

# **CITY OF WEST MONROE, LOUISIANA**

*Financial Report  
For the Year Ended June 30, 2020*



**CITY OF WEST MONROE, LOUISIANA**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2020**

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## **INDEPENDENT AUDITORS' REPORT**

Honorable Mayor and Board of Aldermen of the  
City of West 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 West Monroe, Louisiana (which is "the City"), as of and for the year ended June 30, 2020, 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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. 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 of 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 auditors' 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 entity'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 entity'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 financial statement presentation.

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, 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 aggregate remaining fund information of the City as of June 30, 2020, and the respective changes in financial position and cash flows, where applicable, 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, budgetary comparison information, schedule of changes in net OPEB liability and related ratios, schedule of proportionate share of net pension liability, and the schedule of employer's pension contribution on pages 4 through 13 and 61 through 68, 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, economical, 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.

#### *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 introductory section, combining and individual nonmajor fund financial statements, and the schedule of compensation, benefits and other payments to agency head are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedule of compensation, benefits and other payments to agency head, and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of compensation, benefits and other payments to agency head, and Schedule of Expenditures of Federal Awards are fairly stated in all material respects, in relation to the basic financial statements as a whole.

The introductory section 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 March 3, 2021, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely 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.

*Cameron, Hines & Company (APAC)*

West Monroe, Louisiana  
March 3, 2021

REQUIRED SUPPLEMENTAL INFORMATION (PART A)  
MANAGEMENT'S DISCUSSION AND ANALYSIS

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# **CITY OF WEST MONROE, LOUISIANA**

## **Management's Discussion and Analysis Year Ended June 30, 2020**

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As management of the City of West Monroe, we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter and the accompanying basic financial statements. The intent of this discussion and analysis is to look at the City's financial performance as a whole.

### **FINANCIAL HIGHLIGHTS**

- The assets of the City of West Monroe, on a government-wide basis, exceeded its liabilities at the close of the fiscal year by \$16,529,057 (net position).
- At the end of the current fiscal year, the City of West Monroe's governmental funds reported combined ending fund balances of \$8,604,965.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$5,871,925 or 28% of the total general fund expenditures.
- The general fund reported a surplus of \$2,008,605 before transfers, and a surplus of \$761,454 after transfers.
- The City completed many projects that included improvements to infrastructure. The additions and improvements to the City's Capital Assets totaled \$6,484,183 in the current year.
- The City's bonded debt had a net decrease of \$1,906,000. Total bonded debt at June 30, 2020 was \$33,173,000.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis are intended to serve as an introduction to the City of West Monroe's basic financial statements. The City's basic financial statements comprise three components:

- *Government-wide financial statements,*
- *Fund financial statements,*
- *Notes to the financial statements.*

This report contains other supplementary information in addition to the basic financial statements themselves.

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The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City's government, reporting the City's operations in more detail than the government-wide statements.
  - The governmental fund statements tell how general government services like public safety were financed in the short term as well as what amounts remain for future spending.
  - Proprietary fund statements offer short and long-term financial information about the activities the government operates like businesses, such as the public utilities (water, sewer, sewer treatment systems).
  - Fiduciary fund statements provide information about the financial relationship in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

In the past, the primary focus of local government financial statements has been summarized fund type information on a current financial resources basis. However, with the implementation of Statement No. 34 of the Governmental Accounting Standards Board (GASB Statement No. 34) for June 30, 2003, the new focus is on both the City as a whole (government-wide) and the fund financial statements. Each view provides a different snapshot of the City's finances. The government-wide financial statements provide both long-term and short-term information about the City's overall financial status. The fund financial statements focus on the individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. Both perspectives (government-wide and fund) allow the user to address relevant questions, broaden the basis of comparison (year-to-year or government-to-government) and enhance the City's accountability.

## **GOVERNMENT-WIDE STATEMENTS**

The government-wide statements report information about the City of West Monroe as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position and the Statement of Activities, which are the government-wide statements, include all of the government's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two government-wide statements report the City's net position and how they have changed. Net position – the difference between the City's assets and liabilities – is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating. Other non-



financial factors such as changes in the City's property tax base and the condition of the City's roads and other infrastructure may need to be considered to assess the overall health of the City.

In the Statement of Net Position and the Statement of Activities, the City is divided into two categories:

- **Governmental activities** – Most of the City's basic services are included here, such as the activities of the police, fire, public works, social services, parks and recreation departments, and general administration. Sales taxes and grants finance most of these activities.
- **Business-type activities** – The City charges fees to customers to cover the cost of certain services it provides. The City's water, sewer, and sewer treatment are included here.

Government-wide financial statements include not only the City of West Monroe itself (the primary government), but also a legally separate City Court and legally separate City Marshal for which the City of West Monroe is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

## **FUND FINANCIAL STATEMENTS**

The format of the fund financial statements will be more familiar to traditional users of government financial statements. The fund financial statements provide more detailed information about the City's most significant funds – not the City as a whole. Funds are accounting mechanisms that the City uses to keep track of specific sources of funding and spending for particular purposes.

The City has three kinds of funds:

- **Governmental funds** – Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances remaining at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the long-term focus of the government-wide statements, additional information is provided on a subsequent page that explains the relationship (or differences) between the government-wide and fund statements.
- **Proprietary funds** – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both short-term and long-term financial information. The City's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but they provide more detail and additional information, such as cash flows. The City also uses internal service funds (another kind of proprietary fund) to report activities that provide supplies and services for the City's other programs and activities – such as the Employees Health Insurance Fund.
- **Fiduciary funds** – Fiduciary funds are used to report assets held in a trustee or agency capacity for others outside the government. The City maintains a Cemetery Trust Fund and a Workers Compensation Reserve Fund. These activities are reported in a separate statement of fiduciary net assets. The City excludes this activity from its government-

wide financial statements because the City cannot use these assets to finance its operations.

The Total Governmental Funds column requires reconciliation because of the different measurement focus from the government-wide statements (current financial resources versus total economic resources), which is reflected at the bottom of or following each statement. The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources, as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations (bond and others) into the Governmental Activities column (in the government-wide statements).

## FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The City's combined net position for the 2019-2020 fiscal year increased by \$3,605,367. Table 1 shows the statement of net position for the year ending 2019 and the year ending 2020. The table also shows the net position for governmental activities, business type activities and combines them into the total primary government.

### Statement of Net Position

The following table reflects the condensed statement of net position:

TABLE 1  
NET POSITION OF GOVERNMENTAL AND BUSINESS TYPE ACTIVITIES  
(in Millions)

	GOVERNMENTAL ACTIVITIES		BUSINESS TYPE ACTIVITIES		TOTAL PRIMARY GOVERNMENT	
	2019	2020	2019	2020	2019	2020
<b>ASSETS:</b>						
Current and other assets	\$ 11.77	\$ 7.85	\$ 1.20	\$ 1.84	\$ 12.97	\$ 9.69
Capital Assets	44.59	47.34	27.62	26.24	72.21	73.58
Total Assets	<u>\$ 56.36</u>	<u>\$ 55.19</u>	<u>\$ 28.82</u>	<u>\$ 28.08</u>	<u>\$ 85.18</u>	<u>\$ 83.27</u>
<b>LIABILITIES:</b>						
Long-term debt outstanding	\$ 69.61	\$ 64.71	\$ 4.90	\$ 5.05	\$ 74.51	\$ 69.76
Other liabilities	4.73	3.13	0.63	0.50	5.36	3.63
Total Liabilities	<u>\$ 74.34</u>	<u>\$ 67.84</u>	<u>\$ 5.53</u>	<u>\$ 5.55</u>	<u>\$ 79.87</u>	<u>\$ 73.39</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Deferred Inflows	\$ 2.22	\$ 2.73	\$ 0.14	\$ 0.27	\$ 2.36	\$ 3.00
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>						
Deferred Outflows	\$ 8.97	\$ 8.72	\$ .99	\$ 0.93	\$ 9.96	\$ 9.65
<b>NET POSITION:</b>						
Invested in Capital Assets						
Net of debt	\$ 10.35	\$ 11.15	\$ 26.78	\$ 25.46	\$ 37.13	\$ 36.61
Restricted	-	-	.08	.08	.08	.08
Unrestricted	<u>\$(21.58)</u>	<u>\$(17.82)</u>	<u>\$(2.71)</u>	<u>\$(2.35)</u>	<u>\$(24.29)</u>	<u>\$(20.17)</u>
Total Net Position	<u>\$(11.23)</u>	<u>\$(6.67)</u>	<u>\$ 24.15</u>	<u>\$ 23.19</u>	<u>\$ 12.92</u>	<u>\$ 16.52</u>



Net position (assets less liabilities) may serve over time as a useful indicator of a government's financial position. The City of West Monroe's assets exceeded liabilities by \$16.53 million at the close of the fiscal year.

Approximately eighty-thousand of the City's net position is subject to restrictions.

### **Governmental Activities**

Net position of the City's governmental activities increased from \$4.57 million to \$(6.65) million.

### **Business-type Activities**

Net position of the City's business-type activities decreased from \$24.15 million to \$23.19 million.

### **Statement of Activities**

The following table shows the revenues and expenses of the governmental and business-type activities:

TABLE 2  
CHANGES IN NET POSITION  
(in Millions)

	GOVERNMENTAL ACTIVITIES		BUSINESS TYPE ACTIVITIES		TOTAL PRIMARY GOVERNMENT	
	2019	2020	2019	2020	2019	2020
<b>REVENUES:</b>						
Program Revenues						
Charges for services	\$ 4.26	\$ 3.75	\$ 4.84	\$ 5.69	\$ 9.10	\$ 9.44
Operating grants and contributions	2.96	5.61			2.96	5.61
Capital grants and contributions	.39	2.74			.39	2.74
General Revenues						
Property Taxes	1.35	1.38			1.35	1.38
Other taxes	23.22	24.25			23.22	24.25
Intergovernmental	0.07	0.07			0.07	0.07
Franchise	0.80	0.80			0.80	0.80
Miscellaneous	.84	0.19			.84	0.19
Sale of Assets	.62	-			0.62	-
Interest earned	0.02	0.01			0.02	0.01
Capital contributions	-	-	1.71	.68	1.71	.68
Total Revenues	\$ 34.53	\$ 38.80	\$ 6.55	\$ 6.37	\$ 41.08	\$ 45.17
<b>EXPENSES:</b>						
General government	\$ 9.65	\$ 8.88			\$ 9.65	\$ 8.88
Public safety	14.98	11.82			14.98	11.82
Public works	5.04	3.99			5.04	3.99
Culture and recreations	5.27	3.72			5.27	3.72
Urban Development	1.15	.90			1.15	.90
Health and welfare	4.31	3.59			4.31	3.59
Interest on long-term debt	1.21	1.33			1.21	1.33
Utilities	-	-	7.16	7.33	7.16	7.33
Total Expenses	\$ 41.61	\$ 34.23	\$ 7.16	\$ 7.33	\$ 48.77	\$ 41.56

Increase (Decrease) in net position						
Before transfers	\$ (7.08)	\$ 4.57	\$ (.61)	\$ (.96)	\$ (7.69)	\$ 3.61
Transfers	(0.27)	-	0.27	-	(0.00)	-
Increase/decrease in position	\$ (7.35)	\$ 4.57	\$ (.34)	\$ (.96)	\$ (7.69)	\$ 3.61

### **Governmental Activities**

The City's total revenues from governmental activities increased from \$34.53 million (year end 2019) to \$38.80 million (year end 2020). The largest source of the increase in the current year revenues is from Operating and Capital Grants. West Monroe's largest source of general revenue (\$25.63 million) is taxes, composed of property tax, sales tax, insurance premium taxes, and beer tax.

Sixty-six percent of the City's revenue from governmental activities comes from these taxes. Operating grants and contributions (\$5.61 million) were the second largest revenue source for governmental activities, largely due to funds received related to the CARES Act.

The City's expenses from governmental activities for the fiscal year ended June 30, 2020 were \$34.23 million, a decrease of \$7.38 million from year end 2019. These expenses cover a wide range of services with the largest being public safety \$11.82 million or 34%, and general government \$8.88 million or 26%.

### **Business-Type Activities**

The total revenues from business-type activities were \$6.37 million for the fiscal year ended June 30, 2020. Charges for services increased by approximately \$0.85 million. Expenses for the City's business-type activities were \$7.33 million.

## **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

The City of West Monroe uses Fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **Government Funds**

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, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$8.60 million.

The general fund is the chief operating fund of the City. At the end of the fiscal year, unassigned fund balance of the general fund was \$5.87 million. As a measure of the general fund liquidity, it may be useful to compare unassigned fund balance to total expenditures. Unassigned fund balance represents 28% of the total general fund expenditures. Due to the uncertain economic conditions, expenditures were closely monitored and correlated to revenues received.

The City spent a total of \$6.03 million out of the 86 Sales Tax Capital Fund to fund major capital projects and purchases. This amount increased by \$2.17 million from last year. The fund transferred out \$1.25 million to pay for debt service.

### **Proprietary Funds**

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the Utilities Enterprise Fund at the end of the year were \$23.19 million. The fund had an operating loss for the year of \$1.65 million after depreciation.

Net position of the Internal Service fund (Employees Health Insurance Fund) at the end of the year was \$(1.14) million.

### **General Fund Budgetary Highlights**

Over the course of the year, the City Council revised the City budget once. The difference between the original expenditure budget and the actual amount of expenditures was a decrease of \$1,582,843. Actual total revenues were \$94,618 less than the original budget.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

The following table shows the Capital Assets (net of depreciation) of the governmental and business type activities:

TABLE 3  
CAPITAL ASSETS  
(NET OF DEPRECIATION in millions)

	GOVERNMENTAL ACTIVITIES		BUSINESS TYPE ACTIVITIES		TOTAL	
	2019	2020	2019	2020	2019	2020
Land	\$ 6.52	\$ 6.52	\$ 0.07	\$ 0.07	\$ 6.59	\$ 6.59
Construction in progress	3.81	4.34	-	0.38	3.81	4.72
Buildings	15.34	14.52	-	-	15.34	14.52
Improvements	2.62	3.16	-	-	2.62	3.16
Equipment	0.70	.62	0.09	0.04	0.79	0.66
Vehicles	1.44	1.28	-	-	1.44	1.28
Infrastructure	14.16	16.90	-	-	14.16	16.90
Water Plant	-	-	9.05	8.63	9.05	8.63
Treatment and Reuse Plant	-	-	18.41	17.12	18.41	17.12
Total	<u>\$ 44.59</u>	<u>\$ 47.34</u>	<u>\$ 27.62</u>	<u>\$ 26.24</u>	<u>\$ 72.21</u>	<u>\$ 73.58</u>

The City of West Monroe's investment in Capital assets for its governmental and business-type activities as of June 30, 2020, amounts to \$73.58 million (net of depreciation). This is an increase of \$1.37 million from last year. This investment includes land, construction in progress, buildings and improvements, equipment, vehicles, infrastructure, water and sewer treatment plant.

### **Long-term Debt**

The following table shows the City's outstanding debt:

	Table 4 – Outstanding Debt	
	YR END 6/30/19	YR END 6/30/20
Bond Payable Series 2010	\$ 839,000	\$ 778,000
Bond Payable Series 2011	\$ 1,325,000	\$ 895,000
Community Dev. Block Grant for Economic Development	\$ 178,669	\$ 153,673
Bond Payable Series 2015	\$ 21,670,000	\$ 20,635,000
Bond Payable Series 2018	\$ 11,245,000	\$ 10,865,000
Heart and Lung Disability	\$ 175,960	\$ 168,507
Vacation, Sick and Comp. Time	\$ 1,113,178	\$ 1,046,655
Total	\$ 36,546,807	\$ 34,541,835

At the end of the fiscal year, the City of West Monroe had total bonded debt outstanding of \$33.173 million. This is a decrease of \$1.906 million in total bond debt.

The City of West Monroe's total long-term debt obligations at year end were \$34.54 million.

Additional information of the City's long-term debt can be found in Note 12 in the Notes to the Financial Statements.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The City's management and elected officials considered many factors when preparing the 2020-2021 budget. The major factor in preparing the budget is to determine the revenue that will be generated from sales tax. Sales tax accounts for 61% of the total General Fund revenue. The sales tax income projected for the 2020-2021 budget is \$16.88 million. All other General Fund revenues should remain consistent with prior year collections. The total General Fund revenue budget for the 2020-2021 fiscal year is \$21.42 million compared to \$22.92 million of actual revenue for 2019-2020.

The budgeted expenses for the 2020-2021 fiscal year are \$21.06 million, a small increase from the prior years actual expenses.

Most of the City's expenses have remained constant. The City's matching contributions to the pension systems have increased slightly for the 2020-2021 fiscal year. However, depending on the condition of the investment markets and other factors the City's contribution to the pension systems should remain constant this fiscal year to the next. The City's administration will closely

monitor all revenues and expenses to ensure the City maintains a positive fund balance. The projected General Fund balance for the year ending June 30, 2021 is \$5.56 million.

#### OTHER POST-EMPLOYMENT BENEFITS

In the year ended June 30, 2020, the City of West Monroe has complied with requirements of Government Accounting Standards Board Statement Number 75, *Accounting and Financial Reporting for Post Employment Benefits Other than Pensions*. This statement requires that employers disclose the *Schedule of Changes in Net OPEB Liability and Related Ratios* as determined by actuarial computations. The disclosure of these amounts are presented in more detail in the Notes to the Financial Statements.

