGENCY FUNDS
Combining Statement of Changes in Assets and Liabilities
For the Year Ended April 30, 2017

	Balance May 1, 2016	Additions	Deductions	Balance April 30, 2017
*****MONROE POLICE DEPARTMENT EVIDENCE*****				
ASSETS				
Cash and cash equivalents	\$ 157,888	\$ 2,646	\$ -	\$ 160,534
Total assets	<u>157,888</u>	<u>2,646</u>	<u>-</u>	<u>160,534</u>
LIABILITIES				
Current liabilities				
Due to others	157,888	2,646	-	160,534
Total liabilities	<u>\$ 157,888</u>	<u>\$ 2,646</u>	<u>\$ -</u>	<u>\$ 160,534</u>
*****PROPERTY TAX COLLECTION*****				
ASSETS				
Cash and cash equivalents	\$ 1,884	\$ 13,254	\$ (13,928)	\$ 1,210
Total assets	<u>1,884</u>	<u>13,254</u>	<u>(13,928)</u>	<u>1,210</u>
LIABILITIES				
Current liabilities				
Due to others	1,884	13,254	13,928	1,210
Total liabilities	<u>\$ 1,884</u>	<u>\$ 13,254</u>	<u>\$ 13,928</u>	<u>\$ 1,210</u>
*****BID BOND AGENCY FUND*****				
ASSETS				
Cash and cash equivalents	\$ 13,076	\$ -	\$ -	\$ 13,076
Total assets	<u>13,076</u>	<u>-</u>	<u>-</u>	<u>13,076</u>
LIABILITIES				
Current liabilities				
Due to others	13,076	-	-	13,076
Total liabilities	<u>\$ 13,076</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,076</u>
*****SALES TAX COLLECTION AGENCY*****				
ASSETS				
Cash and cash equivalents	\$ 1,391,405	\$ 192,136,271	\$ (192,172,201)	\$ 1,355,475
Receivables	15,247,476	14,661,760	(15,247,476)	14,661,760
Total assets	<u>16,638,881</u>	<u>206,798,031</u>	<u>(207,419,677)</u>	<u>16,017,235</u>
LIABILITIES				
Current liabilities				
Due to others	16,638,881	206,798,031	(207,419,677)	16,017,235
Total liabilities	<u>\$ 16,638,881</u>	<u>\$ 206,798,031</u>	<u>\$ (207,419,677)</u>	<u>\$ 16,017,235</u>

(Continued)

CITY OF MONROE
Monroe, Louisiana

Exhibit 54

AGENCY FUNDS
Combining Statement of Changes in Assets and Liabilities
For the Year Ended April 30, 2017

	<u>Balance</u> <u>May 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>April 30, 2017</u>
*****BELL SOUTH (AT&T)*****				
ASSETS				
Cash and cash equivalents	\$ 2,548	\$ 211,214	\$ (211,205)	\$ 2,557
Total assets	<u>2,548</u>	<u>211,214</u>	<u>(211,205)</u>	<u>2,557</u>
LIABILITIES				
Current liabilities				
Due to others	2,548	211,214	(211,205)	2,557
Total liabilities	<u>\$ 2,548</u>	<u>\$ 211,214</u>	<u>\$ (211,205)</u>	<u>\$ 2,557</u>
*****TOTAL*****				
ASSETS				
Cash and cash equivalents	\$ 1,566,801	\$ 192,363,385	\$ (192,397,334)	\$ 1,532,852
Receivables	15,247,476	14,661,760	(15,247,476)	14,661,760
Total assets	<u>16,814,277</u>	<u>207,025,145</u>	<u>(207,644,810)</u>	<u>16,194,612</u>
LIABILITIES				
Current liabilities				
Due to others	16,814,277	207,025,145	(207,820,206)	16,194,612
Total liabilities	<u>\$ 16,814,277</u>	<u>\$ 207,025,145</u>	<u>\$ (207,820,206)</u>	<u>\$ 16,194,612</u>

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**City of Monroe
Monroe, Louisiana**

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**City of Monroe
Monroe, Louisiana**

OTHER MISCELLANEOUS SCHEDULES

DIVIDER

**City of Monroe
Monroe, Louisiana**

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**City of Monroe
Monroe, Louisiana**

**SCHEDULE OF LONG-TERM OBLIGATIONS
FOR THE YEAR ENDED APRIL 30, 2017**

Exhibit 55

Issue Dates	Remaining Interest Rates	Original Amount	Balance April 30, 2016	Issued	Retired	Balance April 30, 2017	Amount Due Within A Year	Principal Maturity Schedule For Future Years	
GOVERNMENTAL ACTIVITIES									
Tax Increment Bonds:									
Tower Drive Series 2012	2012	2.71%	\$ 10,590,000	\$ 7,905,000	-	\$ (785,000)	\$ 7,120,000	\$ 810,000	\$810,000 - \$975,000 to March 1, 2025
L-20 Development Series 2011	2011	3.00% - 5.00%	10,000,000	7,170,000	-	(690,000)	6,480,000	710,000	\$710,000 - \$935,000 to March 1, 2025
L-20 Development Series 2012	2012	2.71%	20,530,000	15,990,000	-	(1,590,000)	14,400,000	1,635,000	\$1,635,000 - \$1,975,000 to March 1, 2025
Total Tax Increment Bonds			<u>41,120,000</u>	<u>31,065,000</u>	<u>-</u>	<u>(3,065,000)</u>	<u>28,000,000</u>	<u>3,155,000</u>	
Sales Tax Bonds:									
Series 2007A Refunding	2007	5.705%	19,951,200	13,059,400	-	(1,033,600)	12,025,800	1,077,800	\$958,800 - \$2,230,400 to July 1, 2026
Series 2011A Refunding	2011	3.19%	14,690,000	13,880,000	-	(280,000)	13,600,000	290,000	\$290,000 - \$1,780,000 to July 1, 2027
Series 2012 Refunding	2012	2.00% - 4.00%	16,860,000	14,580,000	-	(970,000)	13,610,000	995,000	\$245,000 - \$1,740,000 to July 1, 2027
Total Sales Tax Bonds			<u>51,501,200</u>	<u>41,519,400</u>	<u>-</u>	<u>(2,283,600)</u>	<u>39,235,800</u>	<u>2,362,800</u>	
Bond Premium				544,851	-	(178,327)	366,524	81,091	
Total Bonds Payable, net				<u>73,129,251</u>	<u>-</u>	<u>(5,526,927)</u>	<u>67,602,324</u>	<u>5,598,891</u>	
Other:									
Claims and Judgments			-	10,140,704	402,355	(533,448)	10,009,611	533,448	
Capital Leases			-	4,124,070	1,946,932	(1,343,410)	4,727,592	1,287,363	\$135,472 - \$1,360,639 to November 1, 2022
Notes payable	2013	1.87%	6,967,113	1,644,595	-	(814,680)	829,915	829,915	\$829,915 to March 15, 2018
Accrued Vacation and Sick Pay			-	6,321,642	3,655,412	(3,628,763)	6,348,291	3,628,763	
Other post employment benefits			-	16,420,317	5,226,222	(2,356,043)	19,290,496	2,356,043	
Net Pension Liability			-	69,661,246	23,065,788	(9,422,222)	83,304,812	-	
Total Other			<u>6,967,113</u>	<u>108,312,574</u>	<u>34,296,709</u>	<u>(18,098,566)</u>	<u>124,510,717</u>	<u>8,635,532</u>	
TOTAL GOVERNMENTAL ACTIVITIES			<u>99,588,313</u>	<u>181,441,825</u>	<u>34,296,709</u>	<u>(23,625,493)</u>	<u>192,113,041</u>	<u>14,234,423</u>	
BUSINESS TYPE ACTIVITIES									
Sales Tax Bonds - Water:									
Series 2006	2006	3.45%	3,000,000	2,175,000	-	(135,000)	2,040,000	140,000	\$140,000 - \$205,000 to July 1, 2028
Series 2007A Refunding	2007	5.705%	1,877,760	1,229,120	-	(97,280)	1,131,840	101,440	\$90,240 - \$209,920 to July 1, 2026
Series 2011 Refunding	2011	2.50% - 5.00%	1,916,000	1,233,000	-	(232,000)	1,001,000	237,000	\$237,000 - \$264,000 to July 1, 2020
Total Sales Tax Bonds - Water			<u>6,793,760</u>	<u>4,637,120</u>	<u>-</u>	<u>(464,280)</u>	<u>4,172,840</u>	<u>478,440</u>	
Sales Tax Bonds - Sewer:									
Series 2007A Refunding	2007	5.705%	7,511,040	4,916,480	-	(389,120)	4,527,360	405,760	\$360,960 - \$839,680 to July 1, 2026
Series 2008 - DEQ #5	2008	0.95%	14,000,000	6,896,789	39,400	(670,539)	6,265,650	675,000	\$675,000 - \$765,000 to July 1, 2030
Series 2011 Refunding	2011	2.50% - 5.00%	7,664,000	4,932,000	-	(928,000)	4,004,000	948,000	\$948,000 - \$1,056,000 to July 1, 2020
Series 2012A Refunding	2012	2.89%	32,000,000	26,520,000	-	(1,880,000)	24,640,000	1,935,000	\$1,935,000 - \$2,575,000 to June 1, 2027
Series 2013 - DEQ #6	2013	0.95%	11,700,000	1,701,405	2,785,201	(736,000)	3,750,606	743,410	\$743,410 - \$832,648 to July 1, 2029
Total Sales Tax Bonds - Sewer			<u>72,875,040</u>	<u>44,966,674</u>	<u>2,824,601</u>	<u>(4,603,659)</u>	<u>43,187,616</u>	<u>4,707,170</u>	
Airport General Obligation Bonds:									
Series 2009 Airport Bonds	2009	3.25% - 5.5%	19,250,000	16,375,000	-	(545,000)	15,830,000	585,000	\$300,000 - \$964,000 to February 1, 2039
Total Airport General Obligation Bonds			<u>19,250,000</u>	<u>16,375,000</u>	<u>-</u>	<u>(545,000)</u>	<u>15,830,000</u>	<u>585,000</u>	
Bond Premium				86,211	-	(68,968)	17,243	17,243	
Total Bonds Payable, net				<u>66,065,005</u>	<u>2,824,601</u>	<u>(5,681,907)</u>	<u>63,207,699</u>	<u>5,787,853</u>	
Other									
Accrued Vacation and Sick Pay			-	1,337,228	761,911	(752,618)	1,346,521	752,617	
Net Pension Liability			-	14,666,703	3,945,219	(1,726,519)	16,885,403	-	
TOTAL BUSINESS TYPE ACTIVITIES			<u>98,918,800</u>	<u>82,068,936</u>	<u>7,531,731</u>	<u>(8,161,044)</u>	<u>81,439,623</u>	<u>6,540,470</u>	
TOTAL ALL ACTIVITIES			<u>\$ 198,507,113</u>	<u>\$ 263,510,761</u>	<u>\$ 41,828,440</u>	<u>\$ (31,786,537)</u>	<u>\$ 273,552,664</u>	<u>\$ 20,774,893</u>	

(A) These two are the same \$27,000,000 issue. The \$2,500,000 is recorded directly on the Sewer Departments books and the \$24,500,000 is recorded as general government debt. All are payable from Sales Tax.

(B) These two are the same \$1,452,000 issue. The \$816,468 is recorded directly on the Internal Service Fund books and the \$635,532 is recorded as general government debt. All are payable from general revenues.

**City of Monroe
Monroe, Louisiana
Schedule of Compensation Paid Council Members
For the Year Ended April 30, 2017**

Exhibit 56

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>
Mike Echols – Effective 7/1/2016	1	\$14,077
Dr. Ray Armstrong	1	2,538
Gretchen Ezernack	2	11,999
Juanita Woods – Effective 7/1/2016	3	9,461
Betty Blakes	3	3,808
Kenneth Wilson	4	11,999
Eddie Clark	5	<u>11,999</u>
Total		<u>\$65,881</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, 2017**

Exhibit 57

MAYOR JAMIE MAYO

<u>Agency Head</u>	
<u>Purpose</u>	<u>Amount</u>
Salary	\$ 89,999
Benefits - insurance	18,436
Benefits - retirement	19,956
Benefits - Life insurance	285
Benefits - Medicare	1,481
Car allowance	6,850
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	3,233
Continuing professional education	-
Housing	-
Unvouchered expenses	-
Special meals	-
Fuel card	1,308
	<u>\$ 141,548</u>

**City of Monroe
Monroe, Louisiana**

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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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental activities:										
Net investment in capital assets	\$ 80.6	\$ 80.8	\$ 80.7	\$ 90.1	\$ 88.7	\$ 86.4	\$ 68.0	\$ 74.4	\$ 105.4	\$ 102.5
Restricted	40.7	45.9	44.6	65.0	68.0	70.2	56.1	69.5	54.7	61.1
Unrestricted	(80.6)	(82.0)	(14.6)	(105.2)	(107.4)	(97.3)	(55.4)	(61.2)	(73.0)	(75.8)
Total governmental activities net position	40.7	44.7	110.7	49.9	49.3	59.2	68.7	82.8	87.1	87.8
Business-type activities:										
Net investment in capital assets	98.0	90.9	98.5	98.8	101.3	98.3	75.0	70.4	74.3	74.8
Restricted	8.3	7.7	2.6	-	-	-	-	-	-	-
Unrestricted	(5.2)	4.9	8.6	71.1	73.7	75.3	88.2	77.7	63.5	58.9
Total business-type activities net position	101.1	103.5	109.7	169.9	175.0	173.6	163.2	148.0	137.9	133.7
Primary government:										
Net investment in capital assets	178.6	171.7	179.2	188.9	189.9	184.7	143.1	144.8	179.7	177.2
Restricted	49.0	53.6	47.2	65.0	68.0	70.2	56.1	69.5	54.7	61.1
Unrestricted	(85.8)	(77.1)	(6.0)	(34.1)	(33.7)	(22.0)	32.8	16.5	(9.4)	(16.9)
Total primary government activities net position	\$ 141.8	\$ 148.2	\$ 220.4	\$ 219.8	\$ 224.3	\$ 232.8	\$ 231.9	\$ 230.8	\$ 225.0	\$ 221.5

Source: Comprehensive Annual Financial Report (2017) and Annual Financial Reports (2008-2016).

