

ANNUAL FINANCIAL REPORT

CITY OF MONROE, LOUISIANA



For The Year Ended

April 30, 2005

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

Release Date 11-9-05

CITY OF MONROE
Financial Statements
As of and for the Year Ended April 30, 2004

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page</u>
Independent Auditors' Report		1
Required Supplemental Information (Part A)		
Management's Discussion and Analysis		4
GOVERNMENT-WIDE FINANCIAL STATEMENTS		
Statement of Net Assets	A	14
Statement of Activities	B	15
FUND FINANCIAL STATEMENTS		
Balance Sheet – Governmental Funds	C	17
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	D	18
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	E	19
Reconciliation of the Statement of Revenues, Expenditures, And Changes in Fund Balances – Governmental Funds to The Statement of Activities	F	20
Statement of Net Assets – Proprietary Funds	G	21
Statement of Revenues, Expenses, and Changes in Net Assets – Proprietary Funds	H	23
Statement of Cash Flows – Proprietary Funds	I	24
Statement of Net Assets – Fiduciary Funds	J	25
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	K	26
Combining Statement of Net Assets – All Discretely Presented Component Units	L	27
Combining Statement of Activities – All Discretely Presented Component Units	M	28
*Denotes Schedule		

CITY OF MONROE
Financial Statements
As of and for the Year Ended April 30, 2004

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page</u>
Notes to the Financial Statements		29
Required Supplemental Information (Part B)		
Budgetary Comparison Schedules:		
General Fund		63*
Capital Infrastructure - Special Revenue Fund		65*
OTHER SUPPLEMENTAL INFORMATION		
Non-Major Governmental Funds:		
Combining Balance Sheet		67
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance		68*
Non-Major Special Revenue Funds:		
Combining Balance Sheet		70
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance		77*
Non-Major Debt Service Funds:		
Combining Balance Sheet		85
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance		87*
Non-Major Capital Projects Funds:		
Combining Balance Sheet		90
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance		98*
Non-Major Enterprise Funds:		
Combining Balance Sheet		107
Combining Schedule of Revenues, Expenses, and Changes in Net Assets		108*
Combining Schedule of Cash Flows		109*

***Denotes Schedule**

CITY OF MONROE
Financial Statements
As of and for the Year Ended April 30, 2004

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page</u>
Proprietary Fund Type - Internal Service Funds:		
Combining Balance Sheet		111
Combining Schedule of Revenues, Expenses, and Changes in Net Assets		112*
Combining Schedule of Cash Flows		113*
Schedule of Assessed Valuation and Ad Valorem Property Tax Levy		114*
Schedule of Ad Valorem Taxes Receivable		115*
Schedule of Insurance		116*
Schedule of Long-Term Obligations		119*
Schedule of Compensation Paid		122*
REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS AND OMB CIRCULAR A-133		
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Primary Government Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>		124
Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133		126
Schedule of Expenditures of Federal Awards		128*
Notes to Schedule of Expenditures of Federal Awards		129
Schedule of Findings and Questioned Costs		131*
Summary Status of Prior Audit Findings		138
Report on Compliance With Requirements Applicable To the Passenger Facility Charge Program and On Internal Control Over Compliance		146
PFC Revenue and Disbursement Schedule – Monroe Regional Airport		147*
*Denotes Schedule		



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INDEPENDENT AUDITORS' REPORT

City of Monroe Monroe, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, the fiduciary funds, and the aggregate remaining fund information of the City of Monroe, Louisiana (the City) as of and for the year ended April 30, 2005, which collectively comprise the City's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Monroe City Court or the Monroe City Marshal, which represent the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion on the financial statements, insofar as it relates to the amounts included in the component unit columns, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide* issued by the Louisiana Legislative Auditor and the Louisiana Society of Certified Public Accountants. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

The other auditors were unable to satisfy themselves as to the financial activities of the Fiduciary Fund Type for the Monroe City Court. The assets of the fiduciary funds of the Monroe City Court is included in the component units column of Statement J and represent 97% of total assets and total liabilities of the Component Units column.

In our opinion, based on our audit and the reports of other auditors, except for the effects of such adjustments, if any, as might had been determined to be necessary had the other auditors been able to satisfy themselves as to the financial activities discussed in the preceding paragraph, 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, the fiduciary funds, and the aggregate remaining fund information of the City as of April 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**City of Monroe
Monroe, Louisiana**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2005 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis and the budgetary information on pages 4 through 12 and pages 63 and 65 respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying information listed as other supplemental information (including the schedule of expenditures of federal awards) and the budgetary comparison schedules listed as required supplementary information in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. This supplemental information is the responsibility of management of the City. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion is fairly presented in all material respects in relation to the basic financial statements taken as a whole. The accompanying schedule of expenditures of passenger facility charges is presented for purposes of additional analysis as specified in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



(A Professional Accounting Corporation)

October 29, 2005

**REQUIRED SUPPLEMENTAL INFORMATION
(PART A)**

City of Monroe
Management's Discussion and Analysis (MD&A)
April 30, 2005

As management of the City of Monroe (the City), we offer readers of the City of Monroe's financial statements this narrative overview and analysis of the financial activities of the City of Monroe for the fiscal year ended April 30, 2005. It is designed to assist the reader in focusing on significant financial issues, identify changes in the city's financial position, and identify material deviations and individual fund issues or concerns.

The Management's discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Government issued June 2001. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

- The assets of the City of Monroe exceeded its liabilities at the close of the most recent fiscal year by \$203.3 million (*net assets*). Of this amount, a deficit of \$97.6 million (*unrestricted net assets*) represents the portion of net assets which is not invested in capital assets or otherwise restricted.
- The government's total net assets decreased by \$2.1 million.
- As of the close of the current fiscal year, the City of Monroe's governmental funds reported combined ending fund balances of \$57.7 million a decrease of \$9.4 million in comparison with the prior year. Of this total amount, \$7.9 million is in unreserved fund balance.
- At the end of the current fiscal year, approximately \$370,000 of the General Fund's fund balance was reserved for inventories and prepaid items.
- The City of Monroe's total debt increased by approximately \$7.6 million during the current fiscal year.

Overview of the Financial Statements

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

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

The statement of net assets presents information on all of the City of Monroe's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or

City of Monroe
Management's Discussion and Analysis (MD&A)
April 30, 2005

decreases in net assets may serve as a useful indicator of whether the financial position of the City of Monroe is improving or deteriorating.

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

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

The government-wide financial statements include not only the City of Monroe itself (known as the primary government), but also a legally separate City Court and a legally separate City Marshal for which the City of 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. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Monroe, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Monroe can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is more narrow than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund

City of Monroe
Management's Discussion and Analysis (MD&A)
April 30, 2005

statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Monroe maintains 92 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Infrastructure Special Revenue Fund, Street Construction and Collection System Improvement Capital Projects Funds, all of which are considered to be major funds. Data from the other 88 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Monroe adopts an annual appropriated budget for its general fund, and special revenue funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

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

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

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

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

City of Monroe
Management's Discussion and Analysis (MD&A)
April 30, 2005

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Monroe, assets exceeded liabilities by approximately \$203.3 million at the close of the most recent fiscal year.

By far the largest amount of the City of Monroe's net assets (\$305.7 million) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Monroe uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Monroe's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Monroe's Net Assets
April 30, 2005 and 2004

	Governmental		Business-Type		Total	
	2005	2004 (Restated)	2005	2004 (Restated)	2005	2004 (Restated)
Assets						
Current and other assets	\$ 72,028,648	\$ 79,680,440	\$ 3,124,938	\$ 4,270,636	\$ 75,153,586	\$ 83,951,076
Capital Assets	181,469,073	176,683,154	124,255,946	115,382,403	305,725,019	292,065,557
Total Assets	<u>253,497,721</u>	<u>256,363,594</u>	<u>127,380,884</u>	<u>119,653,039</u>	<u>380,878,605</u>	<u>376,016,633</u>
Liabilities						
Current and other liabilities	10,407,287	11,427,805	1,669,399	1,786,418	12,076,686	13,214,223
Long-term liabilities	161,372,982	153,496,291	4,159,083	4,391,451	165,532,065	157,887,742
Total Liabilities	<u>171,780,269</u>	<u>164,924,096</u>	<u>5,828,482</u>	<u>6,177,869</u>	<u>177,608,751</u>	<u>171,101,965</u>
Net Assets						
Invested in capital assets, net of debt	119,832,071	123,430,414	64,408,857	55,182,451	184,240,928	178,612,865
Restricted	49,225,574	60,881,152	-	-	49,225,574	60,881,152
Unrestricted	(87,340,193)	(92,872,068)	57,143,545	58,749,941	(30,196,648)	(34,122,127)
Total Net Assets	<u>\$ 81,717,452</u>	<u>\$ 91,439,498</u>	<u>\$ 121,552,402</u>	<u>\$ 113,932,392</u>	<u>\$ 203,269,854</u>	<u>\$ 205,371,890</u>

The deficit of \$87.3 million in unrestricted net assets in the governmental activities represents the accumulated results of all past year's operations. The principal factors in the large unrestricted deficit are that the City has outstanding debt of approximately \$161 million as well as approximately \$120 million invested in infrastructure assets. Infrastructure assets and long term debt have historically not been reported in governmental funds, but under GASB 34 the reporting of these results in an unrestricted deficit in the governmental activities.

City of Monroe
Management's Discussion and Analysis (MD&A)
April 30, 2005

Governmental activities. Governmental activities decreased the City of Monroe's net assets by approximately \$9.7 million. Key elements of the changes in net assets are as follows:

City of Monroe's Changes in Net Assets
For the years ended April 30, 2005 and 2004

	Governmental Activities		Business-Type Activities		Total	
	2005	2004 (Restated)	2005	2004 (Restated)	2005	2004 (Restated)
Revenues:						
Program revenues:						
Charges for services	\$ 15,225,069	\$ 7,264,781	\$ 12,535,855	\$ 12,501,250	\$ 27,760,924	\$ 19,766,031
Operating grants and contributions	5,252,675	4,962,909	848,538	1,153,457	6,101,213	6,116,366
Capital grants and contributions	1,118,736	5,029,832	13,206,705	17,026,224	14,325,441	22,056,056
General Revenues						
Property taxes	7,672,548	7,477,654	1,807,620	1,736,058	9,480,168	9,213,712
Sales taxes	46,023,057	43,870,692	-	-	46,023,057	43,870,692
Other taxes	74,305	71,302	-	-	74,305	71,302
Other general revenues	7,116,688	5,736,614	726,990	215,667	7,843,678	5,952,281
Total revenues	82,483,078	74,413,784	29,125,708	32,632,656	111,608,786	107,046,440
Expenses:						
General government	19,760,903	13,382,477	-	-	19,760,903	13,382,477
Public safety	25,752,110	23,128,501	-	-	25,752,110	23,128,501
Public works	14,423,815	12,693,019	-	-	14,423,815	12,693,019
Economic development	210,632	393,193	-	-	210,632	393,193
Health and welfare	2,213,613	2,302,413	-	-	2,213,613	2,302,413
Culture and recreation	4,834,487	4,624,899	-	-	4,834,487	4,624,899
Interest on long term debt	7,213,922	6,063,525	43,968	64,785	7,257,890	6,128,310
Intergovernmental	17,656,025	17,026,224	-	-	17,656,025	17,026,224
Airport	-	-	1,556,739	1,411,435	1,556,739	1,411,435
Transit	-	-	3,227,216	3,157,512	3,227,216	3,157,512
Civic center	-	-	3,768,816	3,601,034	3,768,816	3,601,034
Zoo	-	-	1,668,348	1,590,120	1,668,348	1,590,120
Excursion boat	-	-	-	16,696	-	16,696
Livestock arena	-	-	43,976	49,409	43,976	49,409
Water	-	-	4,990,606	4,764,595	4,990,606	4,764,595
Sewer	-	-	6,345,646	4,980,688	6,345,646	4,980,688
Total expenses	92,065,507	79,614,251	21,645,315	19,636,274	113,710,822	99,250,525
Increase (decrease) in net assets before transfers	(9,582,429)	(5,200,467)	7,480,393	12,996,382	(2,102,036)	7,795,915
Transfers	(139,617)	(568,257)	139,617	568,257	-	-
Increase (decrease) in net assets	\$ (9,722,046)	\$ (5,768,724)	\$ 7,620,010	\$ 13,564,639	\$ (2,102,036)	\$ 7,795,915

City of Monroe
Management's Discussion and Analysis (MD&A)
April 30, 2005

Governmental Activities

Expenses are classified by functions/programs. Public safety accounts for approximately \$25.8 million for fiscal year 2005. Other functions such as general government, public works, health and welfare, culture and recreation and economic development totaled approximately \$41.4 million. The remaining costs represent payments for debt service and intergovernmental expenses totaling approximately \$24.9 million.

The related program revenues for fiscal 2005 directly related to these expenses totaled \$21.6 million, which resulted in net program expenses of \$70.5 million. The remaining balance of expenses represents the cost to the taxpayers. The costs of governmental activities exceeding restricted state and federal grants are paid primarily from the following sources:

- Sales tax revenues are the largest and most significant source of revenue for the City of Monroe. It provides approximately \$41 million of General Fund revenue. However, approximately \$12 million is dedicated to capital infrastructure.
- Property taxes are the second largest revenue source to the City, generating approximately \$7.4 million of General Fund revenue.

Business-type activities. Business-type activities increased the City of Monroe's net assets by approximately \$7.6 million. Key elements of this decrease are as follows.

- Monroe Civic Center activities decreased the City's net assets by approximately \$0.8 million.
- Monroe Transit System activities decreased the City's net assets by approximately \$1.9 million.
- Sewer Fund activities increased net assets by approximately \$9.5 million.
- All other business-type activities increased net assets by approximately \$0.8 million.

Financial Analysis of the Government's Funds

As noted earlier, the City of Monroe uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the City of Monroe'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 of Monroe'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.

City of Monroe
Management's Discussion and Analysis (MD&A)
April 30, 2005

As of the end of the current fiscal year, the City of Monroe's governmental funds reported combined ending fund balances of \$57.7 million, a decrease of \$9.4 million in comparison with the prior year. Approximately 13.7 percent of this total amount (\$7.9 million) constitutes unreserved fund balance. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed.

The general fund is the chief operating fund of the City of Monroe. At the end of the current fiscal year, fund balance of the general fund was approximately \$1.5 million of which approximately \$370,000 is reserved for inventories and prepaid items.

The fund balance of the City of Monroe's general fund increased by approximately \$1.4 million during the current fiscal year.

The debt service funds have a total fund balance of \$10.6 million, all of which is reserved for the payment of debt service.

The capital project funds have a fund balance of approximately \$39.8 million of which approximately \$36.6 million is reserved for capital improvements.

General Fund Budgetary Highlights

In accordance with Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA- R.S 39:1301 et seq), the City of Monroe must adopt a budget for the General Fund and all Special Revenue funds prior to April 30. The original budget for the City was adopted on April 13, 2004, and the final budget amendment was adopted on March 22, 2005.

Revenues: Revenues for the General Fund were projected to increase during FY 2005 by \$1.6 million or 2.7% from the previous year. Property and Sales taxes were together projected to increase by approximately \$740,000 from the 2004 estimates. The major increase in budgeted revenues is a transfer in from our Capital Infrastructure program of \$1,000,000 and a \$467,000 transfer from the Calypso Street Capital Projects Fund.

Expenditures: Salaries and Benefits comprise 59% of the General Funds Appropriations. This includes a mandatory 2% increase in salaries for Public Safety which increases by approximately \$500,000 annually. Appropriations for all other major categories decreased from the prior year's budget.

City of Monroe
Management's Discussion and Analysis (MD&A)
April 30, 2005

Capital Asset and Debt Administration

Capital assets. The City of Monroe's investment in capital assets for its governmental and business type activities as of April 30, 2005, amounts to approximately \$306 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

City of Monroe Capital Assets
(Net of Accumulated Depreciation)
April 30, 2005 and 2004

	Governmental Activities		Business-Type Activities		Totals	
	2005	2004 (Restated)	2005	2004 (Restated)	2005	2004 (Restated)
Land	\$ 17,340,778	\$ 17,340,778	\$ 5,542,940	\$ 5,542,940	\$ 22,883,718	\$ 22,883,718
Buildings and improvements	31,428,532	26,856,474	33,644,764	33,166,676	65,073,296	60,023,150
Furniture and equipment	26,942,469	23,479,577	13,735,127	13,794,633	40,677,596	37,274,210
Construction in progress	11,949,512	35,264,317	11,973,604	35,886,135	23,923,116	71,150,452
Infrastructure	125,726,270	99,404,760	133,685,385	97,274,596	259,411,655	196,679,356
Zoo animals	-	-	113,250	139,050	113,250	139,050
Total	213,387,561	202,345,906	198,695,070	185,804,030	412,082,631	388,149,936
Less: accumulated depreciation	(31,918,488)	(25,662,752)	(74,439,124)	(70,421,627)	(106,357,612)	(96,084,379)
Total Net Capital Assets	<u>\$ 181,469,073</u>	<u>\$ 176,683,154</u>	<u>\$ 124,255,946</u>	<u>\$ 115,382,403</u>	<u>\$ 305,725,019</u>	<u>\$ 292,065,557</u>

Major capital asset events during the current fiscal year included the following:

- Construction of sewer and water projects at an approximately total cost of \$12.6 million.
- Construction of airport projects of approximately \$379,000.
- Expenditures for a variety of street construction projects totaled \$7 million for the year.

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
General Obligation Bonds	\$ 790,000	\$ 930,000	\$ -	\$ -	\$ 790,000	\$ 930,000
Tax Incremental Bonds	19,800,000	21,150,000	-	-	19,800,000	21,150,000
Certificates of Indebtedness	3,731,000	1,512,366	142,000	173,000	3,873,000	1,685,366
Sales Tax Bonds	115,878,686	114,919,146	2,486,403	2,486,403	118,365,089	117,405,549
Refunding Bonds	4,635,000	5,210,000	605,000	885,000	5,240,000	6,095,000
Revenue Anticipation Note	4,000,000	-	-	-	4,000,000	-
Claims and Judgments	4,794,924	5,111,842	-	-	4,794,924	5,111,842
Capital Lease	2,876,139	507,325	-	-	2,876,139	507,325
Compensated Absences	4,867,233	4,155,612	925,681	847,047	5,792,914	5,002,659
Total	<u>\$ 161,372,982</u>	<u>\$ 153,496,291</u>	<u>\$ 4,159,084</u>	<u>\$ 4,391,450</u>	<u>\$ 165,532,066</u>	<u>\$ 157,887,741</u>

City of Monroe
Management's Discussion and Analysis (MD&A)
April 30, 2005

The City of Monroe's total debt increased by approximately \$7.6 million (4.8%) during the current fiscal year.

Economic Factors and Next Year's Budgets and Rates

The major issues in preparing the City of Monroe's budget for the 2006 fiscal year included the impact that will be made by the sale of a private hospital to a nonprofit organization as well as the continued impact of losing one of the city's largest businesses. These losses of businesses affect the city's sales tax and property tax, as well as the city's unemployment rate. Also, since adopting the 2006 Budget, the state has experienced two major hurricanes. The impacts of these two events on the City's budget are still being measured. Because of the unknown affects, the City has taken a very conservative approach in planning the 2006 Budget.

Requests for Information

This financial report is designed to provide a general overview of the City of Monroe's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Administration, The City of Monroe, 400 Lea Joyner Memorial Expressway, Monroe, LA, 71210.

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

CITY OF MONROE
Monroe, Louisiana

Statement of Net Assets
Governmental Activities

April 30, 2005

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash	\$ 38,775,815	\$ 3,574,856	\$ 42,350,671	\$ 573,451
Investments, at market value	18,195,788	-	18,195,788	-
Receivables	9,006,248	1,098,864	10,105,112	27,634
Internal balances	2,535,339	(2,417,202)	118,137	-
Prepaid expenses	1,244,333	128,020	1,372,353	-
Inventories	199,894	706,871	906,765	-
Bond issuance costs	2,071,231	33,529	2,104,760	-
Capital assets, net	181,469,073	124,255,946	305,725,019	190,628
Total Assets	<u>253,497,721</u>	<u>127,380,884</u>	<u>380,878,605</u>	<u>791,713</u>
Liabilities				
Accounts payable and accrued expenses	5,517,496	355,604	5,873,100	26,504
Deferred revenues	725,273	69,231	794,504	-
Deposits held	-	1,220,074	1,220,074	-
Accrued interest payable	2,420,222	13,490	2,433,712	-
Other current liabilities	1,744,296	11,000	1,755,296	-
Long-term liabilities				
Due within one year	12,027,951	637,000	12,664,951	1,954
Due in more than one year	149,345,031	3,522,083	152,867,114	5,948
Total liabilities	<u>171,780,269</u>	<u>5,828,482</u>	<u>177,608,751</u>	<u>34,406</u>
Net Assets				
Invested in capital assets, net of related debt	119,832,071	64,408,857	184,240,928	182,726
Restricted for:				
Debt Service	10,596,949	-	10,596,949	-
Capital Improvement	38,628,625	-	38,628,625	-
Unrestricted	(87,340,193)	57,143,545	(30,196,648)	574,581
Total net assets	<u>\$ 81,717,452</u>	<u>\$ 121,552,402</u>	<u>\$ 203,269,854</u>	<u>\$ 757,307</u>

The accompanying notes are an integral part of this statement.

CITY OF MONROE
Monroe, Louisiana

Statement of Activities
Governmental Activities

April 30, 2005

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total	
Functions/Programs								
Primary government:								
Governmental activities:								
General government:								
Legislative	\$ 259,211	\$ -	\$ -	\$ -	\$ (259,211)	\$ -	\$ (259,211)	\$ -
Judicial	2,680,593	115,118	-	-	(2,565,475)	-	(2,565,475)	-
Executive	385,667	-	-	-	(385,667)	-	(385,667)	-
Finance and administration	6,123,993	3,525,293	-	-	(2,598,700)	-	(2,598,700)	-
Other general government	10,311,439	7,576,223	-	-	(2,735,216)	-	(2,735,216)	-
Total general government	19,760,903	11,216,634	-	-	(8,544,269)	-	(8,544,269)	-
Public safety	25,752,110	478,804	2,045,231	91,377	(23,136,698)	-	(23,136,698)	-
Public works	14,423,815	20,250	678,252	923,886	(12,801,427)	-	(12,801,427)	-
Health and welfare	2,213,613	2,878,391	2,013,618	103,473	2,781,869	-	2,781,869	-
Culture and recreation	4,834,487	630,990	15,574	-	(4,187,923)	-	(4,187,923)	-
Economic and government assistance	210,632	-	500,000	-	289,368	-	289,368	-
Interest and fiscal charges on long-term debt	7,213,922	-	-	-	(7,213,922)	-	(7,213,922)	-
Intergovernmental	17,656,025	-	-	-	(17,656,025)	-	(17,656,025)	-
Total governmental activities	92,065,507	15,225,069	5,252,675	1,118,736	(70,469,027)	-	(70,469,027)	-
Business-type activities:								
Airport	1,556,739	1,117,731	-	379,331	-	(59,677)	(59,677)	-
Transit	3,228,716	431,269	848,538	73,194	-	(1,875,715)	(1,875,715)	-
Civic Center	3,411,604	1,660,285	-	58,556	-	(1,692,763)	(1,692,763)	-
Zoo	1,668,348	327,072	-	86,900	-	(1,254,376)	(1,254,376)	-
Livestock Arena	43,976	11,901	-	-	-	(32,075)	(32,075)	-
Water	4,990,606	4,456,225	-	931,381	-	397,000	397,000	-
Sewer	6,315,127	4,531,372	-	11,677,343	-	9,893,588	9,893,588	-
Interest and fiscal charges on long-term debt	43,968	-	-	-	-	(43,968)	(43,968)	-
Total business-type activities	21,259,084	12,535,855	848,538	13,206,705	-	5,332,014	5,332,014	-
Total primary government	\$ 113,324,591	\$ 27,760,924	\$ 6,101,213	\$ 14,325,441	(70,469,027)	5,332,014	(65,137,013)	-
Component Units:								
City Court	\$ 216,860	\$ 248,115	\$ -	\$ -	-	-	-	31,255
City Marshal	243,667	185,447	-	-	-	-	-	(58,220)
Total component units	\$ 460,527	\$ 433,562	\$ -	\$ -	-	-	-	(26,965)
General revenues:								
Taxes:								
Ad valorem taxes levied for:								
General purposes					7,452,994	-	7,452,994	-
Debt service purposes					219,554	-	219,554	-
Civic Center					-	903,810	903,810	-
Zoo					-	903,810	903,810	-
Sales taxes levied for:								
General purposes					29,077,492	-	29,077,492	-
Capital infrastructure					11,635,519	-	11,635,519	-
Debt service purposes					3,439,408	-	3,439,408	-
Salary Enhancement-Fire and Police					1,870,638	-	1,870,638	-
Other Taxes					74,305	-	74,305	-
Licenses and permits					3,322,797	-	3,322,797	-
Fines and forfeitures					361,807	-	361,807	-
Interest and investment earnings					985,140	56,000	1,041,140	18,003
Loss on impairment of assets					-	(357,212)	(357,212)	-
Gain (Loss) on sale of capital assets					75,806	(29,019)	46,787	-
Rents					140,586	-	140,586	-
Airport usage fee					470,638	-	470,638	-
Miscellaneous					1,759,914	670,990	2,430,904	14,724
Transfers in (out)					(139,617)	139,617	-	-
Total general revenues					60,746,981	2,287,996	63,034,977	32,727
Change in net assets					(9,722,046)	7,620,010	(2,102,036)	5,762
Net assets at beginning of year					79,898,453	103,374,660	183,273,113	751,545
Restatement (Note 19)					11,541,045	10,557,732	22,098,777	-
Net assets at beginning of year-Restated					91,439,498	113,932,392	205,371,890	751,545
NET ASSETS AT END OF YEAR					\$ 81,717,452	\$ 121,552,402	\$ 203,269,854	\$ 757,307

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

CITY OF MONROE
Monroe, Louisiana
Balance Sheet
Governmental Funds
April 30, 2005

	MAJOR FUNDS					TOTAL
	SPECIAL REVENUE		CAPITAL PROJECTS		OTHER GOVERNMENTAL FUNDS	
	GENERAL FUND	CAPITAL INFRASTRUCTURE	STREET CONSTRUCTION	COLLECTION SYSTEM IMPROVEMENTS		
ASSETS						
Cash & cash equivalents	\$ 1,691,452	\$ 4,130,155	\$ 5,650,566	\$ 3,911,890	\$ 20,784,152	\$ 36,168,215
Investments	2,000,000	-	8,863,846	5,755,956	3,575,986	20,195,788
Receivables:						
Ad valorem taxes	302,017	-	-	-	8,913	310,930
Sales taxes	3,259,018	-	-	-	724,011	3,983,029
Special assessments, net	-	-	-	-	5,113	5,113
Other receivables	540,303	-	17,581	24,718	2,704,179	3,286,781
Due from other funds	1,014,092	938,151	-	2,797,941	9,828,645	14,578,829
Advances to other funds	-	-	-	-	220,000	220,000
Prepaid expenses & other assets, net	260,386	-	-	-	983,947	1,244,333
Inventories	109,378	-	-	-	-	109,378
TOTAL ASSETS	\$ 9,176,646	\$ 5,068,306	\$ 14,531,993	\$ 12,490,505	\$ 38,834,946	\$ 80,102,396
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts payable and accrued expenses	\$ 1,436,752	\$ 1,260	\$ 223,523	\$ 1,534,346	\$ 2,185,051	\$ 5,380,932
Revenue Anticipation Note (Note 12)	4,000,000	-	-	-	-	4,000,000
Due to other funds	1,672,339	3,103,678	-	345,374	6,589,373	11,710,764
Deferred revenues	302,567	-	-	-	725,273	1,027,840
Advances from other funds	220,000	-	-	-	-	220,000
Other current liabilities	-	-	-	-	46,066	46,066
Total liabilities	7,631,658	3,104,938	223,523	1,879,720	9,545,763	22,385,602
Fund equity:						
Fund balance:						
Reserved for debt service	-	-	-	-	10,596,949	10,596,949
Reserved for advances to other funds	-	-	-	-	220,000	220,000
Reserved for capital improvement	-	1,963,368	14,308,470	10,610,785	11,746,002	38,628,625
Reserved for inventory and prepaids	369,764	-	-	-	-	369,764
Unreserved/undesignated	1,175,224	-	-	-	6,726,232	7,901,456
Total fund balance	1,544,988	1,963,368	14,308,470	10,610,785	29,289,183	57,716,794
TOTAL LIABILITIES AND FUND EQUITY	\$ 9,176,646	\$ 5,068,306	\$ 14,531,993	\$ 12,490,505	\$ 38,834,946	\$ 80,102,396

The accompanying notes are an integral part of this statement.