#### PENSIONS

In the year ended June 30, 2020, the City of West Monroe has complied with requirements of Government Accounting Standards Board Statement Number 68, *Accounting and Financial Reporting for Pensions*. This statement requires that employers disclose the *Net Pension Liability, Deferred Inflows and Deferred Outflows* as determined by actuarial computations. The disclosure of these amounts are presented in more detail in the Notes to the Financial Statements.

#### REQUEST FOR INFORMATION

The financial report is designed to provide citizens, taxpayer, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the funds it receives. If you have any questions about this report or need additional information, contact the Finance Director, City of West Monroe, 2305 North 7<sup>th</sup> Street, West Monroe, Louisiana 71291.

PRIMARY GOVERNMENT FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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**CITY OF WEST MONROE, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b><u>ASSETS</u></b>				
Cash and Cash Equivalents	\$ 3,974,607	\$ 238,260	\$ 4,212,867	\$ 324,608
Cash with Fiscal Agent	-	-	-	-
Investments	-	-	-	-
Accounts Receivable	577,801	941,384	1,519,185	9,959
Minimum Lease Payments Receivable	156,375	-	156,375	-
Due From Other Governments	3,773,025	-	3,773,025	-
Internal Balances	(656,859)	658,859	2,000	(2,800)
Inventories	26,871	-	26,871	-
Capital Assets:				
Non-Depreciable	10,859,672	74,150	10,933,822	-
Depreciable	36,477,036	26,167,030	62,644,066	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 55,188,528</u></b>	<b><u>\$ 28,079,683</u></b>	<b><u>\$ 83,268,211</u></b>	<b><u>\$ 331,767</u></b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	8,723,127	932,355	9,655,482	24,768
<b><u>LIABILITIES</u></b>				
Accounts Payable	\$ 273,047	\$ 74,392	\$ 347,439	\$ 3,024
Deposits Payable	71,642	160,999	232,641	-
Non-Current Liabilities				
Due Within One Year				
Bonds Payable	1,895,000	62,000	1,957,000	-
Notes Payable	25,000	-	25,000	-
Other Long-Term Liabilities	866,351	198,937	1,065,288	-
Due in More Than One Year				
Bonds Payable	30,500,000	716,000	31,216,000	-
Notes Payable	128,673	-	128,673	-
Other Long-Term Liabilities	149,874	-	149,874	-
Net Pension Liability	25,963,601	3,073,560	29,037,161	-
Net OPEB Liability	7,968,304	1,266,341	9,234,645	99,473
<b><u>TOTAL LIABILITIES</u></b>	67,841,492	5,552,229	73,393,721	102,497
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	2,731,602	269,313	3,000,915	207
<b><u>NET POSITION</u></b>				
Net Investment in Capital Assets	11,150,714	25,463,180	36,613,894	-
Restricted for Debt Service	-	77,261	77,261	-
Unrestricted, Capital Projects	29,667	-	29,667	-
Unrestricted, Debt Service	1,387,769	-	1,387,769	-
Unrestricted, Unreserved	(19,229,589)	(2,349,945)	(21,579,534)	253,831
<b><u>TOTAL NET POSITION</u></b>	<b><u>\$ (6,661,439)</u></b>	<b><u>\$ 23,190,496</u></b>	<b><u>\$ 16,529,057</u></b>	<b><u>\$ 253,831</u></b>

**CITY OF WEST MONROE, LOUISIANA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and	Grants and
			Contributions	Contributions
<b>Function/Program Activities</b>				
<b><u>Primary Government:</u></b>				
<b>Government Activities:</b>				
General Government	\$ 8,877,446	\$ 1,403,704	\$ 2,555,671	\$ 2,744,422
Public Safety	11,817,176	188,292	168,616	-
Public Works	3,987,457	1,063,131	-	-
Culture and Recreation	3,721,829	1,048,596	138,146	-
Urban Redevelopment	903,010	-	-	-
Health and Welfare	3,591,642	44,047	2,749,667	-
Interest on Long-Term Debt	1,332,023	-	-	-
<b>Total Governmental Activities</b>	<b>34,230,583</b>	<b>3,747,770</b>	<b>5,612,100</b>	<b>2,744,422</b>
<b>Business-Type Activities:</b>				
Utilities	7,334,122	5,687,445	-	-
<b>Total Primary Government</b>	<b>\$ 41,564,705</b>	<b>\$ 9,435,215</b>	<b>\$ 5,612,100</b>	<b>\$ 2,744,422</b>
<b><u>Component Units:</u></b>				
City Court	\$ 154,299	\$ 170,236	\$ -	\$ -
City Marshal	75,480	84,156	-	-
<b>Total Component Units</b>	<b>\$ 229,779</b>	<b>\$ 254,392</b>	<b>\$ -</b>	<b>\$ -</b>

**General Revenues:**

Taxes:

Property Taxes Levied for General Purposes  
Property Taxes Levied for Street Maintenance  
Sales Taxes  
Insurance Premium Taxes

Intergovernmental Revenues

Franchise Revenue

Miscellaneous

Special Item - Sale of Assets

Excess Premium on Bonds

Interest Earned

Capital Contributions

Transfers

Total General Revenues, Special Items and Transfers

**Changes in Net Position**

**Net Position - Beginning**

**Net Position - Ending**



Net (Expense) Revenue and Changes in Net Assets Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units
\$ (2,173,649)	\$ -	\$ (2,173,649)	\$ -
(11,460,268)	-	(11,460,268)	-
(2,924,326)	-	(2,924,326)	-
(2,535,087)	-	(2,535,087)	-
(903,010)	-	(903,010)	-
(797,928)	-	(797,928)	-
(1,332,023)	-	(1,332,023)	-
(22,126,291)	-	(22,126,291)	-
-	(1,646,677)	(1,646,677)	-
<u>\$ (22,126,291)</u>	<u>\$ (1,646,677)</u>	<u>\$ (23,772,968)</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 15,937
-	-	-	8,676
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,613</u>
1,114,189	-	1,114,189	-
263,227	-	263,227	-
23,730,446	-	23,730,446	-
504,187	-	504,187	-
75,668	-	75,668	-
793,520	-	793,520	-
194,402	-	194,402	-
3,769	-	3,769	-
-	-	-	-
13,679	-	13,679	313
-	685,248	685,248	-
-	-	-	-
<u>26,693,087</u>	<u>685,248</u>	<u>27,378,335</u>	<u>313</u>
4,566,796	(961,429)	3,605,367	24,926
<u>(11,228,235)</u>	<u>24,151,925</u>	<u>12,923,690</u>	<u>228,905</u>
<u>\$ (6,661,439)</u>	<u>\$ 23,190,496</u>	<u>\$ 16,529,057</u>	<u>\$ 253,831</u>

The accompanying notes are an integral part of this financial statement.

PRIMARY GOVERNMENT FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS

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**CITY OF WEST MONROE, LOUISIANA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	<u>General Fund</u>	<u>86 Sales Tax 75% Capital Fund</u>	<u>2018 Debt Capital Fund</u>
<b><u>ASSETS</u></b>			
Cash and Cash Equivalents	\$ 2,686,280	\$ 284,572	\$ 51,648
Cash with Fiscal Agent	-	-	-
Investments	-	-	-
Accounts Receivable	508,239	-	-
Minimum Lease Payment Receivable	156,375	-	-
Due From Other Governments	3,004,063	370,417	-
Due From Other Funds	784,867	135,541	136,536
Inventories	26,871	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 7,166,695</u></b>	<b><u>\$ 790,530</u></b>	<b><u>\$ 188,184</u></b>
<b><u>LIABILITIES</u></b>			
Accounts Payable	\$ 204,341	\$ 67,854	\$ -
Due To Other Funds	135,541	1,052,308	-
Deposits Payable	71,642	-	-
<b>Total Liabilities</b>	<b>411,524</b>	<b>1,120,162</b>	<b>-</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Unearned CARES Funding	-	-	-
Unearned Direct Financing Lease Revenue	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>FUND BALANCE</u></b>			
Nonspendable	183,246	-	-
Restricted	-	-	188,184
Committed	-	-	-
Assigned	700,000	-	-
Unassigned	5,871,925	(329,632)	-
<b>Total Fund Balances</b>	<b>6,755,171</b>	<b>(329,632)</b>	<b>188,184</b>
<b><u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</u></b>	<b><u>\$ 7,166,695</u></b>	<b><u>\$ 790,530</u></b>	<b><u>\$ 188,184</u></b>

Total Nonmajor Governmental Funds	Total Governmental Funds
\$ 952,107	\$ 3,974,607
-	-
-	-
65,044	573,283
-	156,375
398,545	3,773,025
1,223,115	2,280,059
-	26,871
<u>\$ 2,638,811</u>	<u>\$ 10,784,220</u>
\$ 852	\$ 273,047
608,438	1,796,287
-	71,642
<u>609,290</u>	<u>2,140,976</u>
38,279	38,279
-	-
<u>38,279</u>	<u>38,279</u>
-	183,246
826,162	1,014,346
-	-
1,426,620	2,126,620
(261,540)	5,280,753
<u>1,991,242</u>	<u>8,604,965</u>
<u>\$ 2,638,811</u>	<u>\$ 10,784,220</u>

The accompanying notes are an integral part of this financial statement.

**CITY OF WEST MONROE, LOUISIANA**  
**RECONCILIATION OF GOVERNMENTAL**  
**FUNDS BALANCES TO STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

Total Governmental Fund Balances	\$ 8,604,965
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	47,336,708
Net OPEB Liability	(7,968,304)
Deferred Outflows Related to OPEB	1,380,821
Deferred Inflows Related to OPEB	(840,293)
Total Deferred Inflows/Outflows Related to OPEB	540,528
Net Pension Liability	(25,963,601)
Deferred Outflows Related to Pensions	7,342,306
Deferred Inflows Related to Pensions	(1,853,030)
Total Deferred Inflows/Outflows Related to Pensions	5,489,276
Long-term liabilities, including bonds and notes payable, capital leases and compensated absences are not due and payable in the current period and therefore are not reported in the funds.	(33,564,898)
The internal service fund is used by management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	(1,136,113)
Net Position of Governmental Activities	<u>\$ (6,661,439)</u>

**CITY OF WEST MONROE, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	General Fund	86 Sales Tax 75% Capital Fund	2018 Debt Capital Fund
<b><u>Revenues</u></b>			
Taxes	\$ 16,033,613	\$ 5,937,570	\$ -
Intergovernmental	2,375,089	195,902	2,331,175
Licenses and Permits	1,104,321	-	-
Charges for Services	2,183,904	-	-
Fines and Forfeitures	267,326	-	-
Interest Earned	9,716	897	2,607
Franchise Revenue	793,520	-	-
Sale of Assets	3,769	-	-
Other	148,479	32,374	-
<b>Total Revenues</b>	<b>22,919,737</b>	<b>6,166,743</b>	<b>2,333,782</b>
<b><u>Expenditures</u></b>			
General Government	5,265,146	-	-
Public Safety	9,714,062	-	-
Public Works	2,961,362	-	-
Culture and Recreation	2,522,724	-	-
Urban Redevelopment	447,838	-	-
Health and Welfare	-	-	-
Capital Improvements	-	6,034,581	5,975,001
Claims Paid	-	-	-
Debt Service:			
Principal Payments	-	-	-
Interest and Other	-	-	-
<b>Total Expenditures</b>	<b>20,911,132</b>	<b>6,034,581</b>	<b>5,975,001</b>
<b><u>Excess (Deficiency) of Revenues Over Expenditures</u></b>	<b>2,008,605</b>	<b>132,162</b>	<b>(3,641,219)</b>
<b><u>Other Financing Sources and (Uses)</u></b>			
Proceeds From General Obligation Bonds	-	-	-
Transfers In	6,278	398,220	-
Transfers Out	(1,253,429)	(1,248,851)	-
<b>Total Other Financing Sources and Uses</b>	<b>(1,247,151)</b>	<b>(850,631)</b>	<b>-</b>
<b><u>Net Change in Fund Balance</u></b>	<b>761,454</b>	<b>(718,469)</b>	<b>(3,641,219)</b>
<b><u>Fund Balances - Beginning</u></b>	<b>5,993,717</b>	<b>388,837</b>	<b>3,829,403</b>
<b><u>FUND BALANCES - ENDING</u></b>	<b>\$ 6,755,171</b>	<b>\$ (329,632)</b>	<b>\$ 188,184</b>

Nonmajor Governmental Funds	Total Governmental Funds
\$ 3,653,850	\$ 25,625,033
3,104,529	8,006,695
-	1,104,321
-	2,183,904
-	267,326
419	13,639
-	793,520
-	3,769
618,319	799,172
<u>7,377,117</u>	<u>38,797,379</u>
-	5,265,146
278,620	9,992,682
349,628	3,310,990
214,853	2,737,577
-	447,838
3,109,183	3,109,183
626,052	12,635,634
-	-
1,869,996	1,869,996
1,332,023	1,332,023
<u>7,780,355</u>	<u>40,701,069</u>
(403,238)	(1,903,690)
-	-
1,835,158	2,239,656
<u>(404,498)</u>	<u>(2,906,778)</u>
<u>1,430,660</u>	<u>(667,122)</u>
1,027,422	(2,570,812)
<u>963,820</u>	<u>11,175,777</u>
<u>\$ 1,991,242</u>	<u>\$ 8,604,965</u>

The accompanying notes are an integral part of this financial statement.

**CITY OF WEST MONROE, LOUISIANA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Net Change in Fund Balances - Total Governmental Funds	\$ (2,570,812)
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*Amounts reported for governmental activities in the statement of activities are different because:*

Government funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	6,484,183
Depreciation expense	(3,739,990)
	2,744,193

Postretirement benefit plan expenditures - GASB 75	408,172
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Pension net expenditures - GASB 68	1,781,070
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Repayment of debt principal, including capital leases, is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	1,877,451
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The issuance of long-term debt (e.g. capital leases, bonds) provides current financial resources to government funds, but the repayment reduces long-term liabilities in the statements of net assets.

Internal Service fund is used by management to charge the cost of certain activities to individual funds. The net of the internal service fund is included in governmental activities in the statement of net position.	250,991
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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	75,731
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Change in Net Position in Governmental Activities	\$ 4,566,796
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The accompanying notes are an integral part of this financial statement.



**CITY OF WEST MONROE, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2020**

	Business-Type Activities Utility Enterprise Fund	Governmental Activities Internal Service Fund
<b><u>ASSETS</u></b>		
<b><u>Current Assets</u></b>		
Accounts Receivable, Net of Allowance	\$ 941,384	\$ 4,518
Due From Other Funds	658,859	-
<b>Total Current Assets</b>	<b>1,600,243</b>	<b>4,518</b>
<b><u>Non-Current Assets</u></b>		
Restricted:		
Cash - Customer Deposits	160,999	-
Cash - Sinking Fund	42,565	-
Cash - Reserve Fund	34,696	-
<b>Total Restricted Cash</b>	<b>238,260</b>	<b>-</b>
Capital Assets:		
Land	74,150	-
Construction in Process	380,448	-
Sparta Reuse Plant	20,701,729	-
Buildings	73,436	-
Water Plant	15,814,849	-
Wastewater Treatment Plant	14,727,247	-
Machinery, Equipment & Other	1,800,464	-
Less: Accumulated Depreciation	(27,331,143)	-
<b>Total Capital Assets</b>	<b>26,241,180</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>\$ 28,079,683</b>	<b>\$ 4,518</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
Related to OPEB	219,443	-
Related to Pensions	712,912	-
<b>Total Deferred Outflows of Resources</b>	<b>932,355</b>	<b>-</b>
<b><u>LIABILITIES</u></b>		
<b><u>Current Liabilities</u></b>		
Accounts Payable	\$ 74,392	\$ -
Customer Deposits	160,999	-
Accrued Vacation and Sick Pay	198,937	-
Sewer Bonds Payable	62,000	-
Due to Other Funds	-	1,140,631
<b>Total Current Liabilities</b>	<b>496,328</b>	<b>1,140,631</b>
<b><u>Long Term Liabilities</u></b>		
Net OPEB Liability	1,266,341	-
Net Pension Liability	3,073,560	-
Sewer Bonds Payable - Long-Term	716,000	-
<b>Total Long Term Liabilities</b>	<b>5,055,901</b>	<b>-</b>
<b>Total Liabilities</b>	<b>5,552,229</b>	<b>1,140,631</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>		
Related to OPEB	133,541	-
Related to Pensions	135,772	-
<b>Total Deferred Inflows of Resources</b>	<b>269,313</b>	<b>-</b>
<b><u>NET POSITION</u></b>		
Net Investment in Capital Assets	25,463,180	-
Reserved for Debt Retirement	77,261	-
Unrestricted	(2,349,945)	(1,136,113)
<b>TOTAL NET POSITION</b>	<b>\$ 23,190,496</b>	<b>\$ (1,136,113)</b>

The accompanying notes are an integral part of this financial statement.