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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses:										
Governmental activities:										
General government	\$ 17,346,881	\$ 21,686,830	\$ 20,427,348	\$ 27,545,756	\$ 23,254,941	\$ 23,859,624	\$ 21,826,923	\$ 23,870,534	\$ 22,318,212	\$ 19,529,175
Public safety	37,942,796	37,675,903	34,549,272	33,506,246	33,116,458	33,966,941	34,962,553	33,344,579	32,752,653	32,321,271
Public works	23,644,547	22,418,900	21,386,343	21,173,776	29,417,301	21,116,447	20,026,135	18,424,296	19,427,509	18,978,828
Culture and recreation	4,267,732	4,272,866	4,883,891	4,160,881	3,863,274	4,010,640	4,482,718	3,746,494	4,064,672	4,839,794
Planning and urban development	2,227,083	2,250,288	2,346,757	2,539,065	3,080,582	3,615,611	2,960,383	2,921,511	2,376,802	2,359,691
Economic development and assistance	65,000	158,143	987,483	108,413	1,493,583	148,241	259,889	347,982	1,035,353	1,606,959
Debt service interest	2,510,205	2,714,753	3,463,158	6,043,889	5,623,987	9,157,232	8,178,186	7,723,980	7,166,608	13,876,004
Capital lease interest	57,443	68,133	77,991	87,069	95,723	111,652	114,916	123,914	132,224	139,887
Judgments (1)	-	-	-	109,568	252,807	259,185	222,627	548,486	740,328	290,561
Intergovernmental expenditures (1)	-	-	-	2,100,665	9,026,505	19,651,533	20,763,834	16,630,521	8,745,511	7,646,968
Total governmental activities expenses	<u>88,061,687</u>	<u>91,245,816</u>	<u>88,122,243</u>	<u>97,375,328</u>	<u>109,225,161</u>	<u>115,897,106</u>	<u>113,798,164</u>	<u>107,682,297</u>	<u>98,759,872</u>	<u>101,589,138</u>
Business-type activities:										
Airport	7,475,291	6,648,648	6,237,895	4,789,469	4,641,770	3,426,004	2,429,526	2,365,597	2,198,892	2,074,149
Transit	5,991,290	5,804,506	5,988,833	5,570,764	5,305,452	5,297,264	4,788,581	4,574,730	4,212,198	4,357,591
Civic Center	4,159,138	3,432,748	3,748,825	3,432,539	3,699,250	3,455,183	3,505,620	3,222,770	3,553,218	3,936,527
Water	10,644,527	10,333,675	10,826,152	9,820,954	8,426,120	7,985,770	7,925,705	7,620,004	6,561,070	6,561,070
Sewer	11,621,383	11,725,840	11,210,852	9,505,236	9,224,629	8,962,434	8,358,063	8,722,436	9,053,953	8,671,506
Zoo	1,887,191	1,964,310	1,814,115	1,568,254	1,707,326	1,510,984	1,424,752	1,547,009	1,552,173	1,820,089
Livestock Arena (2)	-	-	-	-	-	-	-	9,724	11,844	32,970
Total business-type activities expenses	<u>41,778,820</u>	<u>39,909,727</u>	<u>39,826,672</u>	<u>34,687,216</u>	<u>33,004,547</u>	<u>30,637,639</u>	<u>28,432,247</u>	<u>27,500,647</u>	<u>28,202,282</u>	<u>27,453,902</u>
Total primary government expenses	<u>129,840,507</u>	<u>131,155,543</u>	<u>127,948,915</u>	<u>132,062,544</u>	<u>142,229,708</u>	<u>146,534,745</u>	<u>142,230,411</u>	<u>135,182,944</u>	<u>126,962,154</u>	<u>129,043,040</u>
Program revenues:										
Governmental activities:										
Charges for services:										
General government	11,616,081	11,160,651	10,826,085	15,124,930	16,454,391	17,063,945	17,135,319	16,884,964	19,965,456	16,160,537
Public safety	77,598	77,829	98,001	164,708	198,582	166,031	163,737	348,626	321,446	381,715
Public works	43,223	93,535	45,151	5,060,101	3,358,096	3,496,454	3,862,881	3,647,074	3,422,809	3,264,572
Culture and recreation	761,592	750,885	510,082	586,558	473,005	555,579	625,161	503,326	566,321	544,084
Planning and urban development	299,411	332,427	319,184	362,493	347,975	329,213	404,416	645,985	266,641	386,635
Economic development and assistance	-	-	-	90,246	88,861	630,421	84,123	82,733	115,463	105,087
Operating grants and contributions	3,638,487	4,044,195	3,526,935	4,286,304	4,883,249	6,164,182	5,876,841	5,734,666	3,419,740	3,910,728
Capital grants and contributions	1,953,277	1,206,800	1,213,893	1,214,329	5,972,916	7,281,978	12,591,009	11,110,912	4,201,882	4,373,467
Total governmental activities program revenues	<u>\$ 18,389,669</u>	<u>\$ 17,666,322</u>	<u>\$ 16,539,331</u>	<u>\$ 26,889,669</u>	<u>\$ 31,777,075</u>	<u>\$ 35,687,803</u>	<u>\$ 40,743,487</u>	<u>\$ 38,958,286</u>	<u>\$ 32,279,758</u>	<u>\$ 29,126,825</u>

(Continued)

Table 2

CITY OF MONROE, LOUISIANA
Changes in Net Position
Last Ten Fiscal Years Ended April 30,
(accrual basis of accounting)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Business-type activities:										
Charges for services:										
Airport	\$ 3,452,378	\$ 3,009,819	\$ 3,835,552	\$ 3,051,049	\$ 2,633,553	\$ 1,952,251	\$ 1,817,913	\$ 1,581,908	\$ 1,454,027	\$ 1,441,040
Transit	647,927	652,843	667,460	686,548	643,697	626,017	575,569	614,686	562,542	611,496
Civic Center	1,283,063	1,395,947	1,674,128	1,772,882	1,925,906	1,812,927	1,895,725	1,890,082	1,825,556	2,224,989
Water	10,055,485	9,569,729	9,286,511	9,972,379	8,482,854	8,764,784	9,240,665	8,660,784	7,603,470	7,126,598
Sewer	6,919,003	6,873,266	6,688,952	7,092,568	4,606,989	4,497,756	4,664,723	4,697,416	4,564,792	4,133,130
Zoo	331,677	277,247	227,848	307,184	262,901	272,348	295,658	320,168	338,697	440,729
Livestock Arena (2)	-	-	-	-	-	-	-	5,805	1,805	7,388
Operating grants and contributions	1,188,806	217,135	1,763,474	2,022,035	1,512,231	1,070,688	607,183	1,695,247	403,544	669,298
Capital grants and contributions	2,043,671	5,839,420	6,948,537	3,115,074	10,299,961	20,698,670	22,867,569	17,183,477	11,693,265	9,333,221
Total business-type activities program revenues	<u>25,922,010</u>	<u>27,835,406</u>	<u>31,092,462</u>	<u>28,019,719</u>	<u>30,368,092</u>	<u>39,695,441</u>	<u>41,965,005</u>	<u>36,649,573</u>	<u>28,447,698</u>	<u>25,987,889</u>
Total primary government program revenues	<u>44,311,679</u>	<u>45,501,728</u>	<u>47,631,793</u>	<u>54,909,388</u>	<u>62,145,167</u>	<u>75,383,244</u>	<u>82,708,492</u>	<u>75,607,859</u>	<u>60,727,456</u>	<u>55,114,714</u>
Net expenses:										
Governmental activities	(69,672,018)	(73,579,494)	(71,582,912)	(70,485,659)	(77,448,086)	(80,209,303)	(73,054,677)	(68,724,011)	(66,480,114)	(72,462,313)
Business-type activities	(15,856,810)	(12,074,321)	(8,734,210)	(6,667,497)	(2,636,455)	9,057,802	13,532,758	9,148,926	245,416	(1,466,013)
Total primary government net expenses	<u>(85,528,828)</u>	<u>(85,653,815)</u>	<u>(80,317,122)</u>	<u>(77,153,156)</u>	<u>(80,084,541)</u>	<u>(71,151,501)</u>	<u>(59,521,919)</u>	<u>(59,575,085)</u>	<u>(66,234,698)</u>	<u>(73,928,326)</u>
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Ad valorem	8,911,057	8,756,638	8,452,463	8,855,173	8,590,203	8,831,465	8,376,272	8,742,774	8,343,836	8,308,374
Sales	66,864,083	67,202,147	66,426,764	62,838,605	59,792,503	59,925,541	57,935,882	55,760,791	56,838,007	56,282,774
Other	868,295	869,714	928,384	977,910	1,003,304	1,099,414	908,430	907,167	955,224	882,969
Earnings on investments	146,541	88,332	129,222	277,976	278,110	207,819	309,889	291,396	1,321,703	8,563,282
Gain (loss) on disposition of capital assets	213,988	117,437	105,747	312,833	107,992	183,828	(194,952)	339,241	(33,278)	(5,892)
Miscellaneous	1,282,606	332,732	1,019,721	109,801	77,360	29,350	104,192	(273,838)	138,674	125,035
Other uses	(1,818)	-	-	-	-	-	-	-	-	-
Transfers	(10,939,540)	(14,442,471)	(9,081,122)	366,807	(2,339,279)	(46,259)	335,225	(97,220)	(1,758,112)	(1,139,336)
Insurance proceeds	-	-	-	-	20,485	490,178	-	100,000	561,448	87,161
Total governmental activities general revenues	<u>67,345,212</u>	<u>62,924,529</u>	<u>67,981,179</u>	<u>73,739,105</u>	<u>67,530,678</u>	<u>70,721,336</u>	<u>67,774,938</u>	<u>65,770,311</u>	<u>66,367,502</u>	<u>73,104,367</u>
Business-type activities										
Taxes:										
Ad valorem	2,526,727	2,477,683	2,405,159	1,998,902	1,938,048	1,985,735	1,903,918	1,961,546	2,075,277	1,973,514
Earnings on investments	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)	-	(134,406)
Miscellaneous	-	-	-	-	-	(38,610)	-	-	141,232	-
Transfers	10,939,540	14,442,471	9,081,122	(366,807)	2,339,279	46,259	(315,075)	97,220	1,758,112	1,140,339
Total business-type activities general revenues	<u>\$ 13,452,980</u>	<u>\$ 16,917,764</u>	<u>\$ 11,492,428</u>	<u>\$ 1,595,318</u>	<u>\$ 3,975,605</u>	<u>\$ 1,347,889</u>	<u>\$ 1,562,962</u>	<u>\$ 1,022,765</u>	<u>\$ 3,974,621</u>	<u>\$ 2,979,447</u>

(Continued)

Table 2

CITY OF MONROE, LOUISIANA
Changes in Net Position
Last Ten Fiscal Years Ended April 30,
(accrual basis of accounting)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total primary government general revenues	\$ 80,798,192	\$ 79,842,293	\$ 79,473,607	\$ 75,334,423	\$ 71,506,283	\$ 72,069,225	\$ 69,337,900	\$ 66,793,076	\$ 70,342,123	\$ 76,083,814
Changes in net position:										
Governmental activities	(2,326,806)	(10,654,965)	(3,601,733)	3,253,446	(9,917,408)	(9,487,967)	(5,279,739)	(2,953,700)	(112,612)	642,054
Business-type activities	(2,403,830)	4,843,443	2,758,218	(5,072,179)	1,339,150	10,405,691	15,095,720	10,171,691	4,220,037	1,513,434
Total primary government net revenues	\$ (4,730,636)	\$ (5,811,522)	\$ (843,515)	\$ (1,818,733)	\$ (8,578,258)	\$ 917,724	\$ 9,815,981	\$ 7,217,991	\$ 4,107,425	\$ 2,155,488

(Concluded)

Source: Comprehensive Annual Financial Report (2017) and Annual Financial Reports (2008-2016).

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) In fiscal year 2011, the Livestock Arena fund was closed.