CITY OF MONROE
Monroe, Louisiana
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
April 30, 2005

Fund balances - total governmental funds	\$	57,716,794
Amounts reported for governmental activities are not financial resources and, therefore, are not reported in the governmental funds		
Governmental capital assets	209,667,593	
Less: accumulated depreciation	<u>(31,177,708)</u>	178,489,885
Assets used in governmental activities that are not financial resources and, therefore, are not reported in the governmental funds		
Deferred bond issuance costs		2,071,231
Some revenues were collected more than sixty days after year-end and, therefore, are not available soon enough to pay for current-period expenditures.		
Sales tax increment - I-20 Corridor	192,216	
Sales tax increment - Tower Drive	72,397	
Deferred property taxes - General Fund	302,017	
Deferred property tax - City Court Debt Service	<u>8,913</u>	575,543
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Accrued interest payable	(2,420,222)	
Bonds payable	(144,169,978)	
Compensated absences payable	(4,867,233)	
Obligation under capital leases	(2,876,139)	
Claims and judgments payable	<u>(4,794,924)</u>	(159,128,496)
Internal service funds are used by management to account for the provision of repair and maintenance services and motor fuels to various City departments. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		
		1,992,495
Elimination of interfund assets and liabilities:		
Due from other funds		(14,631,464)
Due to other funds		12,096,125
Internal balances		2,535,339
Advances from other funds		220,000
Advances to other funds		<u>(220,000)</u>
Net assets of governmental activities	\$	<u>81,717,452</u>

CITY OF MONROE
Monroe, Louisiana
Statement of Revenues, Expenditures,
and Changes in Fund Balances
GOVERNMENTAL FUNDS
For the Year Ended April 30, 2005

	MAJOR FUNDS					TOTAL	
	GENERAL FUND	SPECIAL REVENUE CAPITAL INFRASTRUCTURE	CAPITAL PROJECTS STREET CONSTRUCTION		COLLECTION SYSTEM IMPROVEMENTS		OTHER GOVERNMENTAL FUNDS
Revenues:							
Taxes:							
Ad valorem	\$ 7,439,193	\$ -	\$ -	\$ -	\$ 219,554	\$ 7,658,747	
Sales	41,077,421	-	-	-	5,310,046	46,387,467	
Other	74,305	-	-	-	-	74,305	
Licenses, permits, and assessments	3,322,209	-	-	-	588	3,322,797	
Intergovernmental:							
Federal grants	407,953	-	-	20,556	2,556,066	2,984,575	
State grants	1,883,600	-	-	-	1,503,236	3,386,836	
Fees, charges, and commissions for services	7,504,013	-	-	-	626,813	8,130,826	
Fines and forfeitures	384,031	-	-	-	16,875	400,906	
Use of money and property	256,751	110,230	238,664	208,487	301,909	1,116,041	
Other revenues	232,500	-	-	-	1,527,414	1,759,914	
Total Revenues	62,581,976	110,230	238,664	229,043	12,062,501	75,222,414	
Expenditures:							
Current:							
General government:							
Legislative	259,211	-	-	-	-	259,211	
Judicial	2,680,593	-	-	-	-	2,680,593	
Executive	385,667	-	-	-	-	385,667	
Finance and administration	6,123,776	217	-	-	-	6,123,993	
Other	942,285	-	-	-	-	942,285	
Public safety	22,722,396	-	-	-	1,753,402	24,475,798	
Public works	8,959,552	901,293	-	-	20,079	9,880,924	
Health and welfare	-	-	-	-	2,213,613	2,213,613	
Culture and recreation	4,253,094	-	-	-	207,673	4,460,767	
Economic development	-	-	-	-	210,632	210,632	
Debt service	1,125,062	-	-	-	12,091,578	13,216,640	
Capital expenditures	4,311,774	16,889	2,564,301	10,153,550	11,997,442	29,043,956	
Total Expenditures	51,763,410	918,399	2,564,301	10,153,550	28,494,419	93,894,079	
Excess (Deficiency) of Revenues Over Expenditures	10,818,566	(808,169)	(2,325,637)	(9,924,507)	(16,431,918)	(18,671,665)	
Other Financing Sources/(Uses)							
Sale of assets	62,098	-	-	-	28,500	90,598	
Proceeds from the issuance of bonds	-	-	-	68,679	6,800,891	6,869,570	
Capital lease	2,967,113	-	-	-	-	2,967,113	
Transfers in	3,793,638	13,436,902	-	655,608	11,924,463	29,810,611	
Transfers out	(16,252,133)	(10,892,210)	-	(574,423)	(2,795,940)	(30,514,706)	
Total Other Financing Sources/(Uses)	(9,429,284)	2,544,692	-	149,864	15,957,914	9,223,186	
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	1,389,282	1,736,523	(2,325,637)	(9,774,643)	(474,004)	(9,448,479)	
Fund Balances at Beginning of Year	475,105	226,845	16,634,107	20,385,428	29,762,079	67,483,564	
Restatement (Note 19)	(319,399)	-	-	-	1,108	(318,291)	
Fund Balances at Beginning of Year (as restated)	155,706	226,845	16,634,107	20,385,428	29,763,187	67,165,273	
FUND BALANCES AT END OF YEAR	\$ 1,544,988	\$ 1,963,368	\$ 14,308,470	\$ 10,610,785	\$ 29,289,183	\$ 57,716,794	

The accompanying notes are an integral part of this statement.

CITY OF MONROE
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 April 30, 2005

Net change in fund balances - total governmental funds		\$ (9,448,479)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay (net of \$23,234,022 capital contributions to business activities)	8,420,816	
Depreciation expense	<u>(6,448,971)</u>	1,971,845
<p>The net effect of various miscellaneous transactions involving capital assets, such as sales and trade-ins:</p>		
Proceeds for sales	(90,599)	
Gain on sales	<u>75,806</u>	(14,793)
<p>Some revenues will not be collected for several months after year-end they are not considered "available" revenues in the governmental funds.</p>		
Property tax revenue	13,801	
Sales tax increment - I-20 Corridor	(24,291)	
Sales tax increment - Tower Drive	(257,254)	
Bond forfeitures	<u>(39,099)</u>	(306,843)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>		
Deferred bond issuance costs	36,505	
Amortization of bond issuance costs	(236,692)	
Principal payments	5,604,606	
Proceeds for bonds and certificates	(6,869,570)	
Capital lease payments	<u>598,299</u>	(866,852)
<p>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.</p>		
Accrued interest payable	(404,005)	
Compensated absences payable	(711,621)	
Claims and judgments payable	<u>316,918</u>	(798,708)
<p>Capital leases are reported in Governmental Funds as capital expenditures and other financing sources. However they are not reported in the Statement of Activities</p>		
Capital outlay		2,967,113
Other financing sources		<u>(2,967,113)</u>
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.</p>		
		<u>(258,216)</u>
Change in net assets of governmental activities		\$ <u><u>(9,722,046)</u></u>

CITY OF MONROE
MONROE, LOUISIANA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
APRIL 30, 2005

	Business-type Activities - Enterprise Funds							Governmental Activities
	Monroe Regional Airport	Monroe Civic Center	Water Fund	Sewer Fund	Other Enterprise Funds	Total	Internal Service Funds	
ASSETS								
Current assets:								
Cash and cash equivalents	\$ 800	\$ 2,437,146	\$ 1,108,382	\$ 25,028	\$ 3,500	\$ 3,574,856	\$ 607,600	
Ad valorem taxes receivable	-	36,694	-	-	36,694	73,388	-	
Accounts receivable - net	41,949	12,627	238,562	707,093	25,245	1,025,476	1,147,419	
Due from other funds	-	-	1,337,322	-	865	1,338,187	52,635	
Prepaid items	14,152	101,860	3,561	-	8,447	128,020	-	
Inventory	-	-	571,261	-	135,610	706,871	90,516	
Bond issuance costs	-	-	-	33,529	-	33,529	-	
Total current assets	56,901	2,588,327	3,259,088	765,650	210,361	6,880,327	1,898,170	
Capital assets:								
Non-depreciable	4,264,108	993,540	1,444,597	10,666,059	261,490	17,629,794	45,000	
Depreciable	23,277,550	13,384,732	37,958,956	95,994,484	10,449,547	181,065,269	2,934,188	
Total capital assets	27,541,658	14,378,272	39,403,553	106,660,543	10,711,037	198,695,063	2,979,188	
Accumulated depreciation	13,123,725	7,555,863	18,432,142	28,154,167	7,173,220	74,439,117	-	
Net capital assets	14,417,933	6,822,409	20,971,411	78,506,376	3,537,817	124,255,946	2,979,188	
Total assets	\$ 14,474,834	\$ 9,410,736	\$ 24,230,499	\$ 79,272,026	\$ 3,748,178	\$ 131,136,273	\$ 4,877,358	

(Continued)

The accompanying notes are an integral part of this statement.

**CITY OF MONROE
MONROE, LOUISIANA**

**STATEMENT OF NET ASSETS (CONCLUDED)
PROPRIETARY FUNDS
APRIL 30, 2005**

	Business-type Activities - Enterprise Funds						Governmental Activities Internal Service Funds
	Monroe Regional Airport	Monroe Civic Center	Water Fund	Sewer Fund	Other Enterprise Funds	Total	
LIABILITIES							
Current liabilities:							
Accounts and retainage payable	\$ 16,193	\$ 38,910	\$ 89,970	\$ 129,325	\$ 81,206	\$ 355,604	\$ 136,564
Due to other funds	-	2,425,566	-	1,327,539	2,284	3,755,389	385,361
Deferred revenue	463	31,164	-	-	37,604	69,231	-
Customer deposits (net)	-	23,341	1,196,733	-	-	1,220,074	-
Current portion of long-term debt	-	32,000	-	295,000	-	327,000	156,800
Other current liabilities	11,000	-	-	-	-	11,000	1,698,230
Total current liabilities	27,656	2,550,981	1,286,703	1,751,864	121,094	5,738,298	2,376,955
Liabilities payable from restricted assets:							
Accrued interest payable	-	-	-	13,490	-	13,490	-
Current portion of revenue bonds payable	-	-	-	310,000	-	310,000	-
Total restricted liabilities	-	-	-	323,490	-	323,490	-
Noncurrent liabilities:							
Bonds payable	-	110,000	-	-	-	110,000	507,908
Compensated absences payable	65,881	82,688	195,327	251,981	329,804	925,681	-
Notes payable - DEQ	-	-	-	2,486,402	-	2,486,402	-
Total noncurrent liabilities	65,881	192,688	195,327	2,738,383	329,804	3,522,083	507,908
Total liabilities	93,537	2,743,669	1,482,030	4,813,737	450,898	9,583,871	2,884,863
NET ASSETS							
Invested in capital assets, net of related debt	14,417,930	6,680,409	16,833,151	22,939,547	3,537,820	64,408,857	2,314,480
Unrestricted	(36,636)	(13,342)	5,915,318	51,518,742	(240,537)	57,143,545	(321,985)
TOTAL NET ASSETS	\$ 14,381,294	\$ 6,667,067	\$ 22,748,469	\$ 74,458,289	\$ 3,297,283	\$ 121,552,402	\$ 1,992,495

**CITY OF MONROE
MONROE, LOUISIANA**

**STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
APRIL 30, 2005**

	Business-type Activities - Enterprise Funds					Total	Governmental Activities Internal Service Funds
	Monroe Regional Airport	Monroe Civic Center	Water Fund	Sewer Fund	Other Enterprise Funds		
OPERATING REVENUES							
Charges for services	\$ 1,117,731	\$ 1,660,285	\$ 4,456,225	\$ 4,531,372	\$ 770,242	\$ 12,535,855	\$ 7,564,882
Miscellaneous revenues	293,223	-	337,713	3,150	36,904	670,990	-
Total operating revenues	<u>1,410,954</u>	<u>1,660,285</u>	<u>4,793,938</u>	<u>4,534,522</u>	<u>807,146</u>	<u>13,206,845</u>	<u>7,564,882</u>
OPERATING EXPENSES							
Personal services	534,446	980,878	1,779,271	1,724,994	2,691,110	7,710,699	692,577
Benefits paid to participants	-	-	-	-	-	-	5,677,551
Materials, repairs and supplies	133,435	186,543	1,002,447	740,853	823,633	2,886,911	1,767,520
Utilities and communications	124,422	387,279	594,589	686,432	163,489	1,956,211	30,710
Depreciation and amortization	545,591	508,196	866,448	2,096,148	712,266	4,728,649	107,794
Insurance	27,478	203,111	11,636	-	247,450	489,675	-
Promoter's expenses	-	851,157	-	-	17,859	869,016	-
Other operating expenses	191,367	294,440	736,215	1,066,700	285,232	2,573,954	10,192
Total operating expenses	<u>1,556,739</u>	<u>3,411,604</u>	<u>4,990,606</u>	<u>6,315,127</u>	<u>4,941,039</u>	<u>21,215,115</u>	<u>8,286,344</u>
Operating income (loss)	(145,785)	(1,751,319)	(196,668)	(1,780,605)	(4,133,893)	(8,008,270)	(721,462)
NONOPERATING REVENUES (EXPENSES)							
Ad valorem taxes	-	903,810	-	-	903,810	1,807,620	-
Grants	-	-	-	-	921,731	921,731	-
Investment earnings	-	55,585	415	-	-	56,000	9,685
Interest expense	-	(10,380)	-	(33,588)	-	(43,968)	(28,052)
Loss on impairment of assets	-	(357,212)	-	-	-	(357,212)	-
Gain (loss) on disposition of capital assets	-	-	-	(30,519)	1,500	(29,019)	-
Total nonoperating revenues (expenses)	<u>-</u>	<u>591,803</u>	<u>415</u>	<u>(64,107)</u>	<u>1,827,041</u>	<u>2,355,152</u>	<u>(18,367)</u>
Income (loss) before contributions and transfers	(145,785)	(1,159,516)	(196,253)	(1,844,712)	(2,306,852)	(5,653,118)	(739,829)
Capital contributions	379,331	58,556	931,381	11,677,343	86,900	13,133,511	-
Transfers in	-	291,754	-	-	1,543,411	1,835,165	481,613
Transfers out	(495,548)	-	(850,000)	(350,000)	-	(1,695,548)	-
Changes in net assets	(262,002)	(809,206)	(114,872)	9,482,631	(676,541)	7,620,010	(258,216)
Net assets at beginning of year	11,402,544	7,019,051	20,779,622	60,199,618	3,973,824	103,374,659	2,250,711
Restatement (Note 19)	3,240,752	457,222	2,083,719	4,776,040	-	10,557,733	-
Net assets beginning of year (as restated)	<u>14,643,296</u>	<u>7,476,273</u>	<u>22,863,341</u>	<u>64,975,658</u>	<u>3,973,824</u>	<u>113,932,392</u>	<u>2,250,711</u>
Net assets end of year	<u>\$ 14,381,294</u>	<u>\$ 6,667,067</u>	<u>\$ 22,748,469</u>	<u>\$ 74,458,289</u>	<u>\$ 3,297,283</u>	<u>\$ 121,552,402</u>	<u>1,992,495</u>

The accompanying notes are an integral part of this statement.

CITY OF MONROE
Monroe, Louisiana

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED APRIL 30, 2005

	Business Type Activities Enterprise Funds					TOTAL	Governmental Activities Internal Service Fund
	MONROE REGIONAL AIRPORT	MONROE CIVIC CENTER	WATER FUND	SEWER FUND	OTHER ENTERPRISE FUNDS		
Cash flows from operating activities							
Cash received from customers	\$ 1,457,461	\$ 1,682,861	\$ 5,851,868	\$ 5,307,713	\$ 804,523	\$ 15,104,426	\$ 6,365,220
Cash payments to suppliers for goods and services	(459,034)	527,791	(2,643,839)	(3,430,669)	(1,472,340)	(7,478,091)	(1,780,074)
Cash payments to participants for insurance benefits	-	-	-	-	-	-	(3,593,960)
Cash payments to employees for services and benefits	(521,559)	(979,365)	(1,776,929)	(1,698,271)	(2,655,942)	(7,632,066)	(692,577)
Net cash provided by (used for) operating activities	476,868	1,231,287	1,431,100	178,773	(3,323,759)	(5,731)	298,609
Cash flows from noncapital financing activities							
Operating grants	-	-	-	-	921,731	921,731	-
Ad valorem taxes	-	902,181	-	-	902,181	1,804,362	-
Transfers in	-	291,754	-	-	1,543,411	1,835,165	481,613
Transfers out	(495,548)	-	(850,000)	(350,000)	-	(1,695,548)	-
Net cash provided by (used for) noncapital financing activities	(495,548)	1,193,935	(850,000)	(350,000)	3,367,323	2,865,710	481,613
Cash flows from capital and related financing activities							
Acquisition of capital assets	(3,601,303)	(73,282)	(3,101,218)	(16,712,848)	(131,854)	(23,620,505)	(2,495)
Cash contributed by City of Monroe	3,620,083	58,556	3,015,100	16,453,383	86,990	23,234,112	-
Proceeds from sale of assets	-	-	-	-	1,500	1,500	-
Principal paid on debt	-	(31,000)	-	(310,000)	-	(341,000)	(151,760)
Interest paid on debt	-	(10,380)	-	(39,654)	-	(50,034)	(28,052)
Net cash (used for) financing activities	18,780	(56,106)	(86,118)	(609,119)	(43,364)	(775,927)	(182,307)
Cash flows from investing activities							
Interest received on investments	-	55,585	415	-	-	56,000	9,685
Net cash provided by investing activities	-	55,585	415	-	-	56,000	9,685
Net (decrease) in cash and cash equivalents	100	2,424,701	495,397	(780,346)	200	2,140,052	607,600
Cash and cash equivalents, May 1, 2004	700	12,445	612,985	805,374	3,300	1,434,804	-
Cash and cash equivalents, April 30, 2005	\$ 800	\$ 2,437,146	\$ 1,108,382	\$ 25,028	\$ 3,500	\$ 3,574,856	\$ 607,600
Reconciliation of operating income to net cash provided by (used for) operating activities							
Operating (loss)	\$ (145,785)	\$ (1,751,319)	\$ (196,668)	\$ (1,780,605)	\$ (4,133,893)	\$ (8,008,270)	\$ (721,462)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities							
Depreciation and amortization	545,591	508,196	866,448	2,096,148	712,266	4,728,649	107,794
Adjustment to bond issuance cost	-	-	-	36,074	-	36,074	-
Animal deaths	-	-	-	-	17,200	17,200	-
Change in assets and liabilities							
Accounts receivable	(13,662)	(3,624)	194,064	(229,350)	(5,185)	(57,757)	(1,147,419)
Due from other funds	59,706	1,230	840,860	1,002,541	933	1,905,270	(52,243)
Inventories	-	-	(36,254)	-	28,602	(7,652)	(43,807)
Prepaid expenses	12,040	26,220	7,752	-	(1,076)	44,936	-
Accounts payable	5,628	(1,465)	19,753	(212,248)	27,200	(161,132)	1,770,385
Due to other funds	-	2,425,566	(290,203)	(760,510)	(6,716)	1,368,137	385,361
Deferred revenue	463	1,629	-	-	2,317	4,409	-
Customer deposits	-	23,341	23,006	-	-	46,347	-
Other current liabilities	-	-	-	-	(575)	(575)	-
Compensated absences	12,887	1,513	2,342	26,723	35,168	78,633	-
Net cash provided by (used for) operating activities	\$ 476,868	\$ 1,231,287	\$ 1,431,100	\$ 178,773	\$ (3,323,759)	\$ (5,731)	\$ 298,609

**CITY OF MONROE
MONROE, LOUISIANA**

**STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
APRIL 30, 2005**

	Police Pension and Relief Fund	Bus Drivers' Pension and Relief Fund	Agency Funds	Total	Component Units Agency Funds	
					City Court of Monroe	Monroe City Marshal
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 109,729	\$ 60,295	\$ 8,659,653	\$ 8,829,677	\$ 813,965	\$ 15,116
Accounts receivable	-	-	10,167	10,167	330	6,220
Total assets	109,729	60,295	8,669,820	8,839,844	814,295	21,336
LIABILITIES						
Current liabilities						
Accounts payable	-	-	5,794,953	5,794,953	23,592	-
Due to other funds	-	-	118,137	118,137	-	-
Deposits due to others	-	-	2,756,730	2,756,730	790,703	21,336
Total liabilities	-	-	8,669,820	8,669,820	814,295	21,336
Net Assets						
Fund Equity						
Reserved for retirement benefits	109,729	60,295	-	170,024	-	-
Total Net Assets	\$ 109,729	\$ 60,295	\$ -	\$ 170,024	\$ -	\$ -

The accompanying notes are an integral part of this statement.

**CITY OF MONROE
MONROE, LOUISIANA**

**STATEMENT OF CHANGES IN
FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
APRIL 30, 2005**

	Police Pension and Relief Fund	Bus Drivers' Pension and Relief Fund
	<u> </u>	<u> </u>
ADDITIONS		
Investment income		
Interest	\$ 1,730	\$ 954
Total investment income	<u>1,730</u>	<u>954</u>
Individual account transactions		
Contributions by the City	<u>-</u>	<u>9,770</u>
Total additions	<u>1,730</u>	<u>10,724</u>
DEDUCTIONS		
Benefits paid	1,893	11,400
Administrative expense	<u>68</u>	<u>345</u>
Total deductions	<u>1,961</u>	<u>11,745</u>
Change in net assets held for pension benefits	(231)	(1,021)
Net assets, beginning of year	<u>109,960</u>	<u>61,316</u>
Net assets, end of year	<u>\$ 109,729</u>	<u>\$ 60,295</u>

**CITY OF MONROE
MONROE, LOUISIANA**

**COMBINING STATEMENT OF NET ASSETS
ALL DISCRETELY PRESENTED COMPONENT UNITS
APRIL 30, 2005**

	City Court of Monroe	Monroe City Marshal	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 565,207	\$ 8,244	\$ 573,451
Accounts receivable	11,706	15,928	27,634
Total current assets	576,913	24,172	601,085
Capital assets, net of accumulated depreciation	48,604	142,024	190,628
Total assets	\$ 625,517	\$ 166,196	\$ 791,713
LIABILITIES			
Current liabilities			
Accounts payable	\$ 429	\$ 26,075	\$ 26,504
Noncurrent liabilities -			
Obligation under capital lease:			
Due within one year	-	1,954	1,954
Due in more than one year	-	5,948	5,948
Total liabilities	\$ 429	\$ 33,977	\$ 34,406
Net Assets			
Invested in capital assets, net of related debt			
	\$ 48,604	\$ 134,122	\$ 182,726
Unrestricted	576,484	(1,903)	574,581
Total Net Assets	\$ 625,088	\$ 132,219	\$ 757,307

The accompanying notes are an integral part of this statement.

**CITY OF MONROE
MONROE, LOUISIANA**

**COMBINING STATEMENT OF ACTIVITIES
ALL DISCRETELY PRESENTED COMPONENT UNITS
APRIL 30, 2005**

	<u>City Court of Monroe</u>	<u>Monroe City Marshal</u>	<u>Total</u>
EXPENDITURES			
Judiciary:			
Personal services	\$ (1,004,318)	\$ (975,602)	\$ (1,979,920)
Operating services	(201,650)	(61,460)	(263,110)
Materials and supplies	(27,115)	(11,869)	(38,984)
Travel and other	(40,407)	(47,044)	(87,451)
Depreciation	(9,721)	(13,486)	(23,207)
Other	(39,099)	-	(39,099)
Interest	-	(827)	(827)
Total Expenditures	<u>(1,322,310)</u>	<u>(1,110,288)</u>	<u>(2,432,598)</u>
PROGRAM REVENUES			
Fees, charges, and court costs:			
Court costs	151,575	175,140	326,715
Civil fees	21,940	-	21,940
Probation fees	46,300	-	46,300
Reinstatement fees	3,738	-	3,738
Bond forfeitures	16,325	-	16,325
Other charges for services	8,237	10,307	18,544
Total Program Revenues	<u>248,115</u>	<u>185,447</u>	<u>433,562</u>
Net Program Expense	(1,074,195)	(924,841)	(1,999,036)
GENERAL REVENUES			
Intergovernmental - City of Monroe	1,105,450	866,621	1,972,071
Interest income	18,003	-	18,003
Bond forfeitures	-	14,475	14,475
Other income	249	-	249
Total General Revenues	<u>1,123,702</u>	<u>881,096</u>	<u>2,004,798</u>
CHANGES IN NET ASSETS	49,507	(43,745)	5,762
NET ASSETS			
Beginning of year	<u>575,581</u>	<u>175,964</u>	<u>751,545</u>
End of year	<u>\$ 625,088</u>	<u>\$ 132,219</u>	<u>\$ 757,307</u>

The accompanying notes are an integral part of this statement.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. FINANCIAL REPORTING ENTITY

As the governing authority of the City, for reporting purposes, the City of Monroe is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (the City), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement 14, *The Financial Reporting Entity*, sets forth criteria for determining which, if any, component units should be considered part of the City of Monroe for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which include:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the City to impose its will on that organization and/or;
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
2. Organizations for which the City does not appoint a voting majority, but are fiscally dependent on the City.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

3. Organizations for which the reporting entity financial statements would be misleading if data of the potential component unit were not included because of the nature or significance of the relationship.

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

Discrete Component Units

Monroe City Court - The Monroe City Court is a legally separate entity. The City appoints none of the governing board (Judges) of the court. Judges of the court are independently elected officials. Although the City Council can, to a limited degree, impose its will on the court through City Council ordinances, the City provides office space, court facilities and some furnishings, and compensation to the court. Although the court functions entirely within the City of Monroe, it provides no direct services to the City or City Council. However, based on criteria 2. above, it has been determined that the court is a component unit of the City and should be included in the City's financial statements through discrete presentation.

Monroe City Marshal - The Monroe City Marshal's office is a legally separate entity. The City does not appoint the governing board (Marshal) of the marshal's office. The City Marshal is an independently elected official. Although the City cannot impose its will on the City Marshal, it does provide a substantial portion of his compensation, facilities, and furnishings. Although the City Marshal functions entirely within the City of Monroe, he provides no direct service to the City, but is rather an officer of the City Court. However, based on criteria 2. above, it has been determined that the City Marshal is a component unit of the City and should be included in the City's financial statements through discrete presentation.