**CITY OF WEST MONROE, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activities Utility Enterprise Fund	Governmental Activities Internal Service Fund
<b><u>Operating Revenues</u></b>		
User Charges	\$ 2,700,313	\$ 2,911,555
Treatment Plant Fees	1,527,312	-
Water Penalties and Turn-on Fees	105,842	-
Sewer District 5 Contributions	1,353,978	-
<b>Total Operating Revenues</b>	<b>5,687,445</b>	<b>2,911,555</b>
<b><u>Operating Expenses</u></b>		
Waterworks	765,945	-
Sewerage	627,353	-
Water Treatment Plant	531,937	-
Sewer Treatment Plant	2,302,089	-
Public Works Construction	14,763	-
Public Works Administrative	363,174	-
Other Administrative	659,764	390,168
Claims Paid	-	2,270,395
Interest Expense	3,717	-
Depreciation	2,065,380	-
<b>Total Operating Expenses</b>	<b>7,334,122</b>	<b>2,660,563</b>
<b><u>Operating Income (Loss)</u></b>	<b>(1,646,677)</b>	<b>250,992</b>
Contributed Capital	685,248	-
Transfers In (Out)	-	-
<b>Total</b>	<b>685,248</b>	<b>-</b>
<b><u>Changes in Net Position</u></b>	<b>(961,429)</b>	<b>250,992</b>
<b><u>Net Position - Beginning</u></b>	<b>24,151,925</b>	<b>(1,387,105)</b>
<b><u>NET POSITION - ENDING</u></b>	<b>\$ 23,190,496</b>	<b>\$ (1,136,113)</b>

The accompanying notes are an integral part of this financial statement.

**CITY OF WEST MONROE, LOUISIANA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activities Utility Enterprise Fund	Governmental Activities Internal Service Fund
<b>Cash Flows From Operations</b>		
Receipts From Customers	\$ 5,497,341	\$ -
Receipts From Group Contributions	-	2,910,970
Payments to Provide Services	(4,772,290)	(2,520,802)
Payments for General and Administrative	(663,481)	(390,168)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>61,570</u>	<u>-</u>
<b>Cash Flows From Noncapital Financing Activities</b>		
Increase in Customer Deposits	21,652	-
Operating Transfers In (Out)	-	-
<b>Net Cash Flows From Noncapital         Financing Activities</b>	<u>21,652</u>	<u>-</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Acquisitions of Capital Assets	(685,248)	-
Capital Contribution From Other Funds	685,248	-
Bond Proceeds	-	-
Principal Paid on Bonds	(61,000)	-
<b>Net Cash Flows From Capital and Related         Financing Activities</b>	<u>(61,000)</u>	<u>-</u>
<b>Net Increase in Cash and Cash Equivalents</b>	22,222	-
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>216,038</u>	<u>-</u>
<b><u>CASH AND CASH EQUIVALENTS AT END OF YEAR</u></b>	<u><u>\$ 238,260</u></u>	<u><u>\$ -</u></u>
<b>Classified As:</b>		
Cash in Bank	\$ -	\$ -
Restricted Assets	<u>238,260</u>	<u>-</u>
<b><u>TOTAL CASH AND CASH EQUIVALENTS</u></b>	<u><u>\$ 238,260</u></u>	<u><u>\$ -</u></u>

**CITY OF WEST MONROE, LOUISIANA**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activities Utility Enterprise Fund	Governmental Activities Internal Service Fund
<b><u>Reconciliation of Operating Loss to Net Cash</u></b>		
<b><u>Provided by Operating Activities:</u></b>		
Changes in Net Position	\$ (1,646,768)	\$ 250,992
Adjustments to Reconcile Net Loss to Net		
Cash Used by Operating Activities		
Depreciation	2,065,380	-
(Increase) Decrease in Accounts Receivable	(190,102)	(586)
(Decrease) Increase in Accounts Payable	(164,622)	-
Increase in Due From Other Funds	(423,533)	-
Increase (Decrease) in Due to Other Funds	-	(250,406)
Increase in Net Pension Liability and Deferrals (Net)	243,415	-
Increase in Net OPEB Liability and Deferrals (Net)	168,436	-
Increase in Accrued Vacation and Sick Pay	9,364	-
Total Adjustments	<u>1,708,338</u>	<u>(250,992)</u>
<b><u>Net Cash Provided (Used) by Operating Activities</u></b>	<u>\$ 61,570</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

**CITY OF WEST MONROE, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2020**

	Employees' Workmen's Compensation Reserve Fund	General Insurance Fund	Hasley Cemetery Fund	Kiroli Foundation Fund	Total Nonmajor Expendable Trust Funds	Component Unit Agency Funds	
						City Court	City Marshal
<b><u>ASSETS</u></b>							
Cash and Cash Equivalents	\$ 528,442	\$ -	\$ 598,777	\$ -	\$ 1,127,219	\$ 443,254	\$ 121,980
Investments	6,057	-	12,135	-	18,192	-	-
Accounts Receivable	-	2,000	-	-	2,000	-	6,095
Due From Other Funds	-	-	-	-	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 534,499</u></b>	<b><u>\$ 2,000</u></b>	<b><u>\$ 610,912</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,147,411</u></b>	<b><u>\$ 443,254</u></b>	<b><u>\$ 128,075</u></b>
<b><u>LIABILITIES</u></b>							
Due to Other Funds	\$ -	\$ 2,000	\$ -	\$ -	\$ 2,000	\$ -	\$ -
Due to Others	-	-	-	-	-	443,254	128,075
<b><u>TOTAL LIABILITIES</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,000</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,000</u></b>	<b><u>\$ 443,254</u></b>	<b><u>\$ 128,075</u></b>
<b><u>NET POSITION</u></b>							
Reserved:							
Workmen's Compensation Claim	534,499	-	-	-	534,499	-	-
Park Playground Equipment	-	-	-	-	-	-	-
Cemetery Maintenance	-	-	610,912	-	610,912	-	-
Insurance Claims	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>Total Net Position</b>	<b><u>534,499</u></b>	<b><u>-</u></b>	<b><u>610,912</u></b>	<b><u>-</u></b>	<b><u>1,145,411</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>TOTAL LIABILITIES AND NET POSITION</u></b>	<b><u>\$ 534,499</u></b>	<b><u>\$ 2,000</u></b>	<b><u>\$ 610,912</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,147,411</u></b>	<b><u>443,254</u></b>	<b><u>\$ 128,075</u></b>

The accompanying notes are an integral part of this financial statement.

**CITY OF WEST MONROE, LOUISIANA**  
**STATEMENT OF CHANGES IN**  
**FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Employees' Workmen's Compensation Reserve Fund	General Insurance Fund	Hasley Cemetery Fund	Kiroli Foundation Fund	Total Nonmajor Expendable Trust Funds
<b><u>Revenues</u></b>					
Sales Tax	\$ -	\$ 24,000	\$ -	\$ -	\$ 24,000
Lot Sales	-	-	30,600	-	30,600
Insurance Proceeds	-	9,617	-	-	9,617
Contributions	-	-	-	17,522	17,522
Interest	-	-	-	-	-
<b>Total Revenues</b>	-	33,617	30,600	17,522	81,739
<b><u>Expenditures</u></b>					
Hasley Cemetery	-	-	-	-	-
Claims Paid	-	480,368	-	-	480,368
Miscellaneous	-	-	-	15,224	15,224
<b>Total Expenditures</b>	-	480,368	-	15,224	495,592
<b><u>Excess (Deficiency) of Revenues Over Expenditures</u></b>	-	(446,751)	30,600	2,298	(413,853)
<b><u>Other Financing Sources (Uses)</u></b>					
Operating Transfers - In (Out)	-	619,223	-	47,899	667,122
<b><u>Change in Net Position</u></b>	-	172,472	30,600	50,197	253,269
<b><u>Net Position - Beginning</u></b>	534,499	(172,472)	580,312	(50,197)	892,142
<b><u>NET POSITION - ENDING</u></b>	<u>\$ 534,499</u>	<u>\$ -</u>	<u>\$ 610,912</u>	<u>\$ -</u>	<u>\$ 1,145,411</u>

The accompanying notes are an integral part of this financial statement.

**CITY OF WEST MONROE, LOUISIANA**  
**COMBINING STATEMENT OF NET POSITION**  
**ALL DISCRETELY PRESENTED COMPONENT UNITS**  
**JUNE 30, 2020**

	City Court	City Marshal	Total
<b><u>ASSETS</u></b>			
Cash and Cash Equivalents	\$ 311,535	\$ 13,073	\$ 324,608
Accounts Receivable	-	9,959	9,959
Due From Other Funds	-	-	-
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 311,535</u></b>	<b><u>\$ 23,032</u></b>	<b><u>\$ 334,567</u></b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	24,768	-	24,768
<b><u>LIABILITIES</u></b>			
Account Payable	\$ -	\$ 2,720	\$ 2,720
Payroll Liabilities	304	\$ -	304
Due to Fiduciary Fund - Component Unit	-	2,800	2,800
Due to City of West Monroe	-	-	-
Non-Current Liabilities			
Net Pension Liability	99,473	-	99,473
<b><u>TOTAL LIABILITIES</u></b>	99,777	5,520	105,297
<b>DEFERRED INFLOW OF RESOURCES</b>	207	-	207
<b><u>NET POSITION</u></b>			
Unrestricted, unreserved	236,319	17,512	253,831
<b>Total Net Position</b>	<b>236,319</b>	<b>17,512</b>	<b>253,831</b>
<b><u>TOTAL LIABILITIES AND NET POSITION</u></b>	<b><u>\$ 336,303</u></b>	<b><u>\$ 23,032</u></b>	<b><u>\$ 359,335</u></b>

The accompanying notes are an integral part of this financial statement.

**CITY OF WEST MONROE, LA**  
**COMBINING STATEMENT OF ACTIVITIES**  
**ALL DISCRETELY PRESENTED COMPONENT UNITS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses) Revenues and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Intergovernmental - City of West Monroe</u>	<u>City Court</u>	<u>City Marshal</u>	<u>Total</u>
City Court Judicial	\$ 731,546	\$ 170,236	\$ 577,247	\$ 15,937	\$ -	\$ 15,937
City Marshal Judicial	<u>615,202</u>	<u>84,156</u>	<u>539,722</u>	<u>-</u>	<u>8,676</u>	<u>8,676</u>
Total Governmental Activities	<u>\$1,346,748</u>	<u>\$254,392</u>	<u>\$1,116,969</u>	<u>\$ 15,937</u>	<u>\$ 8,676</u>	<u>\$ 24,613</u>
General Revenues:						
Interest				<u>313</u>	<u>-</u>	<u>313</u>
Change in Net Position				16,250	8,676	24,926
<u>Net Position July 1, 2019 (Restated)</u>				<u>220,069</u>	<u>8,836</u>	<u>228,905</u>
<u>Net Position June 30, 2020</u>				<u>\$ 236,319</u>	<u>\$ 17,512</u>	<u>\$ 253,831</u>

The notes to the financial statements are an integral part of this statement.



**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

## **INTRODUCTION**

The City of West Monroe, Louisiana (the City) consists of an executive branch of government headed by a mayor and a legislative branch of government consisting of five aldermen. The City's major operations include police and fire protection, garbage and trash collection, a senior center, street and drainage maintenance, administrative services, and other health and welfare activities. In addition, the City operates a Utility Enterprise Fund to provide water and sewerage services.

### **Note 1 – Summary of Significant Accounting Policies**

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 municipal governing authority, for reporting purposes, the City of West Monroe, Louisiana is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government, the City of West Monroe, Louisiana, (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 City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement 14 established criteria for determining which, if any, component units should be considered part of the City of West Monroe, Louisiana for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. Organizations for which the City does not appoint a voting majority but are fiscally dependent on the City and 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 are part of the reporting entity.

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**A. Financial Reporting Entity (continued)**

**City Court of West Monroe**

The City Court of West Monroe is a legally separate entity. The Judge of the Court is an independently elected official. The City provides office space, court facilities including some furnishings, and compensation for court employees. The Court provides no direct services to the City. However, based on second criteria noted 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.

**City Marshal of West Monroe**

The City Marshal of West Monroe office is a legally separate entity. The City Marshal is an independently elected official. The City provides office space, furnishings and compensation for Marshal employees. Based on second criteria above, it has been determined that the City Marshal of West Monroe is a component unit of the City and should be included in the City's financial statements through discrete presentation.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (the statement of net position and the statement of activities) report information of all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these government-wide statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or component unit are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function, segment or component unit. Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a given function, segment or component unit. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, segment or component unit. Taxes and other items not properly included among program revenues are reported instead as general revenues. Resources that are dedicated internally are reported as general revenues rather than as program revenues. The City does not allocate general government (indirect) expenses to other functions.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. However, the fiduciary funds are not included in the government-wide financial statements. Major individual government funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (continued)**

***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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

***Governmental Fund Financial Statements*** – The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgment, are recorded when payment is due.

Sales taxes, excise taxes, franchise taxes, licenses and investment interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the city.

Because governmental fund statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statement's governmental column, a reconciliation is presented that briefly explains the adjustments necessary to reconcile ending net position and the change in net position.

In the fund financial statement, financial transactions and accounts of the City are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

***Proprietary Funds and Fiduciary Funds*** – The financial statements of the proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide statements described above.

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)**

Each proprietary fund has the option under Governmental Accounting Standards Board (GASB), Statement 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting* to elect to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The City's enterprise fund has elected to not apply FASBs issued after the applicable date.

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. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**D. Fund Accounting**

The financial activities of the City are recorded in individual funds, each of which is deemed to be a separate accounting entity. The City uses fund accounting to report on its financial position and results of 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.

**1. Major Governmental Funds**

**General Fund** – This fund accounts for all activities of the City not specifically required to be accounted for in other funds. Included are transactions for services such as general government, health services, public safety, regulatory services and social services.

**1986 Sales Tax 75% Capital Fund** – These funds account for monthly transfers from sales tax collections 75% of the one cent sales tax passed in 1986. The funds are predominately used for capital expenditures.

**2018 Debt Capital Fund** – These funds are predominately used for capital expenditures. The income is provided by proceeds from general obligation bonds for that purpose.

**2. 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.

**3. 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.

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**D. Fund Accounting (continued)**

- 4. Capital Projects Funds** – These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

**5. Proprietary Funds**

*Utility Enterprise Fund* – This fund is to account for the provision of water and sewerage to residents of the City of West Monroe. This fund is 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.

*Internal Service Fund* – This fund accounts for the financing of services provided by one fund to other funds of the City. The Self Insurance Fund, which purchases an insurance policy and accounts for third-party administrative costs and claims, is reported as an internal service fund.

**6. Fiduciary Funds**

*Trust Funds* – These funds are used to account for assets held by the City in a trustee capacity or as an agent for the individuals, private organizations, other governments and/or other funds. These include Expendable Trust Funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds.

**E. Cash and Cash Equivalents**

Under state law, the City may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For purposes of the statement of cash flows, cash equivalents include all highly liquid investments (including restricted assets) with a maturity date of three months or less when purchased.

**F. Investments**

Deposits with original maturity dates exceeding 90 days are classified as investments. Investments are reported at fair value. The Louisiana Asset Management Pool (LAMP) is an investment pool established as a cooperative endeavor to enable public entities of the State of Louisiana to aggregate funds for investment. LAMP operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.



**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**G. Noncurrent Receivables**

Noncurrent portions of long-term receivables due to government funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate that they should not be considered “available spendable resources” since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become current receivables.

**H. Inventories**

Special reporting treatments are applied to governmental fund inventories to indicate that they do not represent “available spendable resources”, even though they are a component of net current assets. Such amounts are presented under the nonspendable fund balance classification.

Inventories are valued at the lower of cost (first-in, first-out) or market. Inventory in the General Fund consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are used.

**I. Bad Debts**

Uncollectible amounts for ad valorem taxes and convention center receivables are generally not significant. As a result, the direct write-off method for recognizing bad debts is used. Under this method, the receivable is charged to expense when the account is deemed to be uncollectible. For customers’ utility receivables, the allowance method is used to account for uncollectible amounts. Under this method, an allowance account is set up for what is deemed to be uncollectible.

**J. Short-Term Interfund Receivables/Payables**

During the course of operation, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the fund financial statements’ balance sheet. In the process of aggregating data for the statement of net assets 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.

**K. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (which is normally immovable and of value only to the City, such as roads, bridges, streets and sidewalks, drainage systems, lighting systems, and similar items), are reported in the applicable governmental or business-type columns in the government-wide financial statements. Purchased or constructed capital assets are valued at historical cost or estimated historical cost. Donated fixed assets are recorded at their fair market value at the date of donation.

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (continued)**

Infrastructure constructed prior to July 1, 2000 has been recorded at estimated historical cost. The estimated historical cost for years prior to July 1, 2000 was based on capital outlay expenditures reported by the City's engineer who performed a road, street and bridge inventory for the City. The costs of normal maintenance and repairs that do not add to the asset's value or materially extend an asset's useful life are not capitalized.

Capital assets utilized in the governmental funds are recorded as expenditures in the governmental fund financial statements. Depreciation expense is recorded in the government-wide financial statements, as well as the proprietary funds financial statements.

Capital assets of the City are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally, estimated useful lives are as follows:

Vehicles, Machinery and Equipment	5-20 years
Buildings and Other Improvements	30-40 years
Infrastructure	20-40 years

**L. Franchise Agreements**

On February 15, 2012, the City Council of West Monroe authorized a franchise agreement between the City of West Monroe and Entergy Louisiana for the operation by Entergy Louisiana of the electric system within the corporate limits of West Monroe for a period of twenty-five years. The agreement provides that Entergy Louisiana will pay to the City three percent of gross receipts (as defined) collected from the sale of electric service to residential and commercial customers within the City.