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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Fund (1):										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,724,847	\$ 952,886	\$ 807,147	\$ 271,824
Unreserved	-	-	-	-	-	-	12,138,111	11,922,900	11,469,379	11,547,295
Nonspendable:										
Prepaid expenses and other assets	210,875	265,384	238,759	423,153	283,645	282,866	-	-	-	-
Inventories	104,251	114,736	144,580	106,317	118,623	442,929	-	-	-	-
Spendable:										
Restricted	-	-	-	-	1,359,151	1,555,353	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	13,468,749	13,730,601	14,731,745	13,840,047	12,473,120	11,728,959	-	-	-	-
Total general fund	<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>	<u>12,276,526</u>	<u>11,819,119</u>
All Other Governmental Funds (1):										
Reserved	-	-	-	-	-	-	60,948,815	68,919,501	54,279,133	49,180,827
Unreserved	-	-	-	-	-	-	10,630,105	12,197,264	11,698,270	11,531,247
Nonspendable:										
Prepaid expenses and other assets	512,734	574,942	647,447	694,293	785,025	507,852	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-	-
Spendable:										
Restricted	51,551,783	54,813,742	62,236,054	65,019,501	63,865,253	68,612,928	-	-	-	-
Committed	283,421	243,837	309,364	-	-	-	-	-	-	-
Assigned	627,515	807,466	1,423,321	4,004,460	8,578,104	6,651,080	-	-	-	-
Unassigned (deficit)	(1,602,183)	(179,703)	(98,313)	(460,406)	(384,367)	(968,014)	-	-	-	-
Total all other governmental funds	<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>	<u>65,977,403</u>	<u>60,712,074</u>
Grand Total of funds	<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>	<u>\$ 78,253,929</u>	<u>\$ 72,531,193</u>

Source: Comprehensive Annual Financial Report (2017) and Annual Financial Reports (2008-2016).

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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues:										
Taxes:										
Ad valorem taxes	\$ 8,911,057	\$ 8,756,638	\$ 8,452,463	\$ 8,855,173	\$ 8,590,203	\$ 8,822,000	\$ 8,496,850	\$ 8,699,085	\$ 8,393,143	\$ 8,246,409
Sales and use taxes	66,864,083	67,209,288	66,407,623	62,834,492	61,030,048	59,788,937	57,947,060	55,683,943	56,780,447	56,255,069
Other taxes, penalties and interest	868,295	869,714	928,384	977,910	1,003,304	1,099,413	908,429	907,167	76,555	75,506
Licenses, permits and assessments	3,326,117	3,023,799	3,058,213	2,860,418	2,858,845	2,868,503	2,803,437	2,709,272	3,830,939	3,674,229
Intergovernmental revenues	5,591,764	5,309,295	5,245,652	5,444,201	11,215,859	14,407,174	16,623,689	16,665,173	7,748,764	8,185,905
Fees, charges and commissions for service	8,755,879	8,447,735	8,050,622	9,090,201	8,741,139	8,880,669	9,076,642	9,235,211	9,542,867	7,887,929
Fines of forfeitures	633,076	774,704	633,654	725,333	797,249	729,959	888,064	948,032	885,792	1,021,781
Use of money and property	229,037	198,999	184,433	274,139	278,110	330,625	470,653	488,470	1,509,574	8,764,569
Miscellaneous revenues	282,606	332,732	921,363	347,699	73,144	682,415	338,232	304,052	534,648	564,482
Total revenues	95,461,914	94,922,904	93,882,407	91,409,566	94,587,901	97,609,695	97,553,056	95,640,405	89,302,729	94,675,879
Expenditures:										
Current:										
General government										
Legislative	552,684	525,655	433,557	359,096	335,388	360,809	330,769	296,371	253,436	262,769
Judicial	2,780,983	2,655,744	2,688,857	2,392,498	3,213,669	3,180,845	3,157,317	2,963,232	3,035,025	2,879,827
Executive	988,958	984,057	947,702	910,744	857,649	826,086	762,443	780,624	855,467	517,256
Financial administration	11,479,622	11,477,318	10,342,748	10,218,191	10,618,246	9,810,231	8,171,945	8,667,079	8,572,447	8,448,465
Other general government (1)	875,223	826,573	748,607	784,967	86,535	27,342	-	-	-	-
Public safety										
Police	17,120,036	17,796,230	15,760,367	16,490,133	16,503,208	17,089,400	18,338,197	16,893,806	16,282,623	16,022,355
Fire	16,710,482	17,275,398	17,044,652	16,144,429	15,895,058	16,107,768	15,748,564	15,620,462	15,125,540	15,013,006
Public works	13,578,228	12,486,273	11,269,963	11,115,830	11,484,536	11,310,536	10,788,910	10,145,132	11,324,074	11,023,557
Culture and recreation	3,943,573	3,956,308	3,780,283	3,649,118	3,318,696	3,477,724	4,001,570	3,309,415	3,676,522	4,445,994
Planning and urban development	2,091,053	2,142,708	2,280,592	2,525,234	2,991,757	3,456,501	2,948,741	2,921,511	2,376,802	2,359,691
Economic development and assistance	65,000	158,143	987,483	108,413	1,493,584	389,636	183,841	347,982	1,035,354	1,606,959
Capital outlay	9,791,367	9,023,989	4,333,026	13,595,608	20,183,831	23,366,798	27,641,119	27,389,394	14,840,020	16,319,294
Debt Service:										
Principal retirement	7,428,594	6,824,339	6,146,463	10,051,451	10,745,910	9,749,481	8,730,284	8,498,313	8,691,789	40,481,746
Interest and bank charges	2,790,516	2,928,858	3,220,415	6,302,057	5,585,853	7,081,359	7,788,583	7,642,775	8,993,504	14,015,891
Total expenditures	90,196,319	89,061,593	79,984,715	94,647,769	103,313,920	106,234,516	108,592,283	105,476,096	95,062,603	133,396,810
Excess (deficiency) of revenues over expenditures	\$ 5,265,595	\$ 5,861,311	\$ 13,897,692	\$ (3,238,203)	\$ (8,726,019)	\$ (8,624,821)	\$ (11,039,227)	\$ (9,835,691)	\$ (5,759,874)	\$ (38,720,931)

(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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Other financing sources (uses)										
Transfers in	\$ 7,002,872	\$ 8,828,494	\$ 6,043,643	\$ 16,668,506	\$ 28,058,560	\$ 32,749,176	\$ 17,315,756	\$ 24,824,327	\$ 20,945,926	\$ 52,353,334
Transfers out	(18,913,325)	(24,085,238)	(17,592,988)	(17,291,370)	(31,135,866)	(33,163,896)	(17,237,443)	(25,281,078)	(23,829,486)	(54,876,308)
Sales of assets	179,037	133,480	105,747	334,746	105,058	188,226	61,636	369,147	208,420	213,907
Bond proceeds	-	-	-	-	85,809,858	35,589,849	2,348,605	25,940,339	30,211,303	44,572,175
Bond refunding	-	-	-	-	(76,297,979)	(24,391,166)	-	-	(16,615,000)	-
Capital proceeds	1,946,932	-	2,500,000	75,132	1,480,145	179,801	-	-	-	-
Refund of sales tax	-	-	-	-	(1,053,741)	-	-	-	-	-
Insurance proceeds	1,000,000	-	98,358	-	24,585	490,178	-	100,000	561,448	101,449
Other uses	(1,818)	-	-	-	-	-	-	-	-	-
Total other financing sources(uses)	<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>	<u>11,482,611</u>	<u>42,364,557</u>
Net change in fund balances	\$ <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>	\$ <u>5,722,737</u>	\$ <u>3,643,626</u>
Debt service as a percentage of noncapital expenditures	12.7%	12.2%	12.4%	20.2%	19.6%	20.3%	20.4%	20.7%	22.0%	46.5%

(Concluded)

Source: Comprehensive Annual Financial Report (2017) and Annual Financial Reports (2008-2016).

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 & Use Tax</u>	<u>Ad Valorem Tax</u>	<u>Other Taxes</u>	<u>Total</u>
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
2009	56,780,447	8,393,143	76,555	65,250,145
2008	56,255,069	8,246,409	75,506	64,576,984

Source: Comprehensive Annual Financial Report (2017) and Annual Financial Reports (2008-2016).

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
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%
2009	239,552,146	124,829,145	18,456,234	382,837,525	27.01	3,301,540,696	11.6%
2008	228,924,541	124,384,515	19,008,501	372,317,557	27.15	3,194,509,514	11.7%

Source: Ouachita Parish Tax Assessor, Grand Recapitulation of Assessment Rolls.

Unaudited - See accompanying independent auditors' report.

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	Total
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	\$ 50,833,427	\$ 79,328,147
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	48,919,872	76,667,182
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	48,051,687	75,416,488
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	47,100,009	74,264,006
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	45,618,973	70,926,008
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	44,169,866	71,998,388
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	43,904,737	71,454,342
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	44,642,377	71,183,409
2009	14.95	2.68	2.68	3.48	3.22	-	27.01	39.16	41.81	107.98	10,340,442	14,991,926	39,880,956	65,213,324
2008	15.69	2.68	2.68	3.48	3.22	-	27.75	40.62	42.17	110.54	10,331,812	15,123,569	37,296,329	62,751,710

Source: Ouachita Parish Tax Assessor, Grand Recapitulation of Assessment Rolls.

Unaudited - See accompanying independent auditors' report.

Table 8

CITY OF MONROE, LOUISIANA
Principal Property Taxpayers
Current Calendar Year and Nine Years Ago

Taxpayer	2016			2007		
	Assessed Value	Rank	Percentage of total assessed value	Assessed Value	Rank	Percentage of total assessed value
CenturyLink	\$ 9,490,507	1	2.28%	\$ 8,257,350	3	2.22%
Entergy	9,158,980	2	2.20%	4,903,560	6	1.32%
Graphic Packaging Intl, LLC	5,923,400	3	1.42%	-		
JP Morgan Chase Bank	5,875,200	4	1.41%	10,647,127	1	2.86%
Pecanland Ventures, LLC	5,760,060	5	1.38%	6,211,397	4	1.67%
Wal-Mart Stores	5,379,687	6	1.29%	4,361,894	7	1.17%
Brookshire's	4,658,510	7	1.12%	4,921,068	5	1.32%
Louisiana Machinery Company	4,331,203	8	1.04%	3,219,360	9	0.86%
Berry Plastics Corporation	4,163,271	9	1.00%	-		
Ryan Auto Group	3,767,156	10	0.90%	-		
AT&T Corporation				9,414,772	2	2.53%
Sunbelt Plastics				3,552,599	8	0.95%
Iberia Bank				3,072,273	10	0.83%
Total amount for top ten principal taxpayers	58,507,974		14.04%	58,561,400		15.73%
Total for remaining taxpayers	358,263,417		85.96%	313,756,157		84.27%
Total amount for all taxpayers	\$ 416,771,391		100.00%	\$ 372,317,557		100.00%

Source: Ouachita Parish Tax Assessor

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			
2017	\$ 11,290,337	\$ 103,210	\$ 11,393,547	\$ 11,327,548	99.4%	\$ -	\$ 11,327,548	99.4%
2016	11,008,880	161,819	11,170,699	11,047,851	98.9%	5,406	11,053,257	98.9%
2015	10,857,117	82,111	10,939,228	10,795,776	98.7%	138,524	10,934,300	100.0%
2014	10,777,451	139,527	10,916,978	10,905,260	99.9%	3,730	10,908,990	99.9%
2013	10,606,446	138,431	10,744,877	10,629,123	98.9%	109,516	10,738,639	99.9%
2012	10,524,362	222,230	10,746,592	10,439,366	97.1%	18,137	10,457,503	97.3%
2011	10,418,880	228,969	10,647,849	10,217,119	96.0%	212,746	10,429,865	98.0%
2010	10,548,805	247,084	10,795,889	10,475,319	97.0%	175,622	10,650,941	98.7%
2009	10,340,442	109,406	10,449,848	10,225,569	97.9%	205,263	10,430,832	99.8%
2008	10,331,812	111,146	10,442,958	10,059,251	96.3%	269,937	10,329,188	98.9%

Source: Comprehensive Annual Financial Report (2017) and Annual Financial Reports (2008-2016).

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)

Fiscal Year ⁽¹⁾	General 2.5% ⁽²⁾	Fire/Police 0.49%	Street Improvement 1.0%	Total
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
2009	32,542,857	6,687,094	13,695,167	52,925,118
2008	32,594,035	6,614,512	13,571,310	52,779,857

Source: Comprehensive Annual Financial Report (2017) and Annual Financial Reports (2008-2016).

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)			
2017	2.50%	0.49%	1.00%	1.6505%	0.3495%	5.99%	5.00%	10.99%
2016	2.50%	0.49%	1.00%	1.6480%	0.3520%	5.99%	5.00% (2)	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%
2009	2.50%	0.49%	1.00%	1.6495%	0.3505%	5.99%	4.00%	9.99%
2008	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:

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

2013-2008: Averaged 70.1% OPSB. 29.9% MCSB.

(2) Rate increased from 4.0% to 5.0% on April 1, 2016.

Unaudited - See accompanying independent auditors' report.

