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DEBT SERVICE FUNDS

These funds are used to accumulate and account for resources for and payment of principal and interest of certificates of indebtedness and sales tax bonds as they mature.

CITY OF ALEXANDRIA, LOUISIANA 1993 STREETS AND DRAINAGE PROPERTY TAX CAPITAL PROJECTS FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE YEAR ENDED APRIL 30, 1996

	EXHIBIT I-5
REVENUES	
Interest	\$ 179,466
EXPENDITURES - CAPITAL OUTLAY	
Public Works	
Drainage	100,618
Streets	685,708
Total Expenditures	786,326
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(606,860)
OTHER FINANCING SOURCES	
Operating transfer in	
Special Revenue Fund	2,158,389
Enterprise Fund	<u>69,509</u>
Total Other Financing Sources	2,227,898
EXCESS OF REVENUES AND OTHER FINANCING SOURCES	
OVER EXPENDITURES	1,621,038
FUND BALANCE, BEGINNING OF YEAR	1,314,835
FUND BALANCE, END OF YEAR	\$ <u>2,935,873</u>

The accompanying notes are an integral part of the financial statements.



CITY OF ALEXANDRIA, LOUISIANA 1988 DRAINAGE PROPERTY TAX CAPITAL PROJECTS FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE YEAR ENDED APRIL 30, 1996

	EXHIBIT I-4
REVENUES Interest	\$ 203,742
EXPENDITURES - CAPITAL OUTLAY Public Works	
Drainage improvements	312,887
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(109,145)
FUND BALANCE, BEGINNING OF YEAR	3,671,430
FUND BALANCE, END OF YEAR	\$3,562,285

The accompanying notes are an integral part of the financial statements.

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CITY OF ALEXANDRIA, LOUISIANA GENERAL CAPITAL PROJECTS FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE YEAR ENDED APRIL 30, 1996

REVENUES

EXHIBIT I-3

Intergovernmental grants \$11,543,914 State of Louisiana 7,230 Parish 370,473 Interest 74,602 Other 11,996,219 Total Revenues EXPENDITURES - CAPITAL OUTLAY Public works 11,755,202 Exhibition Hall 213,334 Drainage 1.107.578 Stroote

Streets	1,107,578
Parks and Recreation	293,492
Zoological park	158,715
Other	267,471
Public Safety	
Police	155,022
Fire	68,054
Enterprise Funds Projects	<u> </u>
Total Expenditures	<u>14,074,786</u>
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,078,567)
OTHER FINANCING SOURCES	
Operating transfers in	
General Fund	1,228,240
Special Revenue Funds - Net	2,117,484
Enterprise Funds - Net	2,629,603
Total Other Financing Sources	5,975,327
EXCESS OF REVENUES AND OTHER FINANCING SOURCES	
OVER EXPENDITURES	3,896,760
FUND BALANCE, BEGINNING OF YEAR	5,977,206
RESIDUAL EQUITY TRANSFER	<u> </u>
FUND BALANCE, END OF YEAR	\$ <u>10,667,082</u>

The accompanying notes are an integral part of the financial statements.

AND CITY OF ALEXANDRIA, LOUISIANA CAPITAL PROJECTS FUNDS STATEMENT OF REVENUES, EXPENDITURES, CHANGES IN FUND BALANCES APRIL 30, 1996 COMBINING

EXHIBIT

						EXHIBIT I-2
	GENERAL CAPITAL PROJECTS	SALES TAX '87 BOND <u>ISSUE</u>	1988 DRAINAGE PROPERTY <u>TAX</u>	1993 STREETS AND DRAINAGE PROPERTY <u>TAX</u>	D PUBLIC SAFETY COMPLEX	TOTAL
ernmental - grants	\$11,551,144 370,473	ŝ	\$ 203,742	\$ 179,466	ŝ	\$11,551,144 753,681
tal Revenues	<u>4,00</u> 6,21	-0-	203,742	179,466	-0-	<u>4,60</u> 9,42
ES - CAPITAL OUTLAY orks afety	13,795,792 223,076		312,887	786,326	678,118	5,00 1,19
se Funds Projects tal Expenditures	161	-0-	312,887	786,326	678,118	55,918 15,852,117
Y) OF REVENUES SNDITURES	(2,078,567)	 	(109,145)	(606,860)	(678,118)	(3,472,690)
NCING SOURCES (USES) lance cost					(29,408)	(29,408)
[Fund L Revenue Funds - Net rise Funds - Net	1,228,240 2,117,484 2,629,603			2,158,389 69,509		1,228,240 4,275,873 2,699,112
cal Other Financing Sources	5,975,327	-0	-0-	2,227,898	(29,408)	, 81
FICIENCY) OF REVENUES & FINANCING SOURCES OVER JRES AND OTHER JUSES	R 3,896,760	- - -	(109,145)	1,621,038	(707,526)	4,701,127
CES, BEGINNING OF YEAR	5,977,206	793,116	3,671,430	314	-0-	756,5
QUITY TRANSFER	793,116	(793,116)				-0-
CES, END OF YEAR	\$ <u>10,667,082</u>	s	\$3,562,285	\$2,935,873	\$ <u>(707,526</u>)	\$16,457,714
anying notes are an int	integral part of	the financial	l statements.			

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EXCESS (DEFI AND OTHER] EXPENDITURI FINANCING (THER FINANC Bond Issual Operating General Enterpris Tota Sol EXPENDITURES Public wor Public saf Enterprise Tota (DEFICIENCY) OVER EXPEN DUAL EQU BALANCE Tota accompai RESIDUAL OTHER FUND The

REVENUES Intergover Interest Other

	CITY OF ALEXA CAPITAL PI COMBINING APRIL	ANDRIA, PROJECTS BALANCE 30, 199	LOUISIANA FUNDS SHEET 96			
						EXHIBIT I-1
ASSETS	GENERAL CAPITAL PROJECTS	SALES TAX '87 BOND <u>ISSUE</u>	1988 DRAINAGE PROPERTY <u>TAX</u>	1993 STREETS AND DRAINAGE PROPERTY <u>TAX</u>	PUBLIC SAFETY COMPLEX	TOTAL
ooled cash and ts her governments her funds	\$10,506,256 2,736,482 980,353	\$	\$3,573,609	\$4,201,206 \$	-	\$18,281,071 2,736,482 980,353
۲Ď١	\$14,223,091	\$\$	\$3,573,609	\$ <u>4,201,206</u> \$	-0-	\$21,997,906
TIES AND FUND BALANCES						
and contracts payable rom Enterprise Funds her funds	, 44 , 00 , 26	ŝ	\$ 11,32 4	\$ 101,777 \$ 1,163,556	; 2,313 705,213	58,15 63,55 18,47
Revenues tal Liabilities	3,556,009	- 0 -	11,324	1,265,333	707,526	
ES (Exhibit I-2) for encumbrances	3,184,047		153,439	339,651		3,677,137
ted for Industrial Park ted for parking garage ted for relocation nated ral Fund Balances	221,314 2,483,286 357,001 4,421,434 10,667,082	- -	3,408,846 3,562,285	2,596,222 2,935,873	(707,526) (707,526)	221,314 2,483,286 357,001 9,718,976 16,457,714
LITIES AND FUND BALANCES	\$14,223,091	\$\$	\$ <u>3,573,609</u>	\$4,201,206 \$	-0-	\$21,997,906
nying notes are an integral	al part of the	financial s	statements.			

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TOTAL ASSETS LIABILITII LIABILITIES LIABILITIES Accounts and Advance fron Due to other Deferred Rev Total FUND BALANCES Reserved for Unreserved Designate Designate Undesignate Total ASS Equity in pool investments Due from othe Due from othe LIABILI The accompany TOTAL

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

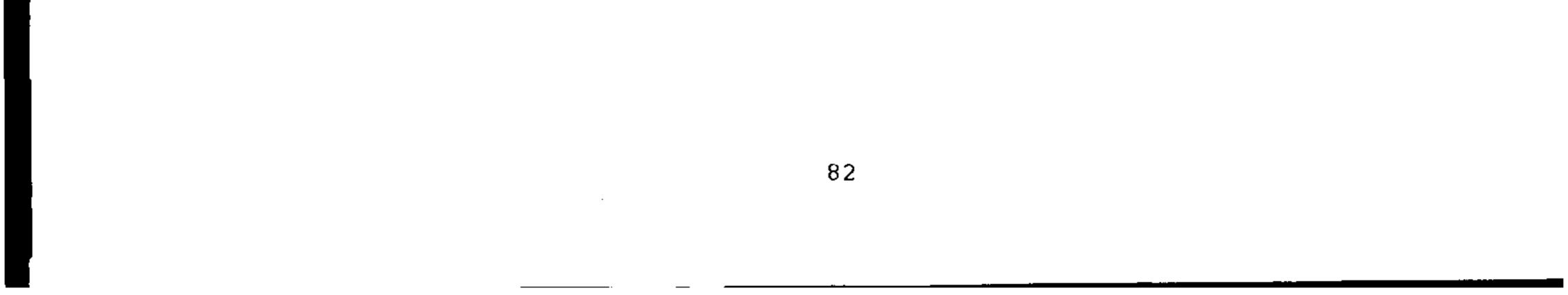
GENERAL CAPITAL PROJECTS FUND accounts for various capital projects. Funding is provided by intergovernmental grants and transfers of funds designated for capital improvements from the City Sales Tax Fund.

GENERAL CAPITAL PROJECTS-SALES TAX '87 BOND ISSUE FUND is used to account for the costs of general capital projects financed with proceeds received from the sale of 1987 sales tax bonds and related matching grant funds.

1988 DRAINAGE PROPERTY TAX FUND is used to account for drainage improvements financed with a special property tax approved by voters during 1988.

1993 STREETS AND DRAINAGE PROPERTY TAX FUND is used to account for street and drainage improvements financed with a special property tax approved by voters during 1993.

PUBLIC SAFETY COMPLEX FUND is used to account for acquisition and construction of the police and fire department's public safety complex. The project will be financed from the proceeds received from the sale of general obligation bonds issued subsequent to April 30, 1996.



CITY OF ALEXANDRIA, LOUISIANA CERTIFICATES OF INDEBTEDNESS DEBT SERVICE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

EXHIBIT H-4

VARIANCE

REVENUES	BUDGET	<u>ACTUAL</u>	FAVORABLE (UNFAVORABLE)
Interest	\$ 11,000	\$ 12,666	\$1,666
	¥ 11,000	φ 12,000	<i>Q1</i> ,000
EXPENDITURES			
Debt Service			
Installment obligations	436,000	436,000	-0-
Interest	119,254	119,254	0
Total Expenditures	555,254	555,254	
EXCESS (DEFICIENCY) OF RÉVENUES OVER			
EXPENDITURES	(544,254)	(542,588)	1,666

OTHER FINANCING SOURCES Operating transfer in			
Special Revenue Fund	544,254	543,820	<u>(434</u>)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	-0-	1,232	1,232
FUND BALANCE, BEGINNING OF YEAR	46,404	46,404	
FUND BALANCE, END OF YEAR	\$ 46,404	\$ <u>47,636</u>	\$ <u>1,232</u>

The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA DEBT SERVICE FUNDS COMBINING BALANCE SHEET APRIL 30, 1996

EXHIBIT H-1

ASSETS	SALES TAX <u>BONDS</u>	CERTIFICATES OF <u>INDEBTEDNESS</u>	TOTAL
Investments Certificates of deposit, at cost U.S. Treasury notes, at amortized	\$ 921,245	\$47,506	\$ 968,751
cost Accrued interest receivable	1,707,287 	130	1,707,287 <u>39,071</u>
TOTAL ASSETS	\$ <u>2,667,473</u>	\$ <u>47,636</u>	\$ <u>2,715,109</u>
FUND BALANCES (Exhibit H-2) Reserved for debt service Sinking funds Reserve funds	\$ 894,758 <u>1,772,715</u>	\$47,636	\$ 942,394 <u>1,772,715</u>

The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

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EXHIBIT G-10

REVENUES	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Land lease Interest Total Revenues	\$ 46,000 <u>18,000</u> 64,000	\$ 46,000 <u>19,082</u> 65,082	$\begin{array}{r} & -0-\\ \underline{1,082}\\ 1,082 \end{array}$
EXPENDITURES Economic development	264,887	-0-	264,887
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(200,887)	65,082	265,969

OTHER FINANCING USES

Operating transfer (out) Home Investment Partnership Program	<u>(135,150</u>)	<u>(40,176</u>)	94,974
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	(336,037)	24,906	360,943
FUND BALANCE, BEGINNING OF YEAR	-0-	-0-	-0-
RESIDUAL EQUITY TRANSFER IN Community Development Block			
Grant Fund	<u>336,037</u>	336,037	
FUND BALANCE, END OF YEAR	\$ <u>-0-</u>	\$ <u>360,943</u>	\$ <u>360,943</u>

The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA HOTEL/MOTEL TAX SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

EXHIBIT G-7

VARIANCE

REVENUES	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)
Taxes - occupancy	\$114,775	\$124,642	\$ 9,867
EXPENDITURES Special programs	<u>114,775</u>	124,642	<u>(9,867</u>)
EXCESS OF REVENUES OVER EXPENDITURES	-0-	-0-	-0-
FUND BALANCE, BEGINNING OF YEAR	<u> </u>	<u> </u>	<u> </u>
FUND BALANCE, END OF YEAR	\$ <u>-0-</u>	\$ <u>0_</u>	\$ <u>0_</u>

The accompanying notes are an integral part of the financial statements.

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CITY OF ALEXANDRIA, LOUISIANA DECENTRALIZED ART SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

EXHIBIT G-8

			VARIANCE FAVORABLE
REVENUES	BUDGET	ACTUAL	(UNFAVORABLE)
Intergovernmental - grants	\$243,988	\$179,485	\$(64,503)
EXPENDITURES			
Special Programs:			
General planning and administration	66,229	39,874	26,355
Subrecipients	177,759	<u>139,611</u>	38,148
Total Expenditures	243,988	179,485	64,503
EXCESS OF REVENUES OVER EXPENDITURES	-0-	-0-	-0-
FUND BALANCE, BEGINNING OF YEAR			<u> </u>

\$<u>-0-</u> \$<u>-0-</u> \$<u>-0-</u>

The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA PUBLIC SAFETY COMPLEX CAPITAL PROJECTS FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE YEAR ENDED APRIL 30, 1996

REVENUES	\$	-0-
EXPENDITURES - CAPITAL OUTLAY		
Public Safety		
Public Safety Complex		
Land		350,000
Building		325,000
Other		3,118
Total Expenditures		678,118
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(678,118)
OTHER FINANCING SOURCES (USES)		
Bond issuance costs		(29,408)
(DEFICIENCY) OF REVENUES OVER EXPENDITURES AND		
OTHER FINANCING USES	(707,526)
FUND BALANCE, BEGINNING OF YEAR		<u> </u>
FUND BALANCE, END OF YEAR	\$ <u>(</u>	<u>707,526</u>)

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The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA UTILITIES SYSTEM ENTERPRISE FUND STATEMENT OF CASH FLOWS YEAR ENDED APRIL 30, 1996

EXHIBIT J-6

CASH FLOW OPERATING ACTIVITIES Operating income Adjustments to reconcile operating income to net cash provided by operating activities	\$ 8,861,155
Depreciation Provision for doubtful accounts Changes in assets and liabilities	5,098,004 265,000
Customer receivables Other receivables	(1,367,393) 529
Due from other funds Inventories Accounts payable	(23,077) 87,985 (167,806)
Due to other funds Other current liabilities Accrued expenses	(166,888) 29,564 135,200
Customer deposits - net Net Cash Provided by Operating Activities	<u>(97,681</u>) 12,654,592
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES Operating transfers out - net	(8,111,936)
Advances to other funds Repayment of advances to other funds Net Cash Used by Noncapital Financing Activities	(1,500,000) <u>728,727</u> (8,883,209)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES Acquisition of property, plant and equipment	(10,216,157)
Proceeds from the sale of property, plant and equipment Decrease in receivable for the acquisition of property, plant and equipment	5,426 (78,274)
Increase in payables for the acquisition of property, plant and equipment	759,831
Issuance of revenue bonds Payments of revenue bonds and other indebtedness Interest paid on long-term debt	15,000,000 (3,523,598) (3,059,872)
Bond issuance costs Interest received on construction funds Other	(228,252) 1,695,571 12,562
Net Cash Provided by Capital and Related Financing Activities	<u>12,562</u> 367,237
CASH FLOWS FROM INVESTING ACTIVITIES Increase in equity in pooled cash and investments - net Proceeds from the maturity of investments	(5,139,339) (56,238)
Interest received on operating funds Net Cash Used by Investing Activities	<u>1,501,613</u> (3,693,964)
NET INCREASE IN CASH AND EQUIVALENTS	444,656
CASH AND EQUIVALENTS, BEGINNING OF YEAR	6,892,033
CASH AND EQUIVALENTS, END OF YEAR	\$ <u>7,336,689</u>
CLASSIFIED AS Current Assets Restricted Assets	\$ 1,860,763 5,475,926
TOTAL	\$ <u>7,336,689</u>

The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA HOME INVESTMENT PARTNERSHIP PROGRAM SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

EXHIBIT G-9

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	BUDGET	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES Intergovernmental - grants	\$1,113,174	\$337,538	\$(775,636)
EXPENDITURES			
General planning and administration	89,802	21,022	68,780
Rehabilitation - deferred loans	958,970	346,510	612,460
Special programs	188,775		<u>188,775</u>
Total Expenditures	1,237,547	367,532	870,015
EXCESS (DEFICIENCY) OF REVENUES OVER			
EXPENDITURES	(124,373)	(29,994)	94,379

OTHER FINANCING SOURCES (USES) Operating transfer in (out) Economic Development Special			
Revenue Fund	135,150	40,176	(94,974)
General Fund	(10,777)	(10,182)	595
Total Other Financing			
Sources (Uses)	124,373	29,994	(94,379)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER			
FINANCING USES	-0-	-0-	-0-
FUND BALANCE, BEGINNING OF YEAR		<u> </u>	
FUND BALANCE, END OF YEAR	\$ <u></u>	\$	\$ <u>0</u>

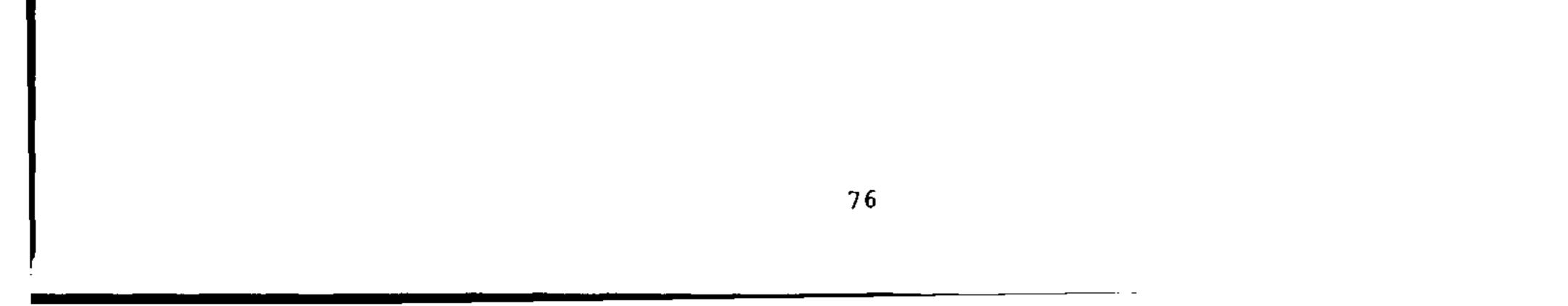
The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA HUD EMERGENCY SHELTER PROGRAM SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

EXHIBIT G-11

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES Intergovernmental - grants	\$134,473	\$102,894	\$ 31,579
EXPENDITURES Special programs	<u>134,473</u>	<u>102,894</u>	<u>(31,579</u>)
EXCESS OF REVENUES OVER EXPENDITURES	-0-	-0-	-0-
FUND BALANCE, BEGINNING OF YEAR	<u> </u>	-0-	<u> </u>
FUND BALANCE, END OF YEAR	\$ <u></u> \$	\$ <u></u>	\$ <u>0</u>

The accompanying notes are an integral part of the financial statements.