Also, on February 15, 2012, the City Council of West Monroe authorized a franchise agreement between the City of West Monroe and Atmos Energy for the operation by Atmos Energy of the gas system within the corporate limits of West Monroe for a period of ten years. The agreement provides that Atmos Energy will pay to the City two percent of gross receipts (as defined) collected from the sale of gas service to residential and commercial customers within the City.

On April 10, 2012, the City Council of West Monroe authorized a franchise agreement between the City of West Monroe and any person or entity desiring to provide cable or video services that obtains a state issued certificate of franchise authority. The providers will pay to the City five percent of gross receipts (as defined) collected from the sale of cable or video service to residential and commercial customers within the City and one half of a percent for PEG access support.

**M. Lease Obligations**

The City leases various assets under both operating and capital lease agreements. In the government-wide financial statements, capital leases and the related lease obligations are reported as liabilities in the applicable governmental activities statement of net assets.

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**N. Long-Term Liabilities**

Bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as other financing sources net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**O. Compensated Absences**

Accumulated unpaid vacation, sick pay, and other employee benefit amounts are accrued when incurred in enterprise funds under the accrual basis of accounting. Employees of the City earn vacation pay in varying amounts ranging from 5 to 20 working days per year depending upon length of service. At the end of each year, employees may carry forward earned vacation time. Up to a maximum of 40 days of unused vacation is paid to an employee upon retirement, separation, or death at hourly rates being earned by that employee upon separation.

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 rates ranging up to 12 days per year. Unused sick leave may be carried forward, however, up to a maximum of 36 days of unused sick leave is paid to an employee upon retirement, separation, or death at hourly rates being earned by that employee upon separation.

**P. Dedicated Revenues**

Two cents of the sales tax revenue assessment is dedicated as follows: one cent is dedicated to capital improvements; seventy-five percent of the remaining cent is dedicated for purchase and improvements of assets having a life of one year or greater, related professional services and programs, and for paying capital improvements, construction, and repairs; the remaining twenty-five percent shall be used for general operations.

An additional one percent sales and occupancy tax was approved for restaurants and hotels within the West Monroe Economic Development District in December 2018. The funds will be used for economic development within the district.

**Q. Fund Equity**

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.



**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (continued)**

**Q. Fund Equity (continued)**

*Restricted Fund Balance* – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance* – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the city aldermen – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the city aldermen remove the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned Fund Balance* – This classification reflects the amounts constrained by the city’s “intent” to be used for specific purposes, but are neither restricted nor committed. The city aldermen and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as non-spendable and are neither restricted nor committed.

*Unassigned Fund Balance* – This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the city’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

**R. 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.

**S. Pension Plans**

The City of West Monroe, Louisiana is a participating employer in multiple pension plans as described in Note 10. 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 Funds, and additions to/deductions from the Fund’s fiduciary net position have been determined on the same basis as they are reported by the Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the Plans.

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 2- Cash and Cash Equivalents**

*Custodial Credit Risk – Deposits*

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. Accordingly, the City had no custodial risk related to its deposits at June 30, 2020.

At June 30, 2020, the City has cash and cash equivalents (book balances net of overdrafts) in the amount of \$5,322,986 (petty cash of \$17,100 not included).

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable by both parties. Cash and cash equivalents (bank balances) at June 30, 2020, are secured as follows:

Bank Balances	\$ 5,608,618
Federal Deposits Insurance	\$ 500,000
Pledged Securities (Uncollateralized)	<u>9,000,853</u>
<b><u>TOTAL</u></b>	<b><u>\$ 9,500,853</u></b>
Governmental Funds Cash	\$ 5,084,726
Enterprise Funds Cash	238,260
Fiduciary Funds Cash	<u>-</u>
<b><u>TOTAL BOOK BALANCES BY FUND TYPE</u></b>	<b><u>\$ 5,322,986</u></b>

During the year ended June 30, 2011, the city set up an imprest deposit account with Crawford and Company in the amount of \$16,800 to pay liability claims brought against the city and to perform all reporting requirements that are required in regard to these claims. Each month, the city is billed for the amount of claims that were paid in the preceding month in order to replenish the imprest account back up to the original \$16,800. During the year ended June 30, 2020, the imprest deposit was discontinued and the City just pays the liability claims as billed.

**Discretely Presented Component Units – Deposits**

All deposits of the component units are held by area financial institutions. At the respective year ends, all deposits are insured or collateralized with securities held in the component unit's name by its agent (the trust department of a bank other than the pledging bank).

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 3 – Investments**

*Custodial Credit Risk – Investments*

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City had no custodial credit risk related to its investments at June 30, 2020.

Under state law, the City may invest funds in obligations of the United States, in federally-insured investments, or in time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. At June 30, 2020, the City had the following investments stated at cost, which approximates market:

Fixed Income	\$ -
Louisiana Asset Management Pool	<u>18,192</u>
Total	<u>\$ 18,192</u>

*Interest Rate Risk*

In accordance with its investment policy, the City manages its exposure to declines in fair market values by limiting investment portfolio to “money market investments”, which are defined as creditworthy, highly liquid investments with maturities of one year or less. Although there may be certain circumstances in which longer-term securities are utilized, the general use of long-term securities shall be avoided.

*Credit Risk*

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

*Concentration of Credit Risk*

The City’s investment policy limits the City’s investment instruments to: 1) certificates of deposit; 2) certain direct obligations of the U.S. Government; 3) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the United States of America; and 4) the Louisiana Asset Management Pool.

The City participates in the Louisiana Asset Management Pool (LAMP). The LAMP is an investment pool established as a cooperative endeavor to enable public entities of the State of Louisiana to aggregate funds for investment.

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 4 – Fund Deficits**

The following funds had deficits at June 30, 2020:

Major Funds	
86 Sales Tax 75% Capital	\$ 329,632
Non-Major Funds	
Street Maintenance	\$ 261,540
Internal Service Fund	\$ 1,136,113

Any deficits in the special revenue funds and debt service funds are to be financed with future revenues or transfers from other funds. Any deficits in the capital project funds will be funded with future drawdowns from state and federal agencies and/or transfers from the general fund.

**Note 5 – Accounts Receivable**

Accounts receivable at June 30, 2020, consisted of the following:

	<u>Governmental Funds</u>	<u>Proprietary Funds</u>	<u>Total</u>
Accounts Receivable	<u>\$ 577,801</u>	<u>\$ 941,384</u>	<u>\$ 1,519,185</u>

**Note 6 – Ad Valorem Taxes**

Property taxes are usually mailed out in November through Ouachita Parish and are due as of January 1. Ouachita Parish remits the City's portion monthly as received from taxpayers. An enforceable lien attaches to the property with unpaid taxes and is sold at a tax sale usually in June of the following year.

The Ouachita Parish Tax Assessor establishes assessed values each year on a uniform basis at the following ratios to fair market value:

10% Land	15% Machinery
10% Residential Improvements	15% Comm. Improvements
15% Industrial Improvements	25% Public Service Properties, Excluding Land

The ad valorem tax millage is as follows:

	<u>Mills</u>
General Ad Valorem Tax	6.90
Street Maintenance	<u>1.63</u>
<b><u>TOTAL</u></b>	<b><u>8.53</u></b>

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 7 – Due From Other Governments**

The amounts due from other governments at June 30, 2020 are as follows:

City of Monroe, LA	\$ 1,826,059
Corporation for National and Community Service	23,646
HUD	24,646
Ouachita Parish Sheriff	495
State of Louisiana	1,898,179
Various	<u>-</u>
<b><u>TOTAL</u></b>	<b><u>\$ 3,773,025</u></b>

**Note 8 – Capital Assets**

Capital asset activity for the year ended June 30, 2020 is as follows:

	<u>June 30, 2019</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u> <u>Balance</u>
<b>Government Activities:</b>				
<b>Non-Depreciable Assets:</b>				
Land	\$ 6,516,403	\$ -	\$ -	\$ 6,516,403
Construction In Progress	3,813,846	3,790,994	(3,261,571)	4,343,269
Total	10,330,249	3,790,994	(3,261,571)	10,859,672
<b>Depreciable Assets:</b>				
Buildings	32,458,621	5,688	-	32,464,309
Improvements	3,970,729	632,412	-	4,603,141
Equipment	6,688,980	158,059	-	6,847,039
Vehicles	8,826,066	774,501	-	9,600,567
Infrastructure	69,742,062	4,384,100	-	74,126,162
Total at Historical Cost	\$121,686,458	\$ 5,954,760	\$ -	\$ 127,641,218
	<u>June 30, 2019</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u> <u>Balance</u>
<b>Less Accumulated Depreciation for:</b>				
Buildings	\$( 17,117,742)	\$( 820,112)	\$ -	\$( 17,937,854)
Improvements	( 1,345,130)	( 92,042)	-	( 1,437,172)
Equipment	( 5,992,805)	( 232,367)	-	( 6,225,172)
Vehicles	( 7,386,084)	( 941,495)	-	( 8,327,579)
Infrastructure	( 55,582,431)	( 1,653,974)	-	( 57,236,405)
Total Accumulated Depreciation	( 87,424,192)	( 3,739,990)	-	( 91,164,182)
<b><u>Government Activities Capital Assets, Net</u></b>	<b><u>\$ 44,592,515</u></b>	<b><u>\$ 6,005,764</u></b>	<b><u>\$ (3,261,571)</u></b>	<b><u>\$ 47,336,708</u></b>

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 8 – Capital Assets (continued)**

**Business-Type Activities:**

**Non-Depreciable Assets:**

Land	\$ 74,150	\$ -	\$ -	\$ 74,150
Construction in Progress	-	380,448	-	380,448
Total	74,150	380,448	-	454,598

**Depreciable Assets:**

Buildings	73,436	-	-	73,436
Sparta Reuse Plant	20,701,729	-	-	20,701,729
Water Plant	15,720,299	94,550	-	15,814,849
Treatment Plant	14,516,997	210,250	-	14,727,247
Equipment	1,800,464	-	-	1,800,464
Totals at Historical Cost	52,812,925	304,800	-	53,117,725

**Less Accumulated**

**Depreciation for:**

Buildings	( 73,436)	-	-	( 73,436)
Sparta Reuse Plant	( 7,072,470)	( 1,035,086)	-	( 8,107,556)
Water Plant	( 6,668,967)	( 515,147)	-	( 7,184,114)
Treatment Plant	( 9,740,871)	( 463,632)	-	( 10,204,503)
Equipment	( 1,710,019)	( 51,515)	-	( 1,761,534)
Total Accumulated Depreciation	( 25,265,763)	( 2,065,380)	-	( 27,331,143)

**Business-Type Activities**

Capital Assets, Net	<u>\$27,621,312</u>	<u>\$ (1,380,132)</u>	<u>\$ -</u>	<u>\$ 26,241,180</u>
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Depreciation expense for the year ended June 30, 2020 was charged to functions of the City as follows:

**Government Activities:**

General Government	\$ 2,249,009
Public Safety	340,007
Public Works	194,008
Culture and Recreation	83,989
Community Development	380,948
Ike Hamilton Expo Center	481,134
Convention Center	10,895
Health and Welfare	-
Total Depreciation Expense - Governmental Activities	<u>\$ 3,739,990</u>

**Business-Type Activities:**

Utilities	<u>\$ 2,065,380</u>
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**Note 9 - Restricted Assets and Related Resources**

At June 30, 2020, all restricted assets were in the form of demand deposits. These assets represent amounts held for utility customer deposits and cash for reserve and sinking fund requirements.



**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 10 - Pension and Retirement Plans**

**STATE RETIREMENT SYSTEMS**

**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA**

Substantially all city employees, except firemen and policemen are members of the Municipal Employees' Retirement System of Louisiana (MERS), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The MERS is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Each of these are separated by first employment date of which those before January 1, 2013 are in Plan A and those after in Plan A Tier 2. All members participate in Plan A or Plan A Tier 2 based on those dates.

All permanent employees working at least 35 hours per week and elected city officials are required to participate in the system. Under the MERS Plan A, a member who retires at or after age 60 with at least 10 years of creditable service or at any age with 25 years of creditable service is entitled to a full retirement benefit, payable monthly for life, equal to 3 percent of the member's final compensation multiplied by his years of creditable service. With MERS Plan A Tier 2, a member who retires at or after age 67 with at least 7 years of creditable service, at or after age 62 with at least 10 years of creditable service or at 55 age with 30 years of creditable service are entitled to the same benefits as noted with Plan A.

Final compensation is a member's average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted. A member who withdraws from active service prior to retirement eligibility is entitled to receive benefits beginning on the normal retirement date, assuming completion of the required years of creditable service and no prior refund of contributions. The system also provides death and disability benefits. Benefits are established by state statute.

**Funding Policy** – State statute requires covered employees to contribute 9.5 percent of their salaries to the System. As provided by Louisiana Revised Statute 11:103, the employer 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 current actuarially determined rate is 26 percent of annual covered payroll. The City's contributions to the System under Plan A for the years ending June 30, 2020, 2019 and 2018 were \$1,704,321, \$1,561,156 and \$1,593,641, respectively, equal to the required contributions for each year.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees' Retirement System, 7937 Office Park Blvd., Baton Rouge, Louisiana 70809, or by calling (225) 925-4810.

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

At June 30, 2020, the City reported a liability of \$14,641,645 for its proportionate share of the net pension liability for the MERS plan. The net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the MERS pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 10 - Pension and Retirement Plans (continued)**

City's proportion was 3.5039%, which was a decrease of 0.1231% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the City recognized net pension expense of \$2,824,622 including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$72,306.

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (357,242)
Changes of assumptions	370,009	-
Net difference between projected and actual earnings on pension plan investments	1,452,135	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	79,455	(289,541)
Employer contributions subsequent to the measurement date	1,704,321	-
<b>Total</b>	<b>\$ 3,605,290</b>	<b>\$ (646,783)</b>

The City reported a total of \$1,704,321 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2019 which will be recognized as a reduction in net pension liability in the year ended June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year	MERS
2020	\$ 753,661
2021	193,811
2022	185,444
2023	121,900
	<u>\$ 1,254,816</u>



**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 10 - Pension and Retirement Plans (continued)**

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 is as follows:

<b>Valuation Date</b>	June 30, 2019
<b>Actuarial Cost Method</b>	Entry Age Normal
<b>Actuarial Assumptions:</b>	
<b>Expected Remaining Service Lives</b>	3 years
<b>Investment Rate of Return/Inflation Rate</b>	7.0%, net of investment expense; 2.50% inflation
<b>Projected salary increases</b>	4.5 to 6.4%
<b>Employee mortality</b>	PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales
<b>Disabled lives mortality</b>	PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with the full generational MP 2018 scale
<b>Annuitant and beneficiary mortality</b>	PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP 2018 scales

**Discount Rate**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate 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 included in the System's target asset allocation as of June 30, 2019 are summarized in the following table:

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Portfolio Real Rate of Return</b>
Public Equity	50%	2.15%
Public fixed income	35%	1.51%
Alternative Investments	15%	0.64%
Total	100%	4.30%
Inflation		2.70%
Expected Arithmetic Nominal Return		7.00%

The discount rate used to measure the total pension liability was 7.00% for the year ended June 30, 2019. 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, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees), determined as of the beginning of the measurement period. The effect on net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period. The Expected Remaining Service Lives (ERSL) for 2019 is 3 years.

**Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the City's proportionate share of the net pension liability (NPL) using the discount rate of each Retirement System 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 used by each of the Retirement Systems:

	<b>1.0% Decrease</b>	<b>Current Discount Rate</b>	<b>1.0% Increase</b>
<b>MERS</b>			
Rates	6.00%	7.00%	8.00%
			\$ 10,880,628
COWM Share-NPL	\$ 19,090,087	\$ 14,641,645	

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 10 - Pension and Retirement Plans (continued)**

**MUNICIPAL POLICE EMPLOYEES' RETIREMENT SYSTEM**

All full-time police officers engaged in law enforcement are eligible to participate in the Municipal Police Employees' Retirement System (MPERS), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. Members who retire at or after age 55 with 12 years of creditable service, at or after age 50 with 20 years of creditable service, or at any age with 25 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3-1/3 percent of the member's average final compensation multiplied by his years of creditable service, not to exceed 100 percent of his average final compensation.

Average final compensation is the average annual earned compensation of a member for any period of 36 successive or joined months of service that produces the highest average. The system also provides death and disability benefits. Benefits are established by state statute.

**Funding Policy** - State statute requires covered employees to contribute 10.00 percent of their salaries to the system. The City is required to contribute 30.75 percent of covered employees' salaries. As provided by Louisiana Revised Statute 11:103, the employer 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 City's contributions to the System for the years ending June 30, 2020, 2019 and 2018 were \$1,116,350, \$1,088,725 and \$1,000,363, respectively, equal to the required contributions for the year.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees' Retirement System, 8401 United Plaza Blvd., Baton Rouge, Louisiana 70809-7017, or by calling (225) 929-7411.

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

At June 30, 2020, the City reported a liability of \$9,814,357 for its proportionate share of the net pension liability for the MPERS plan. The net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the MPERS pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the City's proportion was 1.0807%, which was a decrease of .025% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the City recognized pension expense of \$1,702,908 net of employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$9,591.