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 Outstanding Debt	Percentage of Personal Income (1)	Population (2)	Debt Per Capita
2017	\$ 192,202,203	\$ 81,474,108	\$ 273,676,311	4.8%	49,363	5,544
2016 (3)	181,441,825	82,068,936	263,510,761	4.6%	49,297	5,345
2015 (4)	116,984,603	70,970,297	187,954,900	3.3%	49,433	3,802
2014	189,541,478	1,122,928	190,664,406	3.5%	49,412	3,859
2013	197,643,048	1,061,696	198,704,744	3.7%	49,401	4,022
2012	191,603,663	3,121,061	194,724,724	3.6%	49,271	3,952
2011	186,534,034	3,196,786	189,730,820	3.6%	49,109	3,863
2010	191,223,519	3,185,691	194,409,210	3.8%	48,955	3,971
2009	168,779,230	3,324,071	172,103,301	3.5%	51,640	3,333
2008	134,596,344	3,718,716	138,315,060	2.8%	51,414	2,690

Source: Comprehensive Annual Financial Report (2017) and Annual Financial Reports (2008-2016).

Note:

(1) Personal income disclosed on Table 16- Demographic and Economic Statistics.

(2) U.S. Census. Population estimated for 2017.

(3) GASB Statement No. 68 and 71 required local and state governments to recognize pension liabilities on an accrued basis rather than a pay as you go basis effective for the City's fiscal year end April 30, 2016.

(4) 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.

Unaudited - See accompanying independent auditors' report.

Table 13

CITY OF MONROE, LOUISIANA
Direct and Overlapping Governmental Activities Debt
April 30, 2017

<u>Jurisdiction</u>	<u>Debt Outstanding (1)</u>	<u>Estimated Percentage Applicable (2)</u>	<u>Estimated Share of Overlapping Debt</u>
Ouachita Parish School Board (3)	\$ 181,580,000	11.3%	\$ 20,587,495
Ouachita Parish Police Jury (4)	7,000,000	11.3%	793,658
Monroe City School Board (5)	80,746,650	100%	80,746,650
Subtotal overlapping debt			102,127,804
City of Monroe direct debt	192,202,203		192,202,203
Total direct and overlapping debt			<u>\$ 294,330,007</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, 2016.

(4) Ouachita Parish Police Jury debt outstanding as of December 31, 2016.

(5) Monroe City School Board debt outstanding as of June 30, 2016.

Unaudited - See accompanying independent auditors' report.

Table 14

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
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	388,537,936	38,853,794	135,988,278	18,940,000 ⁽³⁾	117,048,278	86.07%
2009	382,837,525	38,283,753	133,993,134	170,000	133,823,134	99.87%
2008	372,317,557	37,231,756	130,311,145	335,000	129,976,145	99.74%

Sources:

Comprehensive Annual Financial Report (2017) and Annual Financial Reports (2008-2016).
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 15

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		
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
2009	13,695,167	74,240	185,157	259,397	2,126,960	1,493,800	3,620,760	3,880,157	3.53
2008	13,571,310	-	129,322	129,322	1,405,000	1,372,696	2,777,696	2,907,018	4.67

Source: Comprehensive Annual Financial Report (2017) and Annual Financial Reports (2008-2016).

Unaudited - See accompanying independent auditors' report.

Table 16

CITY OF MONROE, LOUISIANA
 Demographic and Economic Statistics
 Last Ten Fiscal Years

Fiscal Year	Population (2)	Estimated Actual Value of Taxable Property (3)	Personal Income (4)	Per Capita Estimated Actual Value of Taxable Property	Per Capita Personal Income	City School Enrollment (6)	Unemployment Rate
2017	49,363	\$ 3,620,252,106	\$ 5,705,544,000	\$ 73,339	\$ 115,583	8,386	5.70% (5)
2016	49,297	3,532,539,719	5,705,544,000	71,658	115,738	8,526	6.54% (1)
2015	49,433	3,493,296,682	5,705,544,000	70,667	115,420	8,488	7.00% (1)
2014	49,412	3,459,155,670	5,477,374,000	70,006	110,851	8,571	7.26% (1)
2013	49,401	3,422,101,922	5,383,683,000	69,272	108,979	8,608	7.75% (1)
2012	49,271	3,391,366,304	5,342,556,000	68,831	108,432	8,683	8.34% (1)
2011	49,109	3,349,997,890	5,248,000,000	68,216	106,864	8,841	8.26% (1)
2010	48,955	3,359,365,267	5,053,166,000	68,621	103,221	8,711	6.95% (1)
2009	51,640	3,301,540,696	4,982,155,000	63,934	96,479	8,674	5.18% (1)
2008	51,414	3,194,509,514	4,868,620,000	62,133	94,694	8,795	5.05% (1)

Sources:

- (1) Louisiana Workforce Commission.
- (2) U.S. Census. Population estimated for 2017.
- (3) Ouachita Parish Tax Assessor.
- (4) Bureau of Economic Analysis. Personal income data for Ouachita Parish.
- (5) Bureau of Labor Statistics
- (6) Louisiana Department of Education. Student enrollment is as of February 1st and includes counts for preschool and Pre-K students.

Table 17

CITY OF MONROE, LOUISIANA
Principal Employers
Current Year and Nine Years Ago

	Fiscal Year 2017			Fiscal Year 2008		
	Number of Employees		% of Total Employment ⁽¹⁾	Number of Employees		% of Total Employment ⁽¹⁾
Ouachita Parish School District	3,009	1	3.78%	2,150	1	2.71%
CenturyLink	2,360	2	2.96%	1,470	4	1.86%
St. Francis Specialty Hospital, Inc.	1,584	3	1.99%	1,600	3	2.02%
Monroe City School District	1,350	4	1.69%	1,200	6	1.52%
JPMorgan Chase	1,291	5	1.62%	1,800	2	2.27%
Glenwood Regional Medical Center	1,156	6	1.45%	1,100	8	1.39%
City of Monroe	950	7	1.19%	855	10	1.08%
Wal-Mart Stores, Inc.	912	8	1.14%			
Parish of Ouachita	871	9	1.09%			
Graphic Packaging International, Inc.	840	10	1.05%	1,240	5	1.57%
University of Louisiana at Monroe				1,169	7	1.48%
University Health Conway (Formerly E.A. Conway)				937	9	1.18%

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 18

CITY OF MONROE, LOUISIANA
 Full-Time Equivalent City Government Employees by Function
 Last Eight Fiscal Years

Function	Fiscal Year							
	2017	2016	2015	2014	2013	2012	2011	2010
General Government	101	101	101	97	84	82	78	75
Judicial	43	46	45	38	37	34	33	31
Public Safety:								
Police	186	195	190	185	172	169	160	157
Fire	194	208	194	184	180	181	178	161
Public Works	138	134	158	150	131	120	103	95
Engineering	25	23	24	25	21	16	13	13
Culture and recreation	111	117	112	102	88	75	69	63
Planning and urban development	23	24	24	24	20	19	15	15
Airport	18	17	14	11	7	5	5	5
Mass Transit	32	37	45	40	37	33	33	29
Water Distribution	52	54	57	56	56	49	45	41
Sewer System	27	30	29	29	22	21	15	12
Total	950	986	993	941	855	804	747	697

Source: City of Monroe Personnel Department.

Note:

Personnel counts include regular full and part time employees at fiscal year end. Temporary and seasonal employees are not included. Information prior to fiscal year 2010 unavailable from legacy system.

Unaudited - See accompanying independent auditors' report.

Table 19

CITY OF MONROE, LOUISIANA
 Operating Indicators by Function
 Last Ten Fiscal Years

Function	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Public safety:										
Police:										
Tickets issued	6,897	7,928	7,068	11,701	15,186	11,134	17,977	21,393	27,594	27,887
Physical arrests	5,530	6,577	6,192	6,619	6,665	6,354	7,962	8,338	9,805	9,307
Fire:										
Fire Calls Answered	3,890	3,840	3,705	3,009	2,776	2,489	2,383	2,400	2,284	1,883
EMS Calls Answered	3,112	2,939	3,018	3,230	3,636	3,749	3,769	3,615	3,719	3,078
Culture and recreation:										
Athletic field permits issued	5	6	4	4	5	5	6	6	5	5
Civic center events	126	390	322	313	306	265	247	334	308	288
Civic center use days	105	283	265	240	279	237	255	226	297	206
Water and sewerage:	8	8	8	8	8	8	8	8	8	8
Total water treated (millions of gallons)	5,149	5,023	4,855	4,419	4,395	4,601	4,507	4,433	4,244	4,333
Total water delivered (millions of gallons)	4,848	4,748	4,569	4,151	4,140	4,342	4,291	4,219	4,064	4,176
Water main breaks	870	425	293	124	109	61	80	107	192	200
Water taps	73	134	145	48	48	120	33	33	31	106
Total sewage treated (millions of gallons)	7,463	7,379	8,769	7,271	6,238	6,998	7,330	7,920	8,630	8,140
Sanitation:										
Solid waste average daily tons per day	137.27	159.23	186.44	149.75	153.43	159.70	159.09	144.61	177.35	188.74
Waste tires picked up	6,107	5,604	6,527	7,398	8,808	4,801	2,194	3,679	- (1)	-
Transit:										
Bus riders	1,053,444	1,128,831	1,131,709	1,201,352	1,156,190	1,188,829	1,179,652	1,160,954	1,182,631	1,204,307

Source: Various City Departments.

Note:

(1) Information on Waste tires picked up unavailable for fiscal years 2008 and 2009.

Unaudited - See accompanying independent auditors' report.

Table 20

CITY OF MONROE, LOUISIANA
 Capital Asset Statistics by Function
 Last Ten Fiscal Years

Function	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Public safety:										
Police:										
Stations (includes training facility)	3	3	3	3	3	3	2	2	2	2
Police units	109	98	95	91	89	85	83	81	78	75
Fire:										
Stations (includes training facility)	10	10	9	9	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	232.45	232.45	232.45	232.45	232.45	232.45	232.45	232.45	232.45	232.45
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	21	23	21	21	20	23	23	26	24	24
Para-transit buses	3	3	3	3	3	3	3	3	3	3
Trolleys	-	- (1)	1	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, 2017**

**City of Monroe
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City of Monroe

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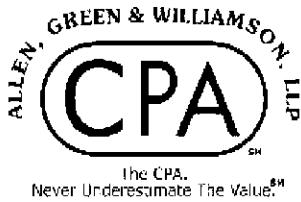
City of Monroe

**SINGLE AUDIT
DIVIDER**

City of Monroe

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DIVIDER



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Ronnie Jacola, CPA
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(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 City of Monroe (the City) as of and for the year ended April 30, 2017, 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, 2017. 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the significant deficiency described in the accompanying Schedule of Findings and Questioned Costs as 2017-003 a material weakness.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as 2017-001, 2017-002, 2017-003 and 2017-004 to be significant deficiencies.

Compliance and Other Matters

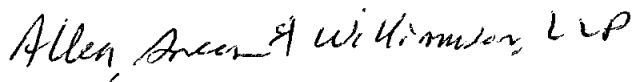
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings and Questioned Costs as item 2017-005.

The City's Response to Findings

The City's response to the findings identified in our audit are described in the accompanying Corrective Action 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.

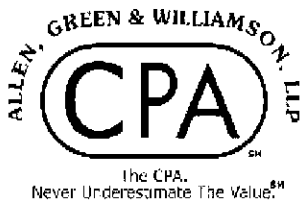
Purpose of this Report

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, 2017



ALLEN, GREEN & WILLIAMSON, LLP

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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, 2017. 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 qualified and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the City's compliance.

Basis for Qualified Opinion on Community Development Block Grants - Entitlement Grants

As described in the accompanying Schedule of Findings and Questioned Costs, the City of Monroe did not comply with requirements regarding CFDA 14.218 Community Development Block Grants – Entitlement Grants as described in finding numbers 2017-007 for Sub-recipient Monitoring and 2017-008 for Matching, Level of Effort, and Earmarking. Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

Qualified Opinion on Community Development Block Grants - Entitlement Grants

In our opinion, except for the noncompliance described in the Basis of Qualified Opinion paragraph, 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 the CDFA 14.218 Community Development Block Grants - Entitlement Grants for the year ended April 30, 2017.

Unmodified Opinions on Highway Planning and Construction Program and Federal Transit Formula Grants

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 if its other major federal programs identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs for the year ended April 30, 2017.

Other Matters

The results of our auditing procedures disclosed other 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 2017-006 and 2017-009. 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 are described in the accompanying 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph 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. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2017-007 and 2017-008 to be material weaknesses.

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. We consider the deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2017-006, 2017-007, 2017-008 and 2017-009 to be significant deficiencies.

The City's response to the internal control over compliance findings identified in our audit are described in the accompanying 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.