Blended Component Units

Economic Development - Two not-for-profit entities perform administrative functions for the City's incremental sales tax economic development districts. These entities are the Tower Drive Economic Development Corporation and the Garrett Road Economic Development Corporation. There also exist two other special districts within the City - The Downtown Economic Development District and The Southside Economic Development District. These two districts are charged with planning and delivery of public improvements, facilities, and services in their respective districts. For financial reporting purposes, all of these entities are considered an integral part of the City, not component units. This decision is due to the City keeping the books and records for these entities, the City as a whole reaping the benefits from the use of the proceeds of the incremental tax bonds issued by the not-for-profits, and that the districts and the separate not-for-profits are ministerial and structural in nature, as disbursement of funds is subject to the control of the City through the plan of government. As such, they are presented as

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

separate Special Revenue, Debt Service, and Capital Project funds within those categories of the City's general-purpose financial statements.

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

B. BASIS OF PRESENTATION

The City's basic financial statements consist of the government-wide statements on all of the non-fiduciary activities of the primary government and its component units and the fund financial statements (individual major fund and combined non-major fund). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements and the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The City has elected not to follow subsequent private-sector guidance.

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

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

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

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

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

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

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

FUND FINANCIAL STATEMENTS:

The City uses funds, both major and non-major, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

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

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

Governmental Activities Presented as Governmental Funds in the Fund Financial Statements:

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

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

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

Debt Service Funds - These funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. All general obligation bonds are direct obligations of the City. Principal and interest are payable from ad valorem taxes levied on all taxable property and improvements within the City. All special assessment debts are secured by liens on assessed properties and backed by the full faith and credit of the City. Special assessment debt is accounted for in the General Long-term Obligations Account Group. Incremental Sales Tax Bonds are secured by a pledge of incremental state (40%) and City (60%) sales and use taxes within the boundaries of the respective districts and do not involve the pledge of the full faith and credit of the City. Incremental Sales Tax Bonds are accounted for in the General Long-Term Obligations Account Group.

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

Proprietary Funds:

Enterprise Funds - These funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Net cash losses of the Enterprise Funds are subsidized by the General Fund. Enterprise funds are presented in the business-type activities column in government-wide financial statements and the major funds section of the basic financial statements. The two enterprise funds reported as major funds in the fund financial statements are as follows:

The Water Department Fund accounts for the operation of the water treatment and distribution services to the residents of the city. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operation, maintenance, and billing and collection of water service revenue.

The Sewer Department Fund accounts for the operation of sewer services and sewerage treatment services to the residents of the city. All activities necessary to provide such services are

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

accounted for in this fund, including, but not limited to, administration, operation, maintenance of the system, and billing and collection of sewer user fees.

Internal Service Funds - Internal service funds are used to account for the financing of goods and/or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The City operates a central shop and warehouse which provides inventory storage, repair and maintenance, and fueling services solely to other City user departments (with the exception of the Monroe Transit System) at rates designed to cover the costs of operations, including depreciation and debt service. Since the principal users of the internal service fund are the City's governmental activities, financial statements of the internal service fund are consolidated into the governmental activities column when presented at the government-wide level. To the extent possible, the costs of these services are reflected in the appropriate functional activity.

During fiscal year 2005, the City began self-insuring its employees' group insurance which is handled through a third party administrator.

In accordance with the provisions of GASB Statement 20, the City has elected not to apply FASB statements and interpretations issued after November 30, 1989, to proprietary activities unless they are adopted by the GASB.

Fiduciary Funds:

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

C. BASIS OF ACCOUNTING AND MEASUREMENT FOCUS

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

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

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

FUND FINANCIAL STATEMENTS:

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

The modified accrual basis of accounting is used for reporting all governmental fund types and the fiduciary fund type agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Ad valorem taxes, grants, and fees, charges, and commissions for services have been treated as susceptible to accrual.

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

Revenues:

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

Sales taxes are considered "measurable" when in the hands of the City Sales Tax Collector and are recognized as revenue at that time.

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

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

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

Expenditures:

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

Compensated absences are recognized as expenditures when leave is actually taken or when employees, or their heirs, are paid for accrued leave upon retirement or death. The cost of leave privileges not requiring current available resources is recognized in the General Long-Term Obligations Account Group.

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

Proprietary and Pension Trust Funds

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

Fiduciary Funds

Fiduciary Funds include Trust and Agency Funds. Trust and Agency Fund assets and liabilities are accounted for on the modified accrual basis of accounting, except for the pension trust funds, which are discussed above.

Other Financing Sources (Uses)

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

E. BUDGET PRACTICES

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

1. At least ninety days prior to the beginning of the fiscal year, the Mayor submits to the City Council an operating and capital budget for the succeeding year.
2. A public hearing is scheduled by the City Council after allowing for at least ten days notice to the public at the time the budget is initially submitted to the City Council. The budget for the succeeding year must be finally adopted by the Council no later than the second-to-last regular meeting of the fiscal year.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

3. The Mayor may authorize transfers of budgetary amounts within departments. However, any revisions requiring alteration of levels of expenditures or transfers between departments must be approved by the City Council.
4. Operating appropriations, to the extent not expended, lapse at year end. Capital appropriations continue in force until the project is completed or deemed abandoned after three years of no activity.
5. All legally adopted budgets of the City are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. For the year ended April 30, 2005, the City adopted a budget for the General Fund and all Special Revenue Funds.

F. ASSETS, LIABILITIES, AND FUND EQUITY

CASH, CASH EQUIVALENTS AND INVESTMENTS:

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

Deposits with original maturity dates exceeding 90 days are classified as investments. Investments are reported at fair value. The state investment pool (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.

ACCOUNTS RECEIVABLE:

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

INTERFUND RECEIVABLES AND PAYABLES:

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

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

INVENTORIES AND PREPAID ITEMS:

Inventories are valued at average cost less writedowns for obsolete items. Inventories in the General and Proprietary Funds consist of expendable supplies and repair and maintenance items held for consumption.

CAPITAL ASSETS:

Capital assets, which include land, buildings, other improvements, machinery and equipment, vehicles, furniture and fixtures, and infrastructure assets (streets, roads, bridges, drainage canals, and water and sewer systems) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The capitalization threshold for all movable capital assets is \$1,000 per unit.

All purchased capital assets are valued at cost where historical records are available and at estimated cost where no historical records are available. Donated fixed assets are valued at their fair market value on the date received. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized at completion of construction projects.

Prior to 1985, the City had not maintained capital asset records on a current basis. Subsequently, the City completed reconstructing its capital asset records. In those cases where it was not feasible to determine the original actual cost the assets were recorded at estimated cost derived by price level adjusting current replacement cost. It was not considered practicable to determine the source of investment in capital assets prior to April 28, 1972.

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

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

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

LONG-TERM DEBT:

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

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

ACCUMULATED VACATION, SICK PAY, AND OTHER EMPLOYEE BENEFITS:

In the government-wide financial statements and the proprietary fund types financial statements, the total compensated absences liability is recorded as an expense and a long-term obligation and allocated on a functional basis. In accordance with GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, (issued in March 2000), no compensated absences liability is recorded at April 30, 2005, in the governmental fund-type financial statements.

Full time employees may earn up to 33 working days of vacation time per year, depending upon length of service. At the end of each year, employees may carry forward up to 120 days of vacation time. Subject to the above conditions, unused vacation is paid to an employee upon retirement, separation, or death at hourly rates being earned by that employee upon separation.

The City also maintains a disability compensation plan which allows employees to draw an additional 30 days paid disability leave, once all the available sick and vacation accruals have been utilized. Individuals with long-term disability status are then eligible for an additional 180 days of disability leave at 60 percent of their regular pay. Such amounts are not accrued in governmental funds, nor are they reflected in the General Long-Term Obligations Account Group due to the inability to estimate such liabilities, and the fact that any unused disability leave does not carry forward to the subsequent year.

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

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

resignation, discharge, retirement or death. In the event of death, payment is made to the estate of the employee. The amount of payment for all unused sick leave is calculated at the employee's rate of pay in effect on the payday immediately preceding the employee's separation.

RESTRICTED ASSETS:

Certain bond proceeds of a Series 2001 Sales Tax Bond Issue are legally restricted as to purpose. These assets have been classified as restricted assets on the Statement of Net Assets since the use of these funds is limited by applicable bond covenants. In addition, customer deposits in the Water Enterprise Fund have been classified as restricted assets because the use of these funds is limited by customer agreement.

RESERVES OF FUND EQUITY:

Some portions of fund balance in the governmental fund types are reserved to indicate that a portion of fund equity is legally restricted to a specific future use and/or are not available for appropriation or expenditure. In the General Fund a portion of the fund balance is reserved to indicate that it is not available for expenditure or appropriation as it consists of reservations for certain inventories, non-current receivables and prepaid items which are not considered available spendable resources. The reserve of fund balance in the General Fund at April 30, 2005 is \$369,764.

NET ASSETS:

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt proceeds used for the acquisition, construction, or improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use by external parties such as creditors, grantors, laws or regulations of other governments.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. Details of restricted net assets at year-end are presented in Note 7.

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

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

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.

DEDICATED REVENUES:

Sales taxes:

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

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

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

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

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

Property taxes:

Recreation (1.73 mills), public safety (.98 mills) and drainage (1.21 mills) millages were renewed by the voters in 2003, levied in 2004 and will expire with the 2013 tax roll.

For both the Civic Center and the Louisiana Purchase Gardens and Zoo, 2.47 mills was renewed by the voters in 1998, levied in fiscal 1999, and will expire with the 2007 tax roll.

For both the police and fire departments, 1.48 mills was renewed by the voters in 1998, levied in fiscal 1999, and will expire with the 2007 tax roll.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

For capital improvements, 3.21 mills was renewed by the voters in 1998, levied in fiscal 1999, and will expire with the 2007 tax roll.

2. FUND DEFICITS

The following funds have deficits at April 30, 2005:

Special Revenues	
Drug Seizure Forfeiture	1,284
Metro Share Grant Program	379
Capital Projects	
Pump Station Improvement	159,296
Asset Management System	31,676
Internal Service	
Employees' Group Insurance	275,937

The deficits in the special revenue funds are to be financed with future revenues or transfers from other funds. The deficit in the Capital Project Funds will be funded with future drawdowns from the Department of Environmental Quality. The deficit in the internal service fund will be funded by increased premiums.

3. CASH AND CASH EQUIVALENTS

At April 30, 2005, the City has cash and cash equivalents, totaling \$49,180,346, (including \$8,829,677 in fiduciary funds) as follows:

Petty cash	\$ 21,505
Demand deposits	32,733,023
Money market funds	16,425,818
Total	\$ 49,180,346

These deposits are stated at cost, which approximates market. Under state law, these deposits (or 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 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 to both parties. Cash and cash equivalents (bank balances other than these backed by the U.S. government) at April 30, 2005, are secured, as follows:

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

Bank balances	\$ 46,519,892
Federal deposit insurance	\$ 378,859
Pledged securities (uncollateralized)	<u>48,219,457</u>
Total	<u>\$ 48,598,316</u>

Because the pledged securities are held by a custodial bank in the name of the agent bank rather than in the name of the City, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, 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.

The money market accounts are utilized for the daily investment of idle cash of the City. The account is managed by the City's fiscal agent and consists of securities issued or guaranteed by the U.S. government. Investments are in accordance with LRS 33:2955(A)(1)(e) and are not required to be covered by the pledge of securities owned by the fiscal agent bank.

4. INVESTMENTS

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 April 30, 2005, the City had the following investments stated at cost, which approximates market:

United States government securities	\$ 9,331,942
Certificates of deposit with maturities greater than 90 days	<u>10,863,846</u>
Total	<u>\$ 20,195,788</u>

The investments in United States government securities are held by the City's agent in the City's name, and are considered collateralized (Category 1) under the provisions of GASB Codification 150.164.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

5. RECEIVABLES

Accounts receivable of \$8,707,309 at April 30, 2005, are comprised of the following:

Fund Type	Taxes - ad valorem	Taxes - Sales	Grants	Accounts	Other	Total
MAJOR FUNDS						
General	\$ 302,017	\$ 3,259,018	\$ -	\$ 532,462	\$ 7,842	\$ 4,101,339
Street Construction	-	-	-	17,581	-	17,581
Collection Systems Imp	-	-	12,758	-	11,961	24,719
Airport	-	-	-	41,949	-	41,949
Civic Center	36,694	-	-	12,627	-	49,321
Water	-	-	-	238,282	280	238,562
Sewer	-	-	-	705,356	1,737	707,093
NONMAJOR FUNDS						
Special Revenues	-	-	254,647	560,077	-	814,724
Debt Service	8,913	724,011	-	8,466	-	741,390
Capital Projects	-	-	1,798,521	84,534	3,047	1,886,102
Enterprise	36,694	-	23,441	1,803	-	61,938
Internal Service	-	-	-	-	1,147,419	1,147,419
Agency	-	1,325	-	4,469	4,373	10,167
TOTAL:	<u>\$ 384,318</u>	<u>\$ 3,984,354</u>	<u>\$ 2,089,367</u>	<u>\$ 2,207,606</u>	<u>\$ 1,176,659</u>	<u>\$ 9,842,304</u>

The allowance for doubtful accounts was \$601,075 as of April 30, 2005.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

6. CHANGES IN CAPITAL ASSETS

The following schedule presents changes in capital assets for the year ended April 30, 2005.

	Balance April 30, 2004	Additions	Retirements	Balance April 30, 2005
Governmental Funds:				
Land	\$ 17,295,778	\$ -	\$ -	\$ 17,295,778
Construction in progress	4,332,323	519,493	(4,589,198)	262,618
CIP-Infrastructure	30,931,994	7,076,410	(26,321,510)	11,686,894
Total capital assets not being depreciated	<u>52,560,095</u>	<u>7,595,903</u>	<u>(30,910,708)</u>	<u>29,245,290</u>
Depreciable assets:				
Buildings and improvements	22,218,299	4,572,058	-	26,790,357
Equipment and Furniture	23,198,732	3,761,426	(284,435)	26,675,723
Infrastructure	99,404,760	26,321,510	-	125,726,270
School buildings	1,229,953	-	-	1,229,953
Total capital assets being depreciated	146,051,744	34,654,994	(284,435)	180,422,303
Less: accumulated depreciation	<u>(25,013,172)</u>	<u>(6,448,971)</u>	<u>284,435</u>	<u>(31,177,708)</u>
Total capital assets being depreciated, net	<u>121,038,572</u>	<u>28,206,023</u>	<u>-</u>	<u>149,244,595</u>
Total governmental funds capital assets, net	<u>173,598,667</u>	<u>35,801,926</u>	<u>(30,910,708)</u>	<u>178,489,885</u>
Internal Service Fund:				
Land	45,000	-	-	45,000
Depreciable assets:				
Buildings and improvements	3,408,222	-	-	3,408,222
Furniture and vehicles	280,845	2,495	(16,594)	266,746
Total capital assets being depreciated	3,689,067	2,495	(16,594)	3,674,968
Less: accumulated depreciation	<u>(649,580)</u>	<u>(107,794)</u>	<u>16,594</u>	<u>(740,780)</u>
Total capital assets being depreciated, net	<u>3,039,487</u>	<u>(105,299)</u>	<u>-</u>	<u>2,934,188</u>
Total Internal Service Fund capital assets, net	<u>3,084,487</u>	<u>(105,299)</u>	<u>-</u>	<u>2,979,188</u>
Total governmental activities capital assets, net	<u>\$ 176,683,154</u>	<u>\$ 35,696,627</u>	<u>\$ (30,910,708)</u>	<u>\$ 181,469,073</u>

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

	Balance <u>April 30, 2004</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>April 30, 2005</u>
Business-type activities:				
Nondepreciable assets:				
Land	\$ 5,542,940	\$ -	\$ -	\$ 5,542,940
Construction in progress	35,886,135	13,019,827	(36,932,358)	11,973,604
Zoo animals	<u>139,050</u>	<u>-</u>	<u>(25,800)</u>	<u>113,250</u>
Total capital assets not being depreciated	41,568,125	13,019,827	(36,958,158)	17,629,794
Depreciable assets:				
Buildings/Improvements	33,166,676	478,088	-	33,644,764
Infrastructure	97,274,596	36,410,789	-	133,685,385
Equipment	<u>13,794,633</u>	<u>743,206</u>	<u>(802,712)</u>	<u>13,735,127</u>
Total capital assets being depreciated	144,235,905	37,632,083	(802,712)	181,065,276
Less: accumulated depreciation	<u>(70,421,627)</u>	<u>(4,820,209)</u>	<u>802,712</u>	<u>(74,439,124)</u>
Total capital assets being depreciated, net	<u>73,814,278</u>	<u>32,811,874</u>	<u>-</u>	<u>106,626,152</u>
Total business-type activities capital assets, net	<u>\$ 115,382,403</u>	<u>\$ 45,831,701</u>	<u>\$ (36,958,158)</u>	<u>\$ 124,255,946</u>

The beginning balance of capital assets has been adjusted by approximately \$22,000,000 (net) for airport, street, drainage, water and sewer projects added in compliance with provisions of GASB 34 in accounting for infrastructure assets.

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

Governmental Activities:	
General Government	\$ 256,048
Public Safety	1,276,312
Public Works	4,542,891
Culture and Recreation	373,720
Internal Service Fund	<u>107,794</u>
Total depreciation expense - governmental activities	<u><u>\$ 6,556,765</u></u>
Business-Type Activities:	
Monroe Regional Airport	\$ 545,592
Monroe Civic Center	508,196
Water Fund	866,448
Sewer Fund	2,096,148
Non-major business-type activities	<u>712,266</u>
Total depreciation expense - business-type activities	<u><u>\$ 4,728,650</u></u>

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

Included in equipment are energy management system assets under capital lease with costs of \$2,967,113 as further discussed in Note 11.

The Central Shop and Warehouse land and building is carried on the City's balance sheet within the Internal Service Fund. At April 30, 2005, only a portion of the cost of the assets are depreciated as only the shop facility is currently accounted for in the Internal Service Fund. In the future, an Internal Service Fund will be established to account for the operations of the warehouse, at which time depreciation will be charged to that fund.

The Louisiana Purchase Gardens and Zoo enterprise fund carries its investment in animals on a separate line of its balance sheet. The cost shown on the balance sheet relates only to animals that were purchased, donated or traded. Animals born in the zoo have no cost attributed to them. Also, the zoo has a number of bird specimens which are covered by the Migratory Bird Treaty (MBT). Certain birds under the MBT have no cost associated with them because they may not be bought or sold. The following schedule reflects the number of specimens on hand at April 30, 2005, the associated cost, and the corresponding market value.

	Number	Cost	Market Value
Specimens having a cost basis	438	\$ 113,250	\$ 113,250
Specimens having no cost basis	20	NONE	116,675
Specimens covered by Migratory Bird Treaty	50	NONE	NONE
Total	511	\$ 113,250	\$ 229,925

7. RESTRICTED ASSETS AND RELATED RESERVES

Under terms of the 1995 Sewer Refunding Bonds, the City is required to establish a sinking fund with monthly payments equaling 1/6th of the interest falling due on the bonds next interest date as well as 1/12th of the principal falling due on the bonds next principal date.

8. ELECTRICAL SYSTEM OPERATING AGREEMENT

On July 9, 1977, the voters of the City of Monroe authorized a 50 year operating agreement between the City of Monroe and Entergy (formerly Louisiana Power & Light) for the operation by Entergy of the City's electric system. The agreement provided that Entergy would pay to the City a percentage of total revenue collected from the sale of electric service to residential and commercial customers within the City, such payments not to be less than \$700,000 annually. The aforementioned base increased by one per cent of sales of electric services to residential and commercial customers in excess of \$10,000,000 in a calendar year. Revenues under this agreement totaled \$2,881,103 for the year ended April 30, 2005.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

9. PENSION AND RETIREMENT PLANS

City of Monroe Sponsored Pension Plans:

Effective September 1, 1983, the members of the Bus Drivers' Pension and Relief Fund agreed to merge with the Municipal Employees' Retirement System of Louisiana (MERS). Since the merger, the Bus Department administrative employees contribute 9.25% of their salary and the City contributes 7.25%. The City also reimburses 4% of the bus operators' contributions. For the year ended April 30, 2005, the City contributed \$9,770 to the Bus Drivers' Pension and Relief Fund.

The Monroe Policemen's Pension and Relief Fund covers those employees who were members of the fund at September 1, 1983, and who retire prior to the age of 50. Upon reaching their 50th birthday, they will no longer receive benefits under the Monroe Policemen's Pension and Relief Fund, but will begin receiving benefits under the Municipal Police Employees' Retirement System (MPERS). The City made no contributions to the Monroe Policemen's Pension and Relief Fund for the year ended April 30, 2005.

Data concerning the actuarial status of the Policemen's and Bus Drivers' Pension and Relief Funds is not available. The City of Monroe has never required the services of an actuary for these plans nor felt the need to determine the actuarial liability of the plans because state law requires that the plans be funded at minimum reserve requirements rather than an actuarially computed reserve based on future benefits payable. The two funds had net assets at April 30, 2005, as follows; Policemen's, \$109,729 and Bus Drivers', \$60,295.

State Sponsored Plans:

Municipal Employees' Retirement System of Louisiana (MERS)

Substantially all city employees, except firemen and policemen, are members of the 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. All City members participate in Plan A.

All permanent employees working at least 35 hours per week and elected city officials are eligible to participate in the system. Under the plan provisions, a member who retires at or after age 60 with at least 10 years of creditable service, at or after age 55 with 25 years of creditable service, or at any age with at least 30 years of creditable service is entitled to a retirement benefit, payable monthly for life, equal to 3% of the member's final compensation multiplied by his years of creditable service.

However, for those members of the supplemental plan only prior to October 1, 1978, the benefit is equal to 1% of final compensation plus \$2 per month for each year of supplemental-plan-only service

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

earned prior to October 1, 1978, plus 3% of final compensation for each year of service credited after October 1, 1979.

Funding Policy. Contributions to the system include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of the parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of members on which contributions were made for the previous fiscal year. State statute requires covered employees to contribute a percentage of their salaries to the system; however, the City is authorized by state statute to pay to the system from its own funds the employee contributions. Effective January 1, 2005 the city employees began paying the employee portion of retirement contributions. 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 MERS for the years ended April 30, 2005, 2004, and 2003 were \$2,315,168; \$1,692,290; and \$1,276,408 respectively, equal to the statutorily required contributions for each year.

The MERS issues an annual, publicly-available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained by writing the Municipal Employees' Retirement System, 6750 Van Gogh, Baton Rouge, LA 70806 or by calling (225) 925-4810.

Firefighters' Retirement System (SFRS)

Effective May 7, 1981, the members of the Firemen's Pension and Relief Fund agreed to merge with the SFRS, a multiple-employer, cost-sharing PERS. Effective June 1, 1986, the retirees and dependents receiving benefits under the City plan as of May 7, 1981, were transferred to the SFRS. As further discussed below, the liability to the SFRS was advance refunded by the City during fiscal 1998.

The plan covers substantially all members of the City's Fire Department. All new employees of the department must join this plan with the exception of employees performing duties unrelated to fire fighting. Employees with 20 years or more of service who have attained age 50 or employees with 12 years of service who have attained age 55 or 25 years of service at any age are entitled to annual pension benefits equal to 3-1/3% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. If employees terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to employer contributions. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

Funding Policy. State statute requires covered employees to contribute a percentage of their salaries

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

to the system; however, the City is authorized by state statute to pay to the system from its own funds the employee contributions. 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 SFRS for the years ended April 30, 2005, 2004, and 2003 were \$1,898,169; \$1,002,542; \$702,293 and, respectively, equal to the required contributions for each year.

The SFRS issues an annual, publicly-available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained by writing the Firefighters' Retirement System, 2051 Silverside Drive, Suite 10, Baton Rouge, LA 70808-4136 or by calling (225) 925-4060.

Municipal Police Employees' Retirement System (MPERS)

Effective September 1, 1983, the members of the City's Policemen's Pension and Relief Fund agreed to merge with the MPERS, a multiple-employer, cost-sharing PERS. The liability to the MPERS associated with the merger was advance refunded by the City during fiscal 1998 as further discussed below.

All full-time police officers engaged in law enforcement and earning at least \$375 per month excluding state supplemental pay, the elected chief of police whose salary is at least \$100 per month, and secretaries to the chief of police are eligible to participate in the system. 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% of the member's average final compensation multiplied by his years of creditable service, not to exceed 100 per cent of his average final compensation. The system also provides death and disability benefits. Benefits are established by state statute.

Funding Policy. State statutes require covered employees to contribute a percentage 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 City's contributions to the MPERS for the years ended April 30, 2005, 2004, and 2003 were \$1,267,704; \$863,596; and \$558,640, respectively, equal to the statutorily required contributions for each year.

The MPERS issues an annual, publicly-available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained by writing the Municipal Police Employees' Retirement System, 8401 United Plaza Blvd., Room 305, Baton Rouge, LA 70808 or by calling (225) 929-7411.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

10. OTHER HEALTH CARE BENEFITS

During the year ended April 30, 2005, the City paid \$4,884,416 in expenses in connection with providing benefits to a total of 1,182 participants. The cost is broken down as follows:

Active Employees	\$ 3,556,009
Retired Employees	1,312,003
COBRA	<u>16,404</u>
TOTAL	\$ <u>4,884,416</u>

Of the total amount, approximately \$715,998 was reimbursed by the 231 retirees and 11 COBRA participants.

11. LEASES

At April 30, 2005, the City was obligated under operating lease agreements covering computer equipment and various other items of equipment. The original lives of the leases range up to five years with options to renew some leases for one to five years. The City made lease payments of approximately \$281,000 during the year ended April 30, 2005. The following is a schedule of future minimum lease payments under operating leases as of April 30, 2005.

Years Ended April 30:	<u>Minimum Lease Payments</u>
2006	75,370
2007	31,386
2008	<u>21,204</u>
Total	\$ <u>127,960</u>

In fiscal 2005, the City entered into a capital lease obligation for the purchase of an energy system that is being utilized in over 40 City-owned buildings. The original amount of the obligation was \$2,967,113 and bears interest at 4.75% to 5.59%. Future minimum lease payments until maturity (March, 2021) are as follows:

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

<u>Fiscal Years Ended April 30:</u>	<u>Future Minimum Lease Payments</u>
2006	\$ 307,464
2007	273,646
2008	277,450
2009	281,356
2010	285,274
2011 - 2015	1,327,098
2016 - 2020	1,307,633
2021	224,540
	<u>4,284,461</u>
Less: Amounts representing Interest	1,408,322
Present Value of Future Minimum Lease Payments	<u>\$ 2,876,139</u>

12. LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions of the City of Monroe for the year ended April 30, 2005:

	<u>Long-Term Obligations</u>	<u>Proprietary Funds</u>	<u>Total</u>
Long-term obligations, May 1, 2004	\$ 152,679,823	\$ 5,207,918	\$ 157,887,741
Additions	16,355,569	542,554	16,898,123
Retirements	<u>(8,327,118)</u>	<u>(926,680)</u>	<u>(9,253,798)</u>
Long-term obligations, April 30, 2005	<u>\$ 160,708,274</u>	<u>\$ 4,823,792</u>	<u>\$ 165,532,066</u>

Long-term obligations outstanding at April 30, 2005, are comprised of the following:

	<u>Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding</u>
<i>General Long-Term Obligations</i>				
<u>General Obligation Bonds</u>				
Public improvements:				
City Court and Jail	2003	3/1/10	1.35 – 3.10	\$ <u>790,000</u>
<u>Tax Increment Bonds</u>				
Tower Drive	1997	3/1/12	5.21	1,360,000
Tower Drive	1999	3/1/09	5.00	400,000
Tower Drive	2000	3/1/20	6.95	2,580,000

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

Tower Drive	2002	3/1/20	5.85	915,000
I-20 Development	2003	3/1/21	2.50 – 4.00	<u>14,545,000</u>
Total tax increment bonds				<u>19,800,000</u>
 <u>Sales Tax Bonds</u>				
Series 2001 (DEQ) (Sewer)	2001	6/30/23	3.45	22,837,461
Series 2001 (Streets)	2001	7/1/21	4.00-5.75	22,615,000
Series 2002 (Streets/Sewer)	2002	7/1/26	4.00-7.00	24,780,000
Series 2002A (Fire/Drainage)	2002A	7/1/27	3.00-4.80	14,795,000
Series 2003 (Sewer)	2003	6/1/23	3.45	8,996,225
Series 2003 (Streets)	2003	7/1/27	3.25-6.00	<u>21,855,000</u>
Total sales tax bonds				<u>115,878,686</u>
 <u>Certificates of Indebtedness</u>				
Swimming Pools Renovations	2004A	4/1/09	3.45	516,292
Taxable Refunding Certificates (Civic Center Roof)	2004C	10/01/14	3.75	<u>2,550,000</u> 3,066,292
 <u>Other</u>				
Refunding Bonds Series 1998A	1998	3/1/13	4.45-5.05	4,635,000
Claims and Judgments Payable	None	None	None	4,794,924
Revenue Anticipation Series 2005	2005	3/1/06	2.75	4,000,000
Capital Lease (See Note 11)	2000	4/30/21	5.70	2,876,139
Accrued vacation and sick pay	None	None	None	<u>4,867,233</u>
Total other				<u>21,173,296</u>
 Total general long-term obligations				 <u>\$160,708,274</u>
 <i>Proprietary Funds</i>				
 <u>Certificates of Indebtedness -</u>				
<u> Refunding Certificates</u>				
(Central warehouse and shop)	2004A	4/01/09	3.45	\$ 664,708
<u> Taxable Refunding Certificates</u>				
(Ice Rink)	2004B	4/01/09	6.00	142,000
 <u>Sales Tax Bonds-</u>				
Series 2001(DEQ) (Sewer)	2001	6/01/22	3.95	2,486,403
 <u>Revenue bonds-</u>				
Sewer Refunding	1995	6/01/06	4.30-5.40	605,000
 <u>Other</u>				
Accrued vacation and sick pay	None	None	None	<u>925,681</u>
 Total proprietary funds				 <u>\$ 4,823,792</u>

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

<u>Long-Term Obligation</u>	<u>Paying Fund</u>
General obligation bonds:	
Refunding Bonds, 2003 (City Court and Jail Improvements)	City Court and Jail Improvements Debt Service Fund
Tax increment bonds:	
Tower Drive	Tower Drive Debt Service Fund
I-20 Development	I-20 Debt Service Fund
Certificates of indebtedness:	
Refunding Cert of Indebt (Swimming Pool Renovations)	General Fund
Refunding Certificates (Central Shop)	Central Shop Internal Service Fund
Taxable Refunding Certificates (Civic Center Roof)	Monroe Civic Center Fund
Taxable Refunding Certificates (Ice Hockey Rink)	Monroe Civic Center Fund
Sales tax bonds:	
2001 Series (Sewer and Streets)	Sales Tax Bond Debt Service Fund
2002 Series (Sewer and Streets)	Sales Tax Bond Debt Service Fund
2002A Series (Fire and Drainage)	Sales Tax Bond Debt Service Fund
2003 Series (Streets)	Sales Tax Bond Debt Service Fund
Revenue bonds:	
Sewer Refunding (1995)	Sewer Enterprise Fund
Refunding Bonds:	
Series 1998A (Fire and Police Pension)	General Fund
Capital Lease Obligations:	
Equipment	General Fund
Revenue Anticipation Note:	
(Working Capital)	General Fund
Bond Anticipation Notes:	
Series 2001 (DEQ Sewer)	Sewer Enterprise Fund

The amount recorded as claims and judgments payable in the General Long-Term Obligations Account Group is the City's liability for claims that are not expected to be paid with available resources at year-end. Expenditures for claims and judgments payable are recognized in the General Fund when paid. Only those expenditures which are included in the City's legally adopted budget will be paid.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

An "Actuarial Analysis of Workers Compensation Self-Insurance Program" was obtained by the City as a basis for recording the liability for self-insured losses. The actuarial report noted that in September, 2004, the City changed the third party claims administrator for the program and that the new claims administrator reevaluated case reserve levels for existing open claims. The actuaries stated that no explicit adjustment in their analysis to account for potential changes in case reserve adequacy has been made.

The debt service requirements to amortize all bonds, certificates and other long-term obligations (other than accrued vacation and sick pay, claims and judgments and capital lease obligations) outstanding at April 30, 2005, including interest payments of \$81,211,309 are as follows:

Year Ended April 30,	G.O. Bonds Cert. of Indebt.	Revenue Bonds	Tax Increment	DEQ Revolving Loan	Other	Total
2006	\$ 911,645	\$ 6,476,703	\$ 2,371,881	\$ 2,643,431	\$ 5,241,911	\$ 17,645,571
2007	864,877	6,466,038	2,372,181	2,644,613	1,100,792	13,448,501
2008	868,307	6,160,465	2,368,933	2,643,621	1,100,617	13,141,943
2009	875,190	6,159,309	1,937,477	2,640,457	1,106,773	12,719,206
2010	512,404	6,150,010	1,745,471	2,635,023	1,112,570	12,155,478
2011-2015	1,363,875	30,726,482	8,605,151	13,131,885	2,781,643	56,609,036
2016-2020	-	30,802,889	8,621,756	13,040,381	1,307,634	53,772,660
2021-2025	-	29,851,796	-	8,972,559	224,539	39,048,894
2026-2029	-	14,738,109	-	-	-	14,738,109
Total	\$ 5,396,298	\$ 137,531,801	\$ 28,022,850	\$ 48,351,970	\$ 13,976,479	\$ 233,279,398

General obligation bonds are direct obligations and are secured by the full faith and credit of the City. These bonds generally mature in 2010. Revenue bonds are secured by pledged income derived from the assets acquired or constructed with bond funds. Certificates of indebtedness are secured by a pledge of the general credit of the City. The Tax Increment bonds are secured solely from the incremental tax revenues from the respective economic development districts.

The City executed a \$4,000,000 Revenue Anticipation Note on March 7, 2005 for working capital needs. The proceeds were recorded in the General Fund as a liability and not as an Other Financing Source.

Prior Year Defeasance of Debt

In prior years, certain outstanding bonds were defeased by placing proceeds of new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust accounts and the defeased bonds are not included in the financial statements. At fiscal year-end, the defeased balance of \$740,000 remained for the 1986A Sewer Revenue Bonds.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

13. INTERFUND RECEIVABLES AND PAYABLES

Individual fund balances due from/to other funds at April 30, 2005, are as follows:

	Interfund Receivable							Total
	General	Capital Infrastructure	Collection Systems Improvement	Nonmajor Governmental Funds	Water Fund	Nonmajor Enterprise Funds	Internal Service Funds	
Interfund Payable								
General	\$ -	\$ 938,151	\$ -	\$ 597,827	\$ -	\$ 865	\$ 52,635	\$ 1,672,341
Capital Infrastructure	-	-	-	3,103,678	-	-	-	3,103,678
Collection Systems Improvement	-	-	-	345,374	-	-	-	345,374
Nonmajor Governmental Funds	626,727	-	2,797,941	3,154,919	9,783	-	-	6,589,370
Civic Center	865	-	-	2,424,701	-	-	-	2,425,566
Sewer Fund	-	-	-	-	1,327,539	-	-	1,327,539
Nonmajor Enterprise Funds	140	-	-	2,144	-	-	-	2,284
Internal Service Funds	385,361	-	-	-	-	-	-	385,361
Agency Funds	1,000	-	-	200,000	-	-	-	201,000
Total	\$ 1,014,093	\$ 938,151	\$ 2,797,941	\$ 9,828,643	\$ 1,337,322	\$ 865	\$ 52,635	\$ 16,052,513

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

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

14. INTERFUND TRANSFERS

The following transfers were made between the various funds of the City during the year ended April 30, 2005:

	Transfers Out							Total
	General	Capital Infrastructure	Collection Systems Improvement	Nonmajor Governmental Funds	Monroe Regional Airport	Water Fund	Sewer Fund	
Transfers In								
General	\$ -	\$ 1,000,000	\$ -	\$ 1,098,089	\$ 495,548	\$ 850,000	\$ 350,000	\$ 3,793,637
Capital Infrastructure	12,006,646	-	-	1,430,257	-	-	-	13,436,903
Collection Systems Improvement	-	655,607	-	-	-	-	-	655,607
Nonmajor Governmental Funds	1,845,845	9,236,602	574,423	267,594	-	-	-	11,924,464
Civic Center	291,754	-	-	-	-	-	-	291,754
Nonmajor Enterprise Funds	1,543,412	-	-	-	-	-	-	1,543,412
Internal Service Funds	481,613	-	-	-	-	-	-	481,613
Agency Funds	82,863	-	-	-	-	-	-	82,863
Total	\$ 16,252,133	\$ 10,892,209	\$ 574,423	\$ 2,795,940	\$ 495,548	\$ 850,000	\$ 350,000	\$ 32,210,253

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

15. LITIGATION AND CLAIMS

Various lawsuits are pending against the City of Monroe. Except as noted below, attorneys of the City are of the opinion that any judgment rendered in favor of the plaintiff will not materially affect the financial position of the City at April 30, 2005.

The City is a defendant in two separate suits involving the death of a citizen during a confrontation with Monroe City Police. Both suits have been filed on behalf of the person's adult and minor children. Counsel for the City believes there will be no liability to the City as a result of these suits.

In addition, the City is a party to various suits involving use of excessive force by police officers, accidents involving City vehicles and/or property and workman's compensation. The City is unable to make an estimate of the possible liability, if any, of these matters at the current time.

16. DEFERRED COMPENSATION PLANS

The City of Monroe offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457, as amended. The plans, available to all employees, permit them to defer a portion of their salaries until future years. Participation in the plans is optional. The City does not make any contributions to the plans. The deferred compensation is not available to employees until termination, retirement or unforeseeable emergency. Deferred compensation is available to employees' beneficiaries in case of death. In accordance with the amended provisions of Code Section 457, all amounts deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely the property and rights of the participants and their beneficiaries. As required by the amended Code Section 457, the City established custodial accounts with a third party administrator who will hold the assets and income of the plans.

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 \$1,313,474 are held by Public Employees Benefit Services Corporation, a deferred compensation center, and assets with a fair market value of \$206,954 are held by ICMA under agreement with the City.

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

17. ON-BEHALF PAYMENTS

Certain City employees in the City Marshal's office, the Monroe Police Department and the Monroe Fire Department receive supplemental pay from the state of Louisiana. In accordance with GASB Statement No.24, the City has recorded revenues and expenditures for these payments in the General Fund. Revenues under this arrangement totaled \$1,384,050 and the related expenditures are as follows:

Marshal/Deputy Marshal	\$	52,800
Monroe Police Department		632,100
Monroe Fire Department		699,150
Total	\$	<u>1,384,050</u>

18. RISK FINANCING ACTIVITIES

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. There were no major changes in insurance coverage for the year ended April 30, 2005. Certain risks of loss, such as surety bonding, transit and excursion boat liability and indemnity, and activities relating to the operations of Chennault Park, Selman Field Golf Course, the Monroe Civic Center, Louisiana Purchase Gardens and Zoo and Monroe Regional Airport are insured through purchase of commercial insurance with deductibles from \$0 to \$25,000 and coverage limits from \$1,000 (surety bonds) to \$64,000,000 (buildings and contents). Other risks of loss, including fleet comprehensive and liability, long-term disability and comprehensive general liability, are entirely self-insured. Workers compensation losses are self insured up to \$250,000 per occurrence, with excess loss policies in force for claims in excess of the self insured retention. There were no settlements that exceeded insurance coverage for the past three years. All of the foregoing risk financing activities are accounted for in the governmental and proprietary fund types. Long-term liabilities that are covered by structured settlements which are not expected to be liquidated with expendable available financial resources in the governmental funds have been recorded in the General Long-term Obligations Account Group at estimated present value. Other long-term claims and judgments payable recorded in the General Long-term Obligations Account Group, primarily disability and workers' compensation claims, are recorded using actuarial methods. Changes in the claims liability for the year ended April 30, 2005, are as follows:

Balance, April 30, 2004	\$	5,111,842
Current year claims and changes in estimates		1,466,841
Claims paid		<u>(1,783,759)</u>
Balance, April 30, 2005	\$	<u>4,794,924</u>

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

Included in current year claims and changes in estimates are amounts related to workers' compensation claims for incurred but not reported claims (IBNR). IBNR claims include known loss events which are expected to be presented as claims, unknown loss events that are expected to become claims and expected future developments on claims already reported. Actuarial methods were employed to determine the IBNR reserve at April 30, 2005, which was calculated to be approximately \$1.1 million and covers claim years since April 30, 1979.

19. RESTATEMENTS

Beginning net assets of the governmental activities has been increased by \$11,541,045 of which \$12,240,866 was to account for street and drainage projects in anticipation of meeting GASB 34 requirements, as well as reduction of \$381,530 for an overstatement of bond issue costs. The beginning fund balance in the PFC Capital Projects Fund has been increased by \$78,723 to reflect the accrual of passenger facility charges in the prior year. Also, the beginning fund balances were reduced in the General Fund by \$319,399 and in the River Oaks Community Park Capital Projects Fund by \$77,615 due to overstatements in prepaid expenses and accounts receivable respectively.

Beginning net assets of business-type activities have been increased by \$10,557,732 of which \$3,240,752 represents airport runways as well as the Department of Motor Vehicles building which was included in governmental activities the previous year. Civic Center net assets increased by \$457,222, the book value of the ice hockey rink; another \$2,083,719 in water projects and \$4,776,040 in sewer projects.

20. PASSENGER FACILITY CHARGE-MONROE REGIONAL AIRPORT

On January 23, 2003, the Monroe Regional Airport (Airport) received approval from the Federal Aviation Administration (FAA) to impose a \$4.50 passenger facility charge (PFC) in accordance with Section 158.29 of the FAA Regulations (Title 14, Code of Federal Regulations, Part 158).

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

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

CITY OF MONROE
Monroe, Louisiana

Notes To The Financial Statements
As of And For The Year Ended April 30, 2005

The FAA approved a total collection of \$1,134,672, from April 1, 2003 until February 1, 2006 for three approved projects. These projects as well as the amounts disbursed and the remaining dollars available are as follows:

Description	Project Amount	Disbursements	Available
Aircraft loading equipment improvement	\$ 641,748	\$ 503,552	\$ 138,196
Rehabilitate airfield lighting	452,224	33	452,191
PFC application professional fees	40,700	40,700	-
Total	<u>\$ 1,134,672</u>	<u>\$ 544,285</u>	<u>\$ 590,387</u>

It should be noted that the rehabilitation of the airfield lighting has been covered by State funding which negates the need to use PFC revenues to cover this project. A consultant has been hired to amend this original application and to submit a new application on behalf of the City.

Since the inception of the PFC, the Airport has recorded the following revenues / receipts and expenses / disbursements through fiscal year 2005 resulting in a restriction of net assets from passenger facility charges as follows:

	Accrual Basis	Cash Basis
PFC revenues / receipts	\$ 954,164	\$ 869,630
Interest earnings	2,434	2,434
Total revenues / receipts	956,598	872,064
Expenses / disbursements for PFC projects	(546,591)	(544,285)
Net PFC cash, April 30, 2005		\$ 327,779
Net assets restricted for PFC, April 30, 2005	<u>\$ 410,007</u>	

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

**REQUIRED SUPPLEMENTAL INFORMATION
(PART B)**

CITY OF MONROE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED APRIL 30, 2005
(Unaudited)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
General property taxes	\$ 3,700,000	\$ 3,785,783	\$ 3,747,100	\$ (38,683)
1974 Recreational maintenance taxes	625,000	639,593	633,039	(6,554)
1974 Public safety taxes	350,000	362,313	358,606	(3,707)
1974 Drainage taxes	437,000	447,345	442,758	(4,587)
Capital improvement tax	1,160,000	1,186,759	1,174,587	(12,172)
Police department tax	535,000	547,166	541,551	(5,615)
Fire department tax	535,000	547,166	541,551	(5,615)
Beer tax	66,000	66,000	74,305	8,305
General sales taxes	29,300,000	29,150,220	29,073,492	(76,728)
Sales tax collections - Capital infrastructure	12,125,000	12,125,000	11,999,930	(125,070)
Liquor Licenses	75,000	79,000	78,671	(329)
Occupational Licenses	2,250,000	2,250,000	2,281,604	31,604
Sound Permits	150	50	75	25
Building permits	78,000	71,000	76,981	5,981
Sewer permits	36,000	26,000	27,905	1,905
Plumbing permits	30,000	19,200	26,546	7,346
Electrical permits	25,000	26,500	31,622	5,122
Gas permits	7,500	8,000	8,497	497
Heat and air conditioning permits	9,000	10,000	11,663	1,663
Mobile sign permits	3,150	11,000	8,455	(2,545)
Franchise fees	685,454	725,000	770,190	45,190
Federal grants	227,564	157,929	407,953	250,024
State grants - Supplemental Pay	1,441,800	1,427,100	1,883,600	456,500
Sales tax commission - School Board	370,000	370,000	352,449	(17,551)
Sales tax commission - West Monroe	51,000	51,000	51,000	-
Sales tax commission - Police Jury	37,800	37,800	37,800	-
Sales tax commission - Sterlington	1,100	1,100	1,204	104
Sales tax commission - Richwood	180	180	180	-
Sales tax commission - Street Improvement Fund	84,000	84,000	83,754	(246)
Sales tax commission - Fire	-	8,815	6,483	(2,332)
Sales tax commission - Police	-	8,815	6,483	(2,332)
Sales tax commission - Hotel/Motel	4,000	4,000	4,000	-
Parking meters	32,000	18,542	18,542	-
City sanitation service	2,200,000	2,889,210	2,874,641	(14,569)
Recreation department revenue	86,100	63,457	47,864	(15,593)
Grass cutting fees	20,000	20,000	20,250	250
City Court civil fees	140,000	104,692	115,118	10,426
Community policing fee	109,380	171,940	178,658	6,718
Appearance & surrender fee	78,000	62,656	63,320	664
Zoning income	49,000	45,000	48,731	3,731
Security service	285,000	128,507	134,626	6,119
Entergy franchise fees	1,800,000	2,661,247	2,881,103	219,856
Cemetery lots	13,000	13,000	11,341	(1,659)
Golf course fees	614,335	614,335	532,900	(81,435)
BellSouth commissions	35,000	36,000	37,564	1,564
False alarms fines	25,000	9,000	10,475	1,475
Equipment fund from court fines	4,700	3,410	3,950	540
City Court fines	400,000	322,170	360,182	38,012
Parking fines	15,000	9,533	9,424	(109)
Rental income	166,300	88,893	117,536	28,643
Interest income	56,000	68,367	116,714	48,347
Municipal golf course rent	10,000	10,000	22,500	12,500
Boat dock rentals	26,000	-	-	-
Miscellaneous revenue	128,276	79,851	129,630	49,779
Penalty and interest	33,000	44,000	44,435	435
Police miscellaneous	45,000	57,571	58,440	869
Total revenues	60,620,789	61,755,215	62,581,978	826,763

**CITY OF MONROE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED APRIL 30, 2005
(Unaudited)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
EXPENDITURES				
Legislative division - council and staff	268,050	261,835	259,211	2,624
Executive division - chief executive and staff	399,329	385,825	385,667	158
Administration division	5,868,134	6,197,132	6,123,776	73,356
Judicial division	1,853,679	1,904,387	1,975,522	(71,135)
Legal division	681,158	688,781	705,072	(16,291)
Planning and Urban development division	949,720	841,538	942,285	(100,747)
Engineering division	989,731	830,825	863,249	(32,424)
Police division	10,621,918	11,259,981	11,019,926	240,055
Fire division	10,514,000	11,662,508	11,702,470	(39,962)
Public works division	7,611,286	7,852,422	8,096,303	(243,881)
Community affairs division	4,208,639	4,215,197	4,253,094	(37,897)
Debt Service:				
General interest expense	24,075	78,075	157,865	(79,790)
Capital leases	521,771	521,771	627,191	(105,420)
Swimming pool renovations	340,125	192,394	119,240	73,154
Claims and judgments	300,000	300,000	220,766	79,234
Total debt service	1,185,971	1,092,240	1,125,062	(32,822)
Capital Expenditures	1,212,000	1,266,511	4,311,774	(3,045,263)
Total expenditures	46,363,615	48,459,182	51,763,411	(3,304,229)
EXCESS OF REVENUES OVER EXPENDITURES	14,257,174	13,296,033	10,818,567	(2,477,466)
OTHER FINANCING SOURCES (USES)				
Sale of assets	25,000	12,727	62,098	49,371
Capital lease	-	-	2,967,113	2,967,113
Total	25,000	12,727	3,029,211	3,016,484
Transfers in:				
City Prosecuting Attorney FD	-	-	5,500	5,500
Capital Infrastructure	-	1,000,000	1,000,000	-
Diversion Program	-	-	19,481	19,481
Brownfield Study Program	-	-	25,000	25,000
Christmas Display	-	-	8,189	8,189
Phase III Air Industrial Park	-	-	572,835	572,835
Fire Drainage Improvements	-	467,084	467,084	-
Monroe Regional Airport	407,000	407,000	495,548	88,548
Utility Fund	1,000,000	1,000,000	1,200,000	200,000
Total transfers in	1,407,000	2,874,084	3,793,637	919,553
Transfers out:				
Prisoner housing	(725,000)	(725,000)	(824,353)	(99,353)
Police and Fire pension	(821,810)	(821,810)	(818,638)	3,172
Law Enforcement Block grant	(33,000)	(33,000)	(5,426)	27,574
Louisiana Purchase Gardens and Zoo	(204,358)	(204,358)	(269,212)	(64,854)
Monroe Transit System	(1,640,862)	(1,739,696)	(1,271,258)	468,438
Civic Center	(275,000)	(275,000)	(291,754)	(16,754)
Livestock Arena	-	-	(2,942)	(2,942)
Central Shop and Warehouse	(590,007)	(590,007)	(481,613)	108,394
Louisiana Folklife Festival	(60,000)	(127,103)	(120,024)	7,079
Masur Museum	-	-	(11,507)	(11,507)
Capital Infrastructure	(12,125,000)	(12,125,000)	(12,006,646)	118,354
Huntington Park Sewer Assessment	-	-	(54,522)	(54,522)
I-20 Corridor	-	-	(3,675)	(3,675)
Tower Drive	-	-	(7,240)	(7,240)
Taxiway C Recons Airport	-	-	(460)	(460)
Sales Tax Collection Agency Fund	-	-	(82,863)	(82,863)
Total transfers out	(16,475,037)	(16,640,974)	(16,252,133)	388,841
Total other financing sources (uses)	(15,043,037)	(13,754,163)	(9,429,285)	4,324,878
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(785,863)	(458,130)	1,389,282	1,847,412
FUND BALANCE, BEGINNING OF YEAR	3,724,976	475,105	475,105	-
Restatement	-	-	(319,399)	(319,399)
FUND BALANCE, AS RESTATED	3,724,976	475,105	155,706	(319,399)
FUND BALANCE, END OF YEAR	\$ 2,939,113	\$ 16,975	\$ 1,544,988	\$ 1,528,013

CITY OF MONROE
CAPITAL INFRASTRUCTURE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED APRIL 30, 2005
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Interest income				
Total revenues	\$ 100,000	\$ 100,000	\$ 110,230	\$ 10,230
EXPENDITURES				
Current:				-
Public works	961,573	961,573	901,511	60,062
Capital Outlay	12,000	12,000	16,889	(4,889)
Total expenditures	<u>973,573</u>	<u>973,573</u>	<u>918,400</u>	<u>55,173</u>
EXCESS OF REVENUES OVER EXPENDITURES	(873,573)	(873,573)	(808,170)	65,403
OTHER FINANCING SOURCES (USES)				
Transfers In	11,833,528	11,833,528	13,436,902	1,603,374
Transfers Out	(10,949,955)	(10,949,955)	(10,892,210)	57,745
Total other financing sources (uses)	<u>883,573</u>	<u>883,573</u>	<u>2,544,692</u>	<u>1,661,119</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	10,000	10,000	1,736,522	1,726,522
FUND BALANCE, BEGINNING OF YEAR	<u>226,846</u>	<u>226,846</u>	<u>226,846</u>	-
FUND BALANCE, END OF YEAR	<u>\$ 236,846</u>	<u>\$ 236,846</u>	<u>\$ 1,963,368</u>	<u>\$ 1,726,522</u>

OTHER SUPPLEMENTAL INFORMATION

CITY OF MONROE
Monroe, Louisiana
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	<u>SPECIAL REVENUES FUNDS</u>	<u>DEBT SERVICE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 3,208,652	\$ 8,118,776	\$ 9,456,724	\$ 20,784,152
Investments, at cost	-	2,082,081	1,493,905	3,575,986
Accounts receivable, net				
Trade	814,724	-	1,886,102	2,700,826
Ad valorem taxes	-	8,913	-	8,913
Special assessments	-	5,113	-	5,113
Other	-	3,353	-	3,353
Sales tax	-	724,011	-	724,011
Due from other funds	1,035,013	354,210	8,439,422	9,828,645
Advances to other funds	-	-	220,000	220,000
Other assets	626,952	-	356,995	983,947
TOTAL ASSETS	\$ 5,685,341	\$ 11,296,457	\$ 21,853,148	\$ 38,834,946
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts and retainage payable	\$ 250,612	\$ 660,641	\$ 1,273,798	\$ 2,185,051
Due to other funds	918,738	11,581	5,659,054	6,589,373
Deferred revenue	697,987	27,286	-	725,273
Other current liabilities	46,066	-	-	46,066
Total liabilities	1,913,403	699,508	6,932,852	9,545,763
Fund equity:				
Reserved for:				
Capital improvement	-	-	11,746,002	11,746,002
Debt service	-	10,596,949	-	10,596,949
Advances to other funds	-	-	220,000	220,000
Unreserved/undesignated	3,771,938	-	2,954,294	6,726,232
Total fund equity	3,771,938	10,596,949	14,920,296	29,289,183
TOTAL LIABILITIES AND FUND EQUITY	\$ 5,685,341	\$ 11,296,457	\$ 21,853,148	\$ 38,834,946

CITY OF MONROE
Monroe, Louisiana

NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED APRIL 30, 2005

	<u>SPECIAL REVENUES FUNDS</u>	<u>DEBT SERVICE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
Revenues				
Taxes:				
Ad valorem	\$ -	\$ 219,554	\$ -	\$ 219,554
Sales	1,870,638	3,439,408	-	5,310,046
Licenses, permits, and assessments	-	588	-	588
Intergovernmental:				
Federal	2,422,677	-	133,389	2,556,066
State	152,605	-	1,350,631	1,503,236
Charges for services	156,175	-	470,638	626,813
Fines and forfeitures	16,875	-	-	16,875
Use of money and property	15,058	132,829	154,022	301,909
Other revenues	1,510,107	-	17,307	1,527,414
Total revenues	<u>6,144,135</u>	<u>3,792,379</u>	<u>2,125,987</u>	<u>12,062,501</u>
Expenditures				
Public safety	1,753,402	-	-	1,753,402
Public works	20,079	-	-	20,079
Health and welfare	2,213,613	-	-	2,213,613
Culture and recreation	207,673	-	-	207,673
Economic development	210,632	-	-	210,632
Debt service	-	12,091,578	-	12,091,578
Capital expenditures	199,396	-	11,798,046	11,997,442
Total operating expenses	<u>4,604,795</u>	<u>12,091,578</u>	<u>11,798,046</u>	<u>28,494,419</u>
Excess (Deficiency) of Revenues Over Expenditures	1,539,340	(8,299,199)	(9,672,059)	(16,431,918)
Other Financing Sources/(Uses)				
Proceeds from issuance of debt	-	-	6,800,891	6,800,891
Sale of assets	-	-	28,500	28,500
Transfers in	949,803	8,547,561	2,427,099	11,924,463
Transfers out	(58,170)	-	(2,737,770)	(2,795,940)
Total other financing sources/(uses)	<u>891,633</u>	<u>8,547,561</u>	<u>6,518,720</u>	<u>15,957,914</u>
Excess (Deficiency) of Revenues and Sources Over Expenditures and Uses	2,430,973	248,362	(3,153,339)	(474,004)
Fund Balances at Beginning of Year	1,340,965	10,348,587	18,072,527	29,762,079
Restatement	-	-	1,108	1,108
Fund Balances at Beginning of Year (as restated)	<u>1,340,965</u>	<u>10,348,587</u>	<u>18,073,635</u>	<u>29,763,187</u>
FUND BALANCES AT END OF YEAR	<u>\$ 3,771,938</u>	<u>\$ 10,596,949</u>	<u>\$ 14,920,296</u>	<u>\$ 29,289,183</u>

NONMAJOR SPECIAL REVENUE FUNDS

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

ASSETS	FIRE DEPARTMENT INSURANCE	COMMUNITY DEVELOPMENT BLOCK GRANT	URBAN DEVELOPMENT ACTION GRANT	RENTAL REHAB	WATER CERTIFICATION	ADMINISTRATION
Cash and cash equivalents	\$ 199,212	\$ 1,031	\$ 54,640	\$ 104,450	\$ 7,968	\$ -
Accounts receivable	71	113,777	-	-	1,050	-
Due from other funds	35,900	280,450	-	200,123	-	26
Other assets	-	-	-	205,455	-	-
TOTAL ASSETS	\$ 235,183	\$ 395,258	\$ 54,640	\$ 510,028	\$ 9,018	\$ 26

LIABILITIES AND FUND BALANCE	Accounts and retainage payable	Deferred revenue	Other liabilities	Due to other funds	Total liabilities	Fund balance	Unreserved/undesignated (Deficit)	Total fund balance
Liabilities	\$ 27,933	-	-	9,500	37,433	197,750	-	197,750
Accounts and retainage payable	-	150	-	-	14,421	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	380,687	35,621	-	-	-
Total liabilities	-	-	-	395,258	348,713	-	-	-
Fund balance	-	-	-	-	-	19,019	-	19,019
Unreserved/undesignated (Deficit)	-	-	-	-	-	-	-	-
Total fund balance	-	-	-	-	-	161,315	-	161,315
TOTAL LIABILITIES AND FUND BALANCE	\$ 235,183	\$ 395,258	\$ 54,640	\$ 510,028	\$ 9,018	\$ 26	\$ -	\$ 9,018

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

ASSETS	LOUISIANA INCIDENT BASED REPORTING FUND					MARTIN LUTHER KING	BICYCLE TRAIL	CDBG HOME
	ECONOMIC DEVELOPMENT	EMERGENCY SHELTER						
Cash and cash equivalents	\$ 90,415	\$ -	\$ 2,120	\$ 4	\$ 4,666	\$ 17,571		
Accounts receivable	-	-	98,791	-	-	50,762		
Due from other funds	-	-	-	-	-	100,536		
Other assets	-	-	-	-	-	327,960		
TOTAL ASSETS	\$ 90,415	\$ -	\$ 100,911	\$ 4	\$ 4,666	\$ 496,829		

LIABILITIES AND FUND BALANCE	LOUISIANA INCIDENT BASED REPORTING FUND					MARTIN LUTHER KING	BICYCLE TRAIL	CDBG HOME
	ECONOMIC DEVELOPMENT	EMERGENCY SHELTER						
Accounts and retainage payable	\$ -	\$ -	\$ 96,776	\$ -	\$ -	\$ 25,862		
Deferred revenue	-	-	-	-	-	335,474		
Other liabilities	-	-	-	-	-	9,509		
Due to other funds	35,115	-	4,135	-	-	125,984		
Total liabilities	35,115	-	100,911	-	-	496,829		
Fund balance								
Unreserved/undesignated (Deficit)	55,300	-	-	4	4,666	-		
Total fund balance	55,300	-	-	4	4,666	-		
TOTAL LIABILITIES AND FUND BALANCE	\$ 90,415	\$ -	\$ 100,911	\$ 4	\$ 4,666	\$ 496,829		

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	MPD LAW ENFORCEMENT TRAINING	CDBG LOAN	CITY PROSECUTING ATTORNEY	MPD YOUTH	D.A.R.E. PROGRAM	FOLKLIFE FESTIVAL
ASSETS						
Cash and cash equivalents	\$ 177	\$ 33,383	\$ 35,453	\$ 1,672	\$ 35,874	\$ -
Accounts receivable	-	-	5,350	-	100	14,079
Due from other funds	-	139,264	-	-	-	-
Other assets	-	93,537	-	-	-	-
TOTAL ASSETS	\$ 177	\$ 266,184	\$ 40,803	\$ 1,672	\$ 35,974	\$ 14,079

	MPD LAW ENFORCEMENT TRAINING	CDBG LOAN	CITY PROSECUTING ATTORNEY	MPD YOUTH	D.A.R.E. PROGRAM	FOLKLIFE FESTIVAL
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts and retainage payable	\$ -	\$ -	\$ 4,012	\$ -	\$ -	\$ -
Deferred revenue	-	99,333	-	-	-	-
Other liabilities	-	31,506	-	-	-	-
Due to other funds	-	68,852	-	-	35,974	14,079
Total liabilities	-	199,691	4,012	-	35,974	14,079
Fund balance						
Unreserved/undesignated (Deficit)	177	66,493	36,791	1,672	-	-
Total fund balance	177	66,493	36,791	1,672	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 177	\$ 266,184	\$ 40,803	\$ 1,672	\$ 35,974	\$ 14,079

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

ASSETS	PRISONER HOUSING	JR TENNIS	DIVERSION PROGRAM	COMMUNITY REVITALIZATION PROGRAM	PROBLEM SOLVING GRANT	DRUG SEIZURE FORFEITURE
Cash and cash equivalents	\$ -	\$ 6,309	\$ 389,985	\$ 2,090	\$ 27,846	\$ -
Accounts receivable	6,550	-	-	-	-	-
Due from other funds	42,644	-	-	-	-	-
Other assets	-	-	-	-	-	-
TOTAL ASSETS	\$ 49,194	\$ 6,309	\$ 389,985	\$ 2,090	\$ 27,846	\$ -

LIABILITIES AND FUND BALANCE	PRISONER HOUSING	JR TENNIS	DIVERSION PROGRAM	COMMUNITY REVITALIZATION PROGRAM	PROBLEM SOLVING GRANT	DRUG SEIZURE FORFEITURE
Liabilities						
Accounts and retainage payable	\$ 49,194	\$ -	\$ 2,885	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	1,284
Total liabilities	49,194	-	2,885	-	-	1,284
Fund balance						
Unreserved/undesignated (Deficit)	-	6,309	387,100	2,090	27,846	(1,284)
Total fund balance	-	6,309	387,100	2,090	27,846	(1,284)
TOTAL LIABILITIES AND FUND BALANCE	\$ 49,194	\$ 6,309	\$ 389,985	\$ 2,090	\$ 27,846	\$ -

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	FRIENDS OF CITY EMPLOYEES	LITTER ABATEMENT PROGRAM	BROWNFIELDS STUDY PROGRAM	LAW ENFORCEMENT BLOCK GRANT 2002	CHINA DELEGATION TRIP	CHRISTMAS DISPLAY
Cash and cash equivalents	\$ 950	\$ 1,911	\$ -	\$ -	\$ 1,817	\$ 57
Accounts receivable	-	-	30,108	-	-	-
Due from other funds	-	-	-	258	-	-
Other assets	-	-	-	-	-	-
TOTAL ASSETS	\$ 950	\$ 1,911	\$ 30,108	\$ 258	\$ 1,817	\$ 57

	FRIENDS OF CITY EMPLOYEES	LITTER ABATEMENT PROGRAM	BROWNFIELDS STUDY PROGRAM	LAW ENFORCEMENT BLOCK GRANT 2002	CHINA DELEGATION TRIP	CHRISTMAS DISPLAY
TOTAL LIABILITIES AND FUND BALANCE	\$ 950	\$ 1,911	\$ 30,108	\$ 258	\$ 1,817	\$ 57

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	METRO SHARE GRANT PROGRAM	LAW ENFORCEMENT BLOCK GRANT 2003	PEER MEDIATION	LAW ENFORCEMENT BLOCK GRANT 2004	POLICE SALARY	FIRE SALARY
ASSETS						
Cash and cash equivalents	\$ 1,851	\$ 1,721	\$ 6,949	\$ 49,007	\$ 405,728	\$ 422,881
Accounts receivable	-	-	12,140	-	228,223	228,223
Due from other funds	-	-	-	5,684	130,128	100,000
Other assets	-	-	-	-	-	-
TOTAL ASSETS	\$ 1,851	\$ 1,721	\$ 19,089	\$ 54,691	\$ 764,079	\$ 751,104

LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts and retainage payable	\$ -	\$ 122	\$ 3,907	\$ -	\$ -	\$ -
Deferred revenue	-	1,250	6,949	48,835	-	-
Other liabilities	2,230	-	-	-	-	-
Due to other funds	-	-	3,591	-	32,736	-
Total liabilities	2,230	1,372	14,447	48,835	32,736	-
Fund balance						
Unreserved/undesignated (Deficit)	(379)	349	4,642	5,856	731,343	751,104
Total fund balance	(379)	349	4,642	5,856	731,343	751,104
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,851	\$ 1,721	\$ 19,089	\$ 54,691	\$ 764,079	\$ 751,104

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONCLUDED)
AS OF APRIL 30, 2005

	PTFA	TERRORISM PREVENTION	TOTAL
ASSETS			
Cash and cash equivalents	\$ 1,300,914	-	\$ 3,208,652
Accounts receivable	-	25,500	814,724
Due from other funds	-	-	1,035,013
Other assets	-	-	626,952
TOTAL ASSETS	\$ 1,300,914	\$ 25,500	\$ 5,685,341

LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts and retainage payable	-	\$ 25,500	\$ 250,612
Deferred revenue	-	-	697,987
Other liabilities	-	-	46,066
Due to other funds	-	-	918,738
Total liabilities	-	25,500	1,913,403
Fund balance	1,300,914	-	3,771,938
Unreserved/undesignated (Deficit)	1,300,914	-	3,771,938
Total fund balance	1,300,914	-	3,771,938
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,300,914	\$ 25,500	\$ 5,685,341

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005

	FIRE DEPARTMENT INSURANCE	COMMUNITY DEVELOPMENT BLOCK GRANT	URBAN DEVELOPMENT ACTION GRANT	RENTAL REHAB	WATER CERTIFICATION	ADMINISTRATION
REVENUES						
Sales taxes	-	-	-	-	-	-
Intergovernmental:						
Federal funds	66,610	1,130,653	-	-	-	-
State funds	152,605	-	-	-	3,750	-
Fees, charges and commissions for services	-	-	-	-	-	-
Fines and forfeitures	-	-	40	465	-	-
Rent and interest income	19,604	35,678	789	5,814	-	-
Other revenues	238,819	1,166,331	829	6,279	3,750	-
Total revenues						
	251,655	-	-	-	-	-
EXPENDITURES						
Current:						
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	8,380	-
Health and welfare	-	1,062,858	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	35,621	139,896	-	-
Capital Outlay	39,967	103,473	-	-	-	-
Total expenditures	291,622	1,166,331	35,621	139,896	8,380	-
	(52,803)	-	(34,792)	(133,617)	(4,630)	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)						
	(52,803)	-	(34,792)	(133,617)	(4,630)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES						
FUND BALANCE, beginning of year	250,553	-	53,811	294,932	13,648	-
FUND BALANCE, END OF YEAR	197,750	-	19,019	161,315	9,018	-

(Continued)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005

	ECONOMIC DEVELOPMENT	LOUISIANA INCIDENT BASED REPORTING	EMERGENCY SHELTER	MARTIN LUTHER KING	BICYCLE TRAIL	CDBG HOME
REVENUES						
Sales taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental						
Federal funds	-	-	191,250	-	-	789,934
State funds	-	-	-	-	-	-
Fees, charges and commissions for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Rent and interest income	-	-	-	-	-	9,056
Other revenues	-	-	-	745	-	26,488
Total revenues	-	-	191,250	745	-	825,478
EXPENDITURES						
Current:						
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Health and welfare	-	-	191,250	-	-	882,272
Culture and recreation	-	-	-	850	-	-
Economic development	35,115	-	-	-	-	-
Capital Outlay	-	-	-	-	-	1,546
Total expenditures	35,115	-	191,250	850	-	883,818
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(35,115)	-	-	(105)	-	(58,340)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(35,115)	-	-	(105)	-	(58,340)
FUND BALANCE, beginning of year	90,415	-	-	109	4,666	58,340
FUND BALANCE, END OF YEAR	55,300	\$ -	\$ -	4	4,666	\$ -

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005

	MPD LAW ENFORCEMENT TRAINING	CDBG LOAN	CITY PROSECUTING ATTORNEY	MPD YOUTH	D.A.R.E. PROGRAM	FOLKLIFE FESTIVAL
REVENUES						
Sales taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Federal funds	-	-	-	-	39,068	15,574
State funds	-	-	-	-	-	-
Fees, charges and commissions for services	-	-	16,325	-	-	35,572
Fines and forfeitures	-	-	-	-	-	550
Rent and interest income	-	3,439	-	-	-	-
Other revenues	-	13,054	-	640	780	26,805
Total revenues	-	16,493	16,325	640	39,848	78,501
EXPENDITURES						
Current:						
Public safety	-	-	-	2,115	39,848	-
Public works	-	-	-	-	-	-
Health and welfare	-	68,853	-	-	-	-
Culture and recreation	-	-	-	-	-	198,525
Economic development	-	-	-	-	-	-
Capital Outlay	-	-	3,245	-	-	-
Total expenditures	-	68,853	3,245	2,115	39,848	198,525
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(52,360)	13,080	(1,475)	-	(120,024)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	120,024
Transfers out	-	-	(5,500)	-	-	-
Total other financing sources (uses)	-	-	(5,500)	-	-	120,024
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	(52,360)	7,580	(1,475)	-	-
FUND BALANCE, beginning of year	177	118,853	29,211	3,147	-	-
FUND BALANCE, END OF YEAR	177	66,493	36,791	1,672	-	-

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005

	PRISONER HOUSING	JR TENNIS	DIVERSION PROGRAM	COMMUNITY REVITALIZATION PROGRAM	PROBLEM SOLVING GRANT	DRUG SEIZURE FORFEITURE
REVENUES						
Sales taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Federal funds	-	-	-	-	-	-
State funds	-	-	-	-	-	-
Fees, charges and commissions for services	-	-	102,200	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Rent and interest income	-	-	-	-	-	-
Other revenues	77,160	-	-	-	-	1,000
Total revenues	77,160	-	102,200	-	-	1,000
EXPENDITURES						
Current:						
Public safety	901,513	-	78,785	-	-	-
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital Outlay	-	-	229	-	-	-
Total expenditures	901,513	-	79,014	-	-	-
	(824,353)	-	23,186	-	-	1,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
	824,353	-	(19,481)	-	-	-
	824,353	-	(19,481)	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(19,481)	-	-	-
Total other financing sources (uses)	-	-	(19,481)	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES						
	-	-	3,705	-	-	1,000
FUND BALANCE, beginning of year		6,309	383,395	2,090	27,846	(2,284)
FUND BALANCE, END OF YEAR		6,309	387,100	2,090	27,846	(1,284)

(Continued)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005

	FRIENDS OF CITY EMPLOYEES	LITTER ABATEMENT PROGRAM	BROWNFIELDS STUDY PROGRAM	LAW ENFORCEMENT BLOCK GRANT 2002	CHINA DELEGATION TRIP	CHRISTMAS DISPLAY
REVENUES						
Sales taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental						
Federal funds	-	-	45,079	74,553	-	-
State funds	-	-	-	-	-	-
Fees, charges and commissions for services	-	-	-	-	-	14,653
Fines and forfeitures	-	-	-	-	-	-
Rent and interest income	-	-	-	114	-	-
Other revenues	1,550	-	-	-	-	-
Total revenues	1,550	-	45,079	74,667	-	14,653
EXPENDITURES						
Current:						
Public safety	-	-	-	61,051	-	-
Public works	-	-	20,079	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	1,891	-	-	-	-	6,407
Economic development	-	-	-	-	-	-
Capital Outlay	-	-	-	15,615	-	-
Total expenditures	1,891	-	20,079	76,666	-	6,407
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(341)	-	25,000	(1,999)	-	8,246
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(25,000)	-	-	(8,189)
Total other financing sources (uses)	-	-	(25,000)	-	-	(8,189)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(341)	-	-	(1,999)	-	57
FUND BALANCE, beginning of year	399	1,911	-	1,999	1,817	-
FUND BALANCE, END OF YEAR	\$ 58	\$ 1,911	\$ -	\$ -	\$ 1,817	\$ 57

(Continued)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005

	METRO SHARE GRANT PROGRAM	LAW ENFORCEMENT BLOCK GRANT 2003	PEER MEDIATION	LAW ENFORCEMENT BLOCK GRANT 2004	POLICE SALARY SALES TAX	FIRE SALARY SALES TAX
REVENUES						
Sales taxes	- \$	- \$	- \$	- \$	935,319 \$	935,319
Intergovernmental						
Federal funds		29,657	14,799	-		
State funds		-	-	-		
Fees, charges and commissions for services		-	-	-		
Fines and forfeitures		-	-	-		
Rent and interest income		349	-	430	124	127
Other revenues		-	-	-		
Total revenues	-	30,006	14,799	430	935,443	935,446
EXPENDITURES						
Current:						
Public safety		19,836	10,157	-	204,100	184,342
Health and welfare		-	-	-		
Culture and recreation		-	-	-		
Economic development		-	-	-		
Capital Outlay		9,821	-	-		
Total expenditures		29,657	10,157	-	204,100	184,342
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
	-	349	4,642	430	731,343	751,104
OTHER FINANCING SOURCES (USES)						
Transfers in		-	-	5,426		
Transfers out		-	-	-		
Total other financing sources (uses)		-	-	5,426		
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES						
	-	349	4,642	5,856	731,343	751,104
FUND BALANCE, beginning of year	(379)	-	-	-	-	-
FUND BALANCE, END OF YEAR	(379) \$	349 \$	4,642 \$	5,856 \$	731,343 \$	751,104 \$

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE (CONCLUDED)
FOR THE YEAR ENDED APRIL 30, 2005

	PTFA	TERRORISM PREVENTION	TOTAL
REVENUES			
Sales taxes	-	-	1,870,638
Intergovernmental			
Federal funds		25,500	2,422,677
State funds			152,605
Fees, charges and commissions for services			156,175
Fines and forfeitures			16,875
Rent and interest income	914		15,058
Other revenues	1,300,000		1,510,107
Total revenues	1,300,914	25,500	6,144,135
EXPENDITURES			
Current:			
Public safety			1,753,402
Public works			20,079
Health and welfare			2,213,613
Culture and recreation			207,673
Economic development			210,632
Capital Outlay		25,500	199,396
Total expenditures		25,500	4,604,795
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,300,914	-	1,539,340
OTHER FINANCING SOURCES (USES)			
Transfers in			949,803
Transfers out			(58,170)
Total other financing sources (uses)			891,633
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	1,300,914	-	2,430,973
FUND BALANCE, beginning of year			1,340,965
FUND BALANCE, END OF YEAR	1,300,914	-	3,771,938

NONMAJOR DEBT SERVICE FUNDS

CITY OF MONROE
Monroe, Louisiana
NONMAJOR DEBT SERVICE FUNDS

COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	ASSETS			Total Assets
	Cash and Investments	Assessments, Taxes and Other Receivables	Due from Other Funds	
CITY COURT AND JAIL IMPROVEMENTS	\$ 149,070	\$ 8,913	\$ -	\$ 157,983
STREET ASSESSMENTS	1,480	-	-	1,480
URBAN SYSTEMS ASSESSMENT	2,136	-	-	2,136
1988 STREET OVERLAY - PHASE I	11,886	-	-	11,886
1988 STREET OVERLAY - PHASE II	3,585	-	-	3,585
URBAN SYSTEMS ORDINANCE 9432	-	8,466	-	8,466
HUNTINGTON PARK SEWER ASSESSMENTS	-	-	-	-
TOWER DRIVE DEVELOPMENT DISTRICT	483,211	260,886	43,134	787,231
I-20 ECONOMIC DEVELOPMENT DISTRICT	3,715,605	463,125	311,076	4,489,806
SALES TAX BOND DEBT SERVICE	5,736,319	-	-	5,736,319
POLICE & FIRE PENSION MERGER	97,565	-	-	97,565
TOTALS APRIL 30, 2005	<u>\$ 10,200,857</u>	<u>\$ 741,390</u>	<u>\$ 354,210</u>	<u>\$ 11,296,457</u>

LIABILITIES				Fund Balance Reserved for Debt Service	Total Liabilities and Fund Equity
Accrued Expenses	Deferred Revenue	Due to Other Funds	Total Liabilities		
\$ -	\$ 8,913	-	\$ 8,913	\$ 149,070	\$ 157,983
-	-	-	-	1,480	1,480
-	836	-	836	1,300	2,136
-	8,822	-	8,822	3,064	11,886
-	3,251	-	3,251	334	3,585
-	5,464	2,481	7,945	521	8,466
-	-	-	-	-	-
-	-	2,100	2,100	785,131	787,231
-	-	-	-	4,489,806	4,489,806
660,641	-	-	660,641	5,075,678	5,736,319
-	-	7,000	7,000	90,565	97,565
<u>\$ 660,641</u>	<u>\$ 27,286</u>	<u>11,581</u>	<u>\$ 699,508</u>	<u>\$ 10,596,949</u>	<u>\$ 11,296,457</u>

CITY OF MONROE
Monroe, Louisiana
NONMAJOR DEBT SERVICE FUNDS

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005**

	Revenues		Expenditures	
	Assessments and Taxes Collected	Interest Income	Certificates and Bonds Retired	Interest and Fiscal Charges
CITY COURT AND JAIL IMPROVEMENTS	\$ 219,554	\$ 265	\$ 140,000	\$ 21,270
STREET ASSESSMENTS	-	-	-	-
URBAN SYSTEMS ASSESSMENT	-	-	-	-
1988 STREET OVERLAY - PHASE I	129	94	-	-
1988 STREET OVERLAY - PHASE II	-	-	-	-
URBAN SYSTEMS ORDINANCE 9432	459	62	-	-
HUNTINGTON PARK SEWER ASSESSMENTS	-	-	60,366	4,575
TOWER DRIVE DEVELOPMENT DISTRICT	1,182,256	7,885	625,000	336,840
I-20 ECONOMIC DEVELOPMENT DISTRICT	2,257,152	35,368	725,000	627,474
SALES TAX BOND DEBT SERVICE	-	88,667	3,360,000	5,359,018
POLICE & FIRE PENSION MERGER	-	488	575,000	257,035
TOTALS APRIL 30, 2005	\$ 3,659,550	\$ 132,829	\$ 5,485,366	\$ 6,606,212

Assessments and Taxes Collected

Ad Valorem taxes	\$ 219,554
Sales taxes	3,439,408
Assessments	588
Total Assessments and Taxes Collected	\$ 3,659,550

Transfers In (Out)	Excess (Deficiency) of Revenues Over Expenditures	Fund Balance	
		Beginning of Year	End of Year
\$ -	\$ 58,549	\$ 90,521	\$ 149,070
-	-	1,480	1,480
-	-	1,300	1,300
-	223	2,841	3,064
-	-	334	334
-	521	-	521
54,522	(10,419)	10,419	-
(1,017,969)	(789,668)	1,574,799	785,131
5,119	945,165	3,544,641	4,489,806
8,687,251	56,900	5,018,778	5,075,678
<u>818,638</u>	<u>(12,909)</u>	<u>103,474</u>	<u>90,565</u>
<u>\$ 8,547,561</u>	<u>\$ 248,362</u>	<u>\$ 10,348,587</u>	<u>\$ 10,596,949</u>

NONMAJOR CAPITAL PROJECTS FUNDS

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	1-20 CORRIDOR IMPROVEMENTS	FTA CAPITAL GRANTS	LOUISIANA ECONOMIC DEVELOPMENT	N. 18TH STREET EXTENSION	KANSAS LANE IMPROVEMENTS
ASSETS					
Cash and cash equivalents	7,038,997	17,558	-	241,860	218,245
Investments, at cost	-	-	-	-	-
Accounts receivable	2,507	-	381,780	-	-
Due from other funds	-	2,144	-	-	-
Advances to other funds	-	-	-	-	-
Prepaid expenses and other assets, net	356,995	-	-	-	-
TOTAL ASSETS	7,398,499	19,702	381,780	241,860	218,245

LIABILITIES AND FUND BALANCE

Liabilities					
Accounts and retainage payable	212,039	-	32,935	-	-
Due to other funds	276,625	-	348,845	106,215	-
Total liabilities	488,664	-	381,780	106,215	-
Fund balance (Deficit)					
Reserved for:					
Capital improvement	6,909,835	-	-	-	-
Advances to other funds	-	-	-	-	-
Unreserved/undesignated	-	19,702	-	135,645	218,245
Total fund balance (Deficit)	6,909,835	19,702	-	135,645	218,245
TOTAL LIABILITIES AND FUND BALANCE	7,398,499	19,702	381,780	241,860	218,245

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	AIRPORT	AIRPORT	AIRPORT	AIRPORT	PHASE III	AIRPORT
	TAXIWAY C RECONSTRUCTION	PARKING APRON RENOVATIONS	DRAINAGE RENOVATIONS	AIR INDUSTRIAL PARK	AIRPORT DRAINAGE CANAL	
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	2,100
Investments, at cost	-	-	-	-	-	-
Accounts receivable	7,785	-	131,047	993,436	-	-
Due from other funds	460	1,194	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Prepaid expenses and other assets, net	-	-	-	-	-	-
TOTAL ASSETS	\$ 8,245	\$ 1,194	\$ 131,047	\$ 993,436	\$ -	\$ 2,100

LIABILITIES AND FUND BALANCE

Liabilities						
Accounts and retainage payable	\$ -	\$ -	\$ -	\$ -	\$ -	-
Due to other funds	8,245	1,194	131,047	993,436	-	2,100
Total liabilities	8,245	1,194	131,047	993,436	-	2,100
Fund balance (Deficit)						
Reserved for:						
Capital improvement	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Unreserved/undesignated	-	-	-	-	-	-
Total fund balance (Deficit)	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 8,245	\$ 1,194	\$ 131,047	\$ 993,436	\$ -	\$ 2,100

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	DEMOLITION OF PROPERTY	TOWER DRIVE	EAST PARKVIEW FLOOD CONTROL	FORSYTHE/ CHAUVIN FLOOD	BELOTT/ SPENCER STORM DRAIN
ASSETS					
Cash and cash equivalents	\$ 24,651	\$ 109,374	\$ -	\$ -	\$ 59,222
Investments, at cost	-	-	-	-	-
Accounts receivable	1,369	-	291,171	11,897	31,363
Due from other funds	-	-	-	241,919	-
Advances to other funds	-	-	-	-	-
Prepaid expenses and other assets, net	-	-	-	-	-
TOTAL ASSETS	\$ 26,020	\$ 109,374	\$ 291,171	\$ 253,816	\$ 90,585

LIABILITIES AND FUND BALANCE

Liabilities					
Accounts and retainage payable	\$ 430	\$ 6,624	\$ -	\$ -	\$ -
Due to other funds	-	102,750	-	-	-
Total liabilities	430	1,134,583	-	-	-
Fund balance (Deficit)					
Reserved for:					
Capital improvement	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Unreserved/undesignated	25,590	-	291,171	253,816	90,585
Total fund balance (Deficit)	25,590	-	291,171	253,816	90,585
TOTAL LIABILITIES AND FUND BALANCE	\$ 26,020	\$ 109,374	\$ 291,171	\$ 253,816	\$ 90,585

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

ASSETS	AIRPORT INDUSTRIAL PARK	CHASE RECORD STORAGE FACILITY	DOWNTOWN ECONOMIC DEVELOPMENT	KANSAS LANE SERVICE ROAD	INFRASTRUCTURE
Cash and cash equivalents	36,863	-	-	-	-
Investments, at cost	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Due from other funds	-	164,714	68,140	453,903	99,984
Advance to other funds	220,000	-	-	-	-
Prepaid expenses and other assets, net	-	-	-	-	-
TOTAL ASSETS	256,863	164,714	68,140	453,903	99,984

LIABILITIES AND FUND BALANCE

Liabilities	\$	-	-	-	-
Accounts and retainage payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	-	-	-	-	-
Fund balance (Deficit)	-	-	-	-	-
Reserved for:					
Capital improvement	-	-	-	-	-
Advances to other funds	220,000	-	-	-	-
Unreserved/undesignated	36,863	164,714	68,140	453,903	99,984
Total fund balance (Deficit)	256,863	164,714	68,140	453,903	99,984
TOTAL LIABILITIES AND FUND BALANCE	\$	256,863	164,714	453,903	99,984

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	STREET IMP. AIRPORT IND PARK	SWIMMING POOLS RENOVATIONS	WPCC IMPROVEMENTS	PUMP STATION IMPROVEMENT	WATER SYSTEM IMPROVEMENTS PHASE I
ASSETS					
Cash and cash equivalents	-	-	331,045	88,723	35,567
Investments, at cost	-	-	-	-	-
Accounts receivable	560	-	-	-	-
Due from other funds	481,638	110,394	-	1,116,480	-
Advances to other funds	-	-	-	-	-
Prepaid expenses and other assets, net	-	-	-	-	-
TOTAL ASSETS	482,198	110,394	331,045	1,205,203	35,567

LIABILITIES AND FUND BALANCE

Liabilities					
Accounts and retainage payable	-	-	-	777,897	-
Due to other funds	560	100,000	30,192	586,602	-
Total liabilities	560	100,000	30,192	1,364,499	-
Fund balance (Deficit)					
Reserved for:					
Capital improvement	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Unreserved/undesignated	481,638	10,394	300,853	(159,296)	35,567
Total fund balance (Deficit)	481,638	10,394	300,853	(159,296)	35,567
TOTAL LIABILITIES AND FUND BALANCE	482,198	110,394	331,045	1,205,203	35,567

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	ASSET MANAGEMENT SYSTEM	DIGESTER UPSTREAM	FIRE/ DRAINAGE IMPROVEMENTS	RIVERFRONT PROJECT	PASSENGER FACILITY CHARGE
ASSETS					
Cash and cash equivalents	\$ -	273,181 \$	645,312 \$	- \$	327,779
Investments, at cost	-	-	1,493,905	-	-
Accounts receivable	-	-	3,047	-	84,533
Due from other funds	-	2,394,439	-	352,684	-
Advances to other funds	-	-	-	-	-
Prepaid expenses and other assets, net	-	-	-	-	-
TOTAL ASSETS	\$ -	2,667,620 \$	2,142,264 \$	352,684 \$	412,312

LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts and retainage payable	\$ -	- \$	140,805 \$	- \$	2,305
Due to other funds	31,676	2,211,339	-	352,684	-
Total liabilities	31,676	2,211,339	140,805	352,684	2,305
Fund balance (Deficit)					
Reserved for:					
Capital improvement	-	-	2,001,459	-	410,007
Advances to other funds	-	-	-	-	-
Unreserved/undesignated	(31,676)	456,281	-	-	-
Total fund balance (Deficit)	(31,676)	456,281	2,001,459	-	410,007
TOTAL LIABILITIES AND FUND BALANCE	\$ -	2,667,620 \$	2,142,264 \$	352,684 \$	412,312

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	RECREATIONAL CENTER	RIVER OAKS COMMUNITY PARK	ZOO INTERACTIVE EXHIBIT	FORSYTHE PARK TENNIS COURTS	REHAB AIRFIELD LIGHTING
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 6,247	\$ -
Investments, at cost	-	-	-	-	-
Accounts receivable	85,423	63,503	52,450	-	60,314
Due from other funds	-	117,192	-	16,559	16,283
Advances to other funds	-	-	-	-	-
Prepaid expenses and other assets, net	-	-	-	-	-
TOTAL ASSETS	\$ 85,423	\$ 180,695	\$ 52,450	\$ 22,806	\$ 76,597

LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts and retainage payable	\$ -	\$ 15,240	\$ -	\$ 22,806	\$ 18,489
Due to other funds	85,423	165,455	52,450	-	55,933
Total liabilities	85,423	180,695	52,450	22,806	74,422
Fund balance (Deficit)					
Reserved for:					
Capital improvement	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Unreserved/undesignated	-	-	-	-	2,175
Total fund balance (Deficit)	-	-	-	-	2,175
TOTAL LIABILITIES AND FUND BALANCE	\$ 85,423	\$ 180,695	\$ 52,450	\$ 22,806	\$ 76,597

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET (CONCLUDED)
AS OF APRIL 30, 2005

	MASUR MUSEUM RENOVATIONS	CIVIC CENTER ROOF	TOTAL
ASSETS			
Cash and cash equivalents	-	-	9,456,724
Investments, at cost	-	-	1,493,905
Accounts receivable	60,511	-	1,886,102
Due from other funds	-	2,424,701	8,439,422
Advances to other funds	-	-	220,000
Prepaid expenses and other assets, net	-	-	356,995
TOTAL ASSETS	60,511 \$	2,424,701 \$	21,853,148
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts and retainage payable	44,228 \$	-	1,273,798
Due to other funds	16,283	-	5,659,054
Total liabilities	60,511	-	6,932,852
Fund balance (Deficit)			
Reserved for:			
Capital improvement	-	2,424,701	11,746,002
Advances to other funds	-	-	220,000
Unreserved/undesignated	-	-	2,954,294
Total fund balance (Deficit)	-	2,424,701	14,920,296
TOTAL LIABILITIES AND FUND BALANCE	60,511 \$	2,424,701 \$	21,853,148

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005

	I-20 CORRIDOR IMPROVEMENTS	FTA CAPITAL GRANTS	LOUISIANA ECONOMIC DEVELOPMENT	N. 18TH STREET EXTENSION	KANSAS LANE
REVENUES					
Intergovernmental:					
Federal funds	-	-	-	-	-
State funds	-	-	381,780	-	-
Fees, charges, and commissions	-	-	-	-	-
Rent and interest income	82,771	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	<u>82,771</u>	<u>-</u>	<u>381,780</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Capital Outlay	3,480,184	-	381,780	3,600	-
Total expenditures	<u>3,480,184</u>	<u>-</u>	<u>381,780</u>	<u>3,600</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(3,397,413)</u>	<u>-</u>	<u>-</u>	<u>(3,600)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of long-term debt	-	-	-	-	-
Sale of assets	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	<u>(64,978)</u>	<u>-</u>	<u>-</u>	<u>(102,615)</u>	<u>-</u>
Total other financing sources (uses)	<u>(64,978)</u>	<u>-</u>	<u>-</u>	<u>(102,615)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(3,462,391)</u>	<u>-</u>	<u>-</u>	<u>(106,215)</u>	<u>-</u>
FUND BALANCE (DEFICIT), beginning of year	10,372,226	19,702	-	241,860	218,245
Prior period adjustments	-	-	-	-	-
FUND BALANCE (DEFICIT), as restated	<u>10,372,226</u>	<u>19,702</u>	<u>-</u>	<u>241,860</u>	<u>218,245</u>
FUND BALANCE (DEFICIT) END OF YEAR	<u>\$ 6,909,835</u>	<u>\$ 19,702</u>	<u>\$ -</u>	<u>\$ 135,645</u>	<u>\$ 218,245</u>

(Continued)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005

	AIRPORT TAXIWAY C RECONSTRUCTION	AIRPORT PARKING APRON RENOVATIONS	AIRPORT DRAINAGE RENOVATIONS	PHASE III AIR INDUSTRIAL PARK	AIRPORT DRAINAGE CANAL
REVENUES					
Intergovernmental:					
Federal funds	\$ 21,497	\$ 36,392	\$ -	\$ -	\$ -
State funds	-	2,060	24,192	843,436	-
Fees, charges, and commissions	-	-	-	-	-
Rent and interest income	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	<u>21,497</u>	<u>38,452</u>	<u>24,192</u>	<u>843,436</u>	<u>-</u>
EXPENDITURES					
Capital Outlay	30	3,710	24,192	270,601	-
Total expenditures	<u>30</u>	<u>3,710</u>	<u>24,192</u>	<u>270,601</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>21,467</u>	<u>34,742</u>	<u>-</u>	<u>572,835</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of long-term debt	-	-	-	-	-
Sale of assets	-	-	-	-	-
Transfers in	460	-	-	-	-
Transfers out	-	-	-	(572,835)	-
Total other financing sources (uses)	<u>460</u>	<u>-</u>	<u>-</u>	<u>(572,835)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>21,927</u>	<u>34,742</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT), beginning of year	(21,927)	(34,742)	-	-	-
Prior period adjustment	-	-	-	-	-
FUND BALANCE (DEFICIT), as restated	<u>(21,927)</u>	<u>(34,742)</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT) END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

CITY OF MONROE
Monroe, Louisiana

**NONMAJOR CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005**

	DEMOLITION OF PROPERTY	TOWER DRIVE	EAST PARKVIEW FLOOD CONTROL	FORSYTHE/ CHAUVIN FLOOD	BELOIT/ SPENCER STORM DRAIN
REVENUES					
Intergovernmental:					
Federal funds	\$ -	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-	-
Fees, charges, and commissions	-	-	-	-	-
Rent and interest income	-	2,178	-	-	-
Other revenues	17,307	-	-	-	-
Total revenues	17,307	2,178	-	-	-
EXPENDITURES					
Capital Outlay	3,573	168,884	-	-	-
Total expenditures	3,573	168,884	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	13,734	(166,706)	-	-	-
OTHER FINANCING SOURCES (USES)					
Proceeds from long-term debt	-	-	-	-	-
Sale of assets	-	-	-	-	-
Transfers in	-	1,088,743	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	1,088,743	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	13,734	922,037	-	-	-
FUND BALANCE (DEFICIT), beginning of year	11,856	(922,037)	291,171	253,816	90,585
Prior period adjustments	-	-	-	-	-
FUND BALANCE (DEFICIT), as restated	11,856	(922,037)	291,171	253,816	90,585
FUND BALANCE (DEFICIT) END OF YEAR	\$ 25,990	\$ -	\$ 291,171	\$ 253,816	\$ 90,585

(Continued)

CITY OF MONROE
Monroe, Louisiana

NONMAJOR CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005

	AIRPORT INDUSTRIAL PARK	CHASE RECORD STORAGE FACILITY	DOWNTOWN ECONOMIC DEVELOPMENT	KANSAS LANE SERVICE ROAD	INFRASTRUCTURE
REVENUES					
Intergovernmental:					
Federal funds	\$ -	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-	-
Fees, charges, and commissions	-	-	-	-	-
Rent and interest income	414	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	414	-	-	-	-
EXPENDITURES					
Capital Outlay	19,670	-	445	-	-
Total expenditures	19,670	-	445	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(19,256)	-	(445)	-	-
OTHER FINANCING SOURCES (USES)					
Proceeds from long-term debt	-	-	-	-	-
Sale of assets	28,500	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	28,500	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	9,244	-	(445)	-	-
FUND BALANCE (DEFICIT), beginning of year	247,619	164,714	68,585	453,903	99,984
Prior period adjustment	-	-	-	-	-
FUND BALANCE (DEFICIT), as restated	247,619	164,714	68,585	453,903	99,984
FUND BALANCE (DEFICIT) END OF YEAR	256,863	164,714	68,140	453,903	99,984

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005

	STREET IMP. AIRPORT IND PARK	SWIMMING POOLS RENOVATIONS	WPCC IMPROVEMENTS	PUMP STATION IMPROVEMENT	WATER SYSTEM IMPROVEMENTS PHASE I
REVENUES					
Intergovernmental:					
Federal funds	\$ -	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-	-
Fees, charges, and commissions	-	-	-	-	-
Rent and interest income	-	-	7,438	-	-
Other revenues	-	-	-	-	-
Total revenues	-	-	7,438	-	-
EXPENDITURES					
Capital Outlay	-	243,493	39,619	311,495	156,669
Total expenditures	-	243,493	39,619	311,495	156,669
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(243,493)	(32,181)	(311,495)	(156,669)
OTHER FINANCING SOURCES (USES)					
Proceeds from long-term debt	-	-	14,586	165,511	-
Sale of assets	-	-	-	-	-
Transfers in	-	-	321,430	111,153	269,871
Transfers out	-	(100,000)	(313,571)	(124,465)	(77,635)
Total other financing sources (uses)	-	(100,000)	22,445	152,199	192,236
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	(343,493)	(9,736)	(159,296)	35,567
FUND BALANCE (DEFICIT), beginning of year	481,638	353,887	310,589	-	-
Prior period adjustment	-	-	-	-	-
FUND BALANCE (DEFICIT), as restated	481,638	353,887	310,589	-	-
FUND BALANCE (DEFICIT) END OF YEAR	\$ 481,638	\$ 10,394	\$ 300,853	\$ (159,296)	\$ 35,567

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005

	ASSET MANAGEMENT SYSTEM	DIGESTER UPSTREAM	FIRE/ DRAINAGE IMPROVEMENTS	RIVERFRONT PROJECT	PASSENGER FACILITY CHARGE
REVENUES					
Intergovernmental:					
Federal funds	\$ -	\$ -	\$ -	\$ -	\$ -
State funds	-	-	14,881	-	-
Fees, charges, and commissions	-	-	-	-	470,638
Rent and interest income	-	249	59,536	-	1,436
Other revenues	-	-	-	-	-
Total revenues	-	249	74,417	-	472,074
EXPENDITURES					
Capital Outlay	235,512	2,917,660	2,756,896	-	362,621
Total expenditures	235,512	2,917,660	2,756,896	-	362,621
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(235,512)	(2,917,411)	(2,682,479)	-	109,453
OTHER FINANCING SOURCES (USES)					
Proceeds from long-term debt	825	4,069,969	-	-	-
Sale of assets	-	-	-	-	-
Transfers in	282,927	138,394	-	-	-
Transfers out	(79,916)	(834,671)	(467,084)	-	-
Total other financing sources (uses)	203,836	3,373,692	(467,084)	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(31,676)	456,281	(3,149,563)	-	109,453
FUND BALANCE (DEFICIT), beginning of year					
Prior period adjustment	-	-	5,151,022	-	221,831
FUND BALANCE (DEFICIT), as restated	-	-	5,151,022	-	78,723
FUND BALANCE (DEFICIT) END OF YEAR	(31,676)	456,281	2,001,459	\$ -	410,007

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED APRIL 30, 2005

	RECREATIONAL CENTER	RIVER OAKS COMMUNITY PARK	ZOO INTERACTIVE EXHIBIT	FORSYTHE PARK TENNIS COURTS	REHAB AIRFIELD LIGHTING
REVENUES					
Intergovernmental:					
Federal funds	\$ 18,492	\$ -	\$ -	\$ -	\$ 57,008
State funds	-	-	18,000	-	5,771
Fees, charges, and commissions	-	-	-	-	-
Rent and interest income	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	18,492	-	18,000	-	62,779
EXPENDITURES					
Capital Outlay	101,915	39,577	18,000	-	60,604
Total expenditures	101,915	39,577	18,000	-	60,604
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(83,423)	(39,577)	-	-	2,175
OTHER FINANCING SOURCES (USES)					
Proceeds from long-term debt	-	-	-	-	-
Sale of assets	-	-	-	-	-
Transfers in	85,423	117,192	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	85,423	117,192	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	2,000	77,615	-	-	2,175
FUND BALANCE (DEFICIT), beginning of year	(2,000)	-	-	-	-
Prior period adjustment	-	(77,615)	-	-	-
FUND BALANCE (DEFICIT), as restated	(2,000)	(77,615)	-	-	-
FUND BALANCE (DEFICIT) END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ 2,175

(Continued)

CITY OF MONROE
Monroe, Louisiana
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE (CONCLUDED)
FOR THE YEAR ENDED APRIL 30, 2005

	MASUR MUSEUM RENOVATIONS	CIVIC CENTER ROOF	TOTAL
REVENUES			
Intergovernmental			
Federal funds			
State funds	60,511	-	133,389
Fees, charges, and commissions	-	-	1,350,631
Rent and interest income	-	-	470,638
Other revenues	-	-	154,022
Total revenues	60,511	-	17,307
			2,125,987
EXPENDITURES			
Capital Outlay	72,017	125,299	11,798,046
Total expenditures	72,017	125,299	11,798,046
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(11,506)	(125,299)	(9,672,059)
OTHER FINANCING SOURCES (USES)			
Proceeds from long-term debt	-	2,550,000	6,800,891
Sale of assets	-	-	28,500
Transfers in	11,506	-	2,427,099
Transfers out	-	-	(2,737,770)
Total other financing sources (uses)	11,506	2,550,000	6,518,720
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	2,424,701	(3,153,339)
FUND BALANCE (DEFICIT), beginning of year	-	-	18,072,527
Prior period adjustment	-	-	1,108
FUND BALANCE (DEFICIT), as restated	-	-	18,073,635
FUND BALANCE (DEFICIT) END OF YEAR	-	2,424,701	14,920,296

NONMAJOR ENTERPRISE FUNDS

CITY OF MONROE
Monroe, Louisiana
NONMAJOR ENTERPRISE FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	<u>MONROE TRANSIT SYSTEM</u>	<u>LOUISIANA PURCHASE GARDENS AND ZOO</u>	<u>LIVESTOCK ARENA</u>	<u>TOTAL NONMAJOR ENTERPRISE FUNDS</u>
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 1,000	\$ 2,500	\$ -	\$ 3,500
Accounts receivable, net	25,245	-	-	25,245
Due from other funds	-	-	865	865
Ad valorem taxes receivable	-	36,694	-	36,694
Inventories	135,610	-	-	135,610
Prepaid expenses	-	8,447	-	8,447
Total current assets	<u>161,855</u>	<u>47,641</u>	<u>865</u>	<u>210,361</u>
Capital Assets:				
Non-depreciable	148,239	-	-	148,239
Zoo animals	-	113,250	-	113,250
Depreciable	6,422,714	3,443,341	583,492	10,449,547
Total capital assets	<u>6,570,953</u>	<u>3,556,591</u>	<u>583,492</u>	<u>10,711,036</u>
Accumulated depreciation	(4,292,933)	(2,378,874)	(501,409)	(7,173,216)
Net capital assets	<u>2,278,020</u>	<u>1,177,717</u>	<u>82,083</u>	<u>3,537,820</u>
TOTAL ASSETS	<u>\$ 2,439,875</u>	<u>\$ 1,225,358</u>	<u>\$ 82,948</u>	<u>\$ 3,748,181</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Current liabilities:				
Accounts and retainage payable	\$ 44,303	\$ 35,919	\$ 984	\$ 81,206
Due to other funds	2,284	-	-	2,284
Deferred revenue	-	36,916	688	37,604
Total current liabilities	<u>46,587</u>	<u>72,835</u>	<u>1,672</u>	<u>121,094</u>
Long-term liabilities:				
Compensated absences	222,739	107,065	-	329,804
Total liabilities	<u>269,326</u>	<u>179,900</u>	<u>1,672</u>	<u>450,898</u>
Fund equity:				
Invested in capital assets, net of related debt	2,278,020	1,177,717	82,083	3,537,820
Retained earnings (deficit):				
Unreserved	(107,471)	(132,259)	(807)	(240,537)
Total fund equity	<u>2,170,549</u>	<u>1,045,458</u>	<u>81,276</u>	<u>3,297,283</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 2,439,875</u>	<u>\$ 1,225,358</u>	<u>\$ 82,948</u>	<u>\$ 3,748,181</u>

CITY OF MONROE
Monroe, Louisiana
NONMAJOR ENTERPRISE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED APRIL 30, 2005

	MONROE TRANSIT SYSTEM	LOUISIANA PURCHASE GARDENS AND ZOO	LIVESTOCK ARENA	TOTAL
OPERATING REVENUES				
Charges for services:				
Fares	\$ 423,785	\$ -	\$ -	\$ 423,785
Advertising	7,484	-	-	7,484
Admissions	-	214,673	-	214,673
Concessions and rides	-	112,399	-	112,399
Rentals	-	-	11,901	11,901
Total charges for services	<u>431,269</u>	<u>327,072</u>	<u>11,901</u>	<u>770,242</u>
Other operating revenue	15,193	21,711	-	36,904
Total operating revenue	<u>446,462</u>	<u>348,783</u>	<u>11,901</u>	<u>807,146</u>
OPERATING EXPENSES				
Salaries, wages and benefits	1,685,966	1,005,144	-	2,691,110
Materials, repairs and supplies	563,835	258,963	835	823,633
Utilities and communications	63,569	86,492	13,428	163,489
Depreciation and amortization	566,417	116,136	29,713	712,266
Insurance	221,290	26,160	-	247,450
Promoter's expenses	-	17,859	-	17,859
Other operating expenses	127,638	157,594	-	285,232
Total operating expenses	<u>3,228,715</u>	<u>1,668,348</u>	<u>43,976</u>	<u>4,941,039</u>
OPERATING INCOME (LOSS)	(2,782,253)	(1,319,565)	(32,075)	(4,133,893)
NONOPERATING REVENUE (EXPENSE)				
Grants	921,731	-	-	921,731
Gain (loss) on sale of assets	1,500	-	-	1,500
Property taxes	-	903,810	-	903,810
Total nonoperating revenue (expense)	<u>923,231</u>	<u>903,810</u>	<u>-</u>	<u>1,827,041</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS	(1,859,022)	(415,755)	(32,075)	(2,306,852)
Capital contributions	-	86,900	-	86,900
Transfers in	1,271,257	269,212	2,942	1,543,411
Total operating transfers	<u>1,271,257</u>	<u>356,112</u>	<u>2,942</u>	<u>1,630,311</u>
NET INCOME (LOSS)	(587,765)	(59,643)	(29,133)	(676,541)
RETAINED EARNINGS, Beginning of Year	<u>2,758,314</u>	<u>1,105,101</u>	<u>110,409</u>	<u>3,973,824</u>
RETAINED EARNINGS, END OF YEAR	<u>\$ 2,170,549</u>	<u>\$ 1,045,458</u>	<u>\$ 81,276</u>	<u>\$ 3,297,283</u>

CITY OF MONROE
Monroe, Louisiana

NONMAJOR ENTERPRISE FUNDS
COMBINING SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED APRIL 30, 2005

	<u>Monroe Transit System</u>	<u>Louisiana Purchase Gardens and Zoo</u>	<u>Livestock Arena</u>	<u>TOTAL</u>
Cash flows from operating activities				
Cash received from (returned to) customers	\$ 442,389	\$ 351,098	\$ 11,036	\$ 804,523
Cash payments to suppliers for goods and services	(909,960)	(548,402)	(13,978)	(1,472,340)
Cash payments to employees for services and benefits	(1,676,545)	(979,397)	-	(2,655,942)
Net cash provided by (used for) operating activities	<u>(2,144,116)</u>	<u>(1,176,701)</u>	<u>(2,942)</u>	<u>(3,323,759)</u>
Cash flows from noncapital financing activities				
Operating grants	921,731	-	-	921,731
Ad valorem taxes	-	902,181	-	902,181
Transfers in	1,271,257	269,212	2,942	1,543,411
Net cash provided by noncapital financing activities	<u>2,192,988</u>	<u>1,171,393</u>	<u>2,942</u>	<u>3,367,323</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	(50,172)	(81,682)	-	(131,854)
Cash contributed by City of Monroe	-	86,990	-	86,990
Proceeds from sale of assets	1,500	-	-	1,500
Net cash provided by (used for) financing activities	<u>(48,672)</u>	<u>5,308</u>	<u>-</u>	<u>(43,364)</u>
Net increase (decrease) in cash and cash equivalents	200	-	-	200
Cash and cash equivalents, May 1, 2004	800	2,500	-	3,300
Cash and cash equivalents, April 30, 2005	<u>\$ 1,000</u>	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ 3,500</u>
Reconciliation of operating income to net cash provided by (used for) operating activities				
Operating Income (loss)	\$ (2,782,253)	\$ (1,319,565)	\$ (32,075)	\$ (4,133,893)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	566,417	116,136	29,713	712,266
Animal deaths	-	17,200	-	17,200
Change in assets and liabilities				
Accounts receivable	(5,385)	200	-	(5,185)
Due from other funds	1,312	486	(865)	933
Inventories	28,602	-	-	28,602
Prepaid expenses	-	(1,076)	-	(1,076)
Accounts payable	35,486	(8,458)	172	27,200
Due to other funds	2,284	(9,000)	-	(6,716)
Deferred revenue	-	1,629	688	2,317
Other current liabilities	-	-	(575)	(575)
Compensated absences	9,421	25,747	-	35,168
Net cash provided by (used for) operating activities	<u>\$ (2,144,116)</u>	<u>\$ (1,176,701)</u>	<u>\$ (2,942)</u>	<u>\$ (3,323,759)</u>

PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS

CITY OF MONROE
Monroe, Louisiana
PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
AS OF APRIL 30, 2005

	<u>EMPLOYEES'</u> <u>GROUP</u> <u>INSURANCE</u>	<u>CENTRAL</u> <u>SHOP</u>	<u>TOTAL</u>
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 607,600	\$ -	\$ 607,600
Accounts receivable	1,147,419	-	1,147,419
Due from other funds	52,635	-	52,635
Inventories	-	90,516	90,516
Total current assets	<u>1,807,654</u>	<u>90,516</u>	<u>1,898,170</u>
Capital Assets:			
Non-depreciable	-	45,000	45,000
Depreciable	-	3,674,969	3,674,969
Total capital assets	<u>-</u>	<u>3,719,969</u>	<u>3,719,969</u>
Accumulated depreciation	-	(740,781)	(740,781)
Net capital assets	<u>-</u>	<u>2,979,188</u>	<u>2,979,188</u>
TOTAL ASSETS	<u>\$ 1,807,654</u>	<u>\$ 3,069,704</u>	<u>\$ 4,877,358</u>
 LIABILITIES AND FUND EQUITY			
Liabilities:			
Current liabilities:			
Accounts payable	\$ -	\$ 136,564	\$ 136,564
Accrued liabilities	1,698,230	-	1,698,230
Due to other funds	385,361	-	385,361
Current portion of long-term debt	-	156,800	156,800
Total current liabilities	<u>2,083,591</u>	<u>293,364</u>	<u>2,376,955</u>
Long-term liabilities:			
Certificates of indebtedness payable	-	507,908	507,908
Total liabilities	<u>2,083,591</u>	<u>801,272</u>	<u>2,884,863</u>
Fund equity:			
Retained earnings			
Unreserved	(275,937)	2,268,432	1,992,495
Total fund equity	<u>(275,937)</u>	<u>2,268,432</u>	<u>1,992,495</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,807,654</u>	<u>\$ 3,069,704</u>	<u>\$ 4,877,358</u>

CITY OF MONROE
Monroe, Louisiana
PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED APRIL 30, 2005

	<u>EMPLOYEES'</u> <u>GROUP</u> <u>INSURANCE</u>	<u>CENTRAL</u> <u>SHOP</u>	<u>TOTAL</u>
OPERATING REVENUES			
Charges for services	\$ 5,393,296	\$ 2,171,586	\$ 7,564,882
Total operating revenues	<u>5,393,296</u>	<u>2,171,586</u>	<u>7,564,882</u>
OPERATING EXPENSES			
Benefits paid to participants	5,677,551	-	5,677,551
Salaries, wages and benefits	-	692,577	692,577
Utilities and communications	-	30,710	30,710
Depreciation and amortization	-	107,794	107,794
Repairs and maintenance	-	20,002	20,002
Shop expenses	-	1,747,518	1,747,518
Other operating expenses	1,367	8,825	10,192
Total operating expenses	<u>5,678,918</u>	<u>2,607,426</u>	<u>8,286,344</u>
OPERATING INCOME (LOSS)	(285,622)	(435,840)	(721,462)
NONOPERATING REVENUE (EXPENSE)			
Interest income	9,685	-	9,685
Interest expense	-	(28,052)	(28,052)
Total nonoperating revenue (expense)	<u>9,685</u>	<u>(28,052)</u>	<u>(18,367)</u>
GAIN (LOSS) BEFORE TRANSFERS	(275,937)	(463,892)	(739,829)
TRANSFERS			
Transfers in	-	481,613	481,613
NET INCOME (LOSS)	(275,937)	17,721	(258,216)
RETAINED EARNINGS			
Beginning of year	-	2,250,711	2,250,711
RETAINED EARNINGS,			
Beginning of year	-	2,250,711	2,250,711
RETAINED EARNINGS, END OF YEAR (DEFICIT)	<u>\$ (275,937)</u>	<u>\$ 2,268,432</u>	<u>\$ 1,992,495</u>

CITY OF MONROE
Monroe, Louisiana
PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS
COMBINING SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED APRIL 30, 2005

	EMPLOYEES'	CENTRAL	
	GROUP	SHOP	
	INSURANCE	SHOP	TOTAL
Cash flows from operating activities			
Cash received from customers	\$ 4,193,242	\$ 2,171,978	\$ 6,365,220
Cash payments to suppliers for goods and services	(1,367)	(1,778,707)	(1,780,074)
Cash payments to participants for insurance benefits	(3,593,960)	-	(3,593,960)
Cash payments to employees for services and benefits	-	(692,577)	(692,577)
Net cash provided by (used for) operating activities	<u>597,915</u>	<u>(299,306)</u>	<u>298,609</u>
Cash flows from noncapital financing activities			
Transfers in	-	481,613	481,613
Net cash provided by noncapital financing activities	<u>-</u>	<u>481,613</u>	<u>481,613</u>
Cash flows from capital and related financing activities			
Acquisition of capital assets	-	(2,495)	(2,495)
Interest income	9,685	-	9,685
Principal paid on debt	-	(151,760)	(151,760)
Interest paid on debt	-	(28,052)	(28,052)
Net cash provided by (used for) financing activities	<u>9,685</u>	<u>(182,307)</u>	<u>(172,622)</u>
Net increase (decrease) in cash and cash equivalents	607,600	-	607,600
Cash and cash equivalents, May 1, 2004	<u>-</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents, April 30, 2005	<u>\$ 607,600</u>	<u>\$ -</u>	<u>\$ 607,600</u>
Reconciliation of operating income to net cash provided by (used for) operating activities			
Operating Income (loss)	\$ <u>(285,622)</u>	\$ <u>(435,840)</u>	\$ <u>(721,462)</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation	-	107,794	107,794
Changes in assets and liabilities			
Accounts receivable	(1,147,419)	-	(1,147,419)
Due from other funds	(52,635)	392	(52,243)
Inventories	-	(43,807)	(43,807)
Accounts payable	1,698,230	72,155	1,770,385
Due to other funds	385,361	-	385,361
Net cash provided by (used for) operating activities	<u>\$ 597,915</u>	<u>\$ (299,306)</u>	<u>\$ 298,609</u>

**CITY OF MONROE
Monroe, Louisiana**

**SCHEDULE OF ASSESSED VALUATION
AND AD VALOREM PROPERTY TAX LEVY
FOR THE 2004 TAX ROLL**

Assessed Valuation	\$ 369,705,751
Tax Rate per thousand dollars	\$ 25.87
Gross Tax Levy	\$ 9,564,288
Plus: Adjustments	28,218
Adjusted Tax Levy	\$ 9,592,506
Tax Collected	
2004 Tax Roll	\$ 9,304,052
Prior Years Tax Rolls	187,188
Total	\$ 9,491,240

ALLOCATION OF TAXES COLLECTED	<u>MILLS</u>	
General Fund	10.24	\$ 3,785,787
Recreation Center Maintenance	1.73	639,591
Public Safety	0.98	362,312
Drainage Maintenance	1.21	447,344
City Court Bonds	0.60	221,823
Civic Center Complex	2.47	913,173
Louisiana Purchase Gardens & Zoo	2.47	913,173
Capital Improvements	3.21	1,186,755
Police Department	1.48	547,165
Fire Department	1.48	547,165
Grasscutting Collections	-	16,229
Demolition Collections	-	8,639
Total	<u>25.87</u>	<u>\$ 9,589,156</u>

GENERAL BONDED DEBT SUPPORTED BY TAX LEVY

City Court and Jail	\$ 790,000
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PERCENT OF BONDED DEBT TO ASSESSED VALUATION 0.21%

CITY OF MONROE
Monroe, Louisiana
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
AS OF APRIL 30, 2005

Tax Year	Balance at April 30, 2004	2004 Tax Roll	Supplemental Assessments	Cancellations And Other Adjustments	Collections	Balance at April 30, 2005	Allowance For Uncollectible Taxes	Estimated Collectible Taxes at April 30, 2005
1999	\$ -	\$ -	\$ -	34	(34)	\$ -	\$ -	\$ -
2000	-	-	-	1,594	(1,594)	-	-	-
2001	186,847	-	-	-	(1,879)	184,968	(138,726)	46,242
2002	-	-	-	5,260	(5,260)	-	-	-
2003	427,395	-	986	(87,647)	(178,421)	162,313	(40,578)	121,735
2004	-	9,564,288	107,960	(79,742)	(9,304,052)	288,454	(72,114)	216,341
Totals	\$ 614,242	\$ 9,564,288	\$ 108,946	\$ (160,501)	\$ (9,491,240)	\$ 635,735	\$ (251,418)	\$ 384,317

ALLOCATION OF FUNDS

	Balance at April 30, 2004	Balance at April 30, 2005	Applicable Millages at April 30, 2005	Applicable Millages as % of Total Millages
General Fund	\$ 288,611	\$ 302,017	20.33	78.59%
Debt Service Funds:				
Pub. Imp. Bonds - Court	8,518	8,913	0.60	2.32%
Enterprise Funds:				
Civic Center	35,065	36,694	2.47	9.55%
La. Purchase Gardens & Zoo	35,065	36,694	2.47	9.55%
Totals	\$ 367,259	\$ 384,317	25.87	100.00%

CITY OF MONROE
Monroe, Louisiana
Schedule of Insurance
April 30, 2005
(Unaudited)

INSURER	ASSETS COVERED	RISK COVERED	LIMITS OF COVERAGE	DEDUCTIBLE	EXPIRATION DATE
Ace Property & Casualty	Monroe Municipal Airport	General Aggregate Property damage liability Single limit bodily injury Personal & advertising injury Medical expense limit (any one person) Fire damage Hangarkeeper's liability Each aircraft Each occurrence	\$ 10,000,000 10,000,000 5,000,000 5,000 100,000 10,000,000 10,000,000	N/A N/A N/A N/A N/A 1000 1000	4/7/2008
James Rivers Insurance Co	Black Bayou	General Aggregate Products Personal injury Each Occurrence Fire Damage	2,000,000 included 1,000,000 1,000,000 50,000	5,000	7/30/2005
Continental Casualty	Communication Tower	Fire, Vandalism, Explosion, & Collapse	111,526	1000 5000/lightning	10/28/2005
Scottsdale Insurance Company	Chennault Park & Golf Course	General liability Personal & advertising injury Each occurrence Medical Expense-Each	4,000,000 1,000,000 1,100,000 5,000	500 500 500	5/23/2005
Scottsdale Insurance Company	Selman Field Golf Course	General liability Personal & advertising injury Each occurrence Fire Damage-Each Medical Expense-Each	4,000,000 1,000,000 1,000,000 100,000 5,000	500	5/23/2005
Great Amer. Insurance Co.	Golf Carts	General Liability	318,179	500	6/12/2005
St. Paul's Travelers	Employees @various locations	Dishonesty Bond	100,000		12/15/2005
Travelers Property Casualty	David Barnes	Surety bond coverage as secretary-treasurer and tax collector of the City of Monroe & Ouachita Parish Police Jury, respectively	50,000	N/A	1/10/2006
Travelers Property Casualty	David Barnes	Surety bond as collector of sales and use tax of the city school board of Monroe & Ouachita Parish School Board	50,000	N/A	1/10/2006

CITY OF MONROE
Monroe, Louisiana
Schedule of Insurance
April 30, 2005
(Unaudited)

INSURER	ASSETS COVERED	RISK COVERED	LIMITS OF COVERAGE	DEDUCTIBLE	EXPIRATION DATE
Travelers Property Casualty	David Barnes	Surety bond as collector for the City of West Monroe	50,000	N/A	1/10/2006
Travelers Property Casualty	David Barnes	Surety bond as secretary-treasurer of City of Monroe	100,000	N/A	1/10/2006
St. Paul Surety	David Barnes	Surety bond as tax collector for Town of Richwood & Town of Sterlington	100,000	N/A	3/15/2006
Scottsdale Insurance Company	Workers Comp & Employers Liability	Bell South Payment Drop-off Liability Each Accident Aggregate Limit	1,100,000 1,000,000 4,000,000	N/A	7/9/2005
Omaha Property & Casualty	Monroe Municipal Airport	Flood-General Property	33,700	1000	8/7/2005
Hanover	Various Bldgs. EDP	Blanket Bldg & Contents Wind & Hail	64,055,902 1,249,000	2,500 25,000 1,000	1/15/2006
State Farm Insurance	Monroe Civic Center	Blanket Building Coverage	36,275,200		8/16/2005
Lexington Ins. Company	Monroe Civic Center	General Liability: General-aggregate Products-completed operations aggregate Personal and advertising injury limit Each occurrence FireDamage Limit Medical Expense Limit	2,000,000 2,000,000 1,000,000 1,000,000 300,000	5,000	3/1/2006
Lexington Ins. Company	Monroe Civic Center	Special Event Liability: Business Liability Medical Payments Fire Legal Liability	1,000,000 300,000		3/1/2006
Great American Insurance	Marquee Sign		156,000		6/3/2005
Scottscale Insurance Company	La Purchase Gardens & Zoo	Liability General Aggregate Operations Aggregate Property Damage Personal Injury	1,000,000 1,000,000 1,050,000 100,000	500 500 500 500	8/20/2005

CITY OF MONROE
Monroe, Louisiana
Schedule of Insurance
April 30, 2005
(Unaudited)

INSURER	ASSETS COVERED	RISK COVERED	LIMITS OF COVERAGE	DEDUCTIBLE	EXPIRATION DATE
St. Paul's Travelers	Boiler & Machinery @ pump stations & various locations	Comprehensive	25,000,000	2,500	4/1/2006
St. Paul's Travelers	Monroe Transit System	General liability Personal & advertising injury Each Occurrence Limit	5,000,000 5,000,000 5,000,000	2,500	10/1/2005
Midwest Employers Casualty Co.	Workers Comp & Employers Liability	Each Accident Disease-Policy Limit Disease-Each Employee	1,000,000 1,000,000 1,000,000		5/1/2005
Republic Vanquard Insurance Co.	Fire Department Mobile Unit	Combined Liability	1,000,000		8/21/2005
Essex Ins Co.	Fire Dept. Mobile Unit	Liability	1,000,000 50,000		8/21/2005
Great American Insurance	Fire Department Mobile Unit	Liability	1,000,000 1,000,000 1,000,000	500	8/21/2005
			33,574		

CITY OF MONROE
Monroe, Louisiana

SCHEDULE OF LONG-TERM OBLIGATIONS
FOR THE YEAR ENDED APRIL 30, 2005

Issue Dates	Interest Rates	Original Amount	Balance April 30, 2004	Issued	Retired	Balance April 30, 2005	Principal Maturity Schedule For Future Years
GOVERNMENTAL ACTIVITIES							
General Obligation Bonds:							
Public Improvements:							
2003	1.35% - 3.10%	\$ 1,060,000	\$ 930,000	\$ -	\$ 140,000	\$ 790,000	\$150,000 - \$170,000 to March 1, 2010
		<u>1,060,000</u>	<u>930,000</u>		<u>140,000</u>	<u>790,000</u>	
Total General Obligation Bonds							
Tax Increment Bonds:							
1997	5.21%	6,000,000	1,750,000	-	390,000	1,360,000	\$410,000 - \$55,000 to March 1, 2012
1999	5.00%	1,000,000	500,000	-	100,000	400,000	\$100,000 to March 1, 2009
2000	6.95%	3,000,000	2,675,000	-	95,000	2,580,000	\$100,000 - \$270,000 to March 1, 2020
2002	5.85%	1,000,000	955,000	-	40,000	915,000	\$40,000 - \$90,000 to March 1, 2020
2003	2.25% - 4.00%	16,000,000	15,270,000	-	725,000	14,545,000	\$740,000 - \$1,280,000 to March 1, 2021
		<u>27,000,000</u>	<u>21,190,000</u>		<u>1,350,000</u>	<u>19,800,000</u>	
Total Tax Increment Bonds							
Certificates of Indebtedness:							
2004C	3.75%	2,550,000	-	2,550,000	-	2,550,000	\$245,000 - \$330,000 to April 2014
2004A	3.45%	635,532	635,532	-	119,240	516,292	\$280,000 - \$311,000 to April 1, 2009
		<u>3,185,532</u>	<u>635,532</u>	<u>2,550,000</u>	<u>119,240</u>	<u>3,066,292</u>	
Total Certificates of Indebtedness							
Sales Tax Bonds:							
2001	3.45%	24,500,000	23,669,508	77,953	910,000	22,837,461	A \$945,000 - \$1,138,864 to June 30, 2023
2001	4.00% - 5.75%	25,000,000	23,450,000	-	835,000	22,615,000	\$875,000 - \$1,910,000 to July 1, 2021
2002	4.00% - 7.00%	26,000,000	25,405,000	-	625,000	24,780,000	\$655,000 - \$1,775,000 to July 1, 2026
2002A	3.00% - 4.80%	15,000,000	14,900,000	-	105,000	14,795,000	\$110,000 - \$1,835,000 to July 1, 2027
2003	3.45%	10,000,000	5,094,638	4,241,587	340,000	8,996,225	\$350,000 - \$462,225 to June 1, 2023
2003	3.25% - 6.00%	22,400,000	22,400,000	-	545,000	21,855,000	\$560,000 - \$1,725,000 to July 1, 2027
		<u>122,900,000</u>	<u>114,919,146</u>	<u>4,319,540</u>	<u>3,360,000</u>	<u>115,878,686</u>	
Total Sales Tax Bonds							
Refunding Bonds:							
1998	4.45% - 5.05%	7,565,000	5,210,000	-	575,000	4,635,000	\$690,000 - \$3,555,000 to March 1, 2013
Special Assessment Certificates:							
Sewerage Certificates:							
1995	8.00%	603,660	603,666	-	60,366	-	
		<u>603,660</u>	<u>603,666</u>		<u>60,366</u>	<u>-</u>	
Total special assessment certificates							

CITY OF MONROE
Monroe, Louisiana

SCHEDULE OF LONG-TERM OBLIGATIONS
FOR THE YEAR ENDED APRIL 30, 2005

	Issue Dates	Interest Rates	Original Amount	Balance April 30, 2004	Issued	Retired	Balance April 30, 2005	Principal Maturity Schedule For Future Years
Other:								
Claims and Judgments			-	5,111,842	-	316,918	4,794,924	
Revenue Anticipation Note, Series 2005	March 7, 2005	2.75%	-	-	4,000,000	-	4,000,000	\$4,000,000 due March 1, 2006
Capital Lease (Energy Performance Equipment)		4.75% - 5.59%	-	-	2,967,113	90,974	2,876,139	\$90,900 - \$218,900 through April 30, 2021
Capital Lease (Public Works Equipment)		5.70%	-	507,325	-	507,325	-	
Accrued Vacation and Sick Pay			-	4,155,612	2,518,916	1,807,295	4,867,233	
Total Other			-	9,774,779	9,486,029	2,722,312	16,538,296	
TOTAL GOVERNMENTAL ACTIVITIES			\$ 162,314,192	\$ 152,679,823	\$ 16,355,569	\$ 8,327,118	\$ 160,708,274	
INTERNAL SERVICE FUND								
Refunding COI (Central Warehouse and Shop)	2004A	3.45%	\$ 816,468	\$ 816,468	-	\$ 151,760	\$ 664,708	B See Amortization above 2004A
Total Internal Service Fund Debt			816,468	816,468	-	151,760	664,708	
BUSINESS TYPE ACTIVITIES								
CIVIC CENTER								
Taxable Refunding Certificates of Indebtedness	2004B	6.00%	173,000	173,000	-	31,000	142,000	\$32,000 - \$39,000 to April 2009
Total Civic Center			173,000	173,000	-	31,000	142,000	
SEWER DEPARTMENT								
Sales Tax Bonds:								
Series 2001 - DEQ	2001	A 3.95%	2,500,000	2,486,403	-	-	2,486,403	A See Amortization above 2001- DEQ
Total Sales Tax Bonds			2,500,000	2,486,403	-	-	2,486,403	
Refunding Bonds:								
Sewer	1995	5.20% - 5.40%	2,695,000	885,000	-	280,000	605,000	\$280,000 - \$310,000 to June 1, 2006
ALL ENTERPRISE FUNDS								
Other:								
Accrued Vacation and Sick Pay			-	847,047	542,554	463,920	925,681	
Total Business Type Activities			5,368,000	4,391,450	542,554	774,920	4,159,084	
TOTAL BUSINESS TYPE ACTIVITIES AND INTERNAL SERVICE FUNDS			\$ 6,184,468	\$ 5,207,918	\$ 542,554	\$ 926,680	\$ 4,823,792	

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

(B) These two are the same \$1,452,000 issue. The \$664,708 is recorded directly on the Internal Service Fund books and the \$516,292 is recorded as general government debt. All are payable from general revenues.

**CITY OF MONROE
Monroe, Louisiana**

SUPPLEMENTAL INFORMATION SCHEDULES

As of and For the Year Ended April 30, 2005

COMPENSATION PAID TO COUNCIL MEMBERS

The schedule of compensation paid to council members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the council members is included in the legislative expenditures of the General Fund. In accordance with Section 2-05 of the Home Rule Charter of the City of Monroe, the council, through Ordinance 7868, has set compensation of council members at \$750 per month. In addition to the compensation paid all council members, the chairperson of the council receives an additional \$375 per month to perform the duties of that office.

CITY OF MONROE
Monroe, Louisiana

SCHEDULE OF COMPENSATION PAID COUNCIL MEMBERS
FOR THE YEAR ENDED APRIL 30, 2005

Ann Raines	District 1	\$ 1,500	May 1, 2004 - June 30, 2004
Jay Marx	District 1	10,000	July 1, 2004 - April 30, 2005
Ben Katz	District 2	11,500	May 1, 2004 - April 30, 2005
Arthur Gilmore, Chairman	District 3	17,250	May 1, 2004 - April 30, 2005
Robert Stevens	District 4	11,500	May 1, 2004 - April 30, 2005
Robert Johnson	District 5	11,500	May 1, 2004 - April 30, 2005
Total		<u>\$ 63,250</u>	

**REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*
AND OMB CIRCULAR A-133**



Francis I. Huffman, CPA
L. Fred Monroe, CPA
Esther Atteberry, CPA

John L. Luffey, MBA, CPA (1963-2002)

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

**City of Monroe
Monroe, Louisiana**

We have audited the financial statements of the City of Monroe, Louisiana (the City) as of and for the year ended April 30, 2005, and have issued our report thereon dated October 29, 2005. We conducted our audit 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 *Louisiana Governmental Audit Guide*, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor. We did not audit the financial statements of the Monroe City Court or the Monroe City Marshal, which represent the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion on the financial statements, insofar as it relates to the amounts included in the component unit columns, is based on the reports of the other auditors. The other auditors were unable to satisfy themselves as to the financial activities of the Fiduciary Fund Type for the Monroe City Court. The assets of the fiduciary funds of the Monroe City Court is included in the component units column of Statement J and represent 97% of total assets and total liabilities of the Component Units column.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of *noncompliance that are required to be reported under Government Auditing Standards* which are described in the accompanying Schedule of Findings and Questioned Costs as items 05-01, 05-02 and 05-03.

**City of Monroe
Monroe, Louisiana**

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 05-01, 05-02, 05-03, and 05-04.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be reportable conditions and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable conditions, 05-01, 05-03, 05-04 described above to be material weaknesses. We also noted other matters involving the internal control over financial reporting which we have reported to management of the City in a separate letter dated October 29, 2005.

This report is intended for the information of management of the City, Federal awarding agencies and pass-through entities, other entities granting funds to the City and the Legislative Auditor for the state of Louisiana and is not intended to be used and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



(A Professional Accounting Corporation)

October 29, 2005



Francis I. Huffman, CPA
L. Fred Monroe, CPA
Esther Atteberry, CPA

John L. Luffey, MBA, CPA (1963-2002)

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

**City of Monroe
Monroe, Louisiana**

Compliance

We have audited the compliance of the City of Monroe, Louisiana (the City) with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major Federal programs for the year ended April 30, 2005. The City's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major Federal programs for the year ended April 30, 2005.

**City of Monroe
Monroe, Louisiana**

Internal Control Over Compliance

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

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. A reportable condition involves matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the City's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts and grants. A reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as item 05-04.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major Federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above to be a material weakness.

This report is intended for the information of management of the City, Federal awarding agencies and pass-through entities, other entities granting funds to the City and the Legislative Auditor for the state of Louisiana and is not intended to be used and should not be used by anyone other than these specified parties. However, under provisions of Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.


(A Professional Accounting Corporation)

October 29, 2005

City of Monroe, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended April 30, 2005

Federal Grantor / Pass-Through Grantor / Program Title	CFDA No.	Pass-Through Grant Number	Grant Identification Number	Federal Expenditures
U. S. Department of Housing and Urban Development				
Direct:				
Community Development Block Grant - 2003	14.218	N/A	B-03-MC-22-0005	\$ 885,456
Community Development Block Grant - 2004	14.218	N/A	B-04-MC-22-0005	245,197
Home Investment Partnership Grant - 2001	14.239	N/A	M-01-MC-22-0206	43,772
Home Investment Partnership Grant - 2002	14.239	N/A	M-02-MC-22-0206	118,116
Home Investment Partnership Grant - 2003	14.239	N/A	M-03-MC-22-0206	366,910
Home Investment Partnership Grant - 2004	14.239	N/A	M-04-MC-22-0206	261,136
Pass-Through Programs:				
Emergency Shelter Grants Program - 2002	14.231	370-8333	N/A	32,836
Emergency Shelter Grants Program - 2003	14.231	598111	N/A	83,110
Emergency Shelter Grants Program - 2004	14.231	610790	N/A	75,304
Total Dept. Housing & Urban Development				2,111,837
U. S. Department of Interior				
Direct:				
Urban Park and Recreation Recovery Program	15.919	N/A	22-CITY-1560-0201	18,493
Pass-Through Programs:				
Fish and Wildlife Services, La Dept of Wildlife & Fisheries	15.618	14-8050-0-7-303	N/A	20,556
Total Department of Interior				39,049
U. S. Department of Justice				
Direct:				
Local Law Enforcement Block Grant - 2002	16.592	N/A	2002-LBBX-0569	74,553
Local Law Enforcement Block Grant - 2003	16.592	N/A	2003-LBBX-2613	29,657
COPS Universal Hiring Program	16.710	N/A	2001UMWX0093	106,560
COPS in School	16.710	N/A	02-SHMX-00319	58,608
Pass-Through Programs:				
Family Strengthening	16.540	J03-2-001	N/A	6,800
DARE Program Fund	16.579	E04-2-006	N/A	11,442
DARE Program Fund	16.579	E05-2-007	N/A	27,626
Project Safe Neighborhoods Peer Mediation Program	16.609	F03-8-002	N/A	14,799
Total Department of Justice				330,045
U. S. Department of Transportation				
Direct:				
Airport Improvement Program:				
Rehab Airfield Lighting	20.106	N/A	3-22-0033-021-2003	57,008
Taxiway C Reconstructions	20.106	N/A	3-22-0033-19-2002	21,497
Airport Commercial Renovations	20.106	N/A	3-22-0033-19-2002	36,392
Federal Transit Authority Program:				
Capital (Buses)	20.507	N/A	LA-03-0095-00	34,104
Capital and Operating	20.507	N/A	LA-90-X219-00	722
Capital and Operating	20.507	N/A	LA-90-X225-00	2,000
Capital, Operating and Planning	20.507	N/A	LA-90-X238-00	32,535
Capital, Planning and Operating	20.507	N/A	LA-90-X248-00	3,828
Capital and Operating	20.507	N/A	LA-90-X263-00	2,244
Capital, Planning and Operating	20.507	N/A	LA-90-X275-00	720,096
Pass-Through Programs:				
State and Community Highway Safety	20.600	PT 04-22-00	N/A	14,903
State and Community Highway Safety	20.600	PT 05-31-00	N/A	2,028
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grant	20.601	P 30 41 734	N/A	510
Total Department of Transportation				927,867
National Endowment for the Humanities				
Pass-Through Programs:				
Folklife Festival	45.129	04-772-260	N/A	15,574
Total National Endowment for the Humanities				15,574
Environmental Protection Agency				
Direct:				
Brownfields Assessment Pilot Program	66.811	N/A	BP-986879-01	45,079
Pass-Through Programs:				
Capitalization Grants for Clean Water State Revolving Funds	66.458	N/A	N/A	77,933
Capitalization Grants for Clean Water State Revolving Funds	66.458	N/A	N/A	4,241,587
Total Environmental Protection Agency				4,364,619
U. S. Department of Homeland Security				
Direct:				
Assistance to Firefighters Grant Program	83.554	N/A	EME-1999-CA-0445	7,530
Assistance to Firefighters Grant Program	83.554	N/A	EMW-2003-PG-11436	59,079
Pass-Through Programs:				
State Domestic Preparedness Equipment Support Grant - 1999	97.004	2002-TE-CX-0022	N/A	2,911
State Domestic Preparedness Equipment Support Grant - 2000	97.004	2002-TE-CX-0148	N/A	758
State Domestic Preparedness Equipment Support Grant - 2001	97.004	2002-TE-CX-0148	N/A	15,286
State Domestic Preparedness Equipment Support Grant - 2002	97.004	2003-TE-CX-0001	N/A	46,010
Public Assistance Grant (Hurricane Ivan)	97.036	FEMA 1548 DR-LA	N/A	2,575
State Homeland Security Program - 2003	97.073	2003-TE-TX-0163	N/A	79,661
State Homeland Security Program - 2003 Supplement	97.073	2003-MU-T3-0022	N/A	88,785
Law Enforcement Terrorism Prevention Program	97.074	X04-2-013	N/A	25,500
Total U. S. Department of Homeland Security				328,095
Total Federal Expenditures				\$ 8,117,086

See Notes to Schedule of Expenditures of Federal Awards

**CITY OF MONROE, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED APRIL 30, 2005**

Note 1 - General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance of the City of Monroe (the City) for the year ended April 30, 2005. All federal financial assistance received directly from federal agencies is included on the schedule, as well as federal financial assistance passed-through other government agencies.

Note 2 - Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's primary government financial statements.

Note 3 - Loans Outstanding

The City has loans outstanding under Federal loan or loan guarantee award programs of \$626,953 at April 30, 2005.

Note 4 - Relationship of the Schedule of Expenditures of Federal Awards to the Primary Government Financial Statements

The following reconciliation is provided to help the reader of the City's financial statements and supplementary information relate such information to the Schedule of Expenditures of Federal Awards for the year ended April 30, 2005:

	Federal Awards	Nonoperating Revenues - Operating Grants	Other Financing Sources	Total
Revenues				
General Fund	\$ 407,953	\$ -	\$ -	\$ 407,953
Special Revenue Funds	2,422,676	-	-	2,422,676
Capital Projects Funds	153,946	-	4,319,540	4,473,486
Enterprise Funds	-	795,529	-	795,529
Total per Financial Statements	<u>2,984,575</u>	<u>795,529</u>	<u>4,319,540</u>	<u>8,099,644</u>
Plus Expense Reimbursements	17,442	-	-	17,442
Total per Schedule of Expenditures of Federal Awards	<u>\$ 3,002,017</u>	<u>\$ 795,529</u>	<u>\$ 4,319,540</u>	<u>\$ 8,117,086</u>

**CITY OF MONROE, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED APRIL 30, 2005**

Note 5 - Funds Provided to Subrecipients

Of the Federal expenditures presented on this schedule, the City provided \$458,133 through the Community Development Block Grants, Home Investment Partnership Grants and the Emergency Shelter Grant Programs to subrecipients.

Note 6 - Noncash Activity

The City received equipment and supplies valued at \$233,411, through the Ouachita Parish Office of Homeland Security and Emergency Preparedness Agency. These items were disbursed to the Monroe Police Department (\$93,704), the Monroe Fire Department (\$132,912) and the Public Works Department (\$6,795) for their use in handling emergency situations.

**CITY OF MONROE
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED APRIL 30, 2005**

Section I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: disclaimer on fiduciary funds of aggregate discretely presented component units; unqualified on all other opinion units.

Internal control over financial reporting:

- Material weaknesses identified? Yes No

- Reportable conditions identified that are not considered to be material weaknesses? Yes No

Noncompliance material to financial statements noted? Yes No

Federal Awards

- Material weaknesses identified? Yes No

- Reportable conditions identified that are not considered to be material weaknesses? Yes No

Type of auditors' report on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 501(a) of Circular A-133? Yes No

**CITY OF MONROE
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED APRIL 30, 2005**

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
20.507	Federal Transit Authority Program
66.458	Capitalization Grants for Clean Water Revolving Funds

Dollar threshold used to distinguish between Type A and Type B programs was \$300,000

Auditee qualified as low-risk auditee? Yes No

Section II. Findings related to the financial statements that are required to be reported under *Government Auditing Standards*:

05-01 Capital Asset Accounting

Finding:

During our test of capital assets we noted the capital asset records were not complete and up to date as of year end. We were not provided with final capital asset information until some six months after year end. We also noted, as in previous audits, that the coding of capital asset acquisitions is controlled by department heads which results in misclassifications and erroneous financial reporting.

Some of the circumstances resulting in these conditions include the fact the Property Control Director is new to the position and had to function much of the year with no clerical assistance. Also it appears that departments continue to make posting errors or incorrectly charge capital expenditure accounts in order to maintain favorable line item budget variances.

The lack of complete, accurate records of the City's property not only results in misleading reporting but increases the risk of loss of assets through errors or misappropriations as well as making completion of the audit work in a timely manner quite challenging.

**CITY OF MONROE
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED APRIL 30, 2005**

In the prior year's audit, management's corrective action plan indicated that an accountant would be assigned the primary function of verifying that proper accounting controls are maintained, purchase order coding is accurate and postings of the transactions are monitored and that personnel in the property control department would receive extensive training in the capital asset accounting software package. An accountant has not been assigned to perform these duties and the personnel in the department still have not received any vendor sponsored training in the use of the software.

Recommendation:

We recommend the Management Information Systems and Property Control Departments work together to ensure that the Property Control Director and a capital asset accountant receive specific training in the system to effectively perform their duties. Also, periodic comparisons and reconciliations of Property Control records and general ledger balances should be made to ensure proper recording of capital asset transactions. If the department heads are to be given the authority to assign general ledger accounts, then the purchase order and posting of the transaction should be reviewed by the Purchasing Department and/or the Accounting Department to determine proper coding. In addition, all persons responsible for assigning account numbers should be instructed to post to the proper accounts when recording purchases. The City should determine if any additional personnel are needed in the Property Control Department.

Management's Corrective Action Plan:

Two accountants have been assigned to monitor and assist the Property Control Director in processing capital assets. Appropriate responsibilities for the different levels of asset entry will be divided between accounting and property control. Accountants will be responsible for all levels affecting the general ledger and major reporting, while the property control director will be responsible for the asset detail and physical location. All will receive training on the capital asset management program. Persons responsible for assigning account numbers at the purchase order entry level will be instructed on the proper accounts to use when recording purchases. However, accountants will still monitor accounts for errors. The Budget Officer will monitor activity and advise department heads against using capital accounts to manipulate budget-to-actual reports. The Director of Accounting will monitor capital asset activity to ensure assets are being added in a timely manner. A periodic comparison of the fixed asset list and the general ledger asset accounts will be made.

**CITY OF MONROE
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED APRIL 30, 2005**

05-02 I-20 Economic Development Corporation

Finding:

In 1996 the Interstate 20 Economic Development Corporation was created by the City of Monroe pursuant to the provisions of Chapter 27 of Title 33 and Chapter 2 of Title 12 of the Louisiana Revised Statutes. From published newspaper accounts, it appears that some meetings of the Corporation may not have been open to the public. Louisiana Revised Statute 33:9024 E(2) states, in part, that any economic development corporation which obtains funds from the state or any agency or subdivision thereof of ten thousand dollars or more shall hold any and all meetings of such corporation with respect to the receipt or expenditure of public funds in public after due notice thereof in accordance with the provisions of the open meeting law, R.S. 42:4.1 et seq. The I 20 Economic Development Corporation is funded through pledged State Sales Tax Increments which are defined as 40% of the State's Sales Tax Increment collected within the economic development area.

In addition, during our test of expenditures of the I-20 Corridor Improvements Capital Projects Fund we noted that the documentation for the expenditures are not maintained within the accounting department of the City. The documentation is kept by the Corporation's consulting engineer. Because the City is charged with receiving and disbursing funds of the Corporation and is responsible for maintaining the accounting records and establishing controls over the processing of transactions involving these funds, all expenditures should be reviewed and approved by the Director of Administration and supporting documentation should be maintained for all receipts and disbursements within the City's accounting department.

In addition to the State's portion, the City has pledged 60% of its sales taxes collected within the economic development area for meeting the Corporation's debt. For this reason, the City Council and Administration should be kept informed of the activities of the corporation and the Director of Administration should take a more active role in the fiscal affairs of the I-20 Economic Development District.

Recommendation:

The City should seek an opinion from the Attorney General in regards to whether the meetings of the I-20 Economic Development Corporation is subject to provisions of R.S. 42:4.1, the open meeting law. In addition, copies of all supporting documentation for receipts and disbursements of funds of the Debt Service Fund and the Capital Projects Fund accounting for the Corporation's activities should be kept on file within the

**CITY OF MONROE
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED APRIL 30, 2005**

accounting department of the City. The Director should review and approve all expenditures of these two funds.

Management's Corrective Action Plan:

The City will seek an opinion from the Attorney General concerning the I-20 Economic Development Corporation meetings and the open meeting law. Accounting will keep copies of all supporting documentation for the activities of the Debt Service Fund and the Capital Project Fund. The Director of Administration or appointee will stay more informed of the fiscal affairs of the Corporation by regularly attending meetings, reviewing receipts and expenditures and monthly reports.

05-03 Sales Tax Distribution

Finding:

In 1968, the voters of the City of Monroe and Ouachita Parish approved a one-half cent sales tax to be used to supplement other revenues available to the school boards for salaries of school board personnel. The tax proposition stipulated that the net proceeds of the tax are to be allocated and prorated between the school boards annually on the basis on average daily membership for the preceding school year. For the year ended April 30, 2005 the tax proceeds were distributed 62% to the Ouachita Parish School Board and 38% to the City of Monroe School Board. Based on the most recent student counts available at the time, it appears that the ratio should have been 65% to the Parish and 35% to the City School Board for the school board's year ended June 30, 2003 and 66% and 34% respectively for the school board's year ended June 30, 2004. Neither of the school boards provided the City with the pertinent average daily membership numbers. Since the City is the authorized collector for the tax, the Director of Revenue and Taxation should contact the two boards each year and request the information required to properly distribute the proceeds of the tax. As a result of this incorrect allocation, it appears that the City of Monroe School Board was overpaid and the Ouachita Parish School Board was underpaid approximately \$387,375 during the City's fiscal year ended April 30, 2005.

Recommendation:

The Director of Revenue and Taxation should contact each of the school boards near the end of the school year (June 30th) and request that the City be provided with the average daily membership of each as soon as the figures can be made available. We

**CITY OF MONROE
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED APRIL 30, 2005**

recommend that since the tax was effective October 1, the rates should be adjusted, if necessary, at that date and distributed according to the new rates with the November distribution each year.

Management's Corrective Action Plan:

The Director of Revenue and Taxation will begin contacting the respective school boards each school year end to obtain the information necessary for calculating the proper ratio. The tax distribution rates will be adjusted effective each October 1.

Section III. Findings or Questioned Costs for Federal Awards, Including those specified by OMB Circular A-133:

05-04 Grant Activities (Schedule of Expenditures of Federal Awards)

Finding:

During our tests of the various federal grant activities, we experienced difficulty in obtaining complete and accurate information regarding the grants. Of the 36 accounts that are used to administer the federal grants, 15 (42%) required adjustments. These adjustments increased total expenditures by \$107,462.

This net increase is composed of additional expenditures of \$684,303 that were not originally listed less reductions of expenditures listed in error totaling \$576,841. A large part (34%) of the \$684,303 increase relates to the failure of recording \$233,411 in noncash transactions for equipment and supplies provided by grants administered by the Department of Homeland Security. With respect to the decrease, 52% is attributable to the Home Investment Partnership Grant programs whereby the accounting staff reviewed the accounts associated with this grant and determined that too much had been recorded as receivables.

Other issues encountered include CFDA numbers not being provided for all of the awards and grant expenditures not being separated among similar grants.

Recommendation:

As recommended in previous audits, grant activity information should accurately include grant award documentation, summaries of revenues and expenditures and a

**CITY OF MONROE
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED APRIL 30, 2005**

reconciliation of the reimbursement requests to the expenditures being reimbursed. This accumulation of information should be an ongoing process, not one that is commenced at year-end.

When preparing the Schedule of Expenditures of Federal Awards, care should be taken to ensure that the schedule is complete and accurate and it should include the Program Title, CFDA Number, Pass-through Grantor Number, if applicable, and the amount of federal expenditures which should reconcile to the expenditures listed in the general ledger. Care should also be exercised in reviewing other accounts, especially in relation to accounts receivable, deferred revenue and federal revenue.

Management's Corrective Action Plan:

During fiscal year 2004-05, grants were handled by 3 different accountants, the third having been hired March 2005. After accounting duties, an accountant will be assigned 100% to CDBG/Home program accounting. The overstatement of the receivable was attributable to two factors: 1) a misunderstanding of program income and 2) improperly recording drawdowns as revenue when a receivable had been set up. CDBG has been requested to provide technical assistance in areas of weaknesses.

As for the remaining grants, a separate accountant has been assigned the responsibility of grant accounting. Since a properly completed federal awards schedule is dependent upon accounting knowing about every grant in the city, every effort has been made to coordinate the various department's grants through the grant accountant.

Also, the city recently contracted with a grant writer. It is the intent of administration that eventually all grants will be processed through the grant writer, who reports directly to the Director of Accounting, thereby ensuring that accounting has knowledge of all grants in the city.

**CITY OF MONROE
MONROE, LOUISIANA**

SUMMARY OF STATUS OF PRIOR YEAR FINDINGS

The following is a summary of the status of the prior year findings included in the Luffey, Huffman, & Monroe, CPA's audit report and management letter dated October 29, 2004, covering the examination of the primary government financial statements of the City of Monroe (the City) as of and for the year ended April 30, 2004.

04-01 Accounting Department

Finding:

The City should fill the position of Accounting Director as soon as possible with a highly competent individual well versed in governmental accounting. In addition, employees responsible for recording receipts and in the accounts payable area should carefully review all transactions to determine that the correct account codes have been entered to record the receipt or disbursement.

Status:

The position of Accounting Director was filled with someone who has government experience, and specifically, has worked for the City previously. The Accounting Department has funded an additional accounting position, which was filled by June 2005.

Even though an Accounting Director was hired, it was not until February 2005. Therefore, much of the fiscal year passed without proper supervision. New procedures are being put into place to monitor account balances in an effort to have the City's books ready for the 2006 audit to be completed in a timely and efficient manner.

04-02 Collection of Bond Forfeitures

Finding:

The Prosecuting Attorney should make every effort lawfully available to collect all bonds which have been ordered forfeited. These efforts should include formal demands of the bondsmen and/or insurer, filing civil suit and reporting to the office of the State Insurance Commissioner, those companies failing to pay outstanding bond forfeitures. In addition, complete and accurate records must be maintained of all bond forfeitures and the collection of these obligations.

Status:

Late in the fiscal year, the District Attorney's office assumed the responsibility of case management for the City's Prosecuting Attorney's office. According to the District Attorney's office, the majority of the above referenced bond forfeitures has been determined to be uncollectible. Only \$2,500 plus legal interest has been ordered collectible in bonds.

**CITY OF MONROE
MONROE, LOUISIANA**

SUMMARY OF STATUS OF PRIOR YEAR FINDINGS

04-03 Capital Asset Accounting

Finding:

The Management Information Systems and Property Control Departments should work together to ensure that the Property Control Director and capital asset accountant receives specific training in the system to effectively perform their duties. Also periodic comparisons and reconciliations of Property Control records and general ledger balances should be made to ensure proper recording of capital asset transactions.

Status:

Property Control personnel and Accounting are working closely together to make sure the capital assets records are complete and up to date at year end. Purchasing, Property Control and Accounting are reviewing purchase orders at different levels to ensure the correct accounts are being charged. In addition, Project Management and accounting are working together to ensure capital projects are properly accounted for in the general ledger and on the fixed assets report.

04-04 Excessive free tickets issued for Bayou Black Rodeos in 2002 and 2003

Finding:

The report of comp tickets issued by the Box Office Manager should be expanded so that a determination can be made as to which tickets issued are really "complimentary tickets" and which ones are considered to be paid for by sponsor fees received for the event.

Status:

The Box Office Manager maintains a detailed log of "Complimentary Tickets" issued for the Bayou Black Rodeo. All requests for complimentary tickets must be signed for by the person picking up the tickets. Any request of more than 10 tickets must include the name of the party receiving the tickets and be approved by the Civic Center Director. Any request of 100 or more must be approved by the Community Affairs Director and a record of distribution of the tickets including, a signed receipt from the party receiving the tickets, must be kept on file with the final settlement of records in the Civic Center office. The reason for issuing these tickets and their use will be stated on the signed receipt.

04-05 The City has paid a significant amount of unauthorized expenditures for electricity for the benefit of private, non-profit organizations

Finding:

Immediate notice should be delivered to Tri-District Boys and Girls Club and St.

**CITY OF MONROE
MONROE, LOUISIANA**

SUMMARY OF STATUS OF PRIOR YEAR FINDINGS

Frederick High School that the City will no longer pay electricity associated with lights for the use and benefit of these private, non-profit organizations.

Status:

As of November 8, 2004, the lights at Tri-District Boys and Girls Club were taken out of the City of Monroe's name. As of November 9, 2004, the lights at St. Frederick High School were taken out of the City of Monroe's name.

04-06 Budget adopted for the fiscal year ending April 30, 2005 does not include certain items required by the City Charter

Finding:

The Director of Administration's office should ensure that all provisions concerning preparation and adoption of the budget comply with the City Charter.

Status:

The 2006 Budget contained the presentations of delinquent taxes for current and preceding years and statement of indebtedness and condition of the sinking funds as noted in the finding.

04-07 Overpayments from Civic Center to Opportunities Industrialization Center (OIC)

Finding:

The City should review its approval procedures in determining that settlement sheets are complete, accurate, and in agreement with both the terms of the contracts and all applicable provisions of the City Code. Attempts to recover overpayments to OIC should be made and documented.

Additionally, the City should outline the facts and circumstances for each year that this event has been held and obtain an opinion from the Attorney General as to whether or not it constitutes a use of the City's financial resources for the benefit of a private, non-profit organization and, therefore, a violation of Article VII, Section 14 of the Louisiana Constitution.

Status:

The Civic Center matches the settlement sheets for events to the agreed upon terms of the contractual agreement (based on City Code) between the City and the Permittee (renter) on all events. OIC has begun reimbursing the City for the overpayment.

**CITY OF MONROE
MONROE, LOUISIANA**

SUMMARY OF STATUS OF PRIOR YEAR FINDINGS

04-08 Lack of documentation of actual time spent on the job by Civic Center employees

Finding:

All employees of the Civic Center should be required to complete leave slips and time sheets to document actual time spent on the job. All such documentation should be submitted for approval and processed according to the existing policies and procedures adopted by the City.

Status:

All employees are required to complete leave slips for time spent away from the work place that is not city business. Any employee spending time on city business beyond normal working hours must document this time and have the documentation signed by the Operations Manager and approved by the Civic Center Director. All overtime must have prior approval and be scheduled except in an emergency situation in which verbal approval may be obtained from an approved supervisor and then submitted for approval from the Civic Center Director. All records of leave request and approval are kept on file. All overtime and compensatory time is recorded and approved and kept on file.

04-09 Difficulty in keeping track of certain items of equipment, furniture, and fixtures under control of the Civic Center

Finding:

A physical inventory of all capital assets owned, operated, and under control of the Civic Center should be performed and documented as soon as possible. All such items should be tagged for identification and then reconciled to records maintained by the Property Control department. Thereafter, the inventory should be maintained on a current basis and verified periodically to establish its existence and assign responsibility to protect it from misappropriation.

Status:

The Civic Center now has an operations manager and he is working with the City Property Control manager, the Event Coordinator, Technical Director and Concessions Director of the Civic Center to complete an inventory, document and tag all capital assets owned , operated and under control of the Civic Center. This inventory will be completed as soon as possible.

**CITY OF MONROE
MONROE, LOUISIANA**

SUMMARY OF STATUS OF PRIOR YEAR FINDINGS

04-10 Grant Activities (Schedule of Expenditures of Federal Awards)

A. Finding:

Grant activity information should accurately include grant award documentation, summaries of revenues and expenditures and a reconciliation of the reimbursement requests to the expenditures being reimbursed.

Status:

Grant accounting was still greatly impaired in FY2004-05. Accounting for grant activity was handled by three different accountants during the year, the last one having been hired March 2005. However, after restructuring some accounting duties, one accountant has been assigned to work 100% with the CDBG programs. A second accountant will handle all other grant activity.

B. Finding:

Grant activity should be centralized in one department. The grants administrator is responsible for formulating the goals and objectives with respect to matching the City's needs with potential grant opportunities, assisting in the development of grant applications, obtaining City Council approval, submitting the grant proposal for acceptance and finally in monitoring and supervising, including compliance with the grant provisions of grant implementation and the reporting process

With respect to documentation and record keeping, the grants administrator should compile and integrate information onto a schedule that is updated throughout the year as grants are received, not just at year-end. This schedule should include the information that is reported on the Schedule of Expenditures of Federal Awards as well as the original grant award, grant period and fund numbers.

Status:

The City recently contracted with a grant writer. Under the direction of accounting, the grant writer is to coordinate grant activity with the various departments, obtain proper council authority, and assist in administering grants. With all new grants written going through the grant writer, it should ensure that accounting has knowledge of all grants in the City.

Management Letter Findings:

- 1. Insufficient evidence of attempts to collect delinquent accounts receivable owed to the Civic Center**

Finding:

Management of the Civic Center should emphasize to all of its personnel that the City

**CITY OF MONROE
MONROE, LOUISIANA**

SUMMARY OF STATUS OF PRIOR YEAR FINDINGS

has enforceable written policies for collecting delinquent accounts and that insufficient effort to collect them is a violation of Article VII, Section 14 of the Louisiana Constitution. All attempts to collect on delinquent accounts should be fully documented according to the applicable policies and procedures of the City.

Status:

Civic Center personnel have been instructed on City policies concerning making attempts to collect on all delinquent accounts and documenting these attempts. Periodically they will check to insure that payment has been received from clients renting the facilities and will notify those not paying on their delinquent account. Any client owing money to the Civic Center will not be allowed to book an event until their debt is satisfied.

2. Services provided by Civic Center employees in addition to their regularly assigned duties

Finding:

Civic Center personnel should emphasize to all employees and customers of the Civic Center that City employees are assigned to perform certain services for specific events while on the City's payroll and that payments by the producers or promoters for any other services provided by employees of the City should be made by check directly to the Civic Center. Management should emphasize to its employees that they should not accept payments from any producers or promoters for services they perform.

Status:

All clients are informed that Civic Center employees can not perform services outside of their normal duties to be performed for the specific event and can not be paid for services while on duty and being paid by the City. All Civic Center employees have been instructed that they are prohibited from accepting pay for performing services for clients while on duty with the Civic Center. Civic Center employees who wish to work an event for pay must clock out prior to performing any duties associated with that event.

3. Cash receipts for admissions at Chennault Park

Finding: A review of the internal controls over cash receipts for admissions to Chennault Park should be made, properly documented, communicated, and implemented.

Status:

The City no longer collects gate fees at Chennault Park.



**Luffey
Huffman
& Monroe**
(A Professional Accounting Corporation)
CERTIFIED PUBLIC ACCOUNTANTS

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**Report on Compliance with Requirements Applicable
to the Passenger Facility Charge Program and on
Internal Control Over Compliance**

**City of Monroe
Monroe, Louisiana**

Compliance

We have audited the compliance of the City of Monroe (the City) with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide), for its passenger facility charge program for the year ended April 30, 2005. Compliance with the requirement of laws and regulations applicable to its passenger facility charge program is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its passenger facility charge program for the year ended April 30, 2005.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations applicable to the passenger facility charge program. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on the passenger facility charge program in order to determine our auditing procedures for the purpose of expressing our opinion on

**City of Monroe
Monroe, Louisiana**

compliance and to test and report on the internal control compliance in accordance with the Guide.

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

This report is intended for the information and use of the City's management, and the Federal Aviation Administration and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



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October 29, 2005

City of Monroe
PFC Revenue and Disbursement Schedule
Monroe Regional Airport
For the Year Ended April 30, 2005

	<u>FY-04</u>	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>FY-05</u>	
	<u>Program Total</u>	<u>May-July</u>	<u>Aug-Oct</u>	<u>Nov-Jan</u>	<u>Feb-Apr</u>	<u>Total</u>	<u>Program Total</u>
<u>Revenue</u>							
Collections	\$ 404,803	\$ 128,115	\$ 111,160	\$ 121,102	\$ 104,450	\$ 464,827	\$ 869,630
Interest	998	394	395	271	376	1,436	2,434
Total Revenue	<u>405,801</u>	<u>128,509</u>	<u>111,555</u>	<u>121,373</u>	<u>104,826</u>	<u>466,263</u>	<u>872,064</u>
<u>Disbursements</u>							
Application 03-01-C-00-MLU	<u>183,970</u>	-	<u>327,129</u>	<u>25,802</u>	<u>7,384</u>	<u>360,315</u>	<u>544,285</u>
Total Disbursements	<u>183,970</u>	-	<u>327,129</u>	<u>25,802</u>	<u>7,384</u>	<u>360,315</u>	<u>544,285</u>
Net PFC Revenue	<u>221,831</u>	<u>128,509</u>	<u>(215,574)</u>	<u>95,571</u>	<u>97,442</u>	<u>105,948</u>	<u>327,779</u>
PFC Account Balance (cash basis) \$	<u>221,831</u>	<u>\$ 350,340</u>	<u>\$ 134,766</u>	<u>\$ 230,337</u>	<u>\$ 327,779</u>	<u>\$ 327,779</u>	<u>\$ 327,779</u>



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MANAGEMENT LETTER

**To the Honorable City Council
City of Monroe
Monroe, Louisiana**

In planning and performing our audit of the financial statements of the City of Monroe (the City) for the year ended April 30, 2005, we considered its internal control structure in order to determine our auditing procedures for purposes of expressing our opinion on the financial statements and not to provide assurance on the internal control structure or overall compliance with laws and regulations.

However, during our audit we became aware of certain matters that are opportunities for strengthening internal controls and the overall environment for compliance with laws and regulations. This letter will summarize our comments and suggestions regarding those matters. This letter does not affect our report dated October 29, 2005 on the financial statements of the City.

1. Theft of concession money at the Civic Center

Finding:

There was a theft of \$1,500 from the Civic Center concession money due to a failure to comply with established procedures and internal controls. Management of the Civic Center immediately notified the Monroe City Police Department of the theft. The police department began an investigation immediately.

Recommendation:

Management of the Civic Center should emphasize to all of its personnel that the City has written policies and procedures for handling and processing cash related to all activities related to concessions and that it is a violation of those procedures to transfer or utilize money from one event for use with a separate event.

The Box Office Standard Operating Procedures should be amended to include a provision that all money be maintained under dual control from the time it leaves the concessions area until it is safely deposited.

**City of Monroe
Monroe, Louisiana
Management Letter**

Management's Corrective Action Plan:

The individual responsible for the above theft was terminated. Management of the Civic Center has reviewed policies and procedures for handling cash with all Civic Center personnel. Box Office Standard Operating Procedures will be amended to include a provision that all money will be maintained under dual control at all times.

2. Failure to Budget Four Special Revenue Funds

Finding:

During fiscal year 2005, the City did not budget four special revenue funds. These funds are as follows: the Police Salary Sales Tax Fund, the Fire Salary Sales Tax Fund, the Public Finance Trust Authority Fund and the Law Enforcement Terrorism Prevention Program Fund. These funds were newly established during fiscal year 2005 and as such were not budgeted in the original 2005 budget. However, once these funds were established, budgets should have been prepared and adopted as required by Louisiana Revised Statute 39:1305

Recommendation:

We recommend that the Budget Director review all funds as to the need for preparing budgets for the upcoming year and continue to monitor fund activity during the year to ensure that budgets are prepared and adopted as required.

Management's Corrective Action Plan:

Funds will be reviewed throughout the year to ensure that all funds have adopted budgets. Budgets will be monitored and amended as needed.



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October 29, 2005