CITY OF ALEXANDRIA, LOUISIANA DEBT SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES YEAR ENDED APRIL 30, 1996

EXHIBIT H-2

		SALES TAX <u>BONDS</u>	CERTIFICATES OF <u>INDEBTEDNESS</u>		<u>TOTAL</u>
REVENUE Interest	\$	117,506	\$ 12,666	\$	130,172
EXPENDITURES Debt service Principal retirement		860,000	436,000 119,254	1	,296,000 897,544
Interest Paying agents' fees Total Expenditures	1	778,290 <u>3,910</u> ,642,200	555,254	2	<u>3,910</u> ,197,454
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1	,524,694)	(542,588)	(2	2,067,282)

OTHER FINANCING SOURCES Operating transfers in Special Revenue funds	1,524,429	<u>543,820</u>	2,068,249
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	(265)	1,232	967
FUND BALANCES, BEGINNING OF YEAR	2,667,738	46,404	2,714,142
FUND BALANCES, END OF YEAR	\$ <u>2,667,473</u>	\$ <u>47,636</u>	\$ <u>2,715,109</u>

The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA UTILITIES SYSTEM ENTERPRISE FUND STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS YEAR ENDED APRIL 30, 1996

EXHIBIT J-5

			NATURAL	<u>៤រភពមិក</u> ្រ	WASTE
OPPRATIO PEURIURO	TOTAL	ELECTRICITY	GAS	WATER	WATER
OPERATING REVENUES Charges for sales and					
services	\$58,657,754	\$42,414,612	\$9,555,296	\$4,256,131	\$ 2,431,715
Other	535,830	278,033	60,625	107,955	89,217
Total	59,193,584	42,692,645	9,615,921	4,364,086	2,520,932
IOLAI	59,195,504	4270527045	,,,,,,,,,,,	-,	-,,
OPERATING EXPENSES					
Electricity purchases	22,445,839	22,445,839			
Natural gas purchases	6,492,229	265,675	6,226,554		
Salaries	4,753,857	1,847,917	1,087,041	821,942	996,957
Employee benefits	1,368,803	514,716	318,702	248,760	286,625
Supplies	425,636	120,635	39,008	80,373	185,620
Auto and truck expenses	222,383	64,993	44,701	61,334	51,355
Communications	58,121	28,044	8,003	7,151	14,923
Utilities	1,764,350	122,583	1,549	1,014,370	625,848
Repairs and maintenance	3,066,618	904,907	93,008	310,155	1,758,548
Depreciation	4,622,647	1,812,537	755,389	890,141	1,164,580
Other	301,977	42,172	120,877	20,692	118,236
Overhead					D.0. 05 7
Utility director	130,095	38,412	29,777	33,849	28,057
Budget director	101,211	29,883	23,166	26,333	21,829
Billing office	305,867	90,310	70,009	79,581	65,967
Billing and collections	1,252,071	369,685	286,584	325,768	270,034
Meter readers	597,648	224,886	175,024	197,738	616 0 75
Data processing	1,001,412	295,676	229,211	260,550	215,975
Utility services	403,246		131,464	148,524	123,258
Provision for doubtful			4.7.1.6.0	10 330	10 096
accounts	265,000	191,618	43,168	19,228	10,986
Payments in lieu of			120 100	107 764	160 292
insurance	743,185	219,432	170,106	193,364	160,283
Other	10,234	3,022	2,342	2,663	$\frac{2,207}{5,101,288}$
Totals	50,332,429	29,632,942	9,855,683	4,742,516	6,101,288
OPERATING INCOME (LOSS)	8,861,155	\$ <u>13,059,703</u>	\$ <u>(239,762</u>)	\$ <u>(378,430</u>)	\$ <u>(3,580,356</u>)
NONOPERATING REVENUE (EXPENSES)					
Interest income	3,193,505				
Interest expense and fiscal					
charges	(3,491,810)				
Loss on disposition of assets	(5,046)				
Net	(303,351)				
INCOME BEFORE OPERATING TRANSFER	s 8,557,804				
OPERATING TRANSFERS IN (OUT)	<u>(8,111,936</u>)				
NET INCOME	445,868				
RETAINED EARNINGS, BEGINNING	41,194,452				
RETAINED EARNINGS, END OF YEAR	\$ <u>41,640,320</u>				

The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA SANITATION ENTERPRISE FUND BALANCE SHEET APRIL 30, 1996

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EXHIBIT J-10

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ASSETS

CURRENT ASSETS		
Cash	\$ 46	
Equity in pooled cash and investments	187,106	
Estimated unbilled receivables	165,715	
Due from Utilities System Enterprise Fund	42,604	
Total Current Assets		395,471
PROPERTY, PLANT AND EQUIPMENT		
Vehicles	1,196,123	
Furniture and equipment	62,837	
Total	1,258,960	
Accumulated depreciation	(739,045)	
Net Property, Plant and Equipment		519,915

LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 19,936	
Accrued expenses	104,013	
Estimated liability for landfill		
postclosure costs	280,244	
Due to General Fund	51,710	
Total Current Liabilities		455,903
NONCURRENT LIABILITIES		
Estimated liability for landfill		
postclosure costs		45,000
Total Liabilities		500,903
EQUITY		
Contributed capital	431,783	
(Accumulated Deficit)	(17,300)	
Total Equity		414,4B3
		
TOTAL LIABILITIES AND EQUITY		\$ <u>915,386</u>

The accompanying notes are an integral part of the financial statements.





CITY OF ALEXANDRIA, LOUISIANA MUNICIPAL BUS LINE ENTERPRISE FUND STATEMENT OF CASH FLOWS YEAR ENDED APRIL 30, 1996

CASH FLOWS FROM OPERATING ACTIVITIES \$(1,525,365) Operating loss Adjustments to reconcile operating loss to net cash used by operating activities 289,054 Depreciation Changes in assets and liabilities 591 Other receivables 4,786 Accounts payable 29,592 Accrued expenses (1, 201, 342)Net Cash Used By Operating Activities CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES 582,715 Operating transfers - net 623,256 Government subsidy

15.7131 in hand aroundwaft th

Decrease in bank overdraft	(5, /13)
Net Cash Provided By Noncapital Financing Activities	1,200,258
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of property, plant and equipment	(266,492)
Proceeds from sale of fixed assets	1,975
Government subsidy - capital grant	223,671
Contribution from capital project funds	55,918
Net Cash Provided by Capital and Related Financing Activities	15,072
CASH FLOWS FROM INVESTING ACTIVITIES	
Increase in equity in pooled cash and investments - net	(23,561)
Interest received	9,573
Net Cash Used by Investing Activities	(13,988)
NET INCREASE IN CASH AND EQUIVALENTS	-0-
CASH AND EQUIVALENTS, BEGINNING OF YEAR	-0-
CASH AND EQUIVALENTS, END OF YEAR	\$ <u>0-</u>

The accompanying notes are an integral part of the financial statements.



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EXHIBIT J-9

CITY OF ALEXANDRIA, LOUISIANA APRIL 30, 1996

NOTES TO FINANCIAL STATEMENTS

	COAERS	PPARF
Pension Benefit Obligation		
Current Employees		
Accumulated employee contributions	\$ 9,376,082	\$ N/A
Employer financed vested	7,549,500	N/A
Employer financed nonvested	<u>12,058,203</u>	<u>N/A</u>
Total Current Employees	28,983,785	65,362
Retirees and beneficiaries currently		
receiving benefits and terminated		
employees not yet receiving benefits	<u>30,161,899</u>	<u>686,320</u>
Total Pension Benefit Obligation	59,145,684	751,682
Net assets available for benefits,		
at cost or amortized cost	(39,540,636)	<u>(217,877</u>)
Unfunded Pension Benefit Obligation	\$ 19,605,048	\$ 533,805

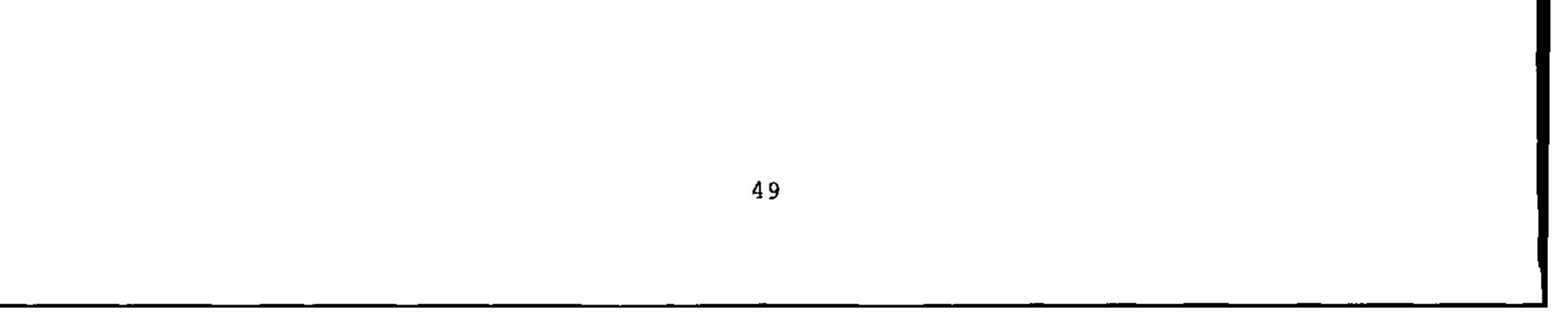
Market value of net assets available for benefits

\$ 44,670,394 \$ 217,877

The pension benefit obligation for current employees of the Policemen's Pension and Relief Fund is available in total only.

The pension benefit obligation and certain other relevant information for the four multiple-employer public employee retirement systems to which the City contributes are presented below.

	(In Millions)								
Date of Actuarial Valuation	<u>MPERS</u> 6/30/95		<u>FRS</u> 6/30/94		<u>LSERS</u> 6/30/95		<u>PERSL</u> 12/31/95		
Pension benefit obligation Net assets available for	\$	737	\$	\$		\$ 5,697 \$		\$ 800	
benefits Unfunded (Excess) pension	.	756	<u> </u>	297	-	3,590		696	
benefit obligation	\$	(19)	\$	(2)	\$	2,107	\$	104	



CITY OF ALEXANDRIA, LOUISIANA YOUTH BASEBALL RECREATION BOARD SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

EXHIBIT G-6

VARIANCE

	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)
REVENUES Concessions, etc.	\$45,000	\$ 72,862	\$ 27,862
EXPENDITURES Ballpark operations	<u>52,500</u>	87,225	<u>(34,725</u>)
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,500)	(14,363)	(6,863)

OTHER FINANCING SOURCES

Operating transfer in General Fund	7,500	7,500	<u> </u>
(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	-0-	(6,863)	(6,863)
FUND BALANCE, BEGINNING OF YEAR	5,507	5,507	<u> </u>
FUND BALANCE, (DEFICIT) END OF YEAR	\$ <u>5,507</u>	\$ <u>(1,356</u>)	\$ <u>(6,863</u>)

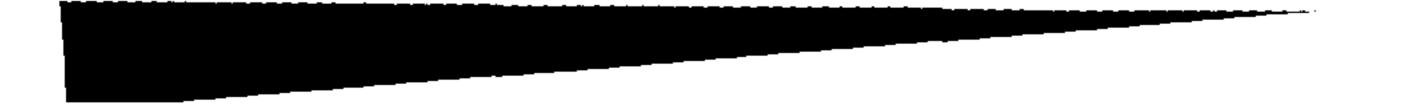
The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA SANITATION ENTERPRISE FUND STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS (ACCUMULATED DEFICIT) YEAR ENDED APRIL 30, 1996

EXHIBIT J-11

OPERATING REVENUES	
Charges for services	\$2,628,942
Other	400
Total Operating Revenues	2,629,342
OPERATING EXPENSES	
Salaries	846,695
Employee fringe benefits	275,333
Disposal costs	728,466
Payments in lieu of insurance	216,097
Provision for landfill postclosure costs	166,262
Operating supplies	85,414
Vehicle costs	
Gas and oil	55,807
Repairs and maintenance	118,227
Recycling program	30,634
Litter reduction - Cenla Pride	36,000
Provision for doubtful accounts	11,645
Professional fees	971
Other repairs and maintenance	848
Other operating costs	8,511
Depreciation	148,793
Total Operating Expenses	2,729,703
OPERATING INCOME (LOSS)	(100,361)
NONOPERATING REVENUES	
Interest revenue	15,769
NET INCOME (LOSS) BEFORE OPERATING TRANSFERS	(84,592)
OPERATING TRANSFERS IN (OUT)	
General Fund
General Fund (Indirect costs)	262,622
Utilities System Enterprise Fund	(262,622)
Utilities System Enterprise Fund (Indirect costs)	12,988
Net Operating Transfers	<u>(12,988</u>)
	<u> </u>
NET INCOME (LOSS)	(84,592)
RETAINED EARNINGS BEGINNING OF YEAR	67,292
RETAINED FARNINGS (ACCUMULATED DEDICATE)	
RETAINED EARNINGS (ACCUMULATED DEFICIT), END OF YEAR	(17,300)

The accompanying notes are an integral part of the financial statements.



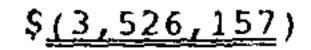
CITY OF ALEXANDRIA, LOUISIANA MUNICIPAL BUS LINE ENTERPRISE FUND STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN ACCUMULATED DEFICIT YEAR ENDED APRIL 30, 1996

EXHIBIT J-8

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OPERATING REVENUES	
Passenger	\$ 222,591
Advertising	5,190
Other	6,254
Total Operating Revenues	234,035
OPERATING EXPENSES	
Salaries	698,278
Pension fund contributions	109,990
Hospitalization and life insurance	82,633
Unemployment compensation	3,308
Other payroll taxes	6,240
Uniforms	8,394
Contract labor	12,512
Fuel and oil	100,419
Repairs and maintenance	116 677
Buses, vans, and other vehicles	116,627
Buildings and equipment	17,135
Tires Dermonte in lieu of inclusers, premiume	22,123
Payments in lieu of insurance premiums	243,577
Professional services	26,600
Comprehensive planner Other	2,755
Office supplies and expenses	6,884
Utilities	8,583
Other	4,288
Depreciation	289,054
Total Operating Expenses	1,759,400
OPERATING LOSS	(1,525,365)
NONOPERATING REVENUES AND EXPENSES	
Federal and state grants	623,368
Interest revenue	9,573
Loss on disposition of fixed assets	(9,080)
Net Nonoperating Revenues	623,861
LOSS BEFORE OPERATING TRANSFERS	(901,504)
OPERATING TRANSFERS IN (OUT)	
General Capital Projects Fund	7,888
Utilities System Enterprise Fund	1,142,957
General Fund	(303,403)
Risk Management Fund	(124, 021)
Net Operating Transfers In	723,421
NET LOSS	(178,083)
ACCUMULATED DEFICIT, BEGINNING OF YEAR	(3,348,074)





The accompanying notes are an integral part of the financial statements.

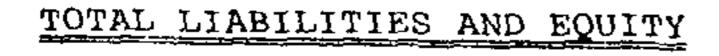


CITY OF ALEXANDRIA, LOUISIANA UTILITIES SYSTEM ENTERPRISE FUND BALANCE SHEET APRIL 30, 1996

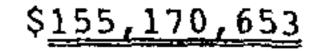
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EXHIBIT J-4 (Concluded)

LIABILITIES AND EQUITY CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS) Installment contracts Accounts payable Due to other City funds Other current liabilities Accrued expenses Total		<pre>\$ 106,730 1,072,789 319,779 187,157 <u>965,697</u> 2,652,152</pre>
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)		
Payable from cash with paying agent Revenue bonds		
Interest		3,590,000
Payable from customer deposit accounts		1,885,926
Customer guaranteed deposits		2 720 605
Payable from capital projects accounts		2,720,605
Accounts and contracts		818,880
Payable from revenue bond construction accounts		010,000
Accounts and contracts		851,354
Total		9,866,765
Total Current Liabilities		12,518,917
NONCURRENT LIABILITIES		
Revenue bonds payable		63,770,000
Installment contracts payable		983
Total Noncurrent Liabilities		63,770,983
Total Liabilities		76,289,900
EQUITY		
Contributed capital		37,240,433
Retained earnings		
Reserved for		
Special projects	4,049,795	
Revenue bond debt service	7,307,185	
Capital additions and contingencies	1,000,000	
Capital projects	8,054,047	
Total Reserved Retained Earnings	20,411,027	
Unreserved	21,229,293	
Total Retained Earnings		41,640,320
Total Equity		78,880,753



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The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA SANITATION ENTERPRISE FUND STATEMENT OF CASH FLOWS YEAR ENDED APRIL 30, 1996

EXHIBIT J-12

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\${100,361}
Adjustments to reconcile operating loss to net cash	
provided by operating activities	
Depreciation	148,793
Provision for landfill postclosure costs	166,262
Changes in assets and liabilities:	
Estimated unbilled receivables	(40,257)
Due from other funds	(34,941)
Accounts payable	12,355
Accrued expenses	22,553
Estimated liability for landfill postclosure costs	(6,018)
Due to other funds	32,432
Net Cash Provided By Operating Activities	200,818

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

~0-

Operating transfers - net

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES Acquisition of property, plant and equipment Repayment of advance from the Utilities System Fund Net Cash Used By Capital and Related Financing Activities	(184,334) <u>(146,949</u>) (331,283)
CASH FLOWS FROM INVESTING ACTIVITIES Decrease in equity in pooled cash and investments - net Interest received Net Cash Provided by Investing Activities	114,742 15,769 130,511
NET INCREASE IN CASH	46
CASH, BEGINNING OF YEAR	-0-
CASH, END OF YEAR	\$ <u>46</u>

The accompanying notes are an integral part of the financial statements.





ENTERPRISE FUNDS

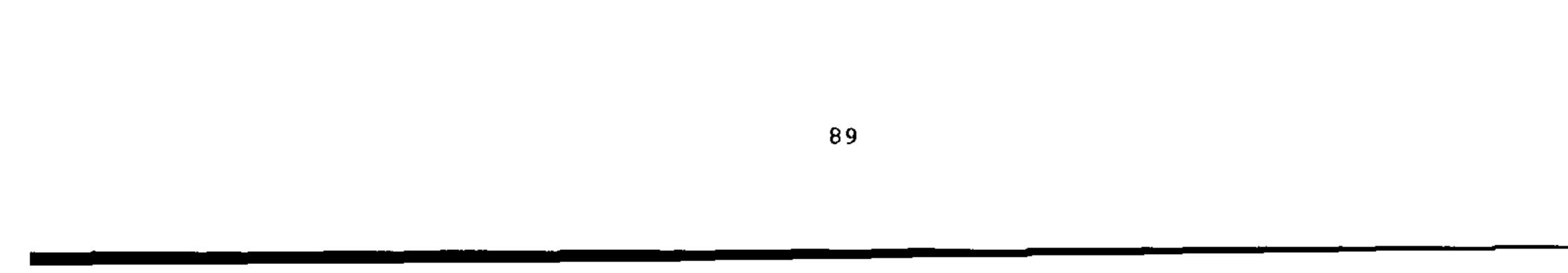
Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net

income is appropriate for accountability purposes.

UTILITIES SYSTEM FUND is used to account for electricity, natural gas, water and wastewater services provided to residents of the City and some residents of the parish. All activities incident to providing these services are accounted for in the fund. The Utilities System Fund also provides support to the general government operations and bus line by transferring monies to the General Fund and Municipal Bus Line Fund.

MUNICIPAL BUS LINE FUND is used to account for the operation of a bus transit system. Financing of operations is provided by passenger fares, advertising, intergovernmental operating and capital grants, and operating transfers from the Utilities System Fund.

SANITATION FUND is used to account for services provided to the public in the form of solid waste collection and disposal.



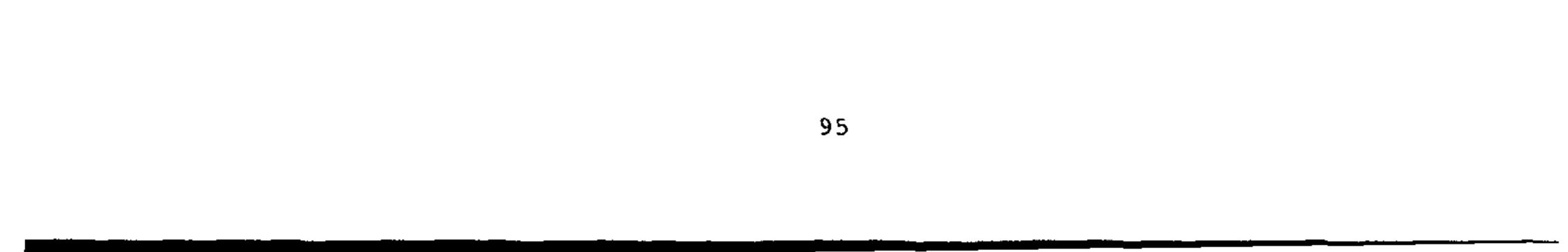
CITY OF ALEXANDRIA, LOUISIANA UTILITIES SYSTEM ENTERPRISE FUND BALANCE SHEET APRIL 30, 1996

> EXHIBIT J-4 (Continued)

ASSETS

CURRENT ASSETS	
Cash and equivalents	\$ 1,860,763
Equity in pooled cash and investments	3,475,372
Utility receivables, net of allowance for	
doubtful accounts of \$602,456	3,076,230
Unbilled receivables	3,066,212
Other receivables	69,140
Due from other City funds	33,092
Inventories	1,898,191
Total Current Assets	13,479,000
RESTRICTED ASSETS	
Cash with paying agents	5,475,926
Customers' deposit accounts	2,720,605
Special projects accounts	4,049,795
Revenue bond reserve accounts	7,307,185
Revenue bond capital additions and contingencies accounts	1,000,000
Capital projects accounts	8,872,927
Revenue bond construction accounts	<u>21,089,693</u>
Total Restricted Assets	50,516,131
PROPERTY, PLANT AND EQUIPMENT	
Property, plant and equipment	158,629,740
Accumulated depreciation	(68,743,458)
Net Property, Plant and Equipment	89,886,282
OTHER ASSETS	
Bond issuance costs	1,289,240
TOTAL ASSETS	\$ <u>155,170,653</u>

The accompanying notes are an integral part of the financial statements.