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, 2017, 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, 2017, 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, 2017

City of Monroe
Schedule of Expenditures of Federal Awards
For the Year Ended April 30, 2017

Federal Grantor / Pass-Through Grantor / Program Title	CFDA No.	Pass-Through Grant Number	Grant Identification Number	Passed Through to Subrecipient	Federal Expenditures
U. S. Department of Housing and Urban Development					
Direct:					
Community Development Block Grant - 2014	14.218	N/A	B-14-MC-22-0005		\$ 204,321
Community Development Block Grant - 2015	14.218	N/A	B-15-MC-22-0005		90,311
Community Development Block Grant - 2016	14.218	N/A	B-16-MC-22-0005	\$ 34,000	252,243
CDBG Subtotal				34,000	546,875
Home Investment Partnership Grant -2013	14.239	N/A	M-13-MC-22-0206		88,822
Home Investment Partnership Grant -2014	14.239	N/A	M-14-MC-22-0206		145,266
Home Investment Partnership Grant -2015	14.239	N/A	M-15-MC-22-0206		14,615
Home Investment Partnership Grant -2016	14.239	N/A	M-16-MC-22-0206		20,337
Home Investment Partnership Grant Subtotal					269,040
Pass-Through Programs:					
Ouachita Parish Police Jury:					
CDBG DRU Gustav/Ike Stormwater	14.228		FEMA 178-DR-LA		86,194
					86,194
Louisiana Housing Corporation:					
Emergency Shelter Grant Program - 2015	14.231	LHA13-15-16	N/A	78,928	78,928
Emergency Shelter Grant Program - 2016	14.231	LHA13-15-16	N/A	134,869	141,283
Emergency Shelter Grants Program Subtotal				213,797	220,211
Total Dept. Housing & Urban Development				247,797	1,122,320
U. S. Department of Interior					
Direct:					
Historic Preservation Fund Grants-in-Aid	15.904	15-HP-09-CLG	P15AF00046		15,000
					15,000
U. S. Department of Justice					
Direct:					
Office of Justice Program (JAG)	16.738	N/A	2014 DJ BX 0585 2015 DJ BX-0434 2015-DJ-BX-0799		96,035
Bulletproof Vest Partnership Program 2013	16.607	N/A	15-0404-0-1-754		3,289
Total Department of Justice					99,324
U. S. Department of Transportation					
Direct:					
Airport Improvement Program:					
Airport Terminal- Construct Term. Bldg, Ph III; ARFF & Wildlife	20.106	N/A	3-22-0033-032-2014; 3-22-0033-033-2015; 3-22-0033-034-2016		286,616
					286,616
Federal Transit Cluster					
Federal Transit Formula Grants	20.507	N/A	LA-90-X363-01		24,000
Federal Transit Formula Grants	20.507	N/A	LA-90-X425-00		357,000
Federal Transit Formula Grants	20.507	N/A	LA-90-X337-01		56,311
Federal Transit Formula Grants	20.507	N/A	LA-90-X429-03		353,652
Federal Transit Formula Grants	20.507	N/A	LA-90-X429-03		1,552
Federal Transit Formula Grants	20.507	N/A	1513-2016-004		1,046,351
Federal Transit Formula Grants	20.507	N/A	1513-2016-002		261,133
Total Federal Transit Cluster					2,099,999
Pass-Through Programs:					
LA Highway Safety Commission					
Highway Planning and Construction Cluster:					
State and Community Highway Safety (Section 402)	20.600	2016-30-34	N/A		30,040
Alcohol High Visibility Enforcement (Section 410 HVE)	20.601	2015-30-43	N/A		10,760
Total Highway Planning and Construction Cluster					40,800
LA Highway Safety Commission					
Highway Safety Improvement Program	20.205		N/A		17,492
LA Dept of Transportation and Development					
Kansas Lane Extension	20.205	H007289	H007289		1,509,229
Total Department of Transportation					\$ 3,954,136

City of Monroe
Schedule of Expenditures of Federal Awards
For the Year Ended April 30, 2017

Pass-Through Grantor / Program Title	CFDA No.	Grant Number	Identification Number	Through to Subrecipient	Federal Expenditures
<u>Environmental Protection Agency</u>					
Direct:					
Pass-Through Programs:					
LA Dept of Environmental Quality					
Capitalization Grant for Clean Water States	66.458	N/A	DEQ Revolving Loan		\$ 32,832
Total Environmental Protection Agency					<u>32,832</u>
Various Agencies					
Delta Regional Area Economic Development	90.201				21,130
					<u>21,130</u>
<u>U. S. Department of Homeland Security</u>					
Direct:					
Disaster Grants-Public Assistance (Severe Storms, Tornadoes, & Flooding)-FEMA	97.036	MON005F	PA-06-LA-4263-PW-00636		46,073
Transportation Security Administration	97.067	N/A	HSTS02-16-H-SLR889		91,175
Pass-Through Programs:					
Louisiana Department of Public Safety					
La Disaster Flood Recovery	97.048	N/A	N/A		39,338
Total U. S. Department of Homeland Security					<u>176,586</u>
<u>U.S. Department of Health and Human Services</u>					
Pass-Through Programs:					
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		48,270
Total U.S. Department of Health and Human Services - Office of National Drug Policy					<u>48,270</u>
Total Federal Expenditures				<u>\$ 247,797</u>	<u>\$ 5,469,598</u>

City of Monroe
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended April 30, 2017

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, 2017. 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 \$64,464 and under CFDA #14.239 Home Investment Partnership Grants of \$155,088 at April 30, 2017.

NOTE 4 - FUNDS PROVIDED TO SUBRECIPIENTS Of the Federal expenditures presented on this schedule, the City provided \$247,797 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, 2017:

Major funds:		
General Fund	\$	255,365
Capital Infrastructure		67,203
Monroe Regional Airport		286,616
Sewer		32,832
Nonmajor special revenue funds:		
Community Development Block Grant		546,875
Emergency Shelter		220,211
CDBG Home		269,040
Justice Assistance Program		96,034
Nonmajor capital project funds:		
Kansas Lane Connector		1,509,229
DRU Gustav/Ike Storm Water		86,194
Nonmajor Enterprise Funds:		
Monroe Transit System		2,099,999
Total		<u>\$ 5,469,598</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, 2017

Part I - Summary of Auditor's Results

Financial Statement Audit

- i. The type of audit report issued was unmodified.
- ii. There were four significant deficiencies required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America. The significant deficiency described as 2017-003 was considered to be a material weakness.
- iii. There was one instance of noncompliance, as defined by the Government Auditing Standards, to the financial statement.

Audit of Federal Awards

- iv. There were four significant deficiencies required to be disclosed by the Uniform Guidance. The significant deficiencies described as 2017-007 and 2017-008 were considered to be a material weaknesses.
- v. The type of report the auditor issued on compliance for major programs was qualified for Community Development Block Grant – Entitlement Program and unmodified for Highway Planning and Construction and Federal Transit Formula Grant.
- vi. The audit disclosed four audit finding which the auditor is required to report under the Uniform Guidance.
- vii. The major federal programs are:
 - CFDA #14.218 Community Development Block Grant – Entitlement Program
 - CFDA #20.205 Highway Planning and Construction - Kansas Lane Extension
 - CFDA #20.507 Federal Transit Formula Grant Cluster
- 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, 2017

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: **2017-001** **Civic Center Deposits Appear to Occur Weekly in Some Instances**

Entity-wide or program/department specific: This finding applies to the Civic Center Enterprise Fund.

Criteria or specific requirement: Best accounting practices recommend for internal control purposes that cash receipts be deposited daily. The New Statewide Agreed-Upon Procedures, that will be effective for the City of Monroe for the first time for the fiscal year ending April 30, 2018, strongly encourages governments to deposit their receipts daily.

Condition found: It appears the collection of daily deposits at the Civic Center are sometimes held and batched on a weekly basis.

Context: Of twenty-eight receipts selected for testing, four receipts were deposited weekly rather than daily.

Effect: The depositing of cash receipts at the Civic Center is not always deposited as frequently as best accounting practices and the Office of the Legislative Auditor would prescribe.

Cause: Lack of diligence on the part of the civic center personnel to daily deposit receipts.

Recommendation to prevent future occurrences: The Civic Center should be consistent in depositing on a daily basis rather than sometimes weekly.

Origination date and prior year reference (if applicable): This finding is first reported in the fiscal year ended April 30, 2017. However, this identified internal control weakness was previously reported as a management letter item in the fiscal year ended April 30, 2016.

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, 2017

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: **2017-002** **Credit Card Documentation**

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: Good internal control would provide a system that documents the date and purpose and by whom the credit card charges were incurred.

Condition found: The documentation for credit cards needs improvements. Of the limited testing by external auditors, many incidents occurred where the documentation did not include the purpose of a meal, who participated in the meal, and who actually incurred the charge. Several departments of the City buy sandwiches for department meetings that lacks this same noted documentation - the purpose of the meeting, those who attended the meeting, who partook of the meal, and who actually made the charge.

Context: The testing consisted of reviewing the credit card statements for the months of July 2016 and April 2017. There were approximately 465 transactions on the two monthly credit card statements. Twenty eight transactions were lacking complete documentation.

Effect: Proper documentation for credit card charges is lacking.

Cause: There appears to be a lack of internal control over approval of credit card purchases.

Recommendation to prevent future occurrences: All credit card charges documentation should be such that it identifies who made the charge, the purpose of and the attendees of all meetings with meals that are served. All fuel charges should identify who made the charge and the vehicle that the fuel is dispensed into. A system should be in place to identify the user of the card by either the card being assigned to a single individual or a check in check out system is in place to indicate when and who checked out the card and when it was returned.

Caution should be taken to assure that no charges will violate Article 7 Section 14 of the Louisiana Constitution “Donation, Loan, or Pledge of Public Credit.” Section 14.(A) Prohibited Uses. Except as otherwise provided by this constitution, the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private.

Origination date and prior year reference (if applicable): This finding originated fiscal year end 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.”

City of Monroe
Schedule of Findings and Questioned Costs
For the Year Ended April 30, 2017

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: 2017-003 Timecard System Needs to Be Implemented City-wide

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: A good internal control 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 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.

Context: There are approximately 950 employees paid by the City.

Effect: The current practice provides a system that could be misused and a system with less than desirable internal controls and checks.

Cause: The City is not fully utilizing the timekeeping system being certain departments have not implemented the palm reading timecard system.

City of Monroe
Schedule of Findings and Questioned Costs
For the Year Ended April 30, 2017

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:

Recommendations to prevent future occurrences: The following recommendations are needed to strengthen the timecard system:

1. The palm reading timecard systems should be implemented City-wide.
2. All clocking errors should be submitted to the official timekeeper of each department by using an official clocking error form that is signed by the employee and approved by the Division Head. No clocking errors changes should be made by the official timekeeper by verbal communication or by an employee email/text. Division Head clocking errors should follow the same process but the form be approved by the Department Head. The Department Head clocking errors form should be approved by the Mayor or his Chief Operating Officer.
3. Clocking in and out should occur at the palm reading timecard terminal in the building that is the employee's primary station of employment.
4. Any absence (vacation, sick, etc.) that the employee will be compensated for should be documented with an official form that is signed by the employee and the Division Head. Division Head absences should be approved by the Department Head. The Department Head absences should be approved by the Mayor or his Chief Operating Officer.
5. All employee timecards should be signed by the employee and approved by the Division Head. All Division Heads' timecards should be approved by the Division Head. All Division Heads timecards should be approved by the Mayor and or his Chief Operating Officer.
6. The "attendance only" practice should be discontinued immediately.
7. Clocking in and out for lunch using the palm reading timecard terminal located in the building of an employee's primary work station should occur unless it is not practical. An example where it may not be practical would be for employees working in the field during the day or an employee being called out in an emergency situation.
8. For situations where an employee is called out on emergency and no clocking in or out occurred should be treated the same as a clocking error and an official clocking error form should be prepared, signed by the employee, and approved by the Division Head. This completed form would be submitted to the official timekeeper of the employee's department.
9. The very limited working from home situations that currently exist should be discontinued.
10. The timekeeping software system should be programmed to block any changes by the official timekeeper of each department to his/her personal timecard. All clocking errors and any other changes to the official timekeeper's time records should be made by personnel in the Payroll Department at City Hall after approval by the employee's Department Head.
11. The City's Internal Auditor should periodically test the timecard system to assure compliance with the suggested related documentation regarding these recommendations. Further, the City's Internal Auditor should test the time reported by employees to the key entry fobs reports to assure consistency in reporting.

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."

City of Monroe
Schedule of Findings and Questioned Costs
For the Year Ended April 30, 2017

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: **2017-004 Employee Dismissed Due to Suspected Erroneous Time Card Reporting**

Entity-wide or program/department specific: This finding is specific to the Planning and Urban Department: CFDA # 14.218 Community Development Block Grants - Entitlement Grants

Criteria or specific requirement: Costs charged to Federal Awards should be necessary and reasonable, be eligible costs, and be supported with proper documentation. Payroll should be supported by time records that reflect actual hours incurred for a Federal Awards program.

Condition found: An official in the City’s Community Development Block Grants department was unable to provide documentation of actual work completed that the official said was being performed at sites other than at the assigned work station. The employee sometimes clocked in at sites other than the assigned work station which raised questions.

Context: The official’s payroll was charged to the program throughout the fiscal year, in which there were a number of occasions that the time reflected on the timesheet could not be substantiated. Therefore, this finding is considered to be a systemic problem. This finding was detected internally by city personnel.

Effect: Documentation of time incurred and resulting work product was not satisfactorily provided by the official to support the time reported and paid for by the City. Approximately \$8,600 of payroll cost was questioned.

Cause: See finding reference # 2017-003 and due to lack of department’s management oversight.