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 10 - Pension and Retirement Plans (continued)**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 20,593	\$ (301,944)
Changes of assumptions	549,978	-
Net difference between projected and actual earnings on pension plan investments	637,622	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	98,302	(234,066)
Employer contributions subsequent to the measurement date	1,116,350	-
Total	<u>\$ 2,422,845</u>	<u>\$ (536,010)</u>

The City reported a total of \$1,116,350 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2019 which will be recognized as a reduction in net pension liability in the year ended June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year	MPERS
2020	\$ 446,550
2021	(25,354)
2022	190,099
2023	159,190
	<u>\$ 770,485</u>

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 is as follows:

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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<b>Valuation Date</b>	June 30, 2019
<b>Actuarial Cost Method</b>	Entry Age Normal
<b>Actuarial Assumptions:</b>	
<b>Expected Remaining Service Lives</b>	4 years
<b>Investment Rate of Return/Inflation Rate</b>	7.125%, net of investment expense, 2.50% inflation
<b>Projected salary increases</b>	4.25 to 9.75% based on years of service
<b>Mortality</b>	RP-2000 Employee Table for active members (set back 4 years for males and 3 years for females) RP-2000 Disabled Lives Mortality Table for Disabled Annuitants (set back 5 years for males and 3 years for females) RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA (set back 1 year for females) for healthy annuitants and beneficiaries

The mortality rate assumption used was set based upon an experience study performed by the prior actuary on plan data for the period July 1, 2009 through June 30, 2014, and the review of similar law enforcement mortality. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a set-back of standards tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

The best estimates of the arithmetic nominal rates of return for each major asset class included in the system's target allocation as of June 30, 2019 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Portfolio Real Rate of Return</b>
Equity	48.50%	3.28%
Fixed Income	33.50%	0.80%
Alternative Investments	18.00%	1.06%
Other	0.00%	0.00%
<b>Total</b>	<b>100%</b>	<b>5.14%</b>
<b>Inflation</b>		<b>2.75%</b>
<b>Expected Arithmetic Nominal Return</b>		<b>7.89%</b>

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 10 -Pension and Retirement Plans (continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.125%. 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 PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the City's proportionate share of the net pension liability (NPL) using the discount rate of each Retirement System 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 used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
<b>MPERS</b>			
Rates	6.125%	7.125%	8.125%
COWM Share- NPL	\$ 13,674,633	\$ 9,814,357	\$ 6,575,971

**FIREFIGHTERS' RETIREMENT SYSTEM**

All full-time firefighters for the City who are engaged in fire protection are eligible to participate in the Firefighters' Retirement System (FRS), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. A member who has completed 20 years of creditable service, has been a member at least 1 year, and has reached the age of 50 is eligible for retirement.

A member with at least 12 years of service who has reached the age of 55 is eligible for retirement, provided he has been a member for at least 1 year as well as anyone with 25 years of service at any age. Upon retirement, the benefit amount is 3-1/3 percent of average final compensation multiplied by years of creditable service, not to exceed his average final compensation. Average final compensation is the member's average annual earned compensation for any period of 36 successive or joined months of service that produce the highest average. The system also provides death and disability benefits. Benefits are established by state statute.



**CITY OF WEST MONROE, LOUISIANA**  
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**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 10 - Pension and Retirement Plans (continued)**

Funding Policy - State statute requires covered employees to contribute 10.00 percent of their salaries to the system. The City is required to contribute 26.50 percent of covered employees' salaries. As provided by Louisiana Revised Statute 11:103, the employer 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 City's contribution to the System for the years ending June 30, 2020, 2019 and 2018 were \$513,758, \$451,911, and \$461,682, respectively, equal to the required contributions for the year.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, 3100 Brentwood Drive, Baton Rouge, Louisiana 70809-1752, or by calling (225) 925-4060.

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

At June 30, 2020, the City reported a liability of \$4,409,092 for its proportionate share of the net pension liability for the FRS plan. The net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the FRS pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the City's proportion was .7041%, which was a decrease of 0.0277% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the City recognized pension expense of \$889,673 including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$32,115.

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$(318,047)
Changes of assumptions	401,120	(321)
Net difference between projected and actual earnings on pension plan investments	296,499	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	208,483	(487,283)
Employer contributions subsequent to the measurement date	513,758	-
<b>Total</b>	<b>\$ 1,419,860</b>	<b>\$ (805,651)</b>

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 10 - Pension and Retirement Plans (continued)**

The City reported a total of \$513,758 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2019 which will be recognized as a reduction in net pension liability in the year ended June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year	FRS
2020	\$ 194,190
2021	(60,588)
2022	32,149
2023	(1,008)
2024 and thereafter	(64,292)
	<u>\$ 100,451</u>

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 is as follows:

<b>Valuation Date</b>	June 30, 2019
<b>Actuarial Cost Method</b>	Entry Age Normal
<b>Actuarial Assumptions:</b>	
<b>Expected Remaining Service Lives</b>	7 years
<b>Investment Rate of Return</b>	7.15%, net of investment expense
<b>Inflation Rate</b>	2.50 per annum
<b>Projected salary increases</b>	4.50 – 14.75% per year based on years of service
<b>Mortality</b>	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2031 using Scale AA were selected for employee, annuitant and beneficiary mortality  RP-2000 Disabled Lives Mortality Table for Disabled Annuitants (set back 5 years for males and 3 years for females) for disabled annuitants
<b>Cost of Living Adjustments</b>	Only those previously granted.

The estimated long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each



**CITY OF WEST MONROE, LOUISIANA**  
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**Note 10 - Pension and Retirement Plans (continued)**

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, 2.75%. The long term expected nominal rate of return was 7.94% as of June 30, 2019.

<u>Asset Class</u>	<u>Target Asset Allocation</u>
Equity	49.00%
Fixed Income	31.00%
Alternative Investments	10.00%
Multi-Asset Strategies	10.00%
Total	100.00%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumes 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 PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the City's proportionate share of the net pension liability (NPL) using the discount rate of each Retirement System 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 used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
FRS			
Rates	6.15%	7.15%	8.15%
COWM Share- NPL	\$ 6,384,664	\$ 4,409,092	\$ 2,750,948

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 10 - Pension and Retirement Plans (continued)**

**LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM**

The City Judge is eligible to participate in the Louisiana State Employees' Retirement System (LASERS), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. LASERS provides benefits for certain elected officials and officials appointed by the governor. Eligibility for full retirement is based on years of credible service and date of which you were first hired. Upon retirement, the benefit amount is 2-1/2 percent of average compensation multiplied by the number of years of creditable service. Average compensation is defined as the member's average annual earned compensation for the highest thirty-six to sixty consecutive months of employment based on date of hire.

Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1% of average compensation multiplied by the number of years of creditable service in their respective capacity. The system also provides death and disability benefits. Benefits are established by state statute.

**Funding Policy** - State statute requires covered employees to contribute 11.50 percent of their salaries to the system. The City is required to contribute 42.40 percent of covered employees' salaries. As provided by Louisiana Revised Statute 11:103, the employer 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 City's contribution to the plan for the years ending June 30, 2020, 2019 and 2018 were \$20,977, \$19,459 and \$19,054, respectively, equal to the required contributions for the year.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana State Employees' Retirement System, 3401 United Plaza Blvd., Baton Rouge, Louisiana 70809, or by calling (225) 922-0600.

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

At June 30, 2020, the City reported a liability of \$172,067 for its proportionate share of the net pension liability for the LASERS plan. The net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the LASERS pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the City's proportion was .0024%, which was no change from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the City recognized pension expense of \$22,186 including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$1,834.

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**CITY OF WEST MONROE, LOUISIANA**  
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**Note 10 - Pension and Retirement Plans (continued)**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,057	\$ (358)
Changes of assumptions	1,474	-
Net difference between projected and actual earnings on pension plan investments	5,945	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	-
Employer contributions subsequent to the measurement date	20,977	-
<b>Total</b>	<b>\$ 29,453</b>	<b>\$ (358)</b>

The City reported a total of \$20,977 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2019 which will be recognized as a reduction in net pension liability in the year ended June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year	LASERS
2020	\$ 5,984
2021	(1,730)
2022	1,636
2022	2,228
	<b>\$ 8,118</b>

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 is as follows:

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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<b>Valuation Date</b>	June 30, 2019
<b>Actuarial Cost Method</b>	Entry Age Normal
<b>Actuarial Assumptions:</b>	
<b>Expected Remaining Service Lives</b>	2 years
<b>Investment Rate of Return</b>	7.60%, net of investment expense
<b>Salary Increases</b>	Various between 2.8 and 5.3%
<b>Projected inflation increases</b>	2.5% per annum
<b>Mortality</b>	RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis.  RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement
<b>Termination, Disability and Retirement</b>	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members for 2019
<b>Cost of Living Adjustments</b>	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate 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 of 2.75% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 9.00% for 2019. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2019 are summarized in the following table:

**CITY OF WEST MONROE, LOUISIANA**  
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**Note 10 -Pension and Retirement Plans (continued)**

<u>Asset Class</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Cash	0.24%
Domestic Equity	4.83%
International Equity	5.83%
Domestic Fixed Income	2.79%
International Fixed Income	4.49%
Alternative Investments	8.32%
Risk Parity	5.06%
<b>Total Fund</b>	<b>6.09%</b>

**Discount Rate**

The discount rate used to measure the total pension liability was 7.60%. 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 PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the City's proportionate share of the net pension liability (NPL) using the discount rate of each Retirement System 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 used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
<b>LASERS</b>			
Rates	6.60%	7.60%	8.60%
COWM Share-NPL	\$ 217,170	\$ 172,067	\$ 133,969

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 11 - Postemployment Health Care and Life Insurance Benefits**

**General Information about the OPEB Plan**

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

*Benefits Provided* – Medical insurance benefits are provided through comprehensive plans and are made available to employees upon actual retirement. Employees retirement eligibility (D.R.O.P entry) provisions are as follows: attainment of Medical benefits are provided through a self-insured medical plan and are made available to employees upon actual retirement. The employees are covered by several retirement systems with similar eligibility provisions. In the absence of specific details about which employees are covered by each system, we have used the following retirement eligibility (D.R.O.P. entry) provisions as representative of the eligibility: 25 years of service at any age; or, age 60 and 10 years of service.

*Employees covered by benefit terms* – At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	30
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	260
	290

**Total OPEB Liability**

The City's total OPEB liability of \$9,234,645 was measured as of June 30, 2020 and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and other inputs* – The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.0%, including inflation
Prior Discount rate	3.50%
Discount rate	2.21%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Flat 5.5% annually until 2030, then 4.5%

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2020, the end of the applicable measurement period.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2020.

**CITY OF WEST MONROE, LOUISIANA**  
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**Changes in the Total OPEB Liability**

Balance at June 30, 2019	\$ 8,164,558
Changes for the year:	
Service cost	545,637
Interest	295,308
Differences between expected and actual experience	(840,440)
Changes of assumptions	1,192,909
Benefit payments and net transfers	(123,327)
Net changes	<u>1,070,087</u>
Balance at June 30, 2020	<u>\$ 9,234,645</u>

*Sensitivity of the total OPEB liability to changes in the discount rate* – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	1.0% Decrease (1.21%)	Current Discount Rate (2.21%)	1.0% Increase (3.21%)
Total OPEB liability	\$ 11,042,869	\$ 9,234,645	\$ 7,824,328

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates* – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 7,720,943	\$ 9,234,645	\$ 11,204,775

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2020, the City recognized OPEB expense of \$895,595. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 154,892	\$ (770,403)
Changes in assumptions	1,445,372	(203,431)
Total	<u>\$ 1,600,264</u>	<u>\$ (973,834)</u>



**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending June 30:

2021	54,650
2022	54,650
2023	54,650
2024	54,650
2025	54,650
Thereafter	353,180

**Note 12 - Long-Term Debt**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>					
<b>Bonds and Notes Payable:</b>					
Certificates of Indebtedness,					
Series 2011	1,325,000	-	430,000	895,000	440,000
Series 2015	21,670,000	-	1,035,000	20,635,000	1,070,000
Series 2018	11,245,000	-	380,000	10,865,000	385,000
Block Grant for Economic Development	178,669	-	24,996	153,673	25,000
<b>Total Governmental Bonds And Notes Payable</b>	34,418,669	-	1,869,996	32,548,673	1,920,000
<b>Other Liabilities:</b>					
Accrued Heart and Lung Disability	175,960	-	7,453	168,507	18,633
Accrued Vacation, Sick And Compensatory Time	923,450	-	75,732	847,718	847,718
<b>Total Other Liabilities</b>	1,099,410	-	83,185	1,016,225	866,351
<b>Total Governmental Activities Long-Term Debt</b>	<u>\$35,518,079</u>	<u>\$ -</u>	<u>\$ 1,953,181</u>	<u>\$33,564,898</u>	<u>\$2,786,351</u>
<b>Business-Type Activities:</b>					
<b>Bonds and Notes Payable:</b>					
Certificates of Indebtedness, Sewer Bonds 2010	\$ 839,000	\$ -	\$ 61,000	\$ 778,000	\$ 62,000
<b>Other Liabilities:</b>					
Accrued Vacation, Sick And Compensatory Time Business-Type Activities	189,728	9,209	-	198,937	198,937
<b>Total Business-Type Activities Long-Term Debt</b>	<u>\$1,028,728</u>	<u>\$ 9,209</u>	<u>\$ 61,000</u>	<u>\$ 976,937</u>	<u>\$ 260,937</u>



**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 12 - Long-Term Debt (continued)**

Payments on the bonds and notes payable that pertain to the City's governmental activities are made by the debt service funds. Funding for these payments are from an irrevocable pledge and dedication of the net avails of the City's one percent (1%) sales and use tax approved in 1991 and the forty-nine hundredths of one percent (.49%) sales and use tax approved in 2014.

The accrued heart and lung disability and accrued vacation, sick and compensatory time will be liquidated primarily by the General Fund. Payment of compensated absences is dependent upon many factors; therefore, the timing of future payments is not readily determinable.

Principal and interest requirements to retire the City's bonds and notes payable obligations are as follows:

Year Ended June 30,	Certificates of Indebtedness			
	Series 2011		Series 2015	
	Principal	Interest	Principal	Interest
2021	\$ 440,000	\$ 15,660	\$ 1,070,000	\$ 751,556
2022	455,000	5,278	1,105,000	702,706
2023	-	-	1,145,000	669,156
2024	-	-	1,185,000	628,081
2025	-	-	1,225,000	567,831
2026-2030	-	-	6,815,000	1,948,805
2031-2035	-	-	8,090,000	701,196
2036-2038	-	-	-	-
<b>Total</b>	<b>\$ 895,000</b>	<b>\$ 20,938</b>	<b>\$ 20,635,000</b>	<b>\$ 5,969,331</b>

Year Ended June 30,	Certificates of Indebtedness	
	Series 2018	
	Principal	Interest
2021	\$ 385,000	\$ 482,163
2022	405,000	462,413
2023	420,000	441,788
2024	440,000	420,288
2025	455,000	397,913
2026-2030	2,600,000	1,617,690
2031-2035	3,155,000	929,920
2036-2038	3,005,000	245,819
<b>Total</b>	<b>\$ 10,865,000</b>	<b>\$4,997,994</b>

Year Ended June 30,	CDBG Division of Adm. Economic Development		Sewer Revenue Bonds Series 2010	
	Principal	Interest	Principal	Interest
2021	\$ 25,000	\$ -	\$ 62,000	\$ 3,618
2022	25,000	-	62,000	3,083
2023	25,000	-	63,000	2,801
2024	25,000	-	63,000	2,518
2025	25,000	-	64,000	2,232
2026-2030	28,673	-	328,000	6,782
2031-2032	-	-	136,000	612
	-	-	-	-
<b>Total</b>	<b>\$ 153,673</b>	<b>\$ -</b>	<b>\$ 778,000</b>	<b>\$ 21,646</b>

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 13 - Long-Term Firemen's Disability Payments**

The City of West Monroe is self-insured with respect to workers' compensation claims up to \$250,000 per occurrence. Consequently, the City is responsible for providing Louisiana State Workers Compensation benefits under the Heart and Lung Act. Under this act, special treatment has been accorded firemen who develop any disease or infirmity of the heart and lungs. Louisiana Revised Statute 33.2581 provides a presumption in favor of firemen that the disease is related to employment even if they are not on duty when stricken with the disease, if the disease manifests itself after the first five years of employment. At June 30, 2020, the City is responsible for payment of lifetime benefits to two firemen or their spouses. The actuarial estimate of the liability is \$168,507.

The annual payment requirements outstanding at June 30, 2020 are as follows:

2021	\$ 18,633
2022	18,633
2023	18,633
2024	18,633
2025	18,633
2026-2030	72,678
2031-2033	<u>2,664</u>
<b><u>TOTAL</u></b>	<b><u>\$ 168,507</u></b>

**Note 14 - Municipal Facilities Revolving Loan Fund**

On November 1, 2009, the City entered into a commitment agreement with the Louisiana Department of Environmental Quality for two capitalization grants totaling \$6,000,000 to be used for the purpose of establishing a water pollution control revolving fund for providing assistance to upgrade the City's existing treatment plant by installing additional components that would allow the plant effluent to be used by Graphic Packaging as process water. These components are not required for the City to meet its permits but are needed solely to allow for the beneficial use of the plant effluent. The existing lagoons are retained to provide secondary treatment before entering the new units. Effluent from the plant is being pumped to Graphic Packaging through a pipeline that has been constructed for that purpose.