OF ALEXANDRIA, LOUISIANA ENTERPRISE FUNDS

CITY

COMBINING STAT	STATEMENT OF CASH FLOWS APRIL 30, 1996	Ś		
				EXHIBIT J-3 (Concluded)
TING ACTIVITIE:	UTILITIES SYSTEM	MUNICIPAL BUS LINE	SANTTATION FUND	TOTAL
un equity in pooled cash and ents - net from the maturity of investments	- - -	\$ (23,561)	\$ 114,742	5.0
received on operating funds h Provided (Used) by Investing Activities	1,501,613 (3,693,964)	9,573 (13,988)	<u>15,769</u> <u>130,511</u>	1,526,955
E (DECREASE) IN CASH AND EQUIVALENTS	444,656	- 0 -	46	444,702
JIVALENTS, BEGINNING OF YEAR	6,892,033	-0-	-0-	6,892,033
JIVALENTS, END OF YEAR	\$ 7,336,689	s	\$ <u>46</u>	\$ 7,336,735
AS sets Assets	\$ 1,860,763 5,475,926 \$ 7,336,689	\$ -0- \$ -0- \$	\$ 46 \$ 46	\$ 1,860,809 5,475,926 \$ 7,336,735

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	SANITATION <u>FUND</u>	\$(100,361)	148,793 166,262	(40,257) (34,941)	12,355 32,432	22,553 (6,018)	200,818			(146,949)	\$(331,283)
	MUNICIPAL BUS LINE	\$(1,525,365)	289,054	291	4,786	29,592	(1,201,342)	582,715 623,256 (5,713)		(266,492) 223,671 55,918 1,975	\$ 15,072
	LTIES CEM	155	004	393) 529 077)	$0 \odot 0$	*0 *	265	936) 000) 727	209)	600) 598) 572) 572)	237

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DF ALEXANDRIA, LOUIS ENTERPRISE FUNDS 1G STATEMENT OF CASH APRIL 30, 1996 UTILI SYSTI s. s. • . . . *** • s. s. • . . . • ,500 ωıΩ (23 167 166 135 135 654 861 5 n 0 0 \mathbf{c} NOWDN 4 ~ 0.0 φ ∞ m N 50 N 0 ---6 ON m œ 0 0000 ŝ $\mathbf{\omega}$ • ۰. • $\sim \sim$ • • *~~ * • • • n. 12 --1 œ β $\frac{\infty}{2}$ σ $\widetilde{\mathcal{D}}$ ч ഹ \sim - $\sim \sim$ Ś S equipment ACTIVITIES Ø COMBINING activitie ю Ф b b Activiti Q funds indebtednes at ACTIVITIES and Rel equipment FINANCING costs funds plant and ing income operating costs Noncapital Operating funds l accounts I postclosure llabilities tal CASH FLOW FROM OPERATING ACTIVITIES Operating income (loss) Adjustments to reconcile operating ir (loss) to net cash provided by operat pepreciation Provision for doubtful accounts Provision for landfill postclosure Changes in assets and llabilities Customer receivables Other receivables Other receivables Due from other funds Inventories Accounts payable Due to other funds Other current liabilities Accounts payable Due to other funds Other current liabilities Accounts payable Due to other funds Other current liabilities Accounts payable Due to other funds Other current liabilities Accounts payable Due to other funds Other current liabilities Accrued expenses Estimated landfill postclosure c Customer deposits-net Net Cash Provided (Used) by Operat: Ø to other f and other tal grant l project 1 property, fund FINANCING Capi and RELATED construction to other fu operations CASH FLOWS FROM CAPITAL AND RELATE Acquisition of property, plant a Government subsidy - capital gra Government subsidy - capital proje Proceeds from the sale of proper Issuance of revenue bonds Repayment of advances due to oth Payments of revenue bonds and ot Interest paid on long-term debt Bond issuance costs Interest received on constructio Other Net Cash Provided (Used) by Ca debt λq CASH FLOWS FROM NONCAPITAL F Operating transfers - net Advances to other funds Repayment of advances to of Governments subsidy - opera Bank overdraft Net Cash Provided (Used) Financing Activities (Used) Provided (Used) .ng Activities 11 l Provided sing Activi

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CITY OF ALEXANDRIA, LOUISIANA ENTERPRISE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS YEAR ENDED APRIL 30, 1996

EXHIBIT J-2

	UTILITIES	MUNICIPAL	SANITATION	
	<u>SYSTEM</u>	BUS LINE	FUND	TOTAL
OPERATING REVENUES			• -	
-	\$58,657,754	\$ 222,591	\$2,628,942	\$61,509,287
Other	535,830	11,444	400	547,674
Total Operating Revenues	59,193,584	234,035	2,629,342	62,056,961
OPERATING EXPENSES				
Production, distribution,				
treatment and collection	40,899,813			40,899,813
Cost of service	-	1,470,346	2,580,910	4,051,256
General and administrative	4,809,969			4,809,969
Depreciation -	4,622,647	289,054	148,793	5,060,494
Total Operating Expenses	50,332,429	1,759,400	2,729,703	54,821,532
OPERATING INCOME(LOSS)	8,861,155	(1,525,365)	(100,361)	7,235,429
NONOPERATING REVENUES (EXPENSES)				
Grant revenue		623,368		623,368
Interest earned	3,193,505	9,573	15,769	3,218,847
Disposition of fixed assets	(5,046)	(9,080)		(14,126)
Interest expense and fiscal charges	(3,491,810)		<u> </u>	(3, 491, 810)
Total Nonoperating				
Revenues (Expenses)	(303,351)	623,861	15,769	336,279
INCOME(LOSS) BEFORE OPERATING				
TRANSFERS	8,557,804	(901,504)	(84,592)	7,571,708
OPERATING TRANSFERS IN(OUT)	<u>(8,111,936</u>)	723,421	-0-	(7,388,515)
NET INCOME(LOSS)	115 0CO	(170 003)	(84,592)	102 103
NDI INCOME(1035)	445,868	(178,083)	(04,592)	183,193
RETAINED EARNINGS (DEFICIT),				
BEGINNING OF YEAR	41,194,452	(3,348,074)	67,292	37,913,670
RETAINED EARNINGS (DEFICIT),				
END OF YEAR	\$ <u>41,640,320</u>	\$ <u>(3,526,157</u>)	\$ <u>(17,300</u>)	\$ <u>38,096,863</u>

The accompanying notes are an integral part of the financial statements.

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LIABILITIES AND EQUITY MILITIES (PAYABLE FROM CURRENT ASSETS) at contracts payable her City funds rent liabilities landfill postclosure costs rent liabilities landfill postclosure costs fotal MBILITIES (PAYABLE FROM RESTRICTED ASSETS) rent liabilities landfill postclosure costs fotal MBILITIES (PAYABLE FROM RESTRICTED ASSETS) rend cost for costs fotal fotal fotal postclosure costs fotal fotal luncent Liabilities fotal luncent Liabilities fotal luncent Liabilities fotal luncurrent Liabilities fotal liabilities fotal liabilities fotal Liabilities fotal Liabilities fotal Retained Earnings (Deficit) fotal Retained Earnings (Deficit)	APRIL 30, 1996 APRIL 30, 1996 UTILITIES SYSTEM SYSTEM S 1,072,789 319,779 965,697 187,157 2,652,152 818,880 851,354 9,866,765 12,518,917 63,770,983 76,289,900 63,770,983 76,289,900 63,770,983 76,289,900 76,289,900 77,289,900 76,289,293 76,289,293 77,29,293 76,289,293 76,289,293 77,29,293 77,29,293 77,29,293 77,29,293 77,29,293 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,770,983 78,880,753 78,880,753 78,880,753 78,770,783 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,880,753 78,750 7	MUNICIPAL BUS LINE BUS LINE 59,587 59,587 59,587 518,047 518,047 518,047 6,014,936 6,014,936 (3,526,157) (3,526,157) (3,526,157)	SANITATION FUND 51,710 104,013 280,244 45,903 45,903 45,000 500,903 431,783 431,783 431,783	EXHIBIT J-1 (Concluded) (Concluded) \$ TOTAL 7 296,865 1,296,865 1,296,865 1,296,865 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,129,297 1,127 2,720,605 818,880 851,354 9,866,765 13,492,867 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 14,502 14,502 14,502 12,502 12,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 13,502 14,502 14,502 14,502 15,502 14,502 14,502 15,502 14,502 15,502 15,502 14,502 15,502 14,502 15,502 14,502 14,502 14,502 14,502 14,502 15,502 14,5
ωll	5,170,65	\$ 3,006,826	∞	\$159,092,865

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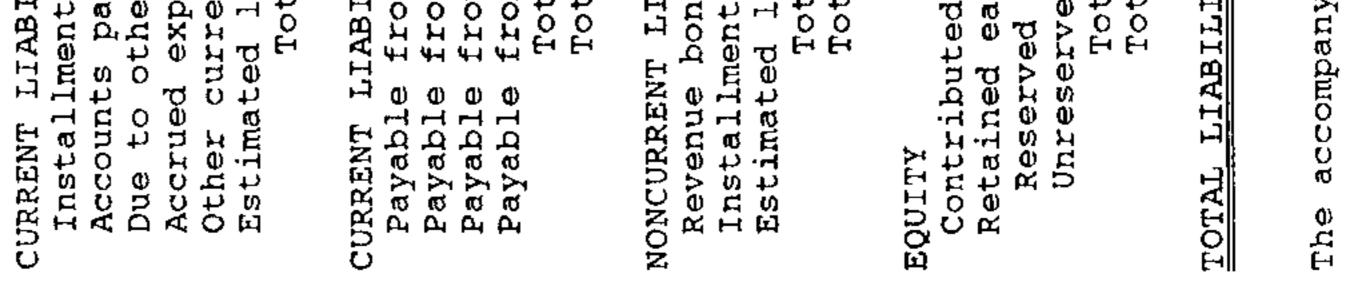


				EXHIBIT J-1 (Continued)
ASSETS FITS	UTILITIES SYSTEM	MUNICIPAL BUS LINE	SANITATION <u>FUND</u>	TOTAL
equivalents equivalents pooled cash and investments eceivables, net of allowance btful accounts unbilled receivables	\$ 1,860,763 3,475,372 3,076,230 3,066,212	\$ 281,431	\$ 46 187,106 165,715	0,80 3,90 6,23 1,92
ervantes other City funds other governments es al Current Assets	9, 14 3, 09 9, 00 9, 00	128,220 204,028 613,679	42,604 395,471	69,140 203,916 204,028 1,898,191 14,488,150
ASSETS paying agents ' deposit accounts rojects accounts ond reserve accounts ond capital additions and	5,475,926 2,720,605 4,049,795 7,307,185			5,475,926 2,720,605 4,049,795 7,307,185
ies acco ects acco construc Restrict	1,000,000 8,872,927 21,089,693 50,516,131	ļ	L L L	1,000,000 8,872,927 21,089,693 50,516,131
LANT AND EQUIPMENT plant and equipment ed depreciation Property, Plant and Equipment	158,629,740 (68,743,458) 89,886,282	3,828,270 (1,435,123) 2,393,147	1,258,960 (739,045) 519,915	163,716,970 (70,917,626) 92,799,344
al Other Assets	1,289,240 1,289,240 \$ <u>155,170,653</u>	\$ 3,006,826	\$ 915,386	<u>1,289,240</u> <u>1,289,240</u> \$ <u>159,092,865</u>
lying notes are an integral part of the f	bancial statements			

LOUISIANA TY OF ALEXANDRIA, LOUISIAN ENTERPRISE FUNDS COMBINING BALANCE SHEET APRIL 30, 1996 CITY

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accompanying PROPERTY, PLAN Property, pl Accumulated Net P: RESTRICTED ASS Cash with parts Customers' of Special pro-Revenue bond Revenue bond Capital pro-Revenue bond Revenue bond Revenue bond Revenue bond CURRENT ASSET Cash and eq Equity in p Utility rec for doubt Estimated u Other receiv Due from ot issuan Total ASSETS OTHER ASSETS Bond TOTAL The

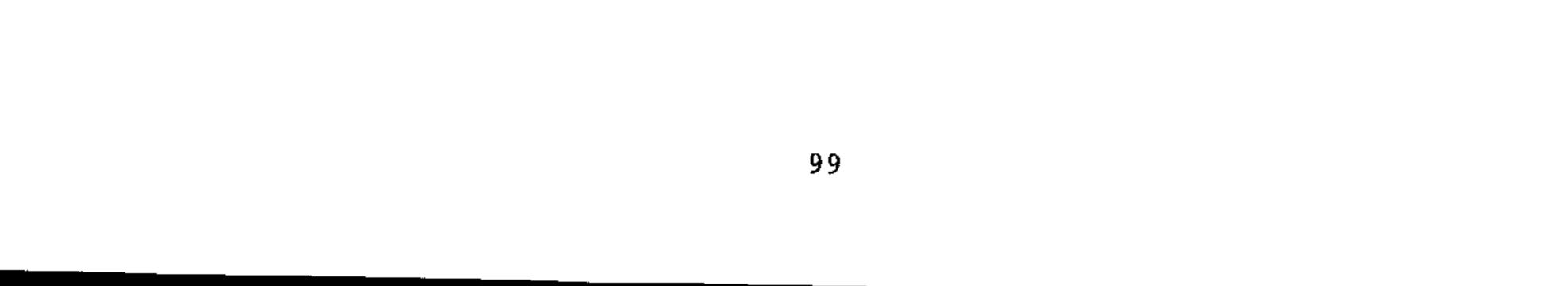
CITY OF ALEXANDRIA, LOUISIANA MUNICIPAL BUS LINE ENTERPRISE FUND BALANCE SHEET APRIL 30, 1996

EXHIBIT J-7

•

ASSETS		
CURRENT ASSETS		
Equity in pooled cash and investments Due from other funds	\$ 281,431	
General Capital Projects Funds		
Utilities System Enterprise Fund	13,096	
Due from other governments - grants	115,124	
Total Current Assets	204,028	
		613,679
PROPERTY, PLANT, AND EQUIPMENT		
Building and terminal	1 504 267	
Buses	1,504,267	
Other Vehicles	1,926,077 123,062	
Office Equipment	38,964	
Garage Equipment	37,954	
Other Equipment	189,660	
Signs	8,286	
Total	3,828,270	
Accumulated depreciation	(1, 435, 123)	
Net Property, Plant, and Equipment	/	2,393,147
TOTAL ASSETS		
		\$ <u>3,006,826</u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 204,140	
Accrued expenses	59,587	
Due to General Fund	254,320	
Total Current Liabilities	2547520	518,047
EQUITY		,,
Contributed capital		
Accumulated deficit	6,014,936	
Total Equity	<u>(3,526,157</u>)	
		2,488,779
TOTAL LIABILITIES AND EQUITY		\$ <u>3,006,826</u>

The accompanying notes are an integral part of the financial statements.



CITY OF ALEXANDRIA, LOUISIANA APRIL 30, 1996

NOTES TO FINANCIAL STATEMENTS

If at any time it shall be necessary to use moneys in the Reserve Fund or the Capital Additions and Contingencies Fund above provided for the purpose of paying principal of or interest on Bonds payable from the aforesaid Sinking Fund as to which there would otherwise be default, then the moneys so used shall be replaced from the revenues first thereafter received, not hereinabove required to be used for administration, operation and maintenance or for current principal, interest and reserve requirements. If at any time there are sufficient moneys on deposit in the Reserve Fund and Capital Additions and Contingencies Fund to retire all outstanding Bonds payable from the Sinking Fund by exercising the redemption option provided by such Bonds or by purchase on the open market, the City may utilize such funds for such purpose.

All or any part of the moneys in the Reserve Fund and the Capital Additions and Contingencies Fund shall, at the written request of the City, be invested in one or both of the following if and to the extent that the same are legal for the investment of funds of the City: (a) direct obligations of the United States of America, or (b) negotiable or non-negotiable certificates of deposit issued by any bank, trust company or national banking association provided (i) such certificates of deposit are continuously and at all times secured by direct obligations of the United States of America having a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit, and (ii) interest is paid thereon to the extent of one hundred per cent (100%). All income derived from such investments shall be added to the money in said respective funds or to the Utilities System Fund, and such investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied to the purpose for which the respective funds are created.

19. UTILITIES SYSTEM FUND POWER PURCHASE CONTRACT COMMITMENT

On November 15, 1982, the City entered into an electric power purchase contract with Louisiana Energy and Power Authority (LEPA), a political subdivision of the State of Louisiana, which acquired an interest in the Rodemacher Unit Number 2, a low sulfur-coal burning power plant. The City is obligated to pay 52.83% of the fixed project costs allocated to LEPA plus energy related costs when the unit is operable. This contract expires at the later of (1) the date all outstanding bonds of LEPA have been paid, (2) the date the joint operating agreement entered into by LEPA is terminated and settlement of all costs are completed, or (3) July 1, 2032.

As part of the contract, the City agreed not to issue bonds, notes, or other evidences of indebtedness or enter into any contract to incur any expenses payable from or secured by revenues of the combined utilities system superior to or having a priority over the obligation to pay for the costs incurred under this contract.

CITY OF ALEXANDRIA, LOUISIANA APRIL 30, 1996

NOTES TO FINANCIAL STATEMENTS

A comparison of contributions required and contributions made for the City's three single-employer defined benefit pension plans is presented below:

		AS A %
	AMOUNT	OF COVERED PAYROLL
COAERS		
Contributions required	\$2,202,147	17.82%
Normal cost	1,099,313	8.90
Normal cost Unfunded actuarially accrued liability Totals	\$3,301,460	26.72%
Contributions made	\$2,065,929	16.72%
Employer	1,235,531	10.00%
Employee	\$3,301,460	26.72%
Totals	<i>qofooofooofoooofooooooooooooo</i>	
PPARF		
Contributions required	N/A	N/A
Normal cost	N/A	<u>N/A</u>
Unfunded actuarially accrued liability	N/A	N/A
Totals		
Contributions made	\$293,003	226%
Employer	-0-	<u>N/A</u>
Employee	\$293,003	226%
Totals	• - •	
FPARF		
Contributions required	N/A	N/A
Normal cost	N/A	<u>N/A</u>
Unfunded actuarially accrued liability	\$ -0-	N/A
Totals	•	
Contributions made	\$ 0	А/и
Employer	0	<u>– N/A</u>
Employee	\$ -0	A\N
Totals	•	

NOTES TO FINANCIAL STATEMENTS

firefighter's survivors and/or beneficiaries, the difference, if any, where those benefits payable under the Fund prior to the merger exceed those benefits payable under the FRS.

Covered employees are not required to contribute to the Fund. The City is required to contribute an amount sufficient to meet any deficit of the Fund without regard for reserve requirements accruing or having accrued on an actuarial basis.

Benefits and contribution provisions are established by state law.

<u>MPERS</u>. Membership is mandatory for all full-time police officers employed by the City, provided they meet statutory criteria. Any member is eligible for normal retirement benefits after he has been a member of the System for one (1) year if he has twenty-five (25) years of creditable service at any age, or if he has twenty (20) years of creditable service and is age fifty (50), or has twelve (12) years of creditable service and is age fifty-five (55). Benefit rates are three and one-third percent (3 1/3%) of final compensation per number of years creditable service not to exceed one hundred percent (100%).

Members are currently required to contribute seven and one-half percent (7.5%) of their salary to the system. The City's contribution is presently at nine percent (9%).

Benefit and contribution requirements are established by state law.

<u>FRS</u>. This Plan is a defined benefit pension plan covering firemen employed by a municipality, parish, or fire protection district of the State hired after December 31, 1979. Employees with twenty (20) or more years of service who have attained age fifty (50), employees who have twelve (12) years of service who have attained age fifty-five (55), or employees who have twenty-five (25) years of service at any age are entitled to annual pension benefits equal to three and one-third percent (3 1/3%) of their average final compensation based on the thirty-six (36) consecutive months of highest pay multiplied by their total years of service, not to exceed one hundred percent (100%). Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. If employees terminate before rendering twelve (12) years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to their employer's contributions. Benefits are payable over the employees' lives in the form of a monthly annuity.

Members are currently required to contribute eight percent (8%) of their salary to the Plan. The City's contribution is presently at nine percent (9%) of

the members' salary.

NOTES TO FINANCIAL STATEMENTS

The following is a brief description of the plans:

COAERS. Substantially all employees of the City, except firemen and policemen, become members of the COAERS as a condition of employment. The COAERS provides retirement benefits, disability benefits, and survivors benefits. Members with ten years of creditable service may retire at age sixty-two; members with at least twenty years of creditable service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The retirement allowance is equal to three percent of the member's average compensation multiplied by his number of years of creditable service, not to exceed one hundred percent of his average compensation. (Average compensation is defined as the highest three year average annual compensation.) Retirement benefits vest after ten (10) years of creditable service.

Members are required to contribute ten percent (10%) of their salary to the The City contributes remaining amounts necessary to finance the system. System.

Benefit and contribution provisions are established by state law.

PPARE. Effective September 1, 1983, this plan was merged into the statewide Municipal and State Police Employees Retirement System. The Fund remains liable for retirement benefits in the event that a policeman hired prior to August 1, 1976, retires before reaching age fifty (50) or 25 years of eligible service, Retirement benefits vest after twenty (20) years of creditable service. The member may retire after twenty (20) years of eligible service at two-thirds of the highest average monthly salary for any continuous twelve (12) month period of time worked prior to retirement.

Upon reaching age fifty (50) or 25 years of eligible service, the retiree transfers to the Municipal and State Police Employees Retirement System.

Members are not required to contribute to the Fund. The City is required to contribute an amount sufficient to meet the operating deficit of the Fund without regard for reserve reguirements accruing or having accrued on an actuarial basis.

Benefit and contribution requirements are established by state law.

FPARF. Effective May 1, 1993, the Fund merged into the statewide Firefighters' Retirement System (FRS). On this date, all retirees and survivors receiving benefits, at April 30, 1993, transferred to the FRS. In the event that a Firefighter, hired prior to January 1, 1980, exercises his or her right to a twenty year retirement any time under the age of 50 and is not eligible to receive benefits from the state FRS, then the Fund shall provide benefits until that person is eligible for benefits under the FRS. In addition, the City of Alexandria and the Fund guaranteed that if a firefighter dies, retires, or becomes disabled subsequent to the merger, then the Fund shall pay to the firefighter, or the

NOTES TO FINANCIAL STATEMENTS

20. PUBLIC EMPLOYEE RETIREMENT SYSTEMS

A. Plan Descriptions

The city contributes to three single-employer defined benefit pension plans. These plans consist of the City of Alexandria Employees' Retirement System (COAERS), which uses a calendar year accounting period ending December 31, the Policemen's Pension and Relief Fund (PPARF), and the Firemen's Pension and Relief Fund (FPARF). At April 30, 1996 (December 31, 1995 for COAERS), plan membership consisted of:

	COAERS	PPARF	<u>FPARF</u>
Current Employees			
Vested	243	5	20
Nonvested	320		

Terminated members due			
future benefits	. 2		
Terminated members not			
due future benefits	90		
Retirees and survivors currently receiving			
benefits	<u>318</u>	13	_7
Totals	973	18	27

The City also contributes to four statewide multiple-employer public employee retirement systems. These consist of the Municipal Police Employees' Retirement System of Louisiana (MPERS), the Firefighter's Retirement System (FRS), the Louisiana State Employees' Retirement System (LSERS), and the Parochial Employees' Retirement System of Louisiana (PERSL).