Recommendation to prevent future occurrences: All division heads should approve the timecards of staff under their supervision. The occasional practice permitted by the City to work from home should be discontinued. All employees should clock in and out using the palm reading timecard system located in their assigned work station area. Exceptions to this policy should only occur maybe once every month, or even less frequent than that.

Also see recommendations included previously in finding reference # 2017-003 “Timecard System Needs to Be Implemented City-wide.”

Origination date and prior year reference (if applicable): This finding originated fiscal year end 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.”

City of Monroe
Schedule of Findings and Questioned Costs
For the Year Ended April 30, 2017

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: **2017-005** **Five Percent Unfavorable Budget Variance**

Entity-wide or program/department specific: This finding is entity-wide.

Criteria or specific requirement: Louisiana Revised Statute 39:1311 requires the chief executive or administrative officer to advise the governing authority or independently elected official in writing when total expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more and when total revenues and other sources for the remainder of the year, within a fund, are failing to meet budgeted revenues and other sources by five percent or more.

Condition found: For fiscal year ended April 30, 2017, the City had two special revenue funds in which the total actual expenditures and other uses exceeded the amount budgeted and had one special revenue fund in which the total revenues and other sources failed to meet the budgeted amount by five percent or more.

Context: The City has approximately thirty five budgets or more that are adopted annually.

Effect: The City appears to not have met state budgeting requirements.

Cause: Unexpected expenditures occurred after the budget was adopted/amended.

Recommendation to prevent future occurrences: The City should strengthen the procedures the budget amendments to ensure all funds are being reviewed and revised if necessary.

Origination date and prior year reference (if applicable): This finding originated fiscal year end 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.”

City of Monroe
Schedule of Findings and Questioned Costs
For the Year Ended April 30, 2017

Part III – Findings and questioned costs for federal awards which are required to be reported under the Uniform Guidance:

Reference # and Title: 2017-006 Employee Dismissed Due to Suspected Erroneous Time Card Reporting

CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the name of Pass-Through Entity: This finding relates to the Community Development Block (CDBG) Entitlement Grants CFDA# 14.218 for the Federal Award Years 2015 and 2016, received from Federal Agency: U.S. Department of Housing and Urban Development.

Criteria or specific requirement: Costs charged to Federal Awards should be necessary and reasonable, be eligible costs, and be supported with proper documentation. Payroll should be supported by time records that reflect actual hours incurred for a Federal Awards program.

Condition found: An official in the City’s Community Development Block Grants department was unable to provide documentation of actual work completed that the official said was being performed at sites other than at the assigned work station. The employee sometimes clocked in at sites other than the assigned work station which raised questions.

Context: The official was charged to the program throughout the fiscal year, in which there were occasions that the time reflected on the timesheet could not be substantiated. Therefore, this finding is considered to be a systemic problem. This finding was detected internally by city personnel.

Effect: Documentation of time incurred and resulting work product was not satisfactorily provided by the official to support the time reported and paid for by the City.

Cause: See finding reference # 2017-003 and due to lack of department’s management oversight.

Recommendation to prevent future occurrences: All division heads should approve the timecards of staff under their supervision. The occasional practice permitted by the City to work from home should be discontinued. All employees should clock in and out using the palm reading time card system located in their assigned work station area. Exceptions to this policy should only occur maybe once every month or even less frequent than that.

Also see recommendations included previously in finding reference # 2017-003 “Timecard System Needs to Be Implemented City-wide.”

Origination date and prior year reference (if applicable): This finding originated fiscal year end 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.”

City of Monroe
Schedule of Findings and Questioned Costs
For the Year Ended April 30, 2017

Part III – Findings and questioned costs for federal awards which are required to be reported under the Uniform Guidance:

Reference # and title: **2017-007** **Sub-recipient Monitoring**

CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the name of Pass-Through Entity: This finding relates to the Community Development Block (CDBG) Entitlement Grants CFDA# 14.218 for the Federal Award Years 2015 and 2016, received from Federal Agency: U.S. Department of Housing and Urban Development.

Criteria or specific requirement: The federal regulations require pass-thru entities to monitor sub-recipients to assure that expenditures from Federal Award are spent in accordance with the Federal regulations governing that Award.

Condition found: The CDBG department did not perform the required sub-recipient during the fiscal year end April 30, 2017 in accordance with Federal regulations.

Context: The City performed no sub-recipient monitoring of the funds passed through to other organizations. The staff was not aware this is required annually; therefore, this finding is considered to be a systemic problem.

Effect: The CDBG program is not in compliance with the CDBG regulations regarding to sub-recipient monitoring.

Cause: The City staff was not aware that the sub-recipient monitoring was required to be performed annually.

Recommendations to prevent future occurrences: The CDBG department should monitor the sub-recipients on an annual basis.

Origination date and prior year reference (if applicable): This finding originated fiscal year end 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.”

City of Monroe
Schedule of Findings and Questioned Costs
For the Year Ended April 30, 2017

Part III – Findings and questioned costs for federal awards which are required to be reported under the Uniform Guidance:

Reference # and title: 2017-008 CDBG Request Exceeds the Maximum Allowed for Planning and Administration

CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the name of Pass-Through Entity: This finding relates to the Community Development Block (CDBG) Entitlement Grants CFDA# 14.218 for the Federal Award Years 2015 and 2016, received from Federal Agency: U.S. Department of Housing and Urban Development.

Criteria or specific requirement: Earmarking regulations permits up to twenty percent of the total CDBG award for planning and administration activities. Accordingly, during fiscal year April 30, 2017, \$127,825 would be the maximum amount allowed for planning and administration activities for a total \$636,561 CDBG Award.

Condition found: The City of Monroe spent \$165,080 on planning and administration, or \$37,255 more than permitted by the 20% limitation imposed by the CDBG regulations.

Context: The City’s system of the 20% earmarking calculation was not considering the full grant awards spent during the fiscal year, but rather each individual grant award. Therefore, this finding is considered to be a systemic problem.

Effect: The Earmarking requirements were not met for this CDBG Award being the expenditures for planning and administration was \$165,080, or \$37,255 more than permitted by the earmarking requirements of the CDBG regulations.

Cause: The City staff was not properly trained in the mechanics of calculating the administrative cap.

Questioned Costs: The questioned cost was considered to be \$37,255.

Recommendations to prevent future occurrences: The City of Monroe should monitor the costs incurred for this type program to assure the expenditures do not exceed the limitations imposed by the Federal regulations.

Origination date and prior year reference (if applicable): This finding originated fiscal year end 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.”

City of Monroe
Schedule of Findings and Questioned Costs
For the Year Ended April 30, 2017

Part III – Findings and questioned costs for federal awards which are required to be reported under the Uniform Guidance:

Reference # and title: **2017-009** **Period of Performance**

CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the name of Pass-Through Entity: This finding relates to the Federal Transit Formula Grants CFDA# 20.507 for the Federal Award Year 2016, received from Federal Agency: U.S. Department of Transportation.

Criteria or specific requirement: A non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity (2 CFR section 200.309).

Condition found: One of the transit grant’s period of performance began October 1, 2016. At the time the City had submitted the request for reimbursements for the operating expenses under this grant, the City had included costs that incurred before the period of performance began, which was not authorized by the Federal awarding agency. It was noted, however, that the City did incur additional expenses to cover the pre-requested funds before fiscal year end April 30, 2017.

Context: The City receives multiple federal formula transit grants during the fiscal year with different periods of performance. Only one of the grants received the City did not meet the period of performance requirement; therefore, this is considered to be an isolated instance.

Effect: The City had not met the period of performance requirements for all of the Federal Transit Formula Grants received.

Cause: The grant accounting responsibility was placed on a different accounting staff member that was not fully trained regarding the new Uniform Guidance requirements.

Recommendations to prevent future occurrences: The City of Monroe should monitor the costs incurred for this type program to assure the expenditures requested are within the period of performance for each grant.

Origination date and prior year reference (if applicable): This finding originated fiscal year end 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.”

City of Monroe

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City of Monroe

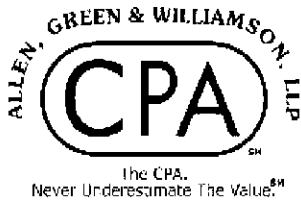
**PASSENGER FACILITY CHARGE PROGRAM (PFC) REPORTS AS REQUIRED BY FEDERAL
AVIATION ADMINISTRATION**

DIVIDER

City of Monroe

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DIVIDER



ALLEN, GREEN & WILLIAMSON, LLP

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(Retired) 1963 - 2000

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

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, 2017.

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, 2017.

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 that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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, 2017, 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, 2017 that includes a reference to the report of other auditors, which contained unmodified opinions on the 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, 2017

City of Monroe
Schedule of Expenditures of Passenger Facility Charges
Monroe Regional Airport
For the Year Ended April 30, 2017

	FY-16						
	Program	Quarter 1	Quarter 2	Quarter 3	Quarter 4	FY-17	Program
	Total	May-July	Aug-Oct	Nov-Jan	Feb-Apr	Total	Total
<u>Revenue</u>							
Collections	\$5,166,199	\$ 100,621	\$ 108,643	\$ 138,305	\$ 76,150	\$ 423,719	\$ 5,589,918
Interest, net of service charges	50,867	174	175	173	237	759	51,626
Total Revenue, net of service charges	<u>5,217,066</u>	<u>100,795</u>	<u>108,818</u>	<u>138,478</u>	<u>76,387</u>	<u>424,478</u>	<u>5,641,544</u>
<u>Disbursements</u>							
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	2,986,573	105,000	140,000	70,180	146,194	461,374	3,447,947
Application 08-03-C-00-MLU-002	41,910	285	380	315	294	1,274	43,184
Total Disbursements	<u>4,387,986</u>	<u>105,285</u>	<u>140,380</u>	<u>70,495</u>	<u>146,488</u>	<u>462,648</u>	<u>4,850,634</u>
Net PFC Revenue	<u>829,080</u>	<u>(4,490)</u>	<u>(31,562)</u>	<u>67,983</u>	<u>(70,101)</u>	<u>(38,170)</u>	<u>790,910</u>
PFC Account Balance (cash basis)	<u>\$ 829,080</u>	<u>\$ 824,590</u>	<u>\$ 793,028</u>	<u>\$ 861,011</u>	<u>\$ 790,910</u>	<u>\$ 790,910</u>	<u>\$ 790,910</u>

City of Monroe

OTHER INFORMATION

DIVIDER

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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 Findings and Questioned Costs

The following information contains the Status of Prior Year Findings and Questioned Costs as of April 30, 2017:

Reference # and Title: **2016-001** **Internal Controls over Inventory**

Origination date: This finding originated fiscal year ended April 30, 2015.

Entity-wide or program/department specific: This finding is entity-wide.

Condition: In order to have good internal controls over inventory, policies and procedures should be established to ascertain that inventory is properly maintained and tracked. Annual inventory reports should have proper totals, include updated unit cost information and agree to year-end inventory counts.

When testing the main four departments of the City that account for inventory, the following items were noted:

- Transit Department –
 - Various exceptions noted in which the final count noted during the inventory observation did not agree to the final listing provided.
 - Some items noted on the inventory listing with a negative number as the final count reported.
 - When tracing unit cost, exceptions were noted in which the unit cost per invoices paid did not agree to the unit cost per the inventory listing.
- Central Shop –
 - It was noted that the final count report contained formula errors, which caused the report not to total correctly.
 - When tracing unit cost, exceptions were noted in which the unit cost per invoices paid did not agree to the unit cost per the inventory listing.
- Water Department –
 - Two exception noted in which the final count noted during the inventory observation did not agree to the final listing provided.
 - When tracing unit cost per listing to invoices, it was noted that unit cost is not being updated as cost of the items increase as well as some unit cost data could not be traced to support.
 - The inventory listing has improved from prior year; however, the listing is still piecemealed. One part of the inventory listing is maintained in excel, which shows units and unit cost, whereas the other part of the inventory listing is in the purchasing system, which only shows unit cost. The final inventory has to be manually calculated.

Status of Prior Year Audit Findings and Questioned Costs

- Purchasing Department –
 - There were nine exceptions noted in which the final count noted during the inventory observation did not agree to the final listing provided.
 - When tracing unit cost, exceptions were noted in which the unit cost per invoices paid did not agree to the unit cost per the inventory listing.

Corrective action taken:

Transit Department

Currently MTS conducts a 100% inventory check each month. The parts room doors are locked and the inventory specialist meets the mechanic at the door to ensure parts are not taken out of stock without charging them out. Going forward we can put a policy in place that would require that a mechanic cannot enter the parts room at all. He/she would need to ask the inventory specialist or Manager to get parts for them.

Since transit purchases parts throughout the year from multiple vendors at different costs, the system averages the cost of the part. Currently, there is no report showing a cost of a particular part on a certain date. However the Manager will contact the parts software vendor to see it is possible to make a custom report showing the cost of a part on a certain date.

Central Shop

1. To make sure that during inventory the overall count is correct.
2. Double check that all entries and formulas are correct on Excel Spreadsheet.
3. Make sure all prices are correct and updated in the computer.
4. Make sure no one gets parts during count.

Parts were used during inventory that caused the count and formulas to be off; this has been corrected.