**Sewer Revenue Bonds**

Sewer revenue bonds were issued in the amount of \$1,250,000 to help fund the above project. This amount will be paid back over a twenty year amortization period at .45% and is also recognized as bonds payable. Sewer Revenue Bonds of \$4,750,000 were also issued but were forgiven during the year ending June 30, 2013. See note 12 for the principal and interest requirements.

**Note 15 - Operating Lease**

The City is obligated under an operating lease for a building. This lease is a triple net lease for a period of ten years for \$1,000 per month beginning August 1, 2004. At the end of the initial ten year term, the lease automatically renewed for an additional five years for \$1,060 per month. The lease was extended an additional five years through July 31, 2024 with payments of \$1,113 beginning August 1, 2020. The lease can be extended another five years for \$1,169. The following is a schedule by years of future minimum rental payments:

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Year Ended June 30,	Amount
2021	\$ 13,356
2022	13,356
2023	13,356
2024	14,469
2025	1,113

**Note 16 - Northeast Louisiana Arts Council**

The City provides office space and utilities at no charge to the Northeast Louisiana Arts Council. The amount of the services provided has not been determined.

**Note 17 - Litigation**

There are several pending lawsuits in which the City is involved. The City Attorney is unaware of any pending litigation from which he would reasonably expect the City to incur a liability in excess of its applicable deductible on any insurance policy and is further unaware of any litigation where the City may not be insured as to any claim where he would reasonably expect the City to incur a liability in excess of \$100,000.

**Note 18 - Self-Insurance Program**

During 1998, the City began a self-insurance program for hospitalization and medical coverage for its active employees and retirees. The City limits its losses through the use of reinsurers up to \$75,000 per employee. The City's aggregate annual loss limitation is based on a formula that considers, among other things, the total number of employees. At June 30, 2020, the City's annual cost, excluding reinsurance premiums, is limited to approximately \$3,950,000, which was for active employees. Approximately 33 retirees receive benefits under this plan. These retirees reimbursed the City for \$216,732 during the year ended June 30, 2020 for their cost of the health care benefits.

**Note 19- Deferred Compensation Plan**

Employees of the City may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments). The deferred compensation plan is available to all full time employees of the City. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death or unforeseeable emergency.

Since the assets of the plans are held in a custodial account with a third party administrator, the assets and liabilities are not presented in the City's financial statements in accordance with GASB 32. Assets with a fair market value of \$1,328,758 are held by Nationwide Retirement Solutions, Inc. and VALIC Financial Advisors.

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 20- Interfund Operating Transfers In and Out**

Interfund operating transfers in and out during the year ended June 30, 2020, were as follows:

<u>Fund</u>	<u>Operating Transfers</u>	
	<u>In</u>	<u>Out</u>
<b>Major Funds:</b>		
General Fund	\$ 6,278	\$ 1,253,429
'86 Sales Tax Capital	398,220	1,248,851
2018 Debt Capital Fund	-	-
<b>Enterprise Fund</b>	-	-
<b>Non-Major Funds:</b>		
Special Revenue Funds	529,874	-
Capital Project Funds	54,106	404,498
Internal Service Fund	-	-
Fiduciary Funds	667,122	-
Debt Service Funds	1,251,178	-
<b><u>TOTAL</u></b>	<b><u>\$ 2,906,778</u></b>	<b><u>\$ 2,906,778</u></b>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**Note 21 - Interfund Receivables and Payables**

Interfund balances at June 30, 2020, were as follows:

<u>Fund</u>	<u>Interfund</u>	
	<u>Receivables</u>	<u>Payables</u>
<b>Major Funds:</b>		
General Fund	\$ 784,867	\$ 135,541
'86 Sales Tax	135,541	1,052,308
2018 Debt Capital	136,536	-
<b>Enterprise Fund</b>	658,859	-
<b>Non-Major Funds:</b>		
Special Revenue Funds	600,211	608,422
Debt Service Funds	451,802	-
Capital Project Fund	171,102	16
Fiduciary Funds	-	2,000
Internal Service Fund	-	1,140,631
<b><u>TOTAL</u></b>	<b><u>\$ 2,938,918</u></b>	<b><u>\$ 2,938,918</u></b>

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 22 - On-Behalf Payments**

Certain City employees in the City Marshal's office, the West Monroe Police and Fire departments 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 \$585,002 and the related expenditures are as follows:

Marshal's Office	\$ 18,000
Police Department	324,693
Code Enforcement	12,000
Fire Department	230,309
Total	<u>\$ 585,002</u>

**Note 23- Minimum Lease Payments Receivable – Direct Financing Lease**

On September 29, 2006, the City purchased a building for \$1,250,000 and renovated it for an additional \$165,000 with the intent of leasing it as a commercial building with an option to purchase. The company that leased the building created 50 new jobs at the facility. In addition to this arrangement, the City was awarded a community development block grant for \$500,000 (\$10,000 for each job created). This \$500,000 was added to the \$915,000 in bond issuances that were secured during fiscal year 2006 to pay for the building for a total \$1,415,000.

The following lists the components of the minimum lease payments to be received under the direct financing lease as of June 30, 2020:

Total minimum lease payments to be received	\$ 156,375
Less: Amounts representing estimated executory costs (such as taxes, maintenance, and insurance), including profit thereon, included in total minimum lease payments	-
Minimum lease payments receivable	156,375
Estimated residual values of leased property (unguaranteed)	-
Less: Unearned Income	( - )
<b><u>NET MINIMUM LEASE PAYMENTS RECEIVABLE –</u></b> <b><u>DIRECT FINANCING LEASE</u></b>	<b><u>\$ 156,375</u></b>

Future minimum lease payments are as follows:

Year Ended June 30,	<u>Amount</u>
2021	\$ 25,020
2022	25,020
2023	25,020
2024	25,020
2025	25,020
2026-2029	31,275
Total	<u>\$ 156,375</u>

**Note 24 - Component Units**

For the year ending June 30, 2020, the City has chosen to include its legally separate components units discretely in the City's financial statement in accordance with accounting principles generally accepted in the United States.

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**Note 25 - Subsequent Events**

Subsequent events have been evaluated through March 3, 2021, the date that the financial statements were available to be issued. All subsequent events determined to be relevant and material to the financial statements have been appropriately recorded or disclosed.

**Note 26 - Fund Changes and Fund Balances**

Amounts for specific purposes by fund and fund balance classifications for the year ended June 30, 2020 are as follows:

<u>Classification/Fund</u>	<u>Purpose</u>	<u>Amount</u>
Nonspendable:		
General Fund	Inventory	\$ 26,871
	Minimum Lease Payment Receivable	156,375
Restricted:		
Emergency Shelter	FEMA Emergency Shelter Recipients	15,716
2018 Debt Capital	Capital Improvements	188,184
Section 8	Public Housing	16,645
Metro LCLE	LCLE Multi-Jurisdictional Taskforce	2,614
Americorps		10,347
Economic Dev. District		609,725
Various Cap. Projects	Various Cap. Projects	171,115
Committed:		
General Fund	Fund Balance for Next Year's Operations	-
Assigned:		
General-Project Contingency		700,000
Misc. Grants		5,139
Office of Motor Veh	DMV Operations	33,712
2011 Debt Service		365,078
2015 Debt Service		653,191
2018 Debt Service		369,500
Unassigned:		
General Fund		5,871,925
86 Sales Tax Capital		( 329,632)
Street Maintenance	Maintenance of Streets and Roads	( 261,540)
Total Fund Balances		<u>\$ 8,604,965</u>

**REQUIRED SUPPLEMENTAL INFORMATION (PART B)**  
**BUDGETARY COMPARISON SCHEDULES**

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**CITY OF WEST MONROE, LOUISIANA**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
<b><u>Revenues</u></b>				
Taxes	\$ 16,768,500	\$ 16,234,019	\$ 16,033,613	\$ (200,406)
Intergovernmental	577,055	499,447	2,375,089	1,875,642
Licenses and Permits	1,027,800	1,048,548	1,104,321	55,773
Charges for Services	2,803,100	2,100,380	2,183,904	83,524
Fines and Forfeitures	452,500	245,051	267,326	22,275
Interest Earned	2,400	10,076	9,716	(360)
Franchise Revenue	822,000	810,435	793,520	(16,915)
Sale of Assets	500,000	1,500	3,769	2,269
Other	61,000	129,318	148,479	19,161
<b>Total Revenues</b>	<b>23,014,355</b>	<b>21,078,774</b>	<b>22,919,737</b>	<b>1,840,963</b>
<b><u>Expenditures</u></b>				
General Government:				
Elected Council	104,715	85,291	85,374	(83)
City Court	595,470	566,786	577,247	(10,461)
Marshal	550,246	527,923	539,722	(11,799)
Mayor's Office	293,300	284,227	284,379	(152)
City Clerk's Office	1,329,527	1,260,278	1,249,777	10,501
City Hall Maintenance	761,110	623,222	586,672	36,550
General and Administrative	1,747,077	1,689,813	1,867,489	(177,676)
Public Safety:				
Legal	495,373	488,931	462,541	26,390
Fire	3,218,965	3,137,158	3,093,679	43,479
Police	5,531,530	5,395,479	5,329,812	65,667
Prison	874,249	795,030	824,129	(29,099)
Police Shop	-	-	3,902	(3,902)
Public Works:				
Garbage	847,142	833,197	825,880	7,317
Trash	684,144	641,392	643,617	(2,225)
Streets	824,237	755,456	757,885	(2,429)
Cemetery	7,700	4,329	4,249	80
Planning and Zoning	83,926	76,429	74,486	1,943
Inspection	274,252	267,630	268,372	(742)
City Maintenance Shop	429,070	437,229	461,360	(24,131)



**CITY OF WEST MONROE, LOUISIANA**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
Culture and Recreation:				
Recreation and Parks	362,635	312,119	323,716	(11,597)
Kiroli Park	561,407	478,334	487,625	(9,291)
Lazarre Park	6,000	4,640	4,349	291
Restoration Park	11,000	6,086	5,114	972
Farmer's Market	52,837	46,836	46,517	319
Ike Hamilton Expo Center	1,036,716	908,829	914,451	(5,622)
Convention Center	985,616	823,295	740,953	82,342
Community Development & Center	348,738	249,680	240,260	9,420
Tanner Building & Business Center	252,955	216,324	207,574	8,750
Section 8 Housing	224,037	221,501	-	221,501
Economic Development	-	-	-	-
<b>Total Expenditures</b>	<b>22,493,974</b>	<b>21,137,444</b>	<b>20,911,131</b>	<b>226,313</b>
<b><u>Excess of Revenues Over (Under)</u></b>				
<b><u>Expenditures</u></b>	520,381	(58,670)	2,008,606	2,067,276
<b><u>Other Financing Sources and (Uses)</u></b>				
Transfers In	-	-	6,278	6,278
Transfers Out	-	-	(1,253,430)	(1,253,430)
<b>Total Other Financing Sources</b>				
<b>and Uses</b>	-	-	(1,247,152)	(1,247,152)
<b><u>Net Change in Fund Balance</u></b>	520,381	(58,670)	761,454	820,124
<b><u>Fund Balance at Beginning of Year</u></b>	4,615,333	4,615,333	5,993,717	(1,378,384)
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<b>\$ 5,135,714</b>	<b>\$ 4,556,663</b>	<b>\$ 6,755,171</b>	<b>\$ (558,260)</b>

The accompanying notes are an integral part of this financial statement.

**CITY OF WEST MONROE, LOUISIANA**  
**BUDGETARY COMPARISON SCHEDULE - '86 SALES TAX 75% CAPITAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Favorable
				(Unfavorable)
<b>Revenues</b>				
Sales Tax	\$ 5,600,000	\$ 5,175,000	\$ 5,937,570	\$ 762,570
Intergovernmental	-	172,980	195,902	22,922
Charges for Services	-	-	-	-
Sales of Asset	-	-	-	-
Other	15,000	29,874	32,374	2,500
Interest Income	600	710	897	187
<b>Total Revenues</b>	<b>5,615,600</b>	<b>5,378,564</b>	<b>6,166,743</b>	<b>788,179</b>
<b>Expenditures</b>				
Salaries, Wages and Benefits	322,119	278,750	281,460	(2,710)
Professional Services	295,000	475,360	516,467	(41,107)
Repairs and Maintenance	740,000	1,040,345	1,018,094	22,251
Capital Purchases	2,240,000	2,991,867	4,215,923	(1,224,056)
Miscellaneous	145,881	2,190	2,637	(447)
<b>Total Expenditures</b>	<b>3,743,000</b>	<b>4,788,512</b>	<b>6,034,581</b>	<b>(1,246,069)</b>
<b>Excess of Revenues Over</b>				
<b>Expenditures</b>	<b>1,872,600</b>	<b>590,052</b>	<b>132,162</b>	<b>(457,890)</b>
<b>Other Financing Sources and (Uses)</b>				
Transfers In	-	-	398,220	398,220
Transfers Out	(1,512,000)	(1,248,851)	(1,248,851)	-
<b>Total Other Financing Sources</b>				
<b>and Uses</b>	<b>(1,512,000)</b>	<b>(1,248,851)</b>	<b>(850,631)</b>	<b>398,220</b>
<b>Net Change in Fund Balance</b>	<b>360,600</b>	<b>(658,799)</b>	<b>(718,469)</b>	<b>(59,670)</b>
<b>Fund Balance at Beginning of Year</b>	<b>1,474,551</b>	<b>388,837</b>	<b>388,837</b>	<b>-</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 1,835,151</b>	<b>\$ (269,962)</b>	<b>\$ (329,632)</b>	<b>\$ (59,670)</b>

The accompanying notes are an integral part of this financial statement.

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO BUDGETARY COMPARISON SCHEDULES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

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

1. In May of each year, the Mayor submits to the Board of Aldermen an operating and capital budget for the succeeding year.
2. A public hearing is scheduled by the Mayor and the Board of Aldermen after allowing for at least ten days notice to the public at the time the budget is initially submitted to the Board of Aldermen.
3. Final adoption of the budget by the Board of Aldermen is on the second Tuesday in June.
4. The Mayor may authorize transfers of budgetary amounts within departments. However, any revision requiring alteration of levels of expenditures or transfers between departments must be approved by the Board of Aldermen.
5. Operating appropriations and nonmajor capital appropriations, to the extent not expended, lapse at year-end. Major capital appropriations continue in force until the project is completed.

All legally adopted budgets of the City are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgets are adopted for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, and Expendable Trust Funds.

Budget comparison schedules included in the accompanying financial statements include the original adopted budgets and all subsequent adopted amendments.

**CITY OF WEST MONROE, LOUISIANA**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**

	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Total OPEB Liability</b>			
Service Cost	\$ 297,127	\$ 345,716	\$ 545,637
Interest	283,557	289,776	295,308
Changes in benefit terms	-	-	-
Difference between expected and actual experience	167,657	24,227	(840,440)
Changes in Assumptions	(254,289)	410,517	1,192,909
Benefit Payments	(209,073)	(220,572)	(123,327)
<b>Net Change in Total OPEB Liability</b>	<u>284,979</u>	<u>849,664</u>	<u>1,070,087</u>
 <b>Total OPEB liability - beginning</b>	 <u>7,029,915</u>	 <u>7,314,894</u>	 <u>8,164,558</u>
 <b>Total OPEB liability - ending (a)</b>	 <u><u>\$ 7,314,894</u></u>	 <u><u>\$ 8,164,558</u></u>	 <u><u>\$ 9,234,645</u></u>
 Covered Employee Payroll	 \$ 9,088,183	 \$ 9,360,828	 \$ 9,435,788
 Net OPEB liability as a percentage of covered employee payroll	 80.49%	 87.22%	 97.87%
 <b>Notes to Schedule:</b>			
<i>Benefit Changes:</i>	None	None	None
 <i>Changes in Assumption :</i>			
Discount Rate:	3.87%	3.50%	2.21%
Mortality:	RP-2000	RP-2000	RP-2014
Trend:	5.50%	5.50%	Variable

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**CITY OF WEST MONROE, LOUISIANA**  
**WEST MONROE, LOUISIANA**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	MERS					
	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Employer's Proportion of the Net Pension Liability (Asset)	3.5039%	3.6270%	3.5568%	3.4255%	3.3204%	3.2940%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 14,641,645	\$ 15,018,184	\$ 14,879,694	\$ 14,039,990	\$ 11,860,921	\$ 8,453,863
Employer's Covered-Employee Payroll	\$ 6,141,697	\$ 6,004,446	\$ 4,542,072	\$ 6,183,127	\$ 6,066,150	\$ 5,667,088
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	238.40%	250.12%	327.60%	227.07%	195.53%	149.17%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.68%	65.60%	63.49%	62.11%	66.18%	73.99%

  

	MPERS					
	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Employer's Proportion of the Net Pension Liability (Asset)	1.0807%	1.1057%	1.0824%	1.1255%	1.0739%	1.1694%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 9,814,357	\$ 9,347,250	\$ 9,430,961	\$ 10,549,125	\$ 8,413,119	\$ 7,315,950
Employer's Covered-Employee Payroll	\$ 3,434,923	\$ 3,286,777	\$ 3,247,734	\$ 3,224,985	\$ 3,140,207	\$ 3,115,534
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	285.72%	284.39%	290.39%	327.11%	267.92%	234.82%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.01%	71.89%	70.08%	66.04%	70.73%	75.10%

*This schedule is to be built prospectively. Until a full 10-year trend is compiled, the schedule will show information for those years for which data is available, beginning with FYE June 30, 2015.*

- The amounts presented have a measurement date of the previous fiscal year end.