The amount of the City's current year covered payroll and the City's total current year payroll for all employees is summarized below:

Covered Payroll	
COAERS (1995)	\$12,235,531
PPARF	129,373
FPARF	N/A
MPERS	3,700,023
FRS	3,218,452
LSERS	28,403
PERSL	13,964
Total payroll - all employees	21,140,142

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CITY OF ALEXANDRIA, LOUISIANA

APRIL 30, 1996

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NOTES TO FINANCIAL STATEMENTS

average salary over the thirty-six (36) consecutive or joined months that produce the highest average. The System also provides death and disability benefits.

The member contributes nine and one-half percent (9 1/2%) of her salary to the System. The City presently contributes seven and one-fourth percent (7 1/4%) to the System as an employer match.

Benefit and contribution requirements are established by state law.

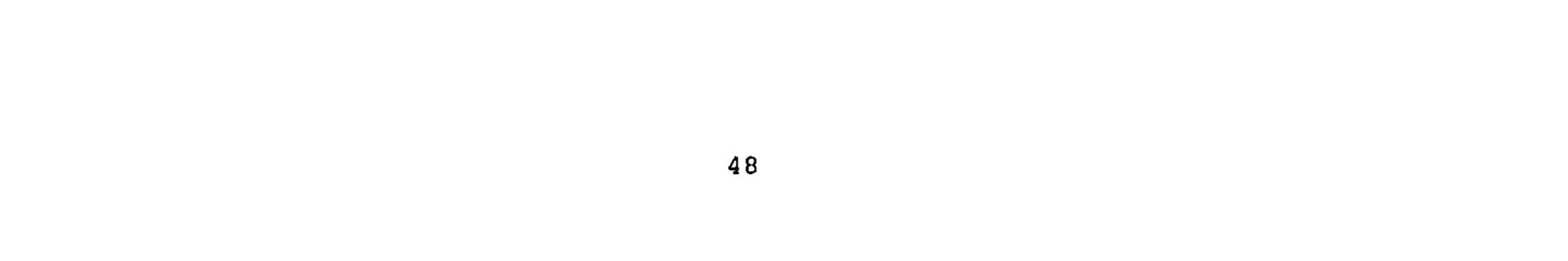
B. Funding Status and Progress

The amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effect of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefit and is intended to help users assess the plan's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems. The measure is independent of the funding method used to determine contributions to the plans discussed below.

Computation of the pension benefit obligation and certain other relevant information for the City's single employer defined benefit plans are presented below. Effective May 1, 1993, the FPARF merged with FRS. Information regarding the pension benefit obligation and certain other relevant information of the FPARF is not available as of April 30, 1996. Subsequent to the merger, the City only remains contingently liable for certain retirement payments in accordance with the merger agreement as previously discussed.

	COAERS	PPARF
Date of Actuarial Valuation	12/31/95	4/30/96
Significant actuarial assumptions		
Rate of return on investments	88	78
Projected salary increases	5.5%	*

* Annual salary growth is based on Technical Paper #16, "Present Value of Estimated Lifetime Earnings" for Clerical and Kindred Workers published by the U.S. Department of Commerce with an additional two percent (2%) increase above these rates during the first ten (10) years of employment.

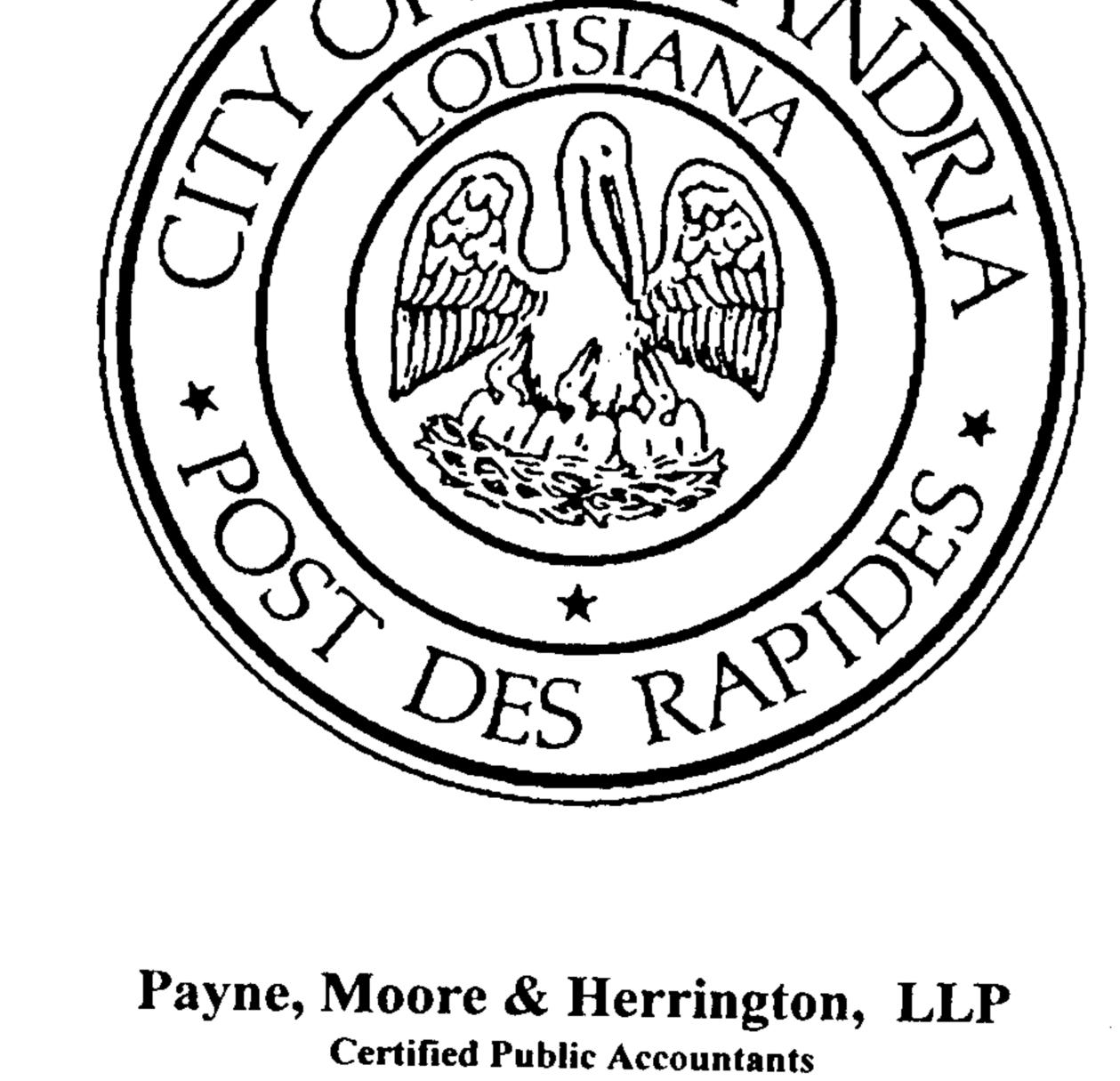


City of Alexandria Financial Report

Alexandria, Louisiana

April 30, 1996





Alexandria, Louisiana



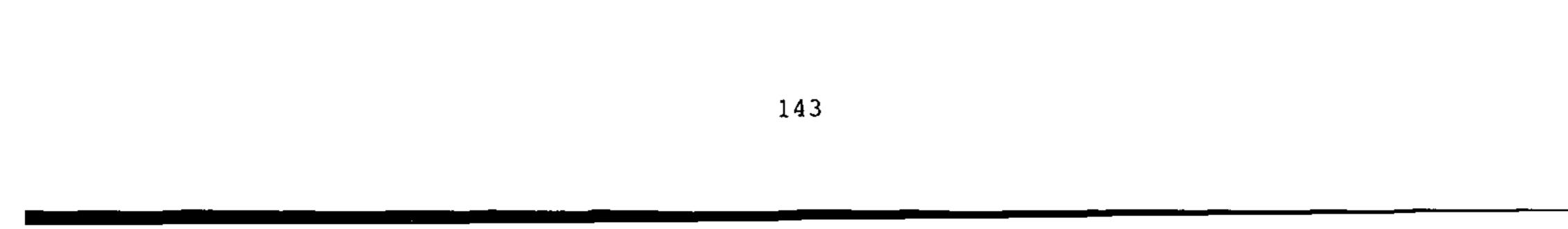
PAYNE, MOORE & HERRINGTON, LLP

The Honorable Mayor and City Council City of Alexandria, Louisiana

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the City of Alexandria, Louisiana's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program 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 structure and its operations that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City of Alexandria, Louisiana, in a separate letter entitled Other Comments and Recommendations, dated September 12, 1996.



NOTES TO FINANCIAL STATEMENTS

year on all outstanding Bonds, including such additional pari passu bonds.

(d) The maintenance of the Capital Additions and Contingencies Fund established pursuant to the Bond Resolutions to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the Utilities System by transferring from said Utilities System Fund to the Capital Additions and Contingencies Fund established by the Bond Resolutions, monthly on or before the 20th day of each month of each year, a sum equal to nine percent (9%) of the gross revenues of the Utilities System for the preceding month, provided that such sum is available after provision is made for the payments required under paragraphs (a), (b) and (c) above. Such payments into the Capital Additions and

Contingencies Fund shall continue until such time as there has been accumulated in said Fund the sum of One Million Dollars (\$1,000,000), whereupon such payments may cease and need be resumed thereafter only if the total amount of money on deposit in said fund is reduced below the sum of One Million Dollars (\$1,000,000), in which event such payments shall be resumed and continue until said maximum of One Million Dollars (\$1,000,000) is again accumulated. In addition to caring for extensions, additions, improvements, renewals and replacements necessary to properly operate the Utilities System, the money in the Capital Additions and Contingencies Fund shall also be used to pay the principal of and the interest on the Bonds, including any additional pari passu bonds issued hereafter in the manner provided by the Bond Ordinance, for the payment of which there is not sufficient money in the Sinking Fund and Reserve Fund described in paragraphs (b) and (c) above, but the money in said Capital Additions and Contingencies Fund shall never be used for the making of improvements and extensions to the Utilities System or for payment of principal or interest on Bonds if the use of said money will leave in said Capital Additions and Contingencies Fund for the making of emergency repairs or replacements less than the sum of Twenty-Five Thousand Dollars (\$25,000).

Any moneys remaining in said Utilities System Fund after making the aboverequired payments may be used by the City for the purpose of calling and/or purchasing and paying any bonds payable from the revenues of the Utilities System, or for such other lawful corporate purposes as the governing authority may determine, whether such purposes are or are not in relation to the Utilities System.

NOTES TO FINANCIAL STATEMENTS

provided by the Bond Ordinance, as they severally become due and payable, by transferring from the Utilities System Fund to the Sinking Fund established pursuant to the Bond Resolutions, monthly in advance on or before the 20th day of each month of each year, a sum equal to 1/6th of the interest falling due on the next interest payment date, and a sum equal to 1/12th of principal falling due on the next principal payment date, together with such additional proportionate sum as may be required to pay said principal and interest as the same respectively become due. The depository for the Sinking Fund shall transfer from said Sinking Fund to the paying agent bank or banks for all Bonds payable from said Fund at least ten (10) days in advance of the date on which each payment of principal or interest falls due, funds fully sufficient to pay promptly the principal and interest so falling due on such

- date.
- (C) The maintenance of the Reserve Fund established pursuant to the Bond Resolutions by transferring from the proceeds of the Bonds a sum equal to the lesser of (i) 10% of the proceeds of the Bonds or (ii) an amount which, together with moneys on deposit in the Reserve Fund, will equal the highest combined principal and interest requirements for any succeeding fiscal year on the Bonds (the "Reserve Fund Requirement"), and if such moneys do not cause the balance in the Reserve Fund to equal the Reserve Fund Requirement, by transferring from said Utilities System Fund to the Reserve Fund established pursuant to the Bond Resolutions, monthly in advance on or before the 20th day of each month of each year, a sum at least equal to 20% of the amount required to be paid into the aforesaid Sinking Fund specified in paragraph (b) above, the payments into said Reserve Fund to continue until such time as there has been accumulated therein a sum equal to the Reserve Fund Requirement. The money in the Reserve Fund shall be retained solely for the purpose of paying the principal of and interest on Bonds payable from the aforesaid Sinking Fund specified in paragraph (b) above as to which there would otherwise be default. In the event that additional pari passu bonds are issued hereafter in the manner provided by the Bond Ordinance, the payments into said Reserve Fund shall continue, or if the said payments have ceased because of the accumulation of the maximum amount provided above, then such payments shall be

resumed, until such time as there has been accumulated in said Reserve Fund an amount of money equal to the highest combined principal and interest requirements in any succeeding fiscal

NOTES TO FINANCIAL STATEMENTS

Proceeds of the 1988 one-percent (1%) City Sales and Use Tax are dedicated to the following purposes:

- a. One-third is to be used to implement and fund a comprehensive job classification and pay plan for fire, police, and other General Fund classified employees.
- b. One-third is to be used to replace General Fund revenues lost from Federal and State government funding cuts from previous years.
- The remaining one-third is to be dedicated to fund General Fund c. operations.

18. FLOW OF FUNDS-RESTRICTIONS ON USE-UTILITIES SYSTEM ENTERPRISE FUND

The utility revenue bonds were issued pursuant to bond ordinances which provide in substantially the following terms that:

The City, through its governing authority, has covenanted to fix, establish, maintain and collect such rates, fees, rents or other charges for the services and facilities of the Utilities System, and all parts thereof, and to revise the same from time to time whenever necessary, as will always provide revenues in each year sufficient to pay the necessary expenses of administering, operating and maintaining the Utilities System in each year, 120% of the principal and interest maturing on the Bonds or other obligations payable therefrom as the same shall become due and payable in each year, all reserves or sinking funds or other payments required for such year by the Bond Ordinance, and all other obligations or indebtedness payable out of the revenues of the Utilities System for such year, and that such rates, fees, rents or other charges shall not at any time be reduced so as to be insufficient to provide adequate revenues for such purposes. The City has further covenanted:

That all of said income and revenues earned or derived from the operation of the Utilities System shall be deposited daily as the same may be collected in the Utilities System Fund heretofore established with the regularly designated fiscal agent of the City pursuant to the Bond Resolutions; that said fund shall be maintained and administered in the following order of priority and for the following express purposes:

- (a) The payment of all reasonable expenses of administration, operation and maintenance of the Utilities System.

(b) The maintenance of the Sinking Fund established pursuant to the Bond Resolutions sufficient in amount to pay promptly and fully the principal of and the interest on the Bonds and any additional pari passu bonds issued hereafter in the manner

NOTES TO FINANCIAL STATEMENTS

16. LANDFILL POSTCLOSURE CARE COSTS

State and federal laws and regulations require that the City perform certain maintenance and monitoring functions at its former landfill site. This site stopped accepting waste in a prior fiscal year. In accordance with GASB Statement No. 18, Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs, an estimated liability for landfill postclosure care costs was recognized in the prior year in the Sanitation Enterprise Fund. The landfill postclosure care costs will be funded from current operations as incurred.

Changes in the estimated liability for landfill postclosure care costs, during the fiscal year ending April 30, 1996, were as follows:

Balance, beginning of the year	\$165,000
Changes in estimates	166,262
Actual costs incurred	(6.018)

Balance, end of the year

<u>(b,018)</u> \$325,244

The noncurrent portion of the above ending balance is \$45,000.

17. DEDICATION OF PROCEEDS-FLOW OF FUNDS-CITY SALES AND USE TAX

Proceeds of the 1976 one percent (1%) City Sales and Use Tax are dedicated to the following purposes:

- a. One-half is to be used for maintenance and operating expenses of the City.
- b. The other one-half is to be used in the following order of priority:
 - 1. On or before the 20th day of each month, there shall be transferred to a Sales Tax Bond Sinking Account in the Debt Service Fund an amount equal to 1/6 of the interest falling due on the next interest payment date and 1/12 of the principal falling due on the next principal payment date of all sales tax bond issues outstanding.
 - 2. Any funds remaining after the above transfers will be considered surplus and may be used for constructing, acquiring, extending, and/or improving capital improvements for the City (including, but not limited to, major thoroughfares and arterial streets with

related improvements, major drainage systems, a civic convention center complex, parks, and parking facilities).

NOTES TO FINANCIAL STATEMENTS

sewerage transmission and treatment plant. Following is a condensed summary of the three enterprise funds:

	MUNICIPAL	
	UTILITIES BUS	
	SYSTEM LINE SANITATION	N TOTAL
Operating revenues	\$ 59,193,584 \$ 234,035 \$ 2,629,342	2 \$ 62,056,961
Operating expenses		
Depreciation	(4,622,647) (289,054) (148,793	3) (5,060,494)
Depreciation (overhead)	(475,357)	(475,357)
Other	(45,234,425) (1,470,346) (2,580,91)	0) <u>(49,285,681</u>)
Operating income (loss)	8,861,155 (1,525,365) (100,363	1) 7,235,429
Nonoperating revenues		
(expenses)		
Grant revenue	623,368	623,368
Interest earned	3,193,505 9,573 15,769	9 3,218,847
Interest expense and		
fiscal charges	(3,491,810)	(3,491,810)
Disposition of assets	(5,046) (9,080)	(14,126)
Operating transfers in (out)	(8,111,936) 723,421	(7, 388, 515)
Net Income (Loss)	\$ 445,868 \$ (178,083) \$ (84,59)	2)\$ 183,193
Current capital		
contributions	\$ 12,562 \$ 279,589 \$ -0-	- \$ 292,151
Net working capital		- -
(deficit)	10,826,848 95,632 (60,43)	2) 10,862,048
Revenue bonds payable	67,360,000 -00	
Total Equity	78,880,753 2,488,779 414,48	• •

Segment information for Utilities System Enterprise Fund for the fiscal year ended April 30, 1996, follows:

					WASTE
	TOTAL	ELECTRIC	GAS	WATER	WATER
Operating revenues	\$59,193,584	\$42,692,645	\$9,615,921	\$4,364,086	\$ 2,520,932
Operating expenses		-			
Depreciation	5,098,004	1,945,476	869,714	1,019,952	1,262,862
Other	45,234,425	27,687,466	8,985,969	3,722,564	4,838,426
Totals	50,332,429	29,632,942	9,855,683	4,742,516	6,101,288
Operating income					
(loss)	\$ 8,861,155	\$13,059,703	\$ (239,762)	\$ (378,430)	\$(3,580,356)
Nonoperating revenu	le		· · ·	· · · ·	-
(avnance) - net	(303 351)				

(expense) - net (303,351)

Operating transfers (out) (8,111,936)

Net Income \$ 445,868

NOTES TO FINANCIAL STATEMENTS

14. ACCUMULATED DEFICITS

Accumulated deficits existed in the following individual funds at year end:

Special Revenue Funds	
Youth Baseball Recreation Fund	\$ 1,356
Capital Projects Funds	
Public Safety Complex Fund	707,526
Enterprise Funds	
Municipal Bus Line Fund	3,526,157
Sanitation Fund	17,300
Internal Service Funds	
Risk Management Fund	2,483,241

The deficit in the Youth Baseball Recreation Fund will be funded by anticipated future revenues from the operation of the City's baseball complex.

The deficit in the Public Safety Complex Fund was funded by general obligation bonds issued subsequent to April 30, 1996.

The deficit in unreserved retained earnings of the Municipal Bus Line Fund is primarily attributable to depreciation of fixed assets acquired with contributed capital. Combining contributed capital with the deficit in unreserved retained earnings results in a fund equity balance of \$2,488,779.

The deficit in unreserved retained earnings of the Sanitation Fund resulted from the change in the estimated liability for landfill postclosure costs. The deficit will be funded by user fees charged to customers as actual postclosure costs are incurred.

See Note 9 for disclosure regarding the deficit in the Risk Management Fund,

15. ENTERPRISE FUNDS - OPERATIONS

The City operates a utilities system, a bus line, and a solid waste system. The utilities system consists of an electric generation and distribution system, natural gas distribution system, water production and distribution system, and a

NOTES TO FINANCIAL STATEMENTS

In prior years, the City defeased certain general obligation and revenue bonds by placing sufficient proceeds in irrevocable trusts to provide for all future debt service payments on the bonds. Accordingly, the assets of the trust accounts and the liability for the defeased bonds are not included in the City's financial statements. At year end, defeased bonds outstanding consisted of the following:

General Obligation	¢ ⊑ 600 000
Sales Tax Bonds, Series ST-1987	\$ 5,600,000
Enterprise	
Utilities System Revenue Bonds	
Series 1987	20,000,000
Series 1989A	9,195,000
Total Enterprise	<u>29,195,000</u>
Total	\$34,795,000

On May 9, 1996, \$7,300,000 in general obligation bonds payable from ad valorem tax revenues were issued for the purpose of constructing the public safety complex.