Water Department

Our division (Water Distribution Division) will coordinate with the MIS division to correct the issue with the unit pricing.

Purchasing Department

We are working on tracing the unit cost on which the unit cost per invoices paid did not agree to the unit cost per the inventory listing. It has been recommended to establish one system in maintaining the Water Department's inventory.

Status of Prior Year Audit Findings and Questioned Costs

Reference # and Title: **2016-002** **Year-End Financial Reporting**

Origination date: This finding originated fiscal year ended April 30, 2015.

Entity-wide or program/department specific: This finding is entity-wide.

Condition: Good internal control over financial reporting requires that accounting records contain accurate and complete information to ensure that financial accruals are accurate at year-end.

During the testing year-end report balances associated with accounts receivable and accounts payable, it was noted several accrual items were required to be given back to the City to research and provide necessary adjustments to the auditor to correct.

Corrective action taken: Utilizing the general ledger system and Excel, a system of checking for variances or lack of variance in accounts is now in place. Variances are checked quarterly and researched. Specific emphasis is placed on the receivable and payable accounts to ensure validity.

Reference # and Title: **2016-003** **Louisiana Ethics Training**

Origination date: This finding originated fiscal year ended April 30, 2016.

Entity-wide or program/department specific: This finding is entity-wide.

Condition: La. Revised Statute 42:1170A, each public servant who is required to complete education and training of a minimum of one hour of education and training on the Code of Governmental Ethics during each year of his/her public employment.

In testing twenty-five employees of the City, it was noted that four employees did not take the required ethics training and one employee's training certificate was over a year old.

Corrective action taken: In response to the finding in the audit concerning Ethics Training, the following actions will be taken:

- Ethics Training Certificates will be filed in a binder in alphabetical order
- When an employee takes the Ethics Training it will be notated under the skills on each employee who takes the training
- In order to keep track of Ethics Training HR will run reports by Department/Divisions on November 1st of each year, this report will indicate who has or has not taken Ethics Training.
- On November 1st of each year HR will send a list to each Department Head
- The month of December each year HR will follow up weekly with Department Heads in reference to who has not currently taken Ethics Training
- In December of each year HR will provide additional Ethics Training Session to ensure that all City of Monroe Employees have taken Ethics Training and that we have certificates on each employee.

Status of Prior Year Audit Findings and Questioned Costs

Reference # and title: **2016-004** **Airport Cash Receipts/Reporting**

Origination date: This finding originated fiscal year ended April 30, 2016.

Entity-Wide or program/department specific: This finding is related to the Monroe City Airport.

Condition: Proper internal controls require that funds received by the airport be deposited daily.

In testing forty individual receipts of funds it was noted that three were not deposited timely. One check was received January 13, 2016 and deposited January 19th. One check was received June 1, 2015 and deposited June 10th. One check from a rental car company was dated by the vendor July 1, 2015, but was not deposited by the airport until October 22, 2015. It was also noted that the amounts billed to airlines monthly for passengers arriving or departing were not being reviewed for accuracy by management before the invoices were sent. In addition the PFC 127 report, Airport Operating and Financial Summary, was not prepared timely. This report was completed by the accounting department and probably should be completed by the Airport staff as they should be more knowledgeable in its preparation.

Corrective action taken: Listed below is the corrective action plan for addressing the airport audit findings:

1. Every check received at the airport will be stamped with the date and time it was received. This procedure will be effective immediately.
2. Collections received will be deposited daily. The administrative secretary will receive the checks and stamp each one with the actual date and time it was received. This process will be verified and the checks deposited by Joycie Stewart, the airport's Administrative Clerk.
3. When a check is received, it will be immediately logged into New World and also entered into a spreadsheet for tracking. The airport director will review the spreadsheet on a weekly basis to ensure that the process is being followed.
4. All airline invoices are being verified for accuracy by the administrative clerk and the airport director prior to being sent to the airlines.
5. The airport staff will assume the responsibility for completing the PFC 127 report. The airport staff will file the PFC 127 report with the FAA.

Status of Prior Year Audit Findings and Questioned Costs

Reference # and title: 2016-005 Suspension and Debarment

Origination date: This finding originated fiscal year ended April 30, 2015.

Federal program and specific federal award identification: The finding relates to the Community Development Block Grant Entitlement Program (CDBG), CFDA #14.218, for the Federal Award Years 2014 and 2015 received from Federal Agency: Department of Housing and Urban Development; Airport Improvement Program, CFDA #20.106, for the Federal Award Years 2010 and 2011 received from Federal Agency: Department of Transportation; and Community Development Block Grant – State Program, CFDA #14.228, for the Federal Award Year 2011 received from Federal Agency: Department of Housing and Urban Development pass-through from Ouachita Parish Police Jury.

Condition: According to 2 CFR section 180.220, non-federal entities are prohibited from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred. This include those procurement contracts for goods and services awarded that are expected to equal or exceed \$25,000. Therefore, the City is required to establish controls to verify vendors are not suspended and debarred from receiving federal funds. This verification process may be accomplished by (a) checking the Excluded Parties List system at www.sam.gov; (b) collecting a certification from the vendor, or (c) adding a clause or condition to the vendor's contract.

For the CDBG Program, the City did perform verifications on some vendors; however, verifications were not completed during the fiscal year for all required vendors. For the Airport Improvement Program, the City did not complete any verifications during the fiscal year; however, the City did after fiscal year end.

Corrective action taken: Departments spending federal funds will be educated on how to use the EPLS at www.sam.gov and will be responsible for the verification process of vendors before purchases are made or contracts are awarded. Training will be held in November 2016 and departments will implement immediately. Administration will facilitate adding a clause or condition to the vendor contract format being used by the City.

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, 2017:

Reference # and Title: 2017-001 Civic Center Deposits Appear to Occur Weekly in Some Instances

Entity-wide or program/department specific: This finding applies to the Civic Center Enterprise Fund.

Condition: Best accounting practices recommend for internal control purposes that cash receipts be deposited daily. The New Statewide Agreed-Upon Procedures, that will be effective for the City of Monroe for the first time for the fiscal year ending April 30, 2018, strongly encourages governments to deposit their receipts daily.

It appears the collection of daily deposits at the Civic Center are sometimes held and batched on a weekly basis.

Corrective action planned: The deposits noted by the auditors had already been brought to the attention of Civic Center personnel by the Accounting Department, as they had observed this during their normal review of cash collections. Accounting personnel met with civic Center management/personnel and reviewed deposit requirements.

In the future, Civic Center personnel will make timely deposits. Exceptions to this will be very limited and documented as to the reason and scanned with documentation behind the deposit. Accounting will continue its review of cash collections of all departments to identify deviations from the deposit requirements.

Person responsible for corrective action:

Charles Thomas Telephone: (318) 329-2225
Director, Civic Center
City of Monroe
P. O. Box 123
Monroe, Louisiana 71210

Anticipated completion date: December 31, 2017

Corrective Action Plan for Current Year Findings and Questioned Costs

Reference # and Title: 2017-002 Credit Card Documentation

Entity-wide or program/department specific: This finding is entity-wide.

Condition: Good internal control would provide a system that documents the date and purpose and by whom the credit card charges were incurred.

The documentation for credit cards needs improvements. Of the limited testing by external auditors, many incidents occurred where the documentation did not include the purpose of a meal, who participated in the meal, and who actually incurred the charge. Several departments of the City buy sandwiches for department meetings that lacks this same noted documentation - the purpose of the meeting, those who attended the meeting, who partook of the meal, and who actually made the charge. Below is a list of travel and credit card charges that were missing necessary documentation:

Corrective action planned: The credit cards will be reissued with specific user names on them. These individuals will be held personally accountable for unauthorized charges made with the card. Employees will be retrained on proper use and documentation before being issued a card. New policies will be implemented concerning improper purchases.

Person responsible for corrective action:

Stacey Rowell, CPA
Director of Administration
City of Monroe
P. O. Box 123
Monroe, Louisiana 71210

Telephone: (318) 329-4925

Anticipated completion date: April 30, 2018

Reference # and title: 2017-003 Timecard System Needs to Be Implemented City-wide

Entity-wide or program/department specific: This finding is entity-wide.

Condition: A good internal control 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.

Corrective Action Plan for Current Year Findings and Questioned Costs

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 planned: The City will implement the recommendations made by the auditor. The City will implement use of the palm reading time system across all departments. All employees that are eligible to receive any paid leave upon end of employment will be required to use the time keeping system. In lieu of Payroll Department personnel making corrections to individual department timekeepers' record, the alternate timekeeper for each department will make these types of changes. The Central Payroll Department personnel will audit 3-4 department timekeepers' electronic timecard histories (six months look back period) each month to ensure that the timekeepers are not making changes to their own records (the system tracks who makes changes to records). A log of this audit will be kept on file for review by the auditors.

Person responsible for corrective action:

Stacey Rowell, CPA
Director of Administration
City of Monroe
P. O. Box 123
Monroe, Louisiana 71210

Telephone: (318) 329-4925

Anticipated completion date: April 30, 2018

Reference # and Title: 2017-004 Employee Dismissed Due to Suspected Erroneous Time Card Reporting

Entity-wide or program/department specific: This finding is specific to the Planning and Urban Department: CFDA # 14.218 Community Development Block Grants/Entitlement Grants.

Condition: Costs charged to Federal Awards should be necessary and reasonable, be eligible costs, and be supported with proper documentation. Payroll should be supported by time records that reflect actual hours incurred for a Federal Awards program.

An official in the City's Community Development Block Grants department was unable to provide documentation of actual work completed that the official said was being performed at sites other than at the assigned work station. The employee sometimes clocked in at sites other than the assigned work station which raised questions.

Corrective Action Plan for Current Year Findings and Questioned Costs

Corrective action planned: The City will implement time clock procedures mentioned in finding # 2017-003. Also, the City has made a change in management in the department.

Person responsible for corrective action:

Jimmie Bryant
Interim Director, Planning and Urban Development
City of Monroe
P. O. Box 123
Monroe, Louisiana 71210

Telephone: (318) 329-4114

Anticipated completion date: April 30, 2018

Reference # and Title: **2017-005** **Five Percent Unfavorable Budget Variance**

Entity-wide or program/department specific: This finding is entity-wide.

Condition: Louisiana Revised Statute 39:1311 requires the chief executive or administrative officer to advise the governing authority or independently elected official in writing when total expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more and when total revenues and other sources for the remainder of the year, within a fund, are failing to meet budgeted revenues and other sources by five percent or more.

For fiscal year ended April 30, 2017, the City had two special revenue funds in which the total actual expenditures and other uses exceeded the amount budgeted and had one special revenue fund in which the total revenues and other sources failed to meet the budgeted amount by five percent or more.

Corrective action planned: The final budget for the City was introduced at the last Council meeting in March, at which time some transfers between funds were not anticipated. Also, end of year adjustments/entries made after the final budget adoption affected the final variances.

Person responsible for corrective action:

Stacey Rowell, CPA
Director of Administration
City of Monroe
P. O. Box 123
Monroe, Louisiana 71210

Telephone: (318) 329-4925

Anticipated completion date: Fiscal year 2017-18

Corrective Action Plan for Current Year Findings and Questioned Costs

Reference # and Title: 2017-006 Employee Dismissed Due to Suspected Erroneous Time Card Reporting

CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the name of Pass-Through Entity: This finding relates to the Community Development Block (CDBG) Entitlement Grants CFDA# 14.218 for the Federal Award Years 2015 and 2016, received from Federal Agency: U.S. Department of Housing and Urban Development.

Condition: Costs charged to Federal Awards should be necessary and reasonable, be eligible costs, and be supported with proper documentation. Payroll should be supported by time records that reflect actual hours incurred for a Federal Awards program.

An official in the City's Community Development Block Grants department was unable to provide documentation of actual work completed that the official said was being performed at sites other than at the assigned work station. The employee sometimes clocked in at sites other than the assigned work station which raised questions.

Corrective action planned: The City will implement time clock procedures mentioned in finding # 2017-003. Also, the City has made a change in management in the department.

Person responsible for corrective action:

Jimmie Bryant
Interim Director, Planning and Urban Development
City of Monroe
P. O. Box 123
Monroe, Louisiana 71210

Telephone: (318) 329-2231

Anticipated completion date: April 30, 2018

Reference # and title: 2017-007 Sub-recipient Monitoring

CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the name of Pass-Through Entity: This finding relates to the Community Development Block (CDBG) Entitlement Grants CFDA# 14.218 for the Federal Award Years 2015 and 2016, received from Federal Agency: U.S. Department of Housing and Urban Development.

Condition: The federal regulations require pass-thru entities to monitor sub-recipients to assure that expenditures from Federal Award are spent in accordance with the Federal regulations governing that Award.

The CDBG department did not perform the required sub-recipient during the fiscal year end April 30, 2017 in accordance with Federal regulations.

Corrective action planned: The Community Development staff will schedule a monitoring for each sub-recipient at the end of every calendar year to prevent this oversight in the future. In addition, all findings and results of the monitoring will be sent to the Grant Accountant for review so all concerns will be addressed before the end of the fiscal year.

Corrective Action Plan for Current Year Findings and Questioned Costs

Person responsible for corrective action:

Jimmie Bryant
Interim Director, Planning and Urban Development
City of Monroe
P. O. Box 123
Monroe, Louisiana 71210

Telephone: (318) 329-2231

Anticipated completion date: April 30, 2018

Reference # and title: **2017-008 CDBG Request Exceeds the Maximum Allowed for Planning and Administration**

CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the name of Pass-Through Entity: This finding relates to the Community Development Block (CDBG) Entitlement Grants CFDA# 14.218 for the Federal Award Years 2015 and 2016, received from Federal Agency: U.S. Department of Housing and Urban Development.

Condition: Earmarking regulations permits up to twenty percent of the total CDBG award for planning and administration activities. Accordingly, during fiscal year April 30, 2017, \$127,825 would be the maximum amount allowed for planning and administration activities for a total \$636,561 CDBG Award.

The City of Monroe spent \$165,080 on planning and administration, or \$37,255 more than permitted by the 20% limitation imposed by the CDBG regulations.

Corrective action planned: Since the finding, flags have been set in the IDIS reporting system of HUD to prevent exceeding the planning and administrative 20% cap in the future. This was a misunderstanding by staff that the 20% cap calculation should be based on the City's fiscal year rather than program year. However, the Community Development division along with the City's Grant Accountant has requested onsite technical assistance from the New Orleans HUD Field Office to prevent future findings.

Person responsible for corrective action:

Jimmie Bryant
Interim Director, Planning and Urban Development
City of Monroe
P. O. Box 123
Monroe, Louisiana 71210

Telephone: (318) 329-2231

Anticipated completion date: April 30, 2018

Corrective Action Plan for Current Year Findings and Questioned Costs

Reference # and title: 2017-009 Period of Performance

CFDA#, Federal Award Title, Federal Agency, Federal Award # and Year, and the name of Pass-Through Entity: This finding relates to the Federal Transit Formula Grants CFDA# 20.507 for the Federal Award Year 2016, received from Federal Agency: U.S. Department of Transportation.

Condition: A non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity (2 CFR section 200.309).

One of the transit grant's period of performance began October 1, 2016. At the time the City had submitted the request for reimbursements for the operating expenses under this grant, the City had included costs that incurred before the period of performance began, which was not authorized by the Federal awarding agency. It was noted, however, that the City did incur additional expenses to cover the pre-requested funds before fiscal year end April 30, 2017.

Corrective action planned: Accounting will revise the procedure in determining eligible expenses by pulling an additional report which includes invoice date and G/L date to make sure expenses incurred are actually within the period of performance. Additionally, capital purchases that may be reimbursed from federal funds, but do not meet the capitalization threshold established by the City will be reclassified to small equipment purchases account instead of a supply account.

Person responsible for corrective action:

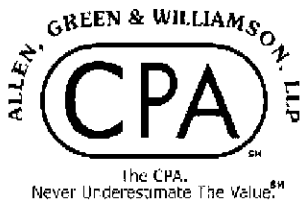
Marc Keenan
General Manager Telephone: (318) 329-2207
City of Monroe
P. O. Box 123
Monroe, Louisiana 71210

Anticipated completion date: April 30, 2018

Respectfully submitted,



Stacey Rowell, CPA
Director of Administration



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Ronnie Jacola, CPA
Audit Manager: Margie Williamson, CPA

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

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, 2017, 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, 2017, 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 this comment during our next audit engagement. Our comment and recommendation, which has 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 this comment 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 response are summarized as follows:

2017-M1

Monroe City Court Not Able to Download Digital Traffic Tickets

Comment: The Monroe City Court administers and enforces the collection of fines associated with traffic citations issued by Monroe City Police Department. It is important that the Monroe City Court has the proper documents in order to collect the appropriate amount of fines. The City of Monroe software system generates a PTS file that can be downloaded into the Monroe City Court software system. However, since an employee left the employment of the Monroe City Court, the other City Court personnel have not been able to download the digital traffic tickets written by the City of Monroe Police Department. Accordingly, a hard copy of the digital tickets are being printed and the information manually entered into the Monroe City Court software system. This approach is time consuming and inefficient. It is imperative that the Monroe City Court obtain training for its staff in order to enhance the probability of collection of all revenues due the Monroe City Court and the City of Monroe from traffic citations.

Recommendation: The Monroe City Court should work to resolve their personnel's inability to download the electronic traffic tickets from the City of Monroe software.

Management's response: The City will consult with Monroe City Court and try to facilitate the Court being able to download the tickets.

2017-M2 Southside Economic Development District (SEDD) Reporting and Compliance Responsibility

Comment: The City recently awarded \$100,000 to the SEDD and since have recommended to the SEDD that they comply with the regulations contained in the Statute that established the SEDD. LA Revised Statute 33:2740.51 “The Southside Economic Development District of the City of Monroe” has extensive provisions regarding operations and specific details regarding the City of Monroe’s oversight of the operations of the SEDD, such as

- The City Council and Mayor primarily appoint the board members of the SEDD,
- “F.(1) The Board shall prepare or cause to be prepared a plan or plans specifying the public improvements, facilities, and services proposed to be furnished, constructed, or acquired for the district . . .

(2) Any plan may specify and encompass any public services, capital improvements, and facilities which the City of Monroe is authorized to undertake, furnish, or provide under the constitution and laws of the state of Louisiana,

(3) Any plan shall include an estimate of the annual and total cost of acquiring, constructing, or providing the services, improvements, or facilities set forth therein/

(5)(a) . . . “The Council, by a majority vote of all its members, may adopt or reject the plan as originally submitted by the board or alter or modify the plan or any portion of detail thereof.”

(5)(b) If the plan as originally submitted by the board is adopted by the majority vote of the council, it shall become final and conclusive and may thereafter be implemented.”
- “G.(1)(a) Notwithstanding the provisions of Subsection F of this Section, the board may prepare and submit directly to the council a plan or plans setting forth its intention to employ professional consultants, experts, and such other advisors and personnel as it shall deem to be necessary or convenient to assist in the preparation of a plan or plans for the orderly and efficient development of services and improvements within the district.

(b) The plan shall specify the services proposed to be rendered by such employees, an estimate of the aggregate of the proposed salaries of such employees, and an estimate of the other expenses of the board required for the preparation of such plan or plans.

(2)(a) The council shall review and consider such plan within thirty days following submission to it by the board and shall adopt or reject such plan by a majority vote of its members.

(b) If the council adopts such plan, it shall become final and conclusive.”
- “I.(1) All services to be furnished within the district pursuant to any plan finally and conclusively adopted hereunder shall be furnished, supplied, and administered by the city through its regularly constituted departments, agencies, boards, commissions, and instrumentalities. All capital improvements and facilities to be acquired, constructed, or provided within the district, whether from the proceeds of bonds or otherwise, shall likewise be so acquired, constructed, or provided by the city through its regularly constituted departments, agencies, boards, commissions, and instrumentalities, it being the intention hereof to avoid the duplication of administrative and management efforts and expense in the implementation of any plan adopted for the benefit of the district.

(2) In order to provide such services and/or provide, construct, or acquire such capital improvements or facilities, the board may enter into intergovernmental local service contracts with the city.”

The language in the Statute seems to clearly require the SEDD to comply with the policies and regulations of the City of Monroe considering the statute reads “all services to be furnished within the district (SEDD) pursuant to any plan finally and conclusively adopted hereunder shall be furnished, supplied, and administered by the City through its regularly constituted departments, agencies, boards, commissions, and instrumentalities. It being the intention hereof to avoid the duplication of administrative and management efforts and expense in the implementation of any plan adopted for the benefit of the district.”

The SEDD has been resistant to following the regulations contained in LA Revised Statute 33:2740.51. In order to avoid these regulations, the SEDD could petition the Louisiana Legislature to amend the Statute. However, until the Statute is revised the SEDD should fully comply with the current provisions of LA Revised Statute 33:2740.51, including the following:

- ◆ Submitting their annual plan and budget to the City of Monroe Council for approval,
- ◆ Working with the staff of the City of Monroe and complying with the City of Monroe regulations in implementing their plan.

Recommendation: The SEDD must comply with the LA Statute that established and governs their existence. If the Statute is not favorable to the SEDD Board’s preferences and needs, the SEDD should seek revisions to the Statute. Until the Statute is changed, the SEDD must comply with the current Statute.

Management’s response: The City will require SEDD to comply with the statute.

2017-M3 Test of Census Data for OPEB Reporting

Condition found: Good internal control should provide a system that census data for employees is complete and accurate so that the actuary’s reporting on other postemployment benefits is accurate.

The census data provided to the actuary for other postemployment benefits contained inaccuracies for employees participating in the other post-employment benefits. Part of the inaccuracies was a result of the employee listing not been printed as of the proper date.

Recommendation: Care should be taken in the future and closer coordination with the actuary to assure the employee listings are provided as of the proper date.

Management’s response: The City will ensure census data will be provided as of the proper dates.

2017-M4 Statewide Agreed-upon Procedures

Condition found: The Office of the Legislative Auditors Office mandated in early 2017 that Local Governments be subject to Statewide Agreed-upon Procedures (SAUPs) that covered 12 different areas. These areas included written policies and procedures, board meetings, bank reconciliations, collections, disbursements, credit and other types of cards, travel and expenses, payroll and personnel, contracts, debt service, ethics and others. These procedures supplemented the work included in the annual financial and compliance audits performed by independent certified public accountants. This separate engagement will be included in the traditional reporting package submitted by auditors and governments after the annual audit is completed.

These new procedures are going wider and deeper than a traditional audit has covered in past years with the hope of reducing fraud, waste and abuse. The application of the procedures for the twelve areas may not be material in some cases but are in more risky aspects of the operations of a government.

The City of Monroe will be subject to these new SAUPs for the first time for the City's fiscal year 2017 – 2018.

Recommendation: The auditors encourage the City to continue its recent efforts of improving operational and control aspects of the City in order to be compliant with the implied best practices noted by Office of Louisiana Legislative Auditor. These procedures are in a lot of areas so it will take significant amount of time and effort to be fully compliant. It is additionally recommended for the Internal Auditor to perform testing throughout the year on a sample of the Agreed-upon Procedures to assist the City in monitoring their efforts.

The nature of Agreed-upon Procedures is the government and the auditor agree upon the procedures to be performed, the auditor goes and performs the procedures, and reports back his findings. The mandated procedures currently have no materiality threshold. Accordingly, the report would reflect any deviations in your operations from what the Office of Louisiana Legislative Auditor prescribes as best practices in governments. Therefore, the City should double its efforts in order that exceptions are kept to a minimum.

Management's response: The City will continue its education/training efforts for the City employees and responsible department/division heads. Where practicable, policies and procedures are being tweaked to better mirror the best practices promulgated by the Legislative Auditor's Office.

2017-M5 **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 will review its procedures concerning grant reimbursement requests and make necessary changes to ensure timeliness of grant fund requests and receipt of funds.

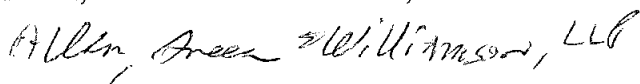
Our audit procedures are designed primarily to enable us to form opinions on the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Monroe, as of and for the year ended April 30, 2017, 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 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



Monroe, Louisiana
October 31, 2017

City of Monroe
Status of Prior Year Management Letter Items
For the Year Ended April 30, 2017

2016-M1 **Timesheet and Leave Documentation**

Comment: In testing fifty-six employees, it was noted that five employees did not have timesheets signed off by the employee or supervisor. Additionally, in testing twenty-nine employees' sick and vacation leave balances, it was noted five employees did not report any leave taken for the year as well as two employees have not reported leave taken for multiple years, which does not appear to be reasonable.

Recommendation: The City should establish quality control procedures to ensure all timesheets are appropriately signed off by employees and supervisors. Additionally, the City should review its procedures regarding leave documentation to ensure employees are completing the proper leave documentation. If time is not being adequately documented for all employees, then this could potentially significantly impact the City financially. Also, the Louisiana Legislative Auditor's Office is developing new agreed upon procedures requiring additional testing of support for documentation of employee vacations and sick time taken. The City need to be sure it is prepared for these new procedures.

Management's response: See current year finding 2017-003.

City of Monroe
Status of Prior Year Management Letter Items
For the Year Ended April 30, 2017

2016-M2 **Testing of Receipts**

Comment: In testing a total of fifty receipts between the community center, and civic center, it was noted that seven receipts were not deposited in a timely manner.

Recommendation: The City should strengthen procedures over receipts to ensure all deposits are made timely. In accordance with La. Revised Statute 39:1212, deposits should be made daily whenever practicable.

Management's response:

Civic Center

See current year finding 2017-001.

Parks and Recreation

Center supervisors will bring receipts to the Harvey H. Benoit Community Center daily so that the funds can be deposited in a timely manner. Procedures for receipting money and properly documenting receipts have been reviewed with personnel.

Follow-up meetings with all supervisors will be held to confirm that all procedures are being followed in the process.

Finally, supervisors have been informed that failure to follow the policies and procedures will result in the recommendation for termination. The City of Monroe is a business, and we have to ensure that we operate in a businesslike manner while following all policies & procedures set forth in both City and Parks & Recreation Division policies & procedures.