**CITY OF WEST MONROE, LOUISIANA**  
**WEST MONROE, LOUISIANA**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (cont.)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	FRS					
	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Employer's Proportion of the Net Pension Liability (Asset)	0.7041%	0.7318%	0.8019%	0.8332%	0.8044%	0.7515%
Employer's Proportionate Share of the Net Pension Liability (Asset) \$	4,409,092	\$ 4,209,123	\$ 4,596,186	\$ 5,499,705	\$ 4,341,215	\$ 3,344,235
Employer's Covered-Employee Payroll \$	1,851,380	\$ 1,705,324	\$ 1,740,887	\$ 1,871,321	\$ 1,875,777	\$ 1,709,438
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	238.15%	246.82%	264.01%	293.89%	231.44%	195.63%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.96%	74.76%	73.55%	68.16%	72.45%	76.02%

  

	LASERS					
	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Employer's Proportion of the Net Pension Liability (Asset)	0.0024%	0.0024%	0.0024%	0.0024%	0.0022%	0.0024%
Employer's Proportionate Share of the Net Pension Liability (Asset) \$	172,067	\$ 163,746	\$ 171,959	\$ 187,126	\$ 151,878	\$ 141,003
Employer's Covered-Employee Payroll \$	51,541	\$ 48,526	\$ 47,516	\$ 46,614	\$ 45,720	\$ 44,812
Employer's Proportionate Share of the Net Pension Liability (Asset)	333.84%	337.44%	361.90%	401.44%	332.19%	314.65%
Plan Fiduciary Net Position as a Percentage of the Total Pension	62.90%	64.30%	62.50%	57.70%	62.70%	65.02%

*This schedule is to be built prospectively. Until a full 10-year trend is compiled, the schedule will show information for those years for which data is available, beginning with FYE June 30, 2015.*

\* The amounts presented have a measurement date of the previous fiscal year end.

**CITY OF WEST MONROE, LOUISIANA**  
**WEST MONROE, LOUISIANA**

**SCHEDULE OF THE EMPLOYER'S PENSION CONTRIBUTIONS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	MERS					
	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Contractually Required Contribution <sup>1</sup>	\$ 1,704,321	\$ 1,561,156	\$ 1,593,641	\$ 1,406,663	\$ 1,201,843	\$ 1,119,250
Contributions in Relation to Contractually Required Contribution <sup>2</sup>	1,704,321	1,561,156	1,593,641	1,406,663	1,201,843	1,119,250
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Covered Employee Payroll <sup>3</sup>	\$ 6,141,697	\$ 6,004,446	\$ 6,473,855	\$ 6,183,127	\$ 6,066,150	\$ 5,667,088
Contributions as a % of Covered Employee Payroll	27.75%	26.00%	24.62%	22.75%	19.81%	19.75%

  

	MPERS					
	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Contractually Required Contribution <sup>1</sup>	\$ 1,116,350	\$ 1,088,725	\$ 1,000,363	\$ 1,027,768	\$ 930,067	\$ 981,393
Contributions in Relation to Contractually Required Contribution <sup>2</sup>	1,116,350	1,088,725	1,000,363	1,027,768	930,067	981,393
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Covered Employee Payroll <sup>3</sup>	\$ 3,434,923	\$ 3,286,777	\$ 3,247,734	\$ 3,224,985	\$ 3,140,207	\$ 3,115,534
Contributions as a % of Covered Employee Payroll	32.50%	33.12%	30.80%	31.87%	29.62%	31.50%

*This schedule is to be build prospectively. Until a full 10-year trend is compiled, the schedule will show information for those years for which data is available, beginning with FYE June 30, 2015.*

**For reference only:**

<sup>1</sup> Employer contribution rate multiplied by employer's covered employee payroll

<sup>2</sup> Actual employer contributions remitted to the respective pension funds

<sup>3</sup> Employer's covered employee payroll amount for the fiscal year ended.

**CITY OF WEST MONROE, LOUISIANA**  
**WEST MONROE, LOUISIANA**

**SCHEDULE OF THE EMPLOYER'S PENSION CONTRIBUTIONS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	FRS					
	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Contractually Required Contribution <sup>1</sup>	\$ 513,758	\$ 451,911	\$ 461,682	\$ 472,509	\$ 510,063	\$ 500,011
Contributions in Relation to Contractually Required Contribution <sup>2</sup>	513,758	451,911	461,682	472,509	510,063	500,011
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Covered Employee Payroll <sup>3</sup>	\$ 1,851,380	\$ 1,705,324	\$ 1,740,887	\$ 1,871,321	\$ 1,875,777	\$ 1,709,438
Contributions as a % of Covered Employee Payroll	27.75%	26.50%	26.52%	25.25%	27.19%	29.25%
	LASERS					
	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Contractually Required Contribution <sup>1</sup>	\$ 20,977	\$ 19,459	\$ 19,054	\$ 17,713	\$ 17,419	\$ 18,597
Contributions in Relation to Contractually Required	20,977	19,459	19,054	17,713	17,419	18,597
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Covered Employee Payroll <sup>3</sup>	\$ 51,541	\$ 48,526	\$ 47,516	\$ 46,614	\$ 45,720	\$ 44,812
Contributions as a % of Covered Employee Payroll	40.70%	40.10%	40.10%	38.00%	38.10%	41.50%

*This schedule is to be build prospectively. Until a full 10-year trend is compiled, the schedule will show information for those years for which data is available, beginning with FYE June 30, 2015.*

***For reference only:***

<sup>1</sup> Employer contribution rate multiplied by employer's covered employee payroll

<sup>2</sup> Actual employer contributions remitted to the respective pension funds

<sup>3</sup> Employer's covered employee payroll amount for the fiscal year ended.



PRIMARY GOVERNMENT SUPPLEMENTAL  
INFORMATION SCHEDULES

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**CITY OF WEST MONROE, LOUISIANA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2020**

	Street Maintenance Fund	West Ouachita Senior Center Fund	Emergency Shelter Program Fund	Officer Witness Court Fund
<b><u>ASSETS</u></b>				
Cash in Bank	\$ -	\$ 69,664	\$ -	\$ -
Accounts Receivable	-	-	-	-
Due From Other Governments	495	41,131	-	721
Due From Other Funds	-	-	15,716	-
	<u>-</u>	<u>-</u>	<u>15,716</u>	<u>-</u>
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 495</u></b>	<b><u>\$ 110,795</u></b>	<b><u>\$ 15,716</u></b>	<b><u>\$ 721</u></b>
<b><u>LIABILITIES</u></b>				
Accounts Payable	\$ -	\$ 428	\$ -	\$ -
Due To Other Funds	262,035	110,367	-	721
<b>Total Liabilities</b>	<u>262,035</u>	<u>110,795</u>	<u>-</u>	<u>721</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>				
Deferred Revenue - CARES Act	-	-	-	-
<b><u>FUND BALANCES</u></b>				
Restricted	-	-	15,716	-
Assigned	-	-	-	-
Unassigned	(261,540)	-	-	-
<b>Total Fund Balances</b>	<u>(261,540)</u>	<u>-</u>	<u>15,716</u>	<u>-</u>
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b><u>\$ 495</u></b>	<b><u>\$ 110,795</u></b>	<b><u>\$ 15,716</u></b>	<b><u>\$ 721</u></b>

Section 8 Housing Fund	Miscellaneous Projects & Grant Funds	Metro LCLE Grant Fund	Office of Motor Vehicles	
\$ 252,278	\$ -	\$ -	\$ -	
-	-	-	-	
24,646	-	-	2,075	C
-	5,139	2,614	32,061	O
<u>\$ 276,924</u>	<u>\$ 5,139</u>	<u>\$ 2,614</u>	<u>\$ 34,136</u>	N
				T
\$ -	\$ -	\$ -	\$ 424	I
222,000	-	-	-	
222,000	-	-	424	N
				U
38,279	-	-	-	E
				D
16,645	-	2,614	-	
-	5,139	-	33,712	
-	-	-	-	
<u>16,645</u>	<u>5,139</u>	<u>2,614</u>	<u>33,712</u>	
<u>\$ 276,924</u>	<u>\$ 5,139</u>	<u>\$ 2,614</u>	<u>\$ 34,136</u>	

**CITY OF WEST MONROE, LOUISIANA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2020**

	Keep West Monroe Beautiful Grant Program	Americorps Grant Fund	Ouachita Outreach	Economic Development District	Total Special Revenue Funds
<b><u>ASSETS</u></b>					
Cash in Bank	\$ -	\$ -	\$ -	\$ -	\$ 321,942
Accounts Receivable	-	-	-	65,044	65,044
Due From Other Governments	-	23,646	-	-	92,714
Due From Other Funds	-	-	-	544,681	600,211
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 23,646</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 609,725</u></b>	<b><u>\$ 1,079,911</u></b>
<b><u>LIABILITIES</u></b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	852
Due To Other Funds	-	13,299	-	-	608,422
<b>Total Liabilities</b>	-	13,299	-	-	609,274
	-	-	-	-	38,279
<b><u>FUND BALANCES</u></b>					
Restricted	-	10,347	-	609,725	655,047
Assigned	-	-	-	-	38,851
Unassigned	-	-	-	-	(261,540)
<b>Total Fund Balances</b>	-	10,347	-	609,725	432,358
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 23,646</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 609,725</u></b>	<b><u>\$ 1,079,911</u></b>

**CITY OF WEST MONROE, LOUISIANA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES (DEFICITS)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Street Maintenance Fund	West Ouachita Senior Center Fund	Emergency Shelter Program Fund	Officer Witness Court Fund
<b><u>Revenues</u></b>				
Taxes	\$ 263,227	\$ -	\$ -	\$ -
Intergovernmental	-	386,682	17,000	-
Interest	-	-	-	-
Other	-	165,716	-	19,461
<b>Total Revenues</b>	<u>263,227</u>	<u>552,398</u>	<u>17,000</u>	<u>19,461</u>
<b><u>Expenditures</u></b>				
Public Safety	-	-	-	16,550
Public Works	349,628	-	-	-
Health and Welfare	-	892,062	7,149	-
Culture and Recreation	-	-	-	-
Capital Expenditures & Major Repairs	-	-	-	-
<b>Total Expenditures</b>	<u>349,628</u>	<u>892,062</u>	<u>7,149</u>	<u>16,550</u>
<b><u>Excess (Deficiency) of</u></b>				
<b><u>Revenues Over Expenditures</u></b>	(86,401)	(339,664)	9,851	2,911
<b><u>Other Financing Sources</u></b>				
Operating Transfers - In (Out)	-	339,664	-	15,359
<b>Total Other Financing Sources</b>	<u>-</u>	<u>339,664</u>	<u>-</u>	<u>15,359</u>
<b><u>Net Change in Fund Balance</u></b>	(86,401)	-	9,851	18,270
<b><u>Fund Balances - Beginning</u></b>	(175,139)	-	5,865	(18,270)
<b><u>FUND BALANCES - ENDING</u></b>	<u>\$ (261,540)</u>	<u>\$ -</u>	<u>\$ 15,716</u>	<u>\$ -</u>

Metro LCLE Grant Fund	Americorps Grant Fund	Ouachita Outreach	Office of Motor Vehicles	Section 8 Housing Fund
\$ -	\$ -	\$ -	\$ -	\$ -
168,616	138,146	-	96,654	1,864,184
-	-	-	-	419
-	-	39,847	-	360,730
<u>168,616</u>	<u>138,146</u>	<u>39,847</u>	<u>96,654</u>	<u>2,225,333</u>
168,616	-	-	93,454	-
-	-	-	-	-
-	-	-	-	2,209,972
-	134,723	47,360	-	-
-	-	-	-	-
<u>168,616</u>	<u>134,723</u>	<u>47,360</u>	<u>93,454</u>	<u>2,209,972</u>
-	3,423	(7,513)	3,200	15,361
-	-	94,656	-	-
-	-	94,656	-	-
-	3,423	87,143	3,200	15,361
2,614	6,924	(87,143)	30,512	1,284
<u>\$ 2,614</u>	<u>\$ 10,347</u>	<u>\$ -</u>	<u>\$ 33,712</u>	<u>\$ 16,645</u>

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**CITY OF WEST MONROE, LOUISIANA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES (DEFICITS)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Misc. Projects and Grant Funds	Keep West Monroe Beautiful Grant Program	Economic Development District	Total Nonmajor Special Revenue Funds
<b><u>Revenues</u></b>				
Taxes	\$ -	\$ -	\$ 1,024,349	\$ 1,287,576
Intergovernmental	20,000	-	-	2,691,282
Interest	-	-	-	419
Other	32,057	500	-	618,311
<b>Total Revenues</b>	<b>52,057</b>	<b>500</b>	<b>1,024,349</b>	<b>4,597,588</b>
<b><u>Expenditures</u></b>				
Public Safety	-	-	-	278,620
Public Works	-	-	-	349,628
Health and Welfare	-	-	-	3,109,183
Culture and Recreation	32,513	257	-	214,853
Capital Expenditures & Major Repairs	-	-	596,645	596,645
<b>Total Expenditures</b>	<b>32,513</b>	<b>257</b>	<b>596,645</b>	<b>4,548,929</b>
<b><u>Excess (Deficiency) of Revenues Over Expenditures</u></b>	<b>19,544</b>	<b>243</b>	<b>427,704</b>	<b>48,659</b>
<b><u>Other Financing Sources (Uses)</u></b>				
Operating Transfers - In (Out)	-	80,195	-	529,874
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>80,195</b>	<b>-</b>	<b>529,874</b>
<b><u>Net Change in Fund Balance</u></b>	<b>19,544</b>	<b>80,438</b>	<b>427,704</b>	<b>578,533</b>
<b><u>Fund Balances - Beginning</u></b>	<b>(14,405)</b>	<b>(80,438)</b>	<b>182,021</b>	<b>(146,175)</b>
<b><u>FUND BALANCES - ENDING</u></b>	<b>\$ 5,139</b>	<b>\$ -</b>	<b>\$ 609,725</b>	<b>\$ 432,358</b>

**CITY OF WEST MONROE, LOUISIANA**  
**NONMAJOR SPECIAL REVENUE FUND**  
**WEST OUACHITA SENIOR CENTER**  
**BALANCE SHEETS**

	<u>June 30,</u>	
	<u>2020</u>	<u>2019</u>
<b><u>Assets</u></b>		
Cash	\$ 69,664	\$ 15,483
Due From Other Governments:		
City of Monroe	-	-
Department of Transportation	<u>41,131</u>	<u>37,254</u>
<b><u>Total Assets</u></b>	<b><u>\$ 110,795</u></b>	<b><u>\$ 52,737</u></b>
 <b><u>Liabilities and Fund Balance</u></b>		
 <b><u>Liabilities</u></b>		
Accounts Payable	\$ 428	\$ 211
Due To Other Funds	<u>110,367</u>	<u>52,526</u>
<b>Total Liabilities</b>	<b>110,795</b>	<b>52,737</b>
 <b><u>Fund Balance</u></b>		
Unassigned	<u>-</u>	<u>-</u>
 <b><u>Total Liabilities and Fund Balance</u></b>	<b><u>\$ 110,795</u></b>	<b><u>\$ 52,737</u></b>



**CITY OF WEST MONROE, LOUISIANA**  
**NONMAJOR SPECIAL REVENUE FUND**  
**WEST OUACHITA SENIOR CENTER**  
**SCHEDULES OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**

	For the Years Ended June 30,	
	2020	2019
<b><u>Revenues</u></b>		
Department of Transportation	\$ 291,589	\$ 216,378
Ouachita Council on Aging		
Senior Center Funds	77,442	77,442
Supplemental Senior Center Funds	6,620	6,620
Louisiana Office of Elderly Affairs	-	-
United Way	83,855	99,100
Transportation Fees	10,890	14,815
Miscellaneous Revenues (Ceramics, Greenhouse, etc.)	82,002	50,977
Total Revenues	<u>552,398</u>	<u>465,332</u>
<b><u>Expenditures</u></b>		
Salaries and Related Expenditures	676,579	666,225
Professional Services	56,270	19,003
Repairs and Maintenance	10,405	10,678
Communications	2,937	3,883
Postage	607	5,903
Newsletter	2,730	12,484
Advertising	2,009	2,303
Travel	12,204	5,798
Supplies	43,302	44,028
Utilities	48,273	56,014
Fuel	31,078	46,717
Miscellaneous	5,668	21,878
Total Expenditures	<u>892,062</u>	<u>894,914</u>
<b><u>Deficiency of Revenues Over Expenditures</u></b>	(339,664)	(429,582)
<b><u>Other Financing Sources</u></b>		
City of West Monroe Support	<u>339,664</u>	<u>429,582</u>
<b><u>Net Change in Fund Balance</u></b>	-	-
<b><u>Fund Balance - Beginning</u></b>	<u>-</u>	<u>-</u>
<b><u>FUND BALANCE - ENDING</u></b>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF WEST MONROE, LOUISIANA**  
**NONMAJOR DEBT SERVICE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2020**