13. CONTRIBUTED CAPITAL

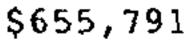
The following changes occurred in contributed capital of enterprise funds during the year:

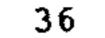
	UTILITIES	MUNICIPAL	SANITATIO	N
SOURCE	SYSTEM	BUS LINE	FUND	TOTAL
Plant and equipment				
Transfers from General				
Fixed Assets	\$ 4,400	\$	\$	\$ 4,400
Public contributions	8,162			8,162
Buses, vehicles, & equipment				
Federal grants		223,671		223,671
Capital Projects Fund	<u> </u>	55,918	<u></u>	55,918
Total Additions	12,562	279,589	-0-	292,151
Balance, beginning of year	37,227,871	5,735,347	431,783	<u>43,395,001</u>
Balance, end of year	\$37,240,433	\$6,014,936	\$431,783	\$43,687,152

The following changes occurred in contributed capital of the Risk Management Internal Service Fund during the year:

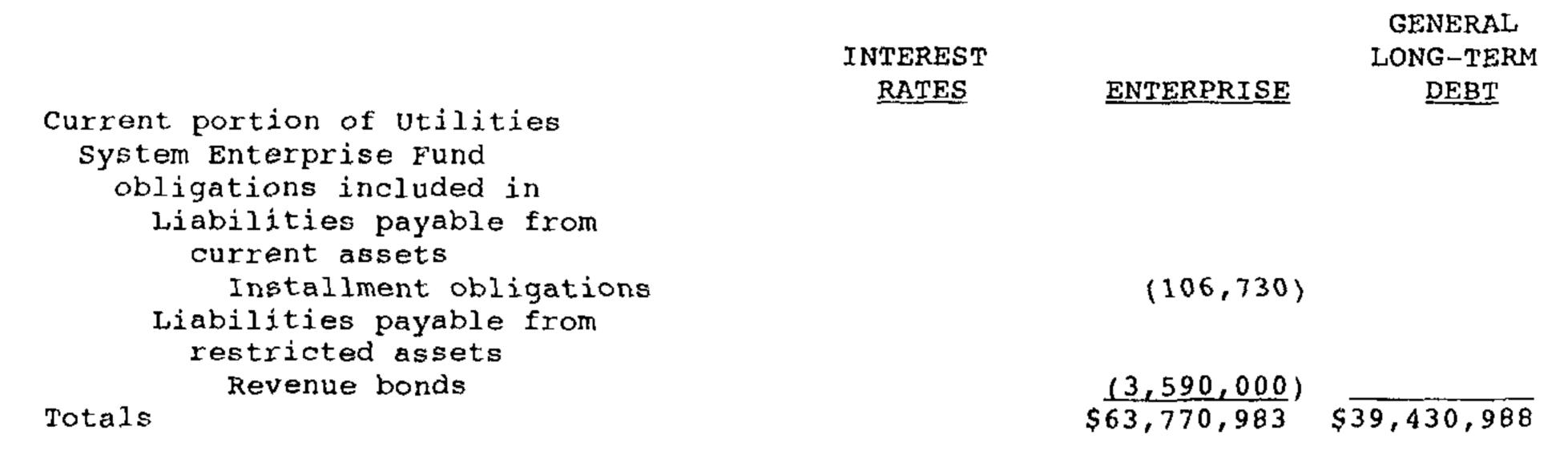
Equipment	
Transfers from enterprise funds	\$ 674
Balance, beginning of year	<u>655,117</u>

Balance, end of year





NOTES TO FINANCIAL STATEMENTS



The annual requirement to amortize outstanding long-term debt other than compensated absences, including interest of \$50,986,974, is as follows:

YEAR		GENERAL	
ENDED		LONG-TERM	
APRIL 30	ENTERPRISE	DEBT	TOTAL
1997	\$ 6,416,604	\$ 4,100,814	\$ 10,517,418
1998	6,286,639	4,115,554	10,402,193
1999	6,259,300	4,141,422	10,400,722
2000	6,240,080	4,147,437	10,387,517
2001	6,234,120	3,535,407	9,769,527
2002 - 2023	<u>58,831,325</u>	46,176,849	105,008,174
Totals	\$90,268,068	\$66,217,483	\$156,485,551

The amount of interest costs incurred during the current period was \$2,438,386 related to general obligation debt and \$3,712,841 related to Utilities System Enterprise Fund debt, including capitalized interest of \$321,030.

During the year ended April 30, 1996, the following changes occurred in long-term liabilities:

	BALANCE				BALANCE
	5/01/95	<u>ITIDDA</u>	ONS I	REDUCTIONS	4/30/96
General Long-Term Debt					
Sales Tax Bonds	\$13,655,000	\$	\$	860,000	\$12,795,000
Certificate of indebtedness	2,546,000			436,000	2,110,000
Police pension merger	4,726,981			135,744	4,591,237
Fire pension merger	18,767,190			232,562	18,534,628
Compensated absences	1,235,974	164,	149		1,400,123
Totals	40,931,145	164,	149 1	1,664,306	39,430,988

35

Utilities System

Revenue bonds Installment obligations Totals

55,735,000	15,000,000	3,375,000	67,360,000
256,311		148,598	107,713
\$55,991,311	\$15,000,000		

NOTES TO FINANCIAL STATEMENTS

12. LONG-TERM DEBT

<u>General Obligation Debts</u>: General obligation liabilities are direct obligations and pledge the full faith and credit of the City. The City has incurred these liabilities to provide funds for the acquisition and construction of major capital additions, to provide funds for major capital projects, and to provide funds in connection with the merger of the City's Police Pension and Relief Fund into the statewide Municipal Police Employees' Retirement System and the City's Firemen Pension and Relief Fund into the statewide Firefighter's Retirement System. In addition, the City's obligation relative to the governmental funds' liability for compensated absences is reported as a general obligation debt.

<u>Revenue Bonds</u>: The City has issued two types of revenue bonds. The first type is utility revenue bonds whereby the City pledges income derived from the acquired or constructed assets to pay debt service. The second type is sales tax revenue bonds whereby the City has pledged revenue from specifically dedicated sales tax collections to pay debt service.

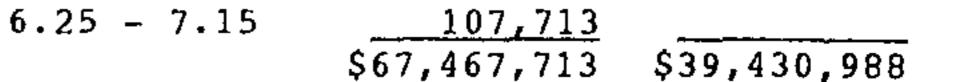
Long-term debt, at April 30, 1996, consisted of the following:

GENERAL

	INTEREST		LONG-TERM
	RATES	<u>ENTERPRISE</u>	DEBT
General Obligation			
Sales tax bonds			
1979 capital projects	6.15 - 6.50%	\$	\$ 5,790,000
1987 capital projects	7.20 - 7.35		685,000
1993 refunding	4.15 - 5.70		6,320,000
Certificates of indebtedness - 1993	4.40 - 5.00		2,110,000
Police Pension merger liability	7.00		4,591,237
Fire Pension merger liability	7.00		18,534,628
Compensated absences			1,400,123
Enterprise			
Revenue bonds			
1967 capital additions	4.00	545,000	
1972 capital additions	4.00	1,000,000	
1987 capital additions	7.25 - 7.40	2,100,000	
1989 capital additions	7.10 - 7.25	1,265,000	
1992 refunding	4.50 - 6.00	22,020,000	
1993 capital additions	4.30 - 8.00	14,555,000	
1993 refunding	3.40 - 5.30	10,875,000	
1995 capital additions	5.00 - 9.00	15,000,000	

Installment obligations

Computer equipment and software Totals



APRIL 30, 1996

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CITY OF ALEXANDRIA, LOUISIANA GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

EXHIBIT F-2

VARIANCE

FAVORABLE

1

	BUDGET <u>ACTUAL</u> (UNFA)		(UNFAVORABLE)
REVENUES (EXHIBIT F-3)			
Taxes	\$ 1,481,000	\$ 1,478,402	\$ (2,598)
Licenses and permits	1,546,750	1,624,154	77,404
Intergovernmental	5,820,587	6,234,367	413,780
Charges for services	252,875	268,461	15,586
Fines and forfeitures	605,500	610,246	4,746
Other	432,811	488,139	55,328
Total Revenues	10,139,523	10,703,769	564,246

EXPENDITURES (EXHIBIT F-4) Current			
General government	5,494,812	5,206,732	288,080
Public safety	12,299,284	12,101,274	198,010
Public works	6,497,593	6,411,661	85,932
Debt Service	1,892,340	1,892,339	1
Capital Outlay	2,054,559	1,896,802	157,757
Total Expenditures	28,238,588	27,508,808	729,780
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(18,099,065)	(16,805,039)	1,294,026
OTHER FINANCING SOURCES (USES) (EXHIBIT F-5) Operating transfers in - net	<u>15,430,672</u>	16,000,708	<u> </u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER			
EXPENDITURES AND OTHER USES	(2,668,393)	(804,331)	1,864,062
FUND BALANCE, BEGINNING	7,861,211	7,861,211	<u> </u>
FUND BALANCE, ENDING	\$ <u>5,192,818</u>	\$ <u>7,056,880</u>	\$ <u>1,864,062</u>

The accompanying notes are an integral part of the financial statements.



CITY OF ALEXANDRIA, LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

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EXHIBIT G-4

	<u>BUDGET</u>	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES		4. 100 040	A
Intergovernmental - grants	\$2,763,960	\$1,138,346	\$(1,625,614)
Other program revenue	40,300	14,721	(25,579)
Interest - Economic development funds	10,500	$\frac{11,918}{11,916}$	1,418
Total Revenues	2,814,760	1,164,985	(1,649,775)
EXPENDITURES			
General administration	256,826	94,980	161,846
Demolition/code enforcement	197,019	81,377	115,642
Rehabilitation - administration	109,075	51,215	57,860
Rehabilitation - deferred loans	958,254	403,550	554,704
Public works and facilities	1,132,501	448,579	683,922
Special programs	675,071	127,524	547,547
Total Expenditures	3,328,746	1,207,225	2,121,521
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(513,986)	(42,240)	471,746
OTHER FINANCING SOURCES (USES) Operating transfers in General Capital Projects Fund Operating transfers (out)	400,000	74,635	(325,365)
General Fund - indirect cost allocation Total Other Financing	<u>(77,071</u>)	(35,805)	41,266
Sources (Uses)	322,929	38,830	(284,099)
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER			
EXPENDITURES AND OTHER FINANCING USES	(191,057)	(3,410)	187,647
FUND BALANCE, BEGINNING OF YEAR	528,895	528,895	-0-
RESIDUAL EQUITY TRANSFER	(336,037)	(336,037)	-0-
FUND BALANCE, END OF YEAR	\$ <u>1,801</u>	\$ <u>189,448</u>	\$ <u>187,647</u>

The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA CITY SALES TAX SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

EXHIBIT G-3

		1976 SALES 1	TAX	51	1988 SALES TAX	×		TOTAL	
	BUDGET	ACTUAL	VARIANCE FAVORABLE (<u>UNFAVORABLE</u>)	BUDGET	ACTUAL (U	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
llected lection	\$8,291,340	\$8,614,408	\$ 323,068	\$8,291,340	\$8,614,408	\$ 323,068	\$16,582,680	\$17,228,816	\$ 646,136
by Kapıdes a Police Jury received investments	8,291,340	<u>100,199</u> 8,514,209	- <u>(100,199</u>) 222,869	8,291,340	100,199	<u>(100,199</u>) 222,869	16,582,680	200,398	(200,398) 445,738
Revenues	8,291,340	8,742	8,742 231,611	8,291,340	8,522,951	<u>8,742</u> 231,611	16,582,680	17,045,902	17,484
G USES ansfers Out nd operating tenance tenance	4,145,670	4,261,475	(115,805)	5,527,560	5,681,967	(154,407)	673,	,943,44	(270,212)
ce ce ojects Funds other	2,068,683 2,076,987	2,068,249 2,192,119	434 (115,132)	101150117	2,840,984	(1/,204)	2,763,780 2,068,683 2,076,987	2,840,984 2,068,249 2,192,119	(77,204) 434 (<u>115,132</u>)
ancing Uses	8,291,340	8,521,843	(230,503)	8,291,340	8,522,951	(231,611)	<u>16,582,680</u>	17,044,794	(462,114)
NUES OVER AND OTHER IS	e i	1,108	1,108	L L L	Ļ	e I	! 0 1	1,108	1,108
BEGINNING OF	185,359	185,359	-0 -	-0-		-0-	185,359	185,359	
END OF YEAR	\$ <u>185,359</u>	\$ <u>186,467</u>	\$ <u>1,108</u>	- 0 - - \$	s\$	-0-	\$ <u>185,359</u>	\$ 186,467	\$ <u>1,108</u>
are	an integral	part of the	financial	statements.					

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Operating Transf General Fund o and mainten General Fund Debt service Capital Projec Total Oth Financi EXCESS OF REVENUES EXPENDITURES AND FINANCING USES ales tax colle Less - collec charges by Parish Pc Net re Aterest on inve н Э Э Э NU Total Re The accompanying OTHER FINANCING BALANCES, Interest on of funds BALANCES, REVENUES Sales YEAR FUND FUND

<u>124,642</u> 124,642	39,874 <u>139,611</u> <u>179,485</u>	21,022 <u>346,510</u> <u>367,532</u>	<u>102,894</u> 102,894	_0_	60,896 <u>2,008,107</u> 2,069,003
-0-	-0-	(29,994)	-0-	65,082	19,169,530
	<u> </u>	29,994		<u>(40,176</u>)	<u>(19,167,035</u>)
-0-	-0-	-0-	-0-	24,906	2,495
-0-	-0-	-0-	-0-	-0-	764,821
	 .	·		336,037	0_
\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>0_</u>	\$ <u>-0-</u>	\$ <u>360,943</u>	\$ <u>767,316</u>

HOTEL/ MOTEL <u>TAX</u>	DECENTRALIZED <u>ART</u>	HOME INVESTMENT PARTNERSHIP <u>PROGRAM</u>	HUD EMERGENCY SHELTER <u>PROGRAM</u>	ECONOMIC <u>DEVELOPMENT</u>	TOTAL
\$124,642	\$ 179,485	\$ 337,538	\$ 102,894	\$ 19,082 46,000	\$19,298,203 1,758,263 48,484 46,000
124,642	179,485	337,538	102,894	65,082	<u>87,583</u> 21,238,533

EXHIBIT G-2

CITY OF ALEXANDRIA, LOUISIANA SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES YEAR ENDED APRIL 30, 1996

REVENUES	CITY <u>Sales Tax</u>	COMMUNITY DEVELOPMENT <u>BLOCK GRANT</u>	+ • • •	YOUTH BASEBALL RECREATION <u>BOARD</u>
Taxes - Net	\$ 17,028,418	\$	\$ 2,145,143	\$
Intergovernmental		1,138,346		-
Interest	17,484	11,918		
Land lease income				
Other program income		14,721		72,862
Total Revenues	17 045 002		2 145 142	
ICCUI NEVENUES	17,045,902	1,164,985	2,145,143	72,862
EXPENDITURES				
CURRENT				

General planning and

administration

Special programs/projects Total Expenditures	-0-	<u>1,207,225</u> 1,207,225	-0-	87,225
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	17,045,902	(42,240)	2,145,143	(14,363)
OTHER FINANCING SOURCES (USES) Operating transfers in (out)	(17,044,794)	38,830	(2,158,389)	7,500
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	1,108	(3,410)	(13,246)	(6,863)
FUND BALANCES, BEGINNING OF YEAR	185,359	528,895	45,060	5,507
RESIDUAL EQUITY TRANSFER	·	(336,037)		·
FUND BALANCES (DEFICIT), END OF YEAR	\$ <u>186,467</u>	\$ <u>189,448</u>	\$ <u>31,814</u>	\$ <u>(1,356</u>)

The accompanying notes are an integral part of the financial statements.

HOTEL/ MOTEL <u>TAX</u>	DECENTRALIZED <u>ART</u>	HOME INVESTMENT PARTNERSHIP <u>PROGRAM</u>	HUD EMERGENCY SHELTER <u>PROGRAM</u>	ECONOMIC DEVELOPMENT	TOTAL
\$	\$	\$ 1,648	\$	\$365,664	\$2,077,760
	29,391				29,391
		6,353			55,030
				53	23,953 80 4,000

EXHIBIT G-1

8,339

		4,774		······································	7,152
\$ <u>-0-</u>	\$ <u>29,391</u>	\$ <u>12,775</u>	\$ <u>-0-</u>	\$ <u>365,717</u>	\$ <u>2,205,705</u>
\$	\$	\$ 9,040	Ş	\$	\$ 62,273
	-	757 2,378	·	4,774	1,137,162 7,152 200,140
-0-	<u>29,391</u> 29,391	<u>600</u> 12,775	-0-	4,774	1,671 <u>29,991</u> 1,438,389
<u>-0-</u>	<u> </u>	-0-	<u>0</u>	360,943	<u>767,316</u>
\$ <u>-0-</u>	\$ <u>29,391</u>	\$ <u>12,775</u>	\$ <u>-0-</u>	\$ <u>365,717</u>	\$ <u>2,205,705</u>

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CITY OF ALEXANDRIA, LOUISIANA SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET APRIL 30, 1996

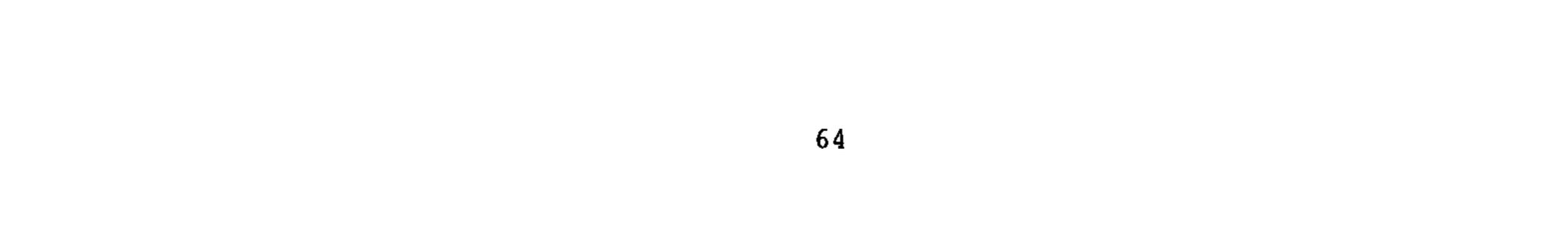
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	CITY SALES TAX	COMMUNITY DEVELOPMENT BLOCK GRANT	PROPERTY TAX <u>DRAINAGE</u>	YOUTH BASEBALL RECREATION <u>BOARD</u>
ASSETS			<u>^</u>	A 0 000
Cash	\$1,515,207	\$191,311	\$	\$ 3,930
Equity in pooled cash and investments				
Receivables				
Grants		48,677		
Taxes				
Ad valorem (net of \$66,319)				
allowance for uncollectibles)			23,953	
Other		27		4 000
Inventory				4,000
Due from other funds		420	7 961	
General Fund Special Revenue Funds		478 2,378	7,861	
Shacrar venauge Lauds				
TOTAL ASSETS	\$ <u>1,515,207</u>	\$ <u>242,871</u>	\$ <u>31,814</u>	\$ <u>7,930</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable/accruals	Ŝ	\$ 43,947	\$	\$ 9,286
Due to other funds	•	· · · · · · ·	·	
General Fund	1,136,405			
Special Revenue Funds				
Capital Project Funds	192,335	7,805		
Utilities System Fund		1,671		
Deferred revenues				
Total Liabilities	1,328,740	53,423	-0-	9,286
FUND BALANCE (Exhibit G-2)				
Unreserved - undesignated	186,467	189,448	<u>31,814</u>	<u>(1,356</u>)
TOTAL LIABILITIES AND FUND				
BALANCES	\$ <u>1,515,207</u>	\$ <u>242,871</u>	\$ <u>31,814</u>	\$ <u>7,930</u>

The accompanying notes are an integral part of the financial statements.



SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

CITY SALES TAX FUND is used to account for the proceeds of the 1976 one-percent (1%) city sales and use tax. One-half of the net proceeds is transferred to the General Fund for operations, and the other one-half is dedicated to payment of principal and interest on the 1979 sales tax bonds and for capital improvements.

In addition, the fund is used to account for the 1988 one-percent (1%) city sales and use tax. The proceeds are dedicated as follows: one-third to implement a comprehensive job classification and pay plan for Fire, Police, and General Fund classified employees; one-third to replace General Fund revenues lost from Federal and State government; and one-third dedicated to fund General Fund operations.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND is used to account for grants dedicated for priority activities which benefit low or moderate income persons or aid in prevention or elimination of slums and blight. Financing is provided primarily by grants under Title I, Housing and Development Act of 1974.

PROPERTY TAX DRAINAGE FUND is used to account for a special ad valorem tax millage approved by the voters and the subsequent transfer of the taxes to certain capital projects funds as construction is undertaken.

YOUTH BASEBALL RECREATION BOARD FUND is used to account for certain proceeds of the Alexandria baseball complex and the subsequent expenditure of these monies for the operation of the complex.

HOTEL/MOTEL TAX FUND is used to account for the proceeds of the one-percent (1%) occupancy tax levied upon hotel/motel rooms located within the corporate limits of the City. The net proceeds of the tax are to be used for the acquisition, construction, and maintenance of an exhibition center.

In addition, the fund is used to account for an additional one-percent (1%) occupancy tax levied upon hotel/motel rooms located within the downtown area of the City. The net proceeds of this tax are available to the Alexandria/Pineville Area Convention and Visitors Bureau for advertising, promotion, and marketing of conventions and tourism.

DECENTRALIZED ART FUND is used to account for a grant from the State of Louisiana for which the City of Alexandria acts as a regional distributing agent for an eight parish area in central Louisiana. This program is designed to make arts available to all areas of the state and give parishes the opportunity to design their own arts programs.

HOME INVESTMENT PARTNERSHIP PROGRAM FUND accounts for funds provided under the HOME Program created under Title II (the Home Investments Partnership Act) of the National Affordable Housing Act of 1990. The funds are available for rehabilitation of owner occupied and rental property.

HUD EMERGENCY SHELTER PROGRAM FUND accounts for funds provided for the rehabilitation of a facility for use as emergency shelter for the terminally ill.

ECONOMIC DEVELOPMENT FUND was established to account for economic development funds previously held in the Community Development Block Grant Fund. Funds are available for this specified purpose only.

CITY OF ALEXANDRIA, LOUISIANA GENERAL FUND STATEMENT OF OTHER FINANCING SOURCES (USES) BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

EXHIBIT F-5

VARIANCE

FAVORABLE

	BUDGET	ACTUAL	(UNFAVORABLE)
OTHER FINANCING SOURCES (USES)			
Operating transfers in			
Special Revenue Funds			
City Sales Tax Fund	\$12,437,010	\$12,784,426	\$ 347,416
Community Development			
Block Grant Fund			
Indirect cost allocation	59,388	35,805	(23,583)
Home Investment Partnership Fun	d		• • •
Indirect cost allocation	3,071	10,182	7,111
Enterprise Funds			
Utility System Fund			
In lieu of taxes	2,850,000	3,073,169	223,169
Indirect cost allocation	1,156,862	1,068,040	(88,822)
Sanitation Fund			• - •
Indirect cost allocation	148,568	262,622	114,054
Municipal Bus Line Fund			
Indirect cost allocation	198,658	303,403	104,745
Operating transfers(out)			
Special Revenue Funds			
Youth Baseball Recreation			
Board Fund	(7,500)	(7,500)	-0-
Capital Project Funds			
General Capital Projects Fund	(1,228,240)	(1,228,240)	-0-
Enterprise Funds			
Sanitation Fund	(148,568)	(262,622)	(114,054)
Internal Service Funds			· · /
Risk Management Fund	(38,577)	(38,577)	<u> </u>
TOTAL OTHER FINANCING SOURCES (USES)	\$ <u>15,430,672</u>	\$ <u>16,000,708</u>	\$ <u>570,036</u>

The accompanying notes are an integral part of the financial statements.



NOTES TO FINANCIAL STATEMENTS

Benefit and contribution requirements are established by state law.

LSERS. All state employees except certain classes of employees specifically excluded by statute become members of the system as a condition of employment. Statewide elected officials and officials appointed by the governor may, at their option, become members of the System. The only member of this System from the City of Alexandria is the city court judge. The age and years of creditable service required in order for a member to retire with full benefits are established by statute and vary depending on the member's employer and job classification. The substantial majority of members may retire with full benefits at ages ranging from any age upon completing thirty (30) years of creditable service.

The basic annual retirement benefit for substantially all members is equal to two and one-half percent (2 1/2%) of average compensation multiplied by the number of years of creditable service plus three hundred dollars (\$300). Average compensation is defined as the member's average annual earned compensation for the period of thirty-six (36) consecutive months of employment during which the member's aggregate earned compensation was greatest. The maximum annual retirement benefit cannot exceed the lesser of one hundred percent (100%) of average compensation or certain specified dollar amounts or actuarially determined monetary limits which vary depending upon the member's age at retirement. Judges and court officers and certain elected officials receive an additional annual retirement benefit equal to one percent (1%) of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the above basic retirement benefit, a member may elect to receive his retirement benefits under any one of four different options providing for a reduced retirement benefit payable throughout his life with certain benefits being paid to his designated beneficiary after his death.

Judges, court officers, and legislators contribute eleven and one-half percent (11 1/2%) of their salary to the System. The City's contribution is presently at twelve percent (12%) of the member's earned compensation.

Benefit and contribution requirements are established by state law.

<u>PERSL</u>. The only member of this System from the City of Alexandria is the Clerk of City Court. Participants become fully vested after ten (10) years of service. Any member is eligible for normal retirement at age sixty (60) with at least ten (10) years of creditable service, at age fifty-five (55) with twenty-five (25) years of creditable service, or at any age with at least thirty (30) years of creditable service. The retirement benefit, payable monthly for life, is equal to three percent (3%) of their final-average salary for each year of creditable service not to exceed the greater of one hundred percent of final salary (last 12 months) or final average compensation. Final-average salary is the employee's

CITY OF ALEXANDRIA, LOUISIANA GENERAL FUND STATEMENT OF REVENUES - BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

EXHIBIT F-3

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Taxes		* * * * * * *	
Ad Valorem	\$ 1,276,000	\$ 1,261,950	\$(14,050)
Housing Authority in lieu of taxes	10,000		(10,000)
Franchise	145,000	161,884	16,884
Interest and fees -	,		
delinquent taxes	50,000	54,568	4,568
Totals	1,481,000	1,478,402	(2,598)
Licenses and permits			
Occupational licenses	1,484,000	1,554,405	70,405
Building permits	62,750	69,749	6,999
Totals	1,546,750	1,624,154	77,404

Intergovernmental Parish sales tax Beer taxes Tobacco taxes Video poker commissions Fire insurance rebate Grants Totals	4,550,000 95,000 218,000 417,000 59,471 <u>481,116</u> 5,820,587	4,721,908 87,755 219,017 627,766 59,471 518,450 6,234,367	171,908(7,245)1,017210,766-0-37,334413,780
Charges for services Police - academy fees, etc. State ROW maintenance Zoo and park charges Miscellaneous Totals	72,495 58,380 100,000 <u>22,000</u> 252,875	72,694 58,380 103,247 34,140 268,461	199 -0- 3,247 12,140 15,586
Fines and forfeitures City court Fines Civil fees Legal fees Totals	454,500 31,000 <u>120,000</u> 605,500	465,656 31,280 <u>113,310</u> 610,246	11,156 280 <u>(6,690</u>) 4,746
Other Interest Rentals Miscellaneous Totals	275,000 114,700 <u>43,111</u> 432,811	318,333 120,591 <u>49,215</u> 488,139	43,333 5,891 <u>6,104</u> <u>55,328</u>
TOTAL REVENUES	\$ <u>10,139,523</u>	\$ <u>10,703,769</u>	\$ <u>564,246</u>

The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA PROPERTY TAX DRAINAGE SPECIAL REVENUE FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

EXHIBIT G-5

VARIANCE

REVENUES	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)
Taxes - ad valorem	\$2,165,160	\$2,145,143	\$(20,017)
OTHER FINANCING USES Operating Transfers Out			
Capital Project Drainage Fund	<u>2,165,160</u>	<u>2,158,389</u>	6,771
(DEFICIENCY) OF REVENUES			
OVER OTHER FINANCING USES	-0-	(13,246)	(13,246)
FUND BALANCE, BEGINNING OF YEAR	45,060	45,060	<u> </u>

The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA GENERAL FUND BALANCE SHEET APRIL 30, 1996

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EXHIBIT F-1

ASSETS

Cash	\$ 6,330
Equity in pooled cash and investments	5,764,520
Receivables	· ·
Ad valorem taxes (net of \$40,670 for uncollectible)	14,047
Intergovernmental	89,966
Other (net of \$717,333 allowance for uncollectible)	365,572
Due from other funds	
Special Revenue Funds	1,137,162
Enterprise Funds	436,837
Internal Service Funds	1,418
Fiduciary Funds	25,000
Inventory	139,818

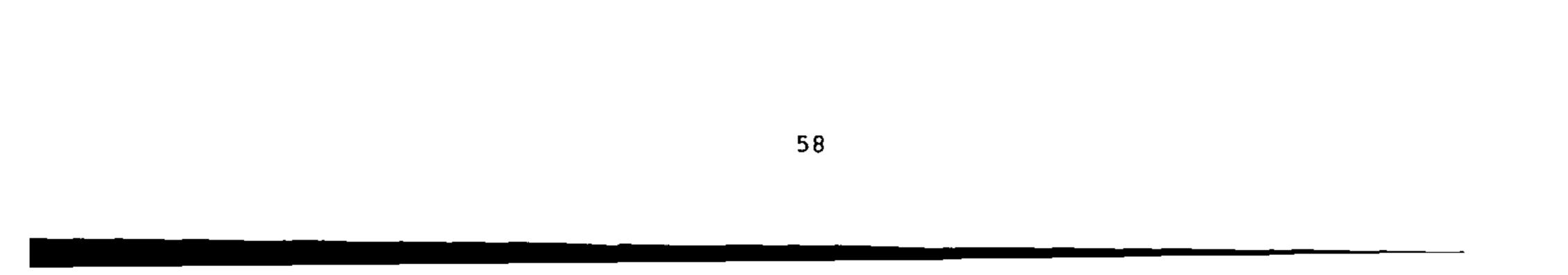
TOTAL ASSETS

\$7,980,670

LIABILITIES AND FUND BALANCE

LIABILITIES	
Accounts payable	\$ 275,127
Accrued expenses	458,257
Other current liabilities	39,064
Due to other funds	•
Special Revenue Funds	8,339
Capital Projects Funds	75,000
Fiduciary Funds	68,003
Total Liabilities	923,790
FUND BALANCE (EXHIBIT F-2)	
Unreserved - undesignated	7,056,880
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>7,980,670</u>

The accompanying notes are an integral part of the financial statements.



GENERAL FUND

1

This is the general operating fund of the City and is used to account for operations traditionally associated with a city which are not required to be accounted for in another fund.

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COMBINING, INDIVIDUAL FUND, AND ACCOUNT GROUP FINANCIAL STATEMENTS AND SCHEDULES

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NOTES TO FINANCIAL STATEMENTS

25. COMPENSATION PAID MEMBERS OF CITY COUNCIL

In accordance with the requirements of the Office of the Legislative Auditor, State of Louisiana, the following report reflects compensation paid members of the City Council, City of Alexandria, for the fiscal year ending April 30, 1996.

	\$10,200
Louis Crenshaw	10,200
Johnny H. Downs	10,200
Charles Fowler, Jr.	10,200
Everett Hobbs	10,200
Robert L. Lawrence	10,200
W.T. Moreau, Jr.	10,200
Charles F. Smith	



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NOTES TO FINANCIAL STATEMENTS

items are included in the General Fixed Assets Account Group and, accordingly, no depreciation is recorded.

	COST
Industrial Park - land and buildings	\$ 188,792
Convention Center Complex	3,301,568
Bringhurst Stadium	124,414
	\$3,614,774

Minimum future rentals, to be received on non-cancelable leases as of April 30, 1996, for each of the next five years and in the aggregate are:

YEAR ENDED	
APRIL 30,	AMOUNT
1997	\$ 78,200
1998	72,500
1999	72,500
2000	72,500
2000	72,500
Thereafter	765,333
Total Minimum Future Rentals	\$1,333,533

LEGAL COMPLIANCE 24.

Total Minimum Future Rentals

The following possible violations of state statutes occurred during the fiscal year:

(1) Budgeted revenue exceeded actual revenue by five percent (5%) or more in the following funds and budget amendments were not made for these variances.

Special Revenue Funds Community Development Block Grant Fund Decentralized Art Fund Home Investment Partnership Program Fund

- (2) Actual expenditures exceeded budgeted expenditures by more than five percent (5%) in the Youth Baseball Recreation Board Special Revenue Fund.
- (3) A physical inventory of fixed assets was not taken during the year ended

April 30, 1996.

NOTES TO FINANCIAL STATEMENTS

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employees or other beneficiary) solely the property and rights of the City (without being restricted to the provisions of benefits under the plan), subject only to the claims of the City's general creditors. Participants' rights under the plans are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

22. DEFINED CONTRIBUTION PENSION PLAN

The City sponsors a defined contribution plan (the Plan) available to unclassified employees who elect to participate. The Plan is administered by MML Investors Services, Inc. The City's payroll for employees participating in the Plan for the current year was \$115,913. Employer contributions for the fiscal year

were \$19,431, or 16.8% of covered payroll. Employees do not contribute to the plan.

Under the provisions of the Plan, City contributions are determined annually and contributions are allocated to participants based on participant's compensation. All monies in the employee's accounts, including the City's contributions, are immediately vested.

23. LEASES

A. City as Lessee

On March 29, 1995, the City entered into a lease agreement with the England Economic and Industrial Development District (EEIDD) to lease the natural gas, water and waste water systems located within the England Airpark. The term of the lease is for twenty (20) years beginning March 29, 1995 and ending March 28, 2015. The lease agreement provides that the City shall pay the EEIDD as rent under the lease five percent of gross charges for service billed to customers located within the Airpark boundaries including gross charges billed to the EEIDD. Lease payments are due to the EEIDD on May 15th and November 15th. It is not possible to determine the future minimum rental payments due under this lease.

B. City as Lessor

The City is the lessor of property under operating leases expiring in various years. The following is a summary of property on lease at April 30, 1996. These

NOTES TO FINANCIAL STATEMENTS

D. Three Year Historical Information

Progress made in funding the pension benefit obligation of the City's three single-employer defined benefit pension plans is presented below:

<u>1995</u>	<u>1994</u>	<u>1993</u>
66.9%	66.2%	66.9%
158.7%	158.2%	148.28
	66.9%	66.9% 66.2%

Employer contributions expressed as a

percentage of annual covered payroll	16.7%	16.5%	16.3%
PPARF (As of April 30)			
Net assets available for benefits			
expressed as a percentage of			
the Pension Benefit Obligation	29.0%	22.0%	32.5%
Unfunded pension benefit obligation			
expressed as a percentage of annual			
covered payroll	412.6%	194.7%	100.7%
Employer contributions expressed as a			
percentage of annual covered payroll	226.5%	65.9%	60.5%

E. Ten Year Historical Trend Information

Ten year historical trend information provides information about a public employee retirement system's progress in accumulating sufficient assets to pay benefits when due. This information, if available, may be found in the separately issued annual financial reports of the various single and multiple employer public employee retirement systems discussed in this note.

21. DEFERRED COMPENSATION PLANS

The City offers its classified employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all

City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. In addition, the City offers a similar deferred compensation plan to unclassified employees.

INTERNAL SERVICE FUNDS

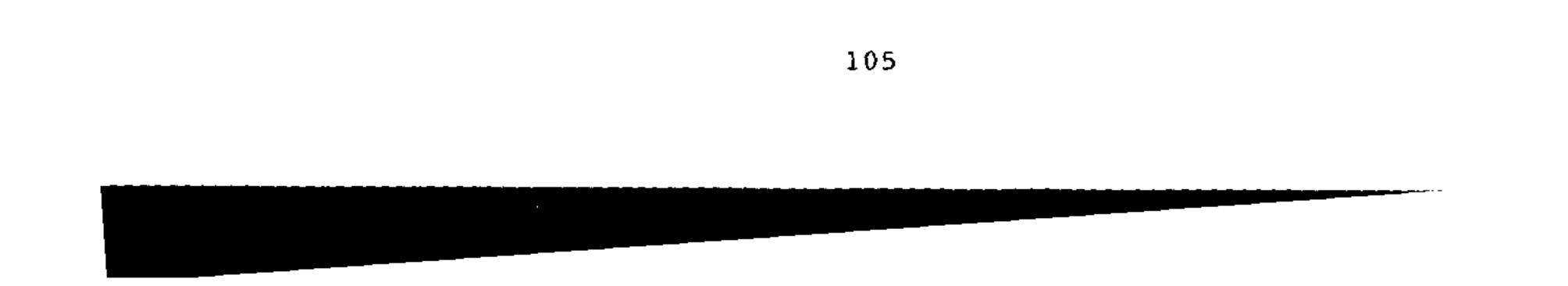
Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government on a cost reimbursement basis.

RISK MANAGEMENT FUND is used to account for the provision of various insurance

coverages to the other funds of the City through incorporation of self insurance and premiums paid for third party coverage for certain stop loss levels.

EMPLOYEE BENEFITS INSURANCE FUND is used to account for the provision of hospitalization/health insurance to employees of the City. A defined amount is self insured and provision is made for excess coverage through premiums paid to a third party. In addition, certain life insurance is provided for employees through premiums paid to a third party insurance carrier.

UNEMPLOYMENT BENEFITS FUND is used to account for the provision of unemployment benefits to the other funds of the City through self-insurance coverage.



NOTES TO FINANCIAL STATEMENTS

		<u>(In Dolla</u>	rs)		
	MPERS	FRS		LSERS	PERSL
City of Alexandria					
Employee contributions made	\$281,603	\$257,476	\$	3,266 \$	1,327
Employee contributions as a					
percentage of covered payroll	7.50%	8.00%		11.50%	9.50%
Employer contributions made	328,902	289,661		3,404	1,081
Employer contributions as a					
percentage of covered payroll	9.00%	9.00%		11.98%	7.748
Employer's actuarially deter-					
mined contribution requirement	t				
expressed as a percentage of					
total actuarially determined					
contribution requirements for					
all employers	3.56%	6.36%		*	*

all employers

3.300 0.300

- * Amount is less than one tenth of one percent.
 - C. Contributions Required and Contributions Made

In regards to the City's three single-employer defined benefit pension plans, contribution requirements are not required to be actuarially determined. State law requires contributions to the COAERS, PPARF, and FPARF to be sufficient to cover operating expenses. An actuary has not determined the implications of this requirement, except for COAERS.

The Board of Trustees of COAERS, on April 11, 1989, unanimously voted to adopt the Frozen Entry Age Normal Actuarial Funding Method and a thirty year amortization period to fund the unfunded pension benefit obligation, with payments increasing at 4% per year (commencing in 1989 and ending in 2018) as recommended by the System's actuary. The employer contribution rate is presently 16.77%, with subsequent changes in the employer contribution rate to be effective on May 1st of each year subject to recommendations by the actuary in future annual actuarial reports.

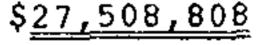
CITY OF ALEXANDRIA, LOUISIANA GENERAL FUND STATEMENT OF EXPENDITURES BUDGET AND ACTUAL YEAR ENDED APRIL 30, 1996

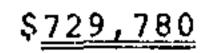
EXHIBIT F-4

Mayor's office $149,656$ $146,657$ 2	986 ,974 ,999 ,718 -0- -0- ,235) -0-
City Council \$ 149,333 \$ 148,347 \$ City Clerk's office 118,919 100,945 17 Mayor's office 149,656 146,657 2	,974 ,999 ,718 -0- .235) -0-
City Clerk's office 118,919 100,945 17 Mayor's office 146,657 2	,974 ,999 ,718 -0- .235) -0-
Mayor's office $149,656$ $146,657$ 2	,999 ,718 -0- .235) -0-
	,718 -0- ,235) -0-
	-0- -0- ,235) -0-
	-0- ,235) -0-
	,235) -0-
Payments in lieu of insurance 1,683,220 1,683,220 Street lighting and hydrant charges 240,158 259,393 (19	-0-
Alexandria Port Authority 40,000 40,000	
Probation officer $75,462$ $75,462$	-0-
Community development 228,017 197,269 30	,748
EEO Coordinator 38,409 15,374 23	,035
Arts and humanities 276,680 277,860 (1	,180)
	,711
	,961 ,309
rinance department	,072
Accounting deput cment	(724)
	,245
fillering deput ements	,272
Central warehouse 176,147 169,875 0 Parts warehouse 61,513 61,572	(59)
285.706 250,564 35	,142
Legal 268,330 263,497 4	,833
Plánning and economic development 406,576 337,303 <u>69</u>	,273
Totals 5,494,812 5,206,732 288	,080
Public Safety	
Police 7,296,402 7,165,135 131	,267
Animal shelter 144,592 137,651 6	,941
Fire 4,858,290 4,798,488 59	<u>,802</u>
Totals 12,299,284 12,101,274 198	,010
Public Works	
Director's office 114,741 109,845 4	,896
Assistant director's office 60,260 55,131 5	,129
Engineers' office 464,273 452,104 12	,169
Street repair and drainage 2,701,186 2,670,994 30	,192
	,631)
	,145 116
Building inspection 35,192 35,076	,617
	, 397
	,902
Zoo $-\frac{589,994}{6,497,593}$ $-\frac{573,092}{6,411,661}$ $-\frac{16}{85}$,932
DEBT SERVICE Dublin Cofety	
Public Safety Policemen's pension merger	
Principal 138,060 138,060	-0-
Interest 309,172 309,172	-0-
Firemen's pension merger	
Principal 217,347 217,347	-0-
Interest <u>1,227,761</u> <u>1,227,760</u>	<u> </u>
Totals 1,892,340 1,892,339	1
CAPITAL OUTLAY	
General government 111,929 98,219 13	3,710
Public safety 1,182,299 1,173,597	3,702
Public works $\frac{760,331}{624,986}$ $\frac{13}{13}$	5,345
Totals 2,054,559 1,896,802 15	1 <u>,757</u>









The accompanying notes are an integral part of the financial statements.

- 61

EXHIBIT B

TOTAL

			PRIMARY			MEMORANDUM
GOVERNMENT'S			GOVERNMENT COMPONENT UNITS		NT UNITS	ONLY
	·····	···	TOTAL	ALEXA	NDRIA	
	DEBT	CAPITAL	MEMORANDUM	CITY	CITY	REPORTING
 ,	SERVICE	PROJECTS	ONLY	MARSHAL	COURT	BNTITY
\$	· · ·	\$	\$ 20,776,605	\$1.500 (10.000 (10.000)) \$1.500 (10.000) (10.000)	Ş - 200 (100 - 200) Ş - 200 (100 - 200) S - 200 (100 - 200)	\$ 20,776,605
·			1,624,154			1,624,154
		11,551,144	19,543,774			19,543,774
			268,461			268,461
	· .· ·		610,246			610,246
	130,172	753,681	1,250,670	4,283	4,761	1,259,714
				155,724	114,106	269,830
			577 661		3 364	202 210

 74,602
 377,991
 464
 3,764
 382,219

 130,172
 12,379,427
 44,451,901
 160,471
 122,631
 44,735,003

		5,206,732	133,056	65,966	5,405,754
	901,194	13,002,468			13,002,468
	14,895,005	21,306,666			21,306,666
· .		2,069,003			2,069,003
	55,918	1,952,720	17,862	35,157	2,005,739
1,296,000		1,651,407			1,651,407
901,454		2,438,386	· · · · · · · · · · · · · · · · · · ·		2,438,386
2,197,454	15,852,117	47,627,382	150,918	101,123	47,879,423
PT. L					
(2,067,282)	(3,472,690)	(3,175,481)	9,553	21,508	(3,144,420)
· · ·	• .				

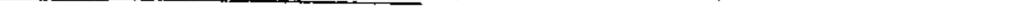
	(29,408)	(29,408)		(29,408)
2,068,249	8,203,225	27,931,432		27,931,432
		(20,826,285)		(20,826,285)
2,068,249	8,173,817	7,075,739	0	0 7,075,739
		· · · · · · · · · · · · · · · · · · ·		
967	4,701,127	3,900,258	9,553 21	,508 3,931,319
2,714,142	11,756,587	23,096,761	99,725 192	,511 23,388,997
\$ 2,715,109	\$ 16,457,714 \$	26,997,019	\$ 109,278 \$ 214	,019 \$ 27,320,316

CITY OF ALEXANDRIA, LOUISIANA MUNICIPAL BUS LINE ENTERPRISE FUND COMPARISON OF REVENUES AND EXPENDITURES BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL YEAR ENDED APRIL 30, 1996

SCHEDULE 7

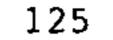
VARIANCE

	BUDGET	ACTUAL	(UNFAVORABLE)
REVENUES	202021		<u>rourneonabio</u>
Passenger	\$ 214,250	\$ 222,591	\$ 8,341
Advertising	7,000	5,190	(1,810)
Other	1,400	6,254	4,854
Interest income	7,000	9,573	2,573
Proceeds from sale of fixed assets	,,	1,975	1,975
Grant revenue		1,575	1,975
Operating	554,854	623,368	68,514
Capital	348,778	223,671	(125, 107)
Operating transfers in	540,770	223,071	(125,107)
General Capital Projects Fund			
Operating		7,888	7,888
Capital	164,086	55,918	(108,168)
Utilities System Enterprise Fund	104,000	55,910	(100,100)
Operating	1,038,212	1,142,957	104,745
Total Revenues	2,335,580	$\frac{1,142,357}{2,299,385}$	(36, 195)
	2,335,580	2,299,305	(20,195)
EXPENDITURES			
Salaries	745,212	698,278	46,934
Pension fund contributions	117,463	109,990	7,473
Hospitalization and life insurance	94,489	82,633	11,856
Unemployment compensation	3,503	3,308	195
Other payroll taxes	6,537	6,240	297
Uniforms	5,500	•	
Contract labor	· · · ·	8,394	(2,894) -0-
Fuel and oil	12,512	12,512	
Repairs and maintenance	97,500	100,419	(2,919)
Buses, vans, and other vehicles	90,935	116,627	(25,692)
Buildings and equipment	7,549	17,135	(23,052)
Tires	•	•	
Payments in lieu of insurance premiums	23,500	22,123	1,377
Professional services	243,577	243,577	
Comprehensive planner	26,397	26,600	(203)
Other	4,000	2,755	1,245
Office supplies and expenses	в,067	6,884	1,183
Utilities	8,000	8,583	(583)
Other	5,296	4,288	1,008
Capital additions	512,864	279,589	233,275
Operating transfers out			
General Fund - indirect costs	198,658	303,403	(104,745)
Risk Management Fund	124,021	124,021	-0-
Total Operating Expenditures	2,335,580	2,177,359	158,221
EXCESS OF REVENUES OVER EXPENDITURES	\$ <u>-0-</u>	122,026	\$ <u>122,026</u>
RECONCILIATION TO NET INCOME			
Capital additions		279,589	
Capital contributions		(279,589)	
Depreciation		•	
Loss on disposition of fixed assets		(289,054) (11,055)	
<u>NET LOSS - GAAP BASIS</u> (Exhibit J-8)		\$ <u>(178,083</u>)	





See independent auditor's report.



NOTES TO FINANCIAL STATEMENTS

All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types and 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 the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debts are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, grants, interest revenue, and charges for services. Fines, permits, and license revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The accrual basis of accounting is utilized by proprietary fund types and pension trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The City reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

E. Budgets and Budgetary Accounting

Annual appropriated operating budgets of proposed expenditures and the means of financing them are adopted for the general, special revenue, and debt service funds. Budgets for capital projects are adopted on a project-length basis. Because these non-operating budgets primarily serve as a management control function, no comparison between budgeted and actual amounts for funds budgeted on this basis is provided in this document. Budgets established for proprietary funds are management budgets and as such are not required to be reported in this document.

NOTES TO FINANCIAL STATEMENTS

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

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 all or most of the City's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the City. The City maintains pension trust funds to account for the City's employee pension funds. Trust funds are used to account for assets held by the government in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

The General Fixed Asset Account Group is used to account for fixed assets other than those used in the proprietary funds.

The General Long-Term Debt Account Group is used to account for long-term debt not accounted for in other funds.

D. Basis of Accounting

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

NOTES TO FINANCIAL STATEMENTS

c. Issue debt without approval by another government.

The component units discussed in Note 1.B. are included in the City's reporting entity based upon the circumstances outlined above.

B. Individual Component Unit Disclosures

<u>Blended Component Units</u>. The Youth Baseball Recreation Board was authorized by the City Council and is governed by a four member board made up of three representatives from the various baseball leagues and one member appointed by the City. The Youth Baseball Recreation Board is reported as if it were part of the primary government because its sole purpose is to operate and maintain the City's baseball complex. The City provides a subsidy to the Board, primarily to finance the operations of the complex.

Discretely Presented Component Units. The component units columns in the combined financial statements include the financial data of the City's other component units. They are reported in a separate column to emphasize that they are legally separate from the City. The City Marshal and the City Judge are elected by the voters of the City of Alexandria. The financial statements of each of these entities are included as of their respective fiscal years ended September 30, 1995.

- 1. The Alexandria City Marshal is responsible for enforcing judgments of city court, maintaining order within the city court, and collection of city court fines.
- 2. The Alexandria City Court is responsible for hearing court cases involving violations of city laws and ordinances and for rendering judgments thereon.

Complete financial statements for each of the two discretely presented component units can be obtained from their respective administrative offices.

Administrative Offices:

Alexandria City Marshal 515 Washington Street Alexandria, Louisiana Alexandria City Court 515 Washington Street Alexandria, Louisiana

C. Fund Accounting

The City uses funds and account groups 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.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Alexandria, Louisiana (City) is governed under the provisions of the Home Rule Charter adopted June 7, 1977. The City operates under a Mayor - City Council form of government.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units except as noted elsewhere in this report. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the City's accounting policies are described below.

A. The Financial Reporting Entity

As mentioned above, the City of Alexandria is governed under the provisions of the Home Rule Charter and operates under a Mayor - City Council form of government. As required by generally accepted accounting principles, these financial statements present the City of Alexandria (the primary government) and its component units. The component units discussed in Note 1.B. are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

In evaluating how to define the City's reporting entity for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in generally accepted accounting principles. The basic criteria for including a potential component unit within the reporting entity is whether the primary government is financially accountable for the potential unit. A primary government is financially accountable if it appoints a voting majority of the organization's governing body and either (1) is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing body, a governing board appointed by a higher level government, or a jointly appointed board. An entity is fiscally dependent if it does not have the authority to do all three of the following procedures:

a. Determine its budget without another government having the authority

to approve and modify that budget.

b. Levy taxes or set rates or charges without approval by another government.





CITY OF ALEXANDRIA, LOUISIANA Notes to Financial Statements List of Notes

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-	Advances From/To Other Funds					
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2.7.	componential rendered of creater connect and a set and the set of	•	•	•	• •	



CITY OF ALEXANDRIA, LOUISIANA COMBINED STATEMENT OF CASH FLOWS ALL PROPRIETARY FUND TYPES YEAR ENDED APRIL 30, 1996

.

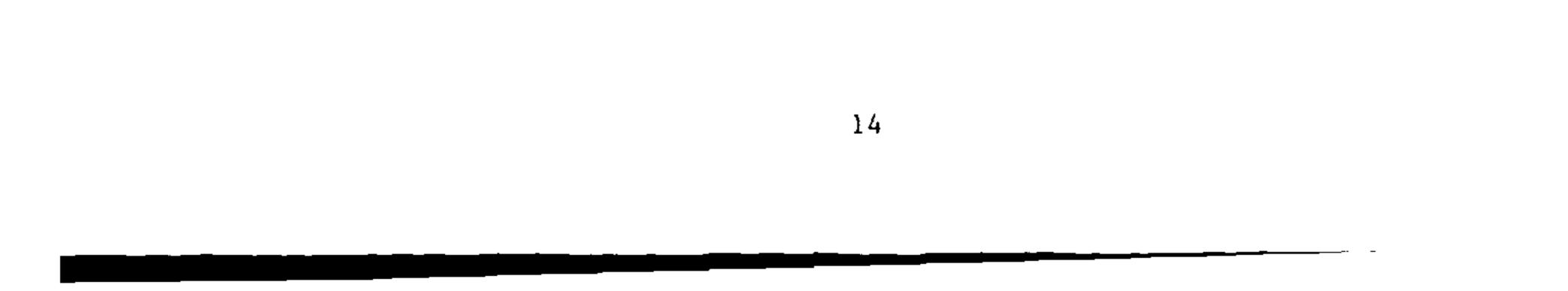
EXBIBIT E (Concluded)

TOTAL

	ENTERPRISE	INTERNAL SERVICE	(MEMORANDUM ONLY)
CASE FLOWS FROM INVESTING ACTIVITIES	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·	·······
Increase in equity in pooled cash and			
investments - net	\$ (5,048,158)\$	(1,102,338)\$	(6,150,496)
Proceeds from the maturity of investments	(56,238)		(56,238)
Interest received on operating funds	1,526,955	298,895	1,825,850
Net Cash Used by Investing			
Activities	(3,577,441)	(803,443)	(4,380,884)
NET INCREASE IN CASH AND EQUIVALENTS	444,702	0	444,702
CASE AND EQUIVALENTS, BEGINNING OF YEAR	6,892,033	0	6,892,033
CASH AND EQUIVALENTS, END OF YEAR	\$ 7,336,735 \$	0\$	7,336,735

CLASSIFIED AS		
Current Assets	\$ 1,860,809 \$	1,860,809
Restricted Assets	5,475,926	5,475,926
TOTAL	\$ 7,336,735 \$	\$ 7,336,735

The accompanying notes are an integral part of the financial statements.



CITY OF ALEXANDRIA, LOUISIANA COMBINED STATEMENT OF CASE FLOWS ALL PROPRIETARY FUND TYPES YEAR ENDED APRIL 30, 1996

EXHIBIT E

(Continued)

	ENTERPRISE	INTERNAL SERVICE	TOTAL (MEMORANDUM ONLY)
CASE FLOW FROM OPERATING ACTIVITIES	••••••••••••••••••••••••••••••••••••••	_	···· ··· ······ ··· ··· ··· ··· ···
Operating income	\$ 7,235,429 \$	(299,081)\$	6,936,348
Adjustments to reconcile operating income to			
net cash provided by operating activities			
Depreciation	5,535,851		5,535,851
Provision for doubtful accounts	265,000	1,195	266,195
Changes in assets and liabilities			
Customer receivables	(1,407,650)		(1,407,650)
Other receivables	1,120	137,773	138,893
Due from other funds	(58,018)		(58,018)
Inventories	87,985		87,985
Accounts payable	(150,665)	(9,659)	(160,324)
Claims payable		(150,916)	(150,916)
Due to other funds	(134,456)	1,009	(133,447)
Accrued expenses and other liabilites	216,909	1,036	217,945
Estimated liability for claims incurred	160,244	832,662	992,906
Customer deposits - net	(97,681)		(97,681)
Net Cash Provided by Operating Activities	11,654,068	514,019	12,168,087
			· · · ·
CASE FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	;		
Operating transfers - net	(7,529,221)	283,368	(7,245,853)
Advances to other funds	(1,500,000)		(1,500,000)
Repayment of advances to other funds	728,727		728,727
Government subsidy - operations	623,256		623,256
	(5,713)	6,056	343
Net Cash Provided (Used) by Noncapital			
Financing Activities	(7,682,951)	289,424	(7,393,527)
CASE FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		· · · · · · ·	
Acquisition of property, plant and equipment	(9,985,426)	(674)	(9,986,100)
Govørnment subsidy – capital grant	223,671		223,671
Contributions from capital project funds	55,918	674	56,592
Proceeds from the sale of plant and equipment	7,401		7,401
Issuance of revenue bonds	15,000,000	· ·.	15,000,000
Repayment of advances due to other funds	(146,949)		(146,949)
Payments of bonds and other indebtedness	(3,523,598)	· · · · · · · · · · · · · · · · · · ·	(3,523,598)
Interest paid on long-term debt	(3,059,872)	· . ·	(3,059,872)
Interest received on construction funds	1,695,571		1,695,571
Bond issuance costs	(228,252)		(228,252)
Other	12,562		12,562
Net Cash Provided by Canital and Related	ـدى خو، چ <u>ر، ح</u> _ [*] . ــر ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ	ى	

Net Cash Provided by Capital and Related Financing Activities 51,026 51,026

The accompanying notes are an integral part of the financial statements.



CITY OF ALEXANDRIA, LOUISIANA COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED BARNINGS/FUND BALANCES ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS YEAR ENDED APRIL 30, 1996

EXHIBIT D

	PROPRIETARY	FUND TYPE	FIDUCIARY FUND TYPE	TOTAL
	ENTERPRISE	INTERNAL SERVICE	PENSION TRUSTS	(MEMORANDUM ONLY)
OPERATING REVENUES				
Charges for sales and services	\$ 61,509,287 \$	2,995,367	\$	\$ 54,504,654
Member and employer contributions		3,243,307	3,594,463	6,837,770
Investment income			2,860,837	2,860,837
Other	547,674	207,706	······································	755,380
Total Operating Revenues	62,056,961	6,446,380	6,455,300	74,958,641
OPERATING EXPENSES				
Production, distribution,	·			
treatment, and collection	40,899,813			40,899,813
Insurance claims and premiums		6,291,107		6,291,107
Cost of service	4,051,256			4,051,256
Depreciation	5,060,494	1,195		5,061,689
Plan benefit payments			3,878,112	3,878,112
Employee refunds			120,232	120,232
General and administrative expense	4,809,969	453,159	99,515	5,362,643
Total Operating Expenses	54,821,532	6,745,461	4,097,859	65,664,852
OPERATING INCOME (LOSS)	7,235,429	(299,081)	2,357,441	9,293,789
NONOPERATING REVENUES (EXPENSES)				
Grant revenue	623,368	· ·		623,368
Interest revenue	3,218,847	298,895		3,517,742
Interest expense and fiscal charges		· · ·		(3,491,810
Disposition of fixed assets	(14,126)			(14,126
Total Nonoperating Revenues		· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·	
(Expenses)	336,279	298,895	0	635,174
INCOME (LOSS) BEFORE OPERATING		· · ·		· . ·
TRANSFERS	7,571,708	(186)	2,357,441	9,928,963
OPERATING TRANSFERS IN (OUT)	(7,388,515)	283,368	0	(7,105,147
NET INCOME	183,193	283,182	2,357,441	2,823,816
RETAINED EARNINGS/FUND BALANCES	• . • • .	• • • • •	·	
(DEFICIT), BEGINNING OF YEAR	37,913,670	(842,067)	37,500,390	74,571,993
RETAINED EARNINGS/FUND BALANCES (DEFICIT), END OF YEAR	\$ <u>38,096,863</u> \$	\$ <u>(558,885</u>)	\$ 39,857,831	\$ <u>77,395,809</u>

The accompanying notes are an integral part of the financial statements.



NOTES TO FINANCIAL STATEMENTS

I. Advances to Other Funds

Loans between funds not occurring during the normal course of operations are classified as advances to other funds.

J. Inventories

Inventories are valued at the lower of cost (first-in, first-out) or market, with the exception of central warehouse inventory which is valued at average cost, and are accounted for in the General Fund and Enterprise Funds as assets when purchased and recorded as expenditures or expenses as consumed.

K. Restricted Assets

Certain Enterprise Fund assets are classified as restricted assets because

their use is limited to certain activities by Council action. "Cash With Paying Agents account" is used to report cash transferred to the paying agents for payment of May 1st maturities of revenue bonds principal and interest. "Customers' Deposit accounts" are used to account for funds received from customers for utilities deposits. "Revenue Bond Reserve accounts" are used to report resources set aside to make up potential future deficiencies in the Revenue Bond Sinking accounts. "Revenue Bond Capital Additions and Contingencies accounts" are used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements. "Special Projects accounts" are fund restricted by Council action for certain designated projects. "Utilities Capital Projects accounts" are used to account for funds set aside for capital additions, renewals, and replacements. "Utilities Revenue Bond Construction accounts" are used to report the proceeds of revenue bonds that are restricted for construction.

L. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. General fixed assets are reported on a combination of estimated historical cost and actual historical cost.

Recent purchases have been valued at historical cost. Recent donated fixed assets have been valued at market value on the date of donation. Older assets acquired have been valued at estimated historical cost.

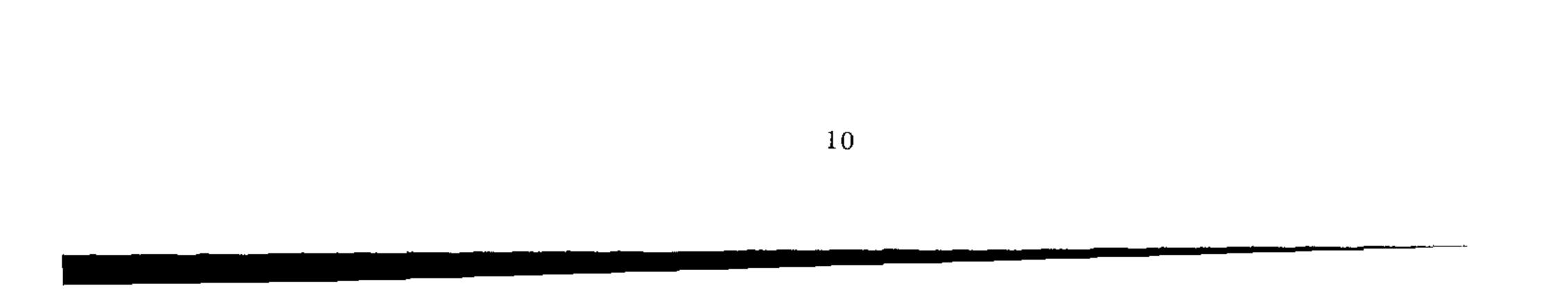
Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized, as these assets are immovable and of value only to the City.

CITY OF ALEXANDRIA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUNDS YEAR ENDED APRIL 30, 1996

		GENERAL FUND	
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Taxes	\$ 1,481,000 \$	1,478,402 \$	
Licenses and permits	1,546,750	1,624,154	77,404
Intergovernmental	5,820,587	6,234,367	413,780
Charges for services	252,875	268,461	15,586
Fines and fees	605,500	610,246	4,746
Interest	275,000	318,333	43,333
Other	157,811	169,806	11,995
Total Revenues	10,139,523	10,703,769	564,246
EXPENDITURES			
Current	E 404 913	5 205 722	288,080
General government	5,494,812	5,206,732	198,010
Public safety	12,299,284	12,101,274	-
Public works	6,497,593	6,411,661	85,932
Special programs		1 006 000	167 757
Capital outlay projects	2,054,559	1,896,802	157,757
Debt service		255 107	
Principal	355,407	355,407	U
Interest and fiscal charges	1,536,933	1,536,932	200 200
Total Expenditures	28,238,588	27,508,808	729,780
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDIT	URES (18,099,065)	(16,805,039)	1,294,026
AMBER FINANCING COMPORE (MERC)			
OTBER FINANCING SOURCES (USES) Operating transfers in	16.853.557	17.537.647	684,090
Operating transfers out			(114,054)
Total Other Financing Sources (Uses)	A 1 A 1 A 1 A 1 A 1 A 1 A 1 A 1 A 1 A 1	16,000,708	
EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND			
OTBER FINANCING USES	(2,668,393)	(804,331)	1,864,062
FUND BALANCES, BEGINNING OF YEAR	7,861,211	7,861,211	O
FUND BALANCES, END OF YEAR	\$ 5,192,818 \$	7,056,880 \$	1,864,062

The accompanying notes are an integral part of the financial statements.





PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The Honorable Mayor and City Council City of Alexandria, Louisiana

We have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Alexandria, Louisiana, as of and for the year ended April 30, 1996, and have issued our report thereon dated September 12, 1996. These financial statements are the responsibility of the management of the City of Alexandria, Louisiana. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements and the combining, individual fund and account group financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the account group financial statements. An audit also includes management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the City of Alexandria, Louisiana, taken as a whole, and on the combining, individual fund and account group financial statements. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements and the combining, individual fund and account group financial statements. The information in that schedule has been subjected to the

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L. PAUL HOGO, C.P.A. ERNEST E. SASSER, C.P.A. BALE P. BE SELLE, C.P.A. Marvin A. Juneau, C.P.A. Robert L. Litton, C.P.A. Rebecca B. Morris, C.P.A. H. Fred Randow, C.P.A. Robert W. Dydrak, C.P.A. Michael A. Juneau, C.P.A.

1419 METRO DRIVE • P.O. BOX 13200 • ALEXANORIA, LA 71315/3200

PR: (318) 443-1893 • FAX: (318) 443-2515

CITY OF ALEXANDRIA, LOUISIANA

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COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

ALL GOVERNMENTAL FUND TYPES

YEAR ENDED APRIL 30, 1996

PRIMARY · .

and the state of the

		GENERAL	SPECIAL Revenue
REVENUES			
Taxes	\$	1,478,402 \$	19,298,203
Licenses and permits		1,624,154	
Intergovernmental		6,234,367	1,758,263
Charges for services		268,461	
Fines and fees		610,246	
Interest		318,333	48,484
Court costs			
Other		169,806	133,583
Total Revenues	· · · ·	10,703,769	21,238,533
RYPRNNTTIIDES			

EXPENDITURES

EAPENDITURES			
Current			
General government		5,206,732	
Public øafety		12,101,274	· · ·
Public works		6,411,661	
Special programs			2,069,003
Capital outlay projects		1,896,802	
Debt service	· ·		
Principal		355,407	
Interest and fiscal charges	. :	1,536,932	
Total Expenditures		27,508,808	2,069,003
EXCESS (DEFICIENCY) OF REVENUES OVER EXPEN	DITURES	(15,805,039)	19,169,530
OTHER FINANCING SOURCES (USES) Bond issue cost	•		
Operating transfers in		17,537,647	122.311
Operating transfers out		(1,536,939)	
Total Other Financing Sources (us	зев)		(19,167,035)
EXCESS (DEFICIENCY) OF REVENUE AND OTHER F	INANCING SOURC	CES	
OVER EXPENDITURES AND OTHER FINANCING U		•	2,495
FUND BALANCES, BEGINNING OF YEAR	· .	7,861,211	764,821
FUND BALANCES, END OF YEAR	· · · · · · · · · · · · · · · · · · ·	\$ 7,056,880 \$	767,316

8

The accompanying notes are an integral part of the financial statements.

EXHIBIT A

(Concluded)

	PRIM	ARY GOVERNME	NT'S	/	COMPONENT	UNITS	TOTAL
PROPRIETARY PUND TYPES	FIDUCIARY FUND TYPES	ACCOUNT	GROUPS	TOTAL MEMORANDUM			MEMORANDUM ONLY
		GENERAL	GENERAL	ONLY	ALEXANI	DRIA	
INTERNAL	TRUST AND	FIXED	LONG-TERM	PRIMARY	CITY	CITY	REPORTING
SERVICE	AGENCY	ASSETS	DEBT	GOVERNMENT	MARSHAL	COURT	<u>Enti</u> ț¥
131,014 ;	\$ •	\$	 I = 1 ≤ 1 ≤ 1 ≤ 1 ≤ 1 ≤ 1 ≤ 1 ≤ 1 ≤ 1 ≤ 1	\$ 131,014	\$		\$ 131,014
538,491				4,030,913	10,915	2,047	4,043,875
5,019	50			1,818,844	34,994	250,224	2,104,062
5,434,124				5,434,124			5,434,124
		and the second second	1,400,123	1,400,123			1,400,123
				9,866,765			9,866,765
1,425	25,130			2,868,310	2,579	178	2,871,067
				2,663,556			2,663,556
				329,991			329,991
			38,030,865	- •			38,030,865
				63,770,000			63,770,000
				325,244			325,244
	2,006,970	 : .		2,006,970	· · · · ·		2,006,970
				107,713	·····	· · · · · · · · · · · · · · · · · · ·	107,713
6,110,073	2,032,150	0	39,430,988	132,784,432	48,488	252,449	133,085,369
							· ·
		59,058,059	·	59,058,059	124,042	247,325	59,429,426
655,791				44,342,943	: · · ·		44,342,943
				20,411,027		• .	20,411,027
(558,885)				24,183,831	•		24,183,831
			•		na serie de la composition No serie de la composition No serie de la composition		
	· · ·		· · · · · ·	3, 677, 137			3,677,137
			. •	2,715,109			2,715,109
	39,857,831			39,857,831		· · · ·	39,857,831
				3,061,601	109,278		3,170,879
•···-···		. · 	· · · · · · · · · · · · · · · · · · ·	10,486,292	· · ·	214,019	10,700,311
96,906	39,857,831	59,058,059	0	207,793,830	233,320	461,344	208,488,494



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CITY OF ALEXANDRIA, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

APRIL 30, 1996

-	.	PRIM	ARY GOVERN	AENT'S	
					PROPRIETARY
		GOVERNMENTAL	FUND TYPE	5	FUND TYPES
LIABILITIES, EQUITY, AND OTHER CREDITS	GENERAL	SPECIAL R <u>even</u> ue	debt Service	CAPITAL PROJECTS	<u>enterprise</u>
LIABILITIES					
Bank overdraft	\$	\$\$	Ş	;	\$
Accounts and contracts payable	275,127	62,273		1,858,157	1,296,865
Accrued expense/other payables	497,321		· ·		1,316,454
Liability for unpaid claims costs			• •		
Compensated absences payable		· · · ·			
Payable from restricted assets					9,866,765
Due to other funds		1,346,125		718,479	625,809
Advance from other funds				2,663,556	
Deferred revenues	· · ·	29,991		300,000	
General obligations payable					
Revenue bonds					63,770,000
Landfill postclosure care costs					325,244
Deferred compensation benefits	·				
Installment contracts/certificates					107,713
Total Lisbilities	923,790	1,438,389	0	5,540,192	77,308,850
EQUITY AND OTHER CREDITS	, et .				
Investment in general fixed assets					
Contributed capital	· · ·	•		· .	43,687,152
Retained earnings					
Reserved					20,411,027
Unregerved	7,056,880				17,685,836
Fund balances					
Reserved for					
Encumbrances				3,677,137	
Debt Service			2,715,109		
Employees' retirement					
Unreserved – designated				3,061,601	
Unreserved ~ undesignated	-	767,316		9,718,976	··· · ·· , , · · · ···- · · · - ,
Total Equity and Other Credits	7,056,880	767,316	2,715,109	16,457,714	81,784,015

TOTAL LIABILITIES, EQUITY, AND



\$ 7,980,670 \$ 2,205,705 \$ 2,715,109 \$ 21,997,906 \$159,092,865

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The accompanying notes are an integral part of the financial statements.

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

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OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS AND OMB CIRCULAR A-128

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IN FORCE OF ALEXANDRIA, LOUISIANA LISTING OF INSURANCE IN APRIL 30, 1996

CITY

UNAUDITED

\$ 10,000	Tax Collector	Fidelity Bond	05/21/96	eposit aryland
\$100,000	Mayor	Public Official Bond	09/03/96	Company
\$100,000,000 Per Occurrence Excess of \$1,000,000 primary/ with specified sub-limits	Excess all property covered	Excess Property under Coregis Policy	05/06/96	l of Louisiana
\$1,000,000 Per Occurrence/ \$1,000,000 Annual Aggregate Excess of \$75,000 Self Insured Retention	Wrongful Acts - Errors or Omissions, Neglect or Breach of Duty - Claims made Policy. No retro date	Public Officials & Employees Liability	05/06/96	ance Company
LIMITS OF COVERAGE	COVERAGE	TYPE OF POLICY	EXPIRATION <u>DATE</u>	Ю
SCHEDULE 9 (Concluded)				

Per employee deductible \$100,000 \$ 1,000 and Planning ons of Finance, Works, Plannin

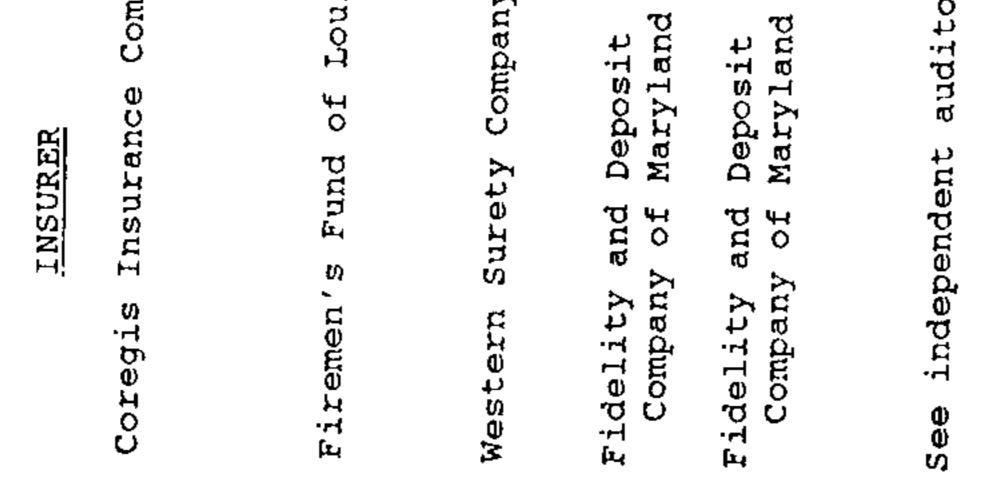
Divisions Public Wor CADS

Public Employees Honesty Bond

09/01/96

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report. auditor's



CITY OF ALEXANDRIA, LOUISIANA UNAUDITED LISTING OF INSURANCE IN FORCE , APRIL 30, 1996

SCHEDULE 9 (Continued)

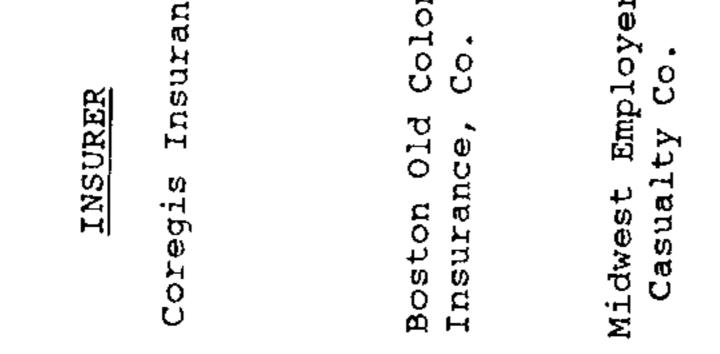
LIMITS OF COVERAGE	<pre>cement \$1,000,000 Per Occurrence cement \$1,000,000 Aggregate \$1,000,000 Products/ Completed Operations Aggregate Aggregate</pre>	\$25,000,000 per Accident ated Minimum Deductible of	0 0
COVERAGE	Excess general liability, auto liability, law enforcement and employers liability	Comprehensive Boiler & Machinery Coverage- All locations owned/operated by City	Per Louisiana Statutes
TYPE OF POLICY	Umbrella Liability	Boiler & Machinery	Specific Excess Workers' Compensation
EXPIRATION DATE	05/06/96	05/06/96	05/06/96
	ance Company	Ăuo	ers

Liability Employers'

\$1,000,000 - Excess of \$500,000 Self Insured Retention

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auditor's report. See independent



IN FORCE

VERAGE

Automobile Equipment; Ware; Mobile Contents damage æ ۰ð ŝ \mathbf{N} £

ing Injury; Employee liability (claims etro Date 5/6/94) Property njury & Prop Personal and

other extensions njury & Personal ith ge

COVERAGE ы ОЕ LIMITS

Annual Aggregate \$1,000,000 Per Occurrence Inclusive of \$75,000 Earthquake ц deductible \$1,000,000 Flood g

Self Occurrence \$1,000,000 Per Occurre Inclusive of \$150,000 Insured Retention General limit \$3,000,000 Aggregate

\$1,000,000 per Occurrence Inclusive of \$150,000 Self Insured Retention

Self \$1,000,000 Per Occurrence Inclusive of \$150,000 Sel Insured Retention \$3,000,000 General Liability Aggregate applicable

insurance the General Carrier has agreed to limit losses within tred Retention to \$1,400,000. Should losses 1,400,000,the carrier will pay self the self tetention until the \$1,000,000 limit of insur s Aggregate of \$1,400,000 applicable to Ge V/Law Enforcement Liability/Auto Liability ted.

(Continued)

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SCHEDULE

	CITY UNAUDITED	OF LIS /	ALEXANDRIA, LOUISIANA TING OF INSURANCE IN F APRIL 30, 1996
	EXPIRATION DATE TYPE	E OF POLICY	COVERAG
ce Company	05/06/96 Prima	ary Property	Buildings; Co Machinery & E EDP Hardware; equipment & A physical dama
	Gener	al Liability	Bodily Injury Damage; Perso Advertising I Benefits liab Made - Retro 1
	Automotive Liability	otive lity	Bodily Injury
	Law Er Liabil	Law Enforcement Liability	Bodily Injury Injury with ot of coverage
			Stop loss Aggr Liability/Law combined. Car combined. Car Self Insured R Self Insured R exceed \$1,400, insured fetent insured retent is exhausted.

report auditor's

independent

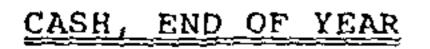
See



CITY OF ALEXANDRIA, LOUISIANA INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS YEAR ENDED APRIL 30, 1996

EXHIBIT K-3

CASH FLOWS FROM OPERATING ACTIVITIES	RISK MANAGEMENT <u>FUND</u>	EMPLOYEE BENEFITS INSURANCE <u>FUND</u>	UNEMPLOYMENT BENEFITS <u>FUND</u>	TOTAL
Operating income (loss) Depreciation	\$(252,427) 1,195	\$(147,024)	\$ 100,370 \$	(299,081) 1,195
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities Stop loss and subrogation claims	.,			.,
receivable	107,073	30,700		137,773
Accounts payable	(14,554)	3,581	1,314	(9,659)
Accrued expenses	1,036	,		1,036
Due to other funds	1,009			1,009
Claims payable Estimated liability for claims	(165,041)	14,125		(150,916)
incurred	832,662		·	832,662
Net Cash Provided (Used) by Operating				~
Activities	510,953	(98,618)	101,684	514,019
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Bank overdraft	3,281	2,775		6,056
Residual equity transfer	(115,498)		115,498	-0-
Operating transfers in	283,368			283,368
Net Cash Provided by Noncapital Financin	nd			
Activities	171,151	2,775	115,498	289,424
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of property, plant,	(16711
and equipment	(674)			(674)
Contributions from other funds			·	<u> </u>
Net Cash Provided by Capital and Related		<u>^</u>		~
Financing Activities	-0-	-0	-0-	-0-
CASH FLOWS FROM INVESTING ACTIVITIES Decrease (Increase) in equity in pooled				
cash and investments	(854,505)	(21, 124)	(226,709)	(1, 102, 338)
Interest received	172,401	116,967	• • •	298,895
Net Cash Provided (Used) by Investing				
Activities	(682,104)	95,843	(217,182)	(803,443)
NET INCREASE IN CASH	-0-	-0-	-0-	-0
CASH, BEGINNING OF YEAR	_0_	-0-	-0-	-0-





The accompanying notes are an integral part of the financial statements.



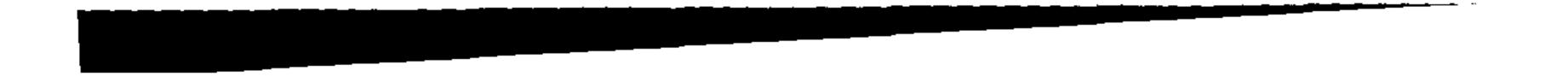


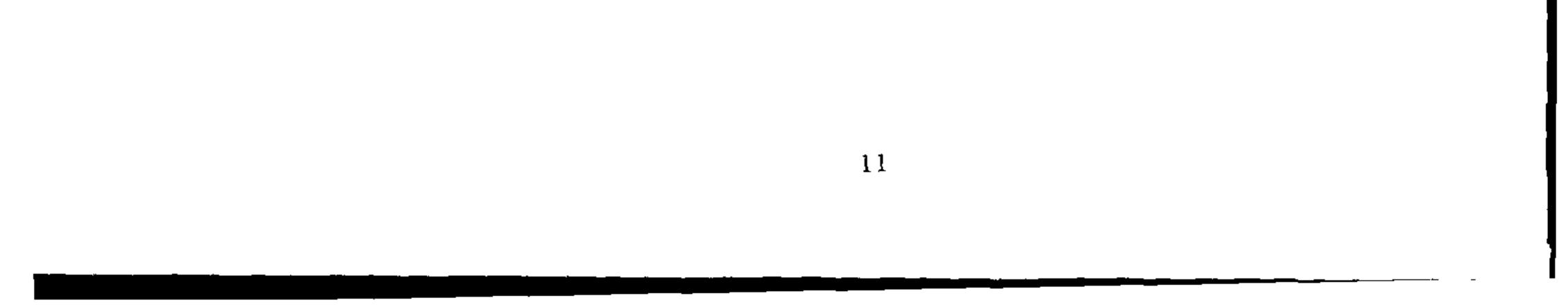
EXHIBIT C

SPI	ECIAL REVENUE	FUNDS	DEB	T SERVICE FU	NDS
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
\$ 18,862,615	\$ 19,298,203	435,588	<pre># 10 + 0 + 1 \$ 10 + 0 + 0 + 0 \$ 10 + 0\$ 10 + 0\$ 10 + 0\$ 10 + 0\$ 10 + 0\$ 10 + 0\$ 10 + 0\$</pre>	\$ 	
4,255,595	1,758,263	{2,497,332}			
				. ::	
28,500	48,484			130,172	9,172
131,300	133,583	2,283			
23,278,010	21,238,533		121,000	130,172	9,172
					-
· · · ·	· · ·				

n en standen en standen en standen en standen standen ståtka som ståtka som en ståt standen en standen er stand Fra standen ståte som en standen er ståte ståte som ståte ståt ståte ståte ståte som er ståte som er ståte som s

5,376,916 2,069,003 3,307,913

			1,296,000	1,296,000	· · · · · · · · · · · · · · · · · · ·
·····				901,454	290
5,376,916	2,069,003	3,307,913	2,197,744	2,197,454	290
17,901,094	19,169,530	1,268,436	(2,076,744)	(2,067,282)	9,462
· · ·			n de la comenciación de la companya		
542,650	122,311	(420,339)	2,068,683	2,068,249	(434)
(18,970,838)		(318,508)			
(18,428,188)	(19,167,035)	(738,847)	2,068,683	2,068,249	(434)
· · · ·			ne i se stato de pender de la 11. de la companya de		
(527,094)	2,495	529,589	(8,061)	967	9,028
764,821	764,821	0	2,714,142	2,714,142	0
	767,316 \$				



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PAYNE, MOORE & HERRINGTON, LLP

The Honorable Mayor and City Council City of Alexandria, Louisiana

The management of the City of Alexandria, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements and the combining, individual fund and account group financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories.

Accounting Controls: General accounting; cash in banks; receipts and disbursements; investments; revenue and receivables - governmental and/or service revenue; expenditures for goods and services and accounts payable; payroll and related liabilities; property, equipment, and capital expenditures; and insurance.

Administrative Controls: General Requirements - Political activity; Davis-Bacon Act Compliance; Civil Rights; Cash Management; Federal Financial Reports; Allowable costs/Cost principles; Drug Free Workplace Act; and Administrative requirements; Specific Requirements - types of services allowed or unallowed; reporting; claims for advances and reimbursements; and amounts claimed or used for matching.

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended April 30, 1996, the City of Alexandria, Louisiana, expended ninety-seven (97%) percent of its total federal financial assistance under major federal financial assistance programs.

NOTES TO FINANCIAL STATEMENTS

P. Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Q. Retained Earnings - Reserved

Retained earnings - reserved, as reported in the combined balance sheet, represents certain restricted assets accumulated in accordance with the outstanding revenue bond indentures which are in excess of related current liabilities payable from restricted assets, and funds reserved for ongoing and future anticipated Utilities System capital construction activity.

R. Estimates

The preparation of financial statements in conformity with generally accepted accounting principals requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

S. Memorandum Only-Total Columns

Total columns in the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. EQUITY IN POOLED CASH AND INVESTMENTS; CASH AND INVESTMENTS

The City maintains separate cash and investment pools that are available for use by all funds not required to maintain separate accounts in accordance with state law, or bond indentures. In addition, cash and investments are held by several of the City's funds. Each fund type's portion of this pool is displayed in the combined balance sheet as "Equity in Pooled Cash and Investments."

NOTES TO FINANCIAL STATEMENTS

At April 30, 1996, the pooled cash and investments account was comprised of the following:

	CASH	INVESTMENT	
	POOL	POOL	TOTALS
Cash and Cash equivalents Cash in Bank	\$30,421	\$ 435,241	\$ 465,662
	QJ0,421	10,621,601	10,621,601
Repurchase agreements		10,021,001	10/021/001
Investments United States government and			
agency issues		57,677,811	57,677,811
Interest receivable		882,337	882,337
Totals	\$30,421	\$69,616,990	\$69,647,411

A summary of the amount of equity in pooled cash and investments by fund at April 30, 1996, follows.

	CASH POOL	INVESTMENT POOL	TOTALS
Unrestricted		<u></u>	· · · · · · · · · · · · · · · · · · ·
General Fund	\$ 1,030	\$ 5,764,520	\$ 5.765.550
	ų 1,050	<i>\ J\\\\\\\\\\\\\\\\\\</i>	+ -,
Special Revenue Fund			20.201
Decentralized Art Fund	29,391		29,391
Capital Project Funds			
General Capital Projects Fund		10,506,256	10,506,256
1988 Drainage Property Tax			
Fund		3,573,609	3,573,609
1993 Streets and Drainage			
Property Tax Fund		4,201,206	4,201,206
Enterprise Funds			
Utilities System Fund		3,475,372	3,475,372
Municipal Bus Line Fund		281,431	281,431
Sanitation Fund		187,106	187,106
Internal Service Funds			
Risk Management Fund		3,856,067	3,856,067
Employee Benefits Insurance			• -
Fund		2,081,925	2,081,925
		226,709	226,709
Unemployment Benefits Fund			
Total Unrestricted	30,421	34,154,201	34,184,622

(continued)

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NOTES