	2007 Debt Service Fund	2003 Debt Service Fund	2011 Debt Service Fund	2015 Debt Service Fund	2018 Debt Service Fund	Total Nonmajor Debt Service Funds
<b><u>ASSETS</u></b>						
Cash in Bank	\$ -	\$ -	\$ 325,884	\$ -	\$ 304,252	\$ 630,136
Accounts Receivable	-	-	-	-	-	-
Due from Other Governments	-	-	39,194	201,389	65,248	305,831
Due From Other Funds	-	-	-	451,802	-	451,802
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 365,078</u></b>	<b><u>\$ 653,191</u></b>	<b><u>\$ 369,500</u></b>	<b><u>\$ 1,387,769</u></b>
<b><u>LIABILITIES</u></b>						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due To Other Funds	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-
<b><u>FUND BALANCES</u></b>						
Assigned	-	-	365,078	653,191	369,500	1,387,769
Unassigned	-	-	-	-	-	-
Total Fund Balances	-	-	365,078	653,191	369,500	1,387,769
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 365,078</u></b>	<b><u>\$ 653,191</u></b>	<b><u>\$ 369,500</u></b>	<b><u>\$ 1,387,769</u></b>

**CITY OF WEST MONROE, LOUISIANA**  
**NONMAJOR DEBT SERVICE FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	2007 Debt Service Fund	2003 Debt Service Fund	2011 Debt Service Fund	2015 Debt Service Fund	2018 Debt Service Fund	Total Nonmajor Debt Service Funds
<b><u>Revenues</u></b>						
Taxes	\$ -	\$ -	\$ -	\$ 2,366,274	\$ -	\$ 2,366,274
Rent Income	-	-	-	-	-	-
Total Revenues	-	-	-	2,366,274	-	2,366,274
<b><u>Expenditures</u></b>						
Principal Retirement	-	24,996	430,000	1,035,000	380,000	1,869,996
Other Debt Service Costs	-	-	-	400	400	800
Interest	-	-	25,752	804,182	501,289	1,331,223
Total Expenditures	-	24,996	455,752	1,839,582	881,689	3,202,019
<b><u>Excess (Deficiency) of Revenues Over Expenditures</u></b>	-	(24,996)	(455,752)	526,692	(881,689)	(835,745)
<b><u>Other Financing Sources</u></b>						
Operating Transfers - In	800	47,927	479,222	-	723,229	1,251,178
Operating Transfers - Out	-	-	-	-	-	-
	800	47,927	479,222	-	723,229	1,251,178
<b><u>Net Change in Fund Balance</u></b>	800	22,931	23,470	526,692	(158,460)	415,433
<b><u>Fund Balance - Beginning</u></b>	(800)	(22,931)	341,608	126,499	527,960	972,336
<b><u>FUND BALANCE - ENDING</u></b>	\$ -	\$ -	\$ 365,078	\$ 653,191	\$ 369,500	\$ 1,387,769

**CITY OF WEST MONROE, LOUISIANA**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2020**

	CDBG - Street Paving Project	2007 Debt Capital Fund	2011 Debt Capital Fund	2015 Debt Capital Fund	CDBG- Project III	CDBG - 5th Street Overlay	Total Nonmajor Capital Project Funds
<b><u>ASSETS</u></b>							
Cash in Bank	\$ -	\$ 6	\$ 8	\$ 5	\$ 10	\$ -	\$ 29
Due From Other Governments	-	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	171,102	171,102
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 6</u></b>	<b><u>\$ 8</u></b>	<b><u>\$ 5</u></b>	<b><u>\$ 10</u></b>	<b><u>\$ 171,102</u></b>	<b><u>\$ 171,131</u></b>
<b><u>LIABILITIES</u></b>							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due To Other Funds	-	6	-	-	10	-	16
<b>Total Liabilities</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>16</b>
<b><u>FUND BALANCES (DEFICITS)</u></b>							
Restricted	-	-	8	5	-	171,102	171,115
Unassigned	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>5</b>	<b>-</b>	<b>171,102</b>	<b>171,115</b>
<b><u>TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 6</u></b>	<b><u>\$ 8</u></b>	<b><u>\$ 5</u></b>	<b><u>\$ 10</u></b>	<b><u>\$ 171,102</u></b>	<b><u>\$ 171,131</u></b>

**CITY OF WEST MONROE, LOUISIANA**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES (DEFICITS)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	CDBG - Street Paving Project	2007 Debt Capital Fund	2011 Debt Capital Fund	2015 Debt Capital Fund	CDBG- Project III	CDBG - Sewer Projects II	Total Nonmajor Capital Project Funds
<b><u>Revenues</u></b>							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 413,247	\$ -	\$ 413,247
Other Income	-	-	-	-	8	-	8
<b>Total Revenues</b>	-	-	-	-	413,255	-	413,255
<b><u>Expenditures</u></b>							
Capital Projects	-	-	-	-	29,407	-	29,407
<b><u>Excess (Deficiency) of</u></b>							
<b><u>Revenues Over Expenditures</u></b>	-	-	-	-	383,848	-	383,848
<b><u>Other Financing Sources (Uses)</u></b>							
Operating Transfers - In	-	216	-	-	53,890	-	54,106
Operating Transfers - Out	(6,278)	-	-	-	(398,220)	-	(404,498)
<b>Total Other Financing Sources (Uses)</b>	(6,278)	216	-	-	(344,330)	-	(350,392)
<b><u>Net Change in Fund Balance</u></b>	(6,278)	216	-	-	39,518	-	33,456
<b><u>Fund Balances - Beginning</u></b>	6,278	(216)	8	5	(39,518)	171,102	137,659
<b><u>FUND BALANCES - ENDING</u></b>	\$ -	\$ -	\$ 8	\$ 5	\$ -	\$ 171,102	\$ 171,115

OTHER SUPPLEMENTAL INFORMATION

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**CITY OF WEST MONROE, LOUISIANA**  
**ALL FUNDS**  
**SCHEDULE OF ASSESSED VALUATION AND AD VALOREM**  
**PROPERTY TAX LEVY FOR 2019**

<u>Assessed Valuation</u>		\$ 163,526,252
<u>Tax Rate Per Thousand Dollars (Mills)</u>		8.53
<u>Gross Tax Levy</u>		<u>\$ 1,394,886</u>
<u>Tax Collected</u>		
2019 Assessments		<u>\$ 1,377,416</u>
<u>Allocation of Tax Collected</u>	<u>2019 Tax Rate Mills</u>	
General Fund	6.90	\$ 1,114,189
Street Maintenance	<u>1.63</u>	<u>263,227</u>
Total	<u>8.53</u>	<u>\$ 1,377,416</u>

**CITY OF WEST MONROE, LOUISIANA**  
**SCHEDULE OF REVENUES AND EXPENDITURES - CONVENTION CENTER**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Events</u>	<u>Concession</u>	<u>Catering</u>	<u>Total</u>
<u>Revenues</u>	\$ 11,890	\$ 4,365	\$ 403,410	\$ 419,665
<u>Cost of Operations</u>				
Operating Expenditures	-	-	294,984	294,984
Personnel	-	-	254,879	254,879
Total	-	-	549,863	549,863
<u>Gross Profit</u>	<u>\$ 11,890</u>	<u>\$ 4,365</u>	<u>\$ (146,453)</u>	(130,198)
<u>Administrative Expenditures</u>				
Director's Salary				-
Operations Salaries				99,040
Employee Benefits				43,075
Vehicle Maintenance				1,030
Materials, Repairs & Supplies				3,294
Operating Supplies				27,755
Travel, Car & Meetings				800
Cell Phones and Pagers				1,300
Fuel				1,156
Miscellaneous				71
Office Supplies				1,380
Utilities				12,189
Total Administrative Expenditures				<u>191,090</u>
<u>Deficiency of Revenues Over Expenditures</u>				<u>\$ (321,288)</u>



<u>Budget</u>	<u>Variance - Favorable (Unfavorable)</u>
475,756	(56,091)
322,061	27,077
278,275	23,396
<u>600,336</u>	<u>50,473</u>
\$ (124,580)	\$ (5,618)
-	-
124,687	25,647
46,444	3,369
1,650	620
3,518	224
29,850	2,095
800	-
1,800	500
1,500	344
37	(34)
1,700	320
<u>10,973</u>	<u>(1,216)</u>
<u>222,959</u>	<u>31,869</u>
<u>\$ (347,539)</u>	<u>\$ 26,251</u>

**CITY OF WEST MONROE, LOUISIANA**  
**SCHEDULE OF REVENUES AND EXPENDITURES - IKE HAMILTON EXPO CENTER**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Equine Events	Concession	Stall Rentals & Shavings	Total
<u>Revenues</u>	\$ 254,393	\$ -	\$ 117,530	\$ 371,923
<u>Cost of Operations</u>				
Operating Expenditures	92,909	-	42,923	135,832
Personnel	183,094	-	84,590	267,684
Total	276,003	-	127,513	403,516
<u>Gross Profit</u>	\$ (21,610)	\$ -	\$ (9,983)	(31,593)
<u>Administrative Expenditures</u>				
Director's Salary				-
Operations Salaries				123,780
Employee Benefits				51,718
Vehicle Maintenance				6,335
Materials, Repairs & Supplies				286
Fuel				-
Office				1,550
Cell Phones and Pagers				920
Other Miscellaneous Purchases				350
Operating Supplies				35,013
Utilities				290,983
Total Administrative Expenditures				510,935
<u>Deficiency of Revenues Over Expenditures</u>				\$ (542,528)

<u>Budget</u>	<u>Variance - Favorable (Unfavorable)</u>
272,298	99,625
133,957	(1,875)
263,988	(3,696)
<u>397,945</u>	<u>(5,571)</u>
\$ (125,647)	\$ 94,054
-	-
130,757	6,977
53,785	2,067
5,685	(650)
51	(235)
-	-
1,600	50
960	40
310	(40)
33,500	(1,513)
<u>284,236</u>	<u>(6,747)</u>
<u>510,884</u>	<u>(51)</u>
<u>\$ (636,531)</u>	<u>\$ 94,003</u>

**CITY OF WEST MONROE, LOUISIANA**  
**SCHEDULE OF COMPENSATION PAID TO COUNCIL MEMBERS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

James Brian	10,800
Trevor Land	10,800
Morgan Buxton	10,800
Thom Hamilton	10,800
Ben Westerburg	10,800

<u>\$</u>	<u>54,000</u>
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REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*  
AND UNIFORM GUIDANCE

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# CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

*Certified Public Accountants*

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West Monroe, Louisiana 71291

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## **INDEPENDENT AUDITORS' 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**

Honorable Mayor and Board of Aldermen of  
West Monroe, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of West Monroe, Louisiana (the City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 3, 2021.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 20-1 that we consider to be material weaknesses.

### **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 financial statements. 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.

### **City of West Monroe, Louisiana's Response to Findings**

The City's response to the findings identified in our audit is described in the accompanying schedule of 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 the Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Cameron, Hines & Company (APAC)*

West Monroe, Louisiana  
March 3, 2021

# CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

*Certified Public Accountants*

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## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and Board of Aldermen of  
West Monroe, Louisiana

### **Report on Compliance for Each Major Federal Program**

We have audited the City of West Monroe, Louisiana'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 June 30, 2020. The City's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

### ***Management's Responsibility***

Management is responsible for compliance with the federal statutes, regulations, and terms and conditions of its federal awards applicable to its federal programs.

### ***Auditors' 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 consider necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.



### **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 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.

*Cameron, Hines & Company (APAC)*

West Monroe, Louisiana  
March 3, 2021

**CITY OF WEST MONROE, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**SUMMARY OF AUDIT RESULTS**

1. The auditors' report expresses an unmodified opinion on the basic government financial statements of the City of West Monroe, Louisiana.
2. One significant deficiency was disclosed during the audit of the financial statements as reported in the Independent Auditors' Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed In Accordance With *Government Auditing Standards* and the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance. The significant deficiency is deemed to be material weakness.
3. One instance of noncompliance material to the financial statements of the City of West Monroe, Louisiana, which would be required to be reported in accordance with *Government Auditing Standards*, was disclosed during the audit.
4. No significant deficiencies that were deemed a material weakness was disclosed during the audit of the major federal award programs or was reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.
5. The auditors' report on compliance for the major federal award programs for the City of West Monroe, Louisiana expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with the Uniform Guidance are reported in this schedule.
7. The programs tested as major programs included the Department of Transportation Highway Planning and Construction, CFDA #20.205, Department of the Treasury Coronavirus Relief Fund, CFDA # 21.019, and the Executive Office of the President Delta Regional Authority, CFDA #90.201.
8. The threshold for distinguishing between Type A and B programs was \$750,000.
9. The City of West Monroe, Louisiana does qualify to be a low-risk auditee.

**CITY OF WEST MONROE, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2020 (continued)**

**FINDINGS AND QUESTIONED COSTS – FINANCIAL STATEMENT AUDIT**

**20-1 Internal Controls Over the Preparation of the Schedule of Expenditures for Federal Awards (SEFA)**

**Condition:**

It was noted during testing of the SEFA, that there were several material errors in the SEFA.

**Criteria:**

Uniform Guidance Section 200.510(b) requires that management prepare the SEFA to be used as supplementary information in the audit report of the financial statements. Uniform Guidance Section 200.502(a) requires that the amounts reported in the SEFA be based on the expenditures of federal awards.

**Cause:**

The City used revenue received from federal awards and not expenditures of federal awards as the basis of the amounts reported in the SEFA.

**Potential Effect:**

The City could report data in the SEFA that is not materially correct when compared to the amounts reported on the financial statements of the City.

**Recommendation:**

The City should consider improving its internal controls over the preparation of the SEFA.

**Response:**

The City has enhanced internal controls to ensure the amounts reported on the SEFA are correct and include all Federal Funds Expended during the fiscal year.

**CITY OF WEST MONROE LOUISIANA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<b>Federal Grants/Pass Through Grantor/ Title</b>	<b>CFDA Number</b>	<b>Agency or Pass Through Number</b>	<b>Expenditures</b>
<b>United States Department of Agriculture</b>			
Rural Business Development Grant	10.351	LA-005	\$ 99,000
<b>Department of Housing &amp; Urban Development</b>			
Section 8 Housing Choice Voucher Program	14.871		\$ 1,839,947
Section 8 CARES Act	14.HCC		\$ 2,605
Community Development Block Grants / State's program and Non-Entitlement Grants	14.228		\$ 433,291
<b>Department of Justice</b>			
Bulletproof Vest Partnership Program	16.607		\$ 3,703
Multi Jurisdictional Task Force	16.738		\$ 168,616
<b>Department of Transportation</b>			
Louisiana Department of Transportation & Development			
Highway Planning & Construction Program	20.205		\$ 1,846,982 *
Formula Grants for Rural Areas (5311)	20.509		\$ 366,863
Bus and Bus Facilities Formula Program	20.526	LA-2017-016-00	\$ 109,165
Louisiana Highway Safety Commission			
State and Community Highway Safety	20.600		\$ 121,220
<b>Department of the Treasury</b>			
Coronavirus Relief Fund (CARES Act)	21.019		\$ 1,832,955 *
<b>Executive Office of the President</b>			
Delta Regional Authority (Commercial Park Drainage Imp)	90.201	LA-53934	\$ 1,315,515 *
<b>Corporation for National and Community Service</b>			
Volunteer Louisiana Commission in the Office of the Lieutenant Governor			
AmeriCorps	94.006	15AFHLA0010004	\$ 138,146
<b>Department of Homeland Security</b>			
Emergency Food and Shelter National Board Program	97.024		\$ 7,149
FEMA Disaster Grants - Public Assistance	97.036		\$ 173,588
HMGP Hazard Mitigation Grant Program	97.039		\$ 613,973
FEMA Assistance to Firefighters Grant Program	97.044		\$ 20,128
			<u>\$ 9,092,846</u>

\* Indicates Major Federal Program

**CITY OF WEST MONROE, LOUISIANA**  
**NOTES TO SCHEDULE OF EXPENDITURES**  
**OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

1. **General**

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the City of West Monroe, Louisiana. The City of West Monroe, Louisiana reporting entity is defined in Note 1 to the City's financial statements. All federal award programs received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

2. **Basis of Accounting**

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the City's financial statements. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

3. **Federal Indirect Cost Rate**

The City of West Monroe, Louisiana did not elect to use the 10% de minimis federal indirect cost rate for the year ended June 30, 2020.

**CITY OF WEST MONROE, LOUISIANA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

There were no audit findings for the year ended June 30, 2019.

**CITY OF WEST MONROE, LOUISIANA**  
**SCHEDULE OF COMPENSATION, BENEFITS**  
**AND OTHER PAYMENTS TO AGENCY HEAD**  
**JUNE 30, 2020**

Agency Head  
Mayor Staci Albritton Mitchell

Salary		\$	85,000
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Benefits

Pension - Municipal	23,587		
Medical Insurance	8,500		
Life and Disability Insurance	170		
Car Allowance	<u>9,600</u>		
Total Benefits			<u>41,857</u>

Total		\$	<u><u>126,857</u></u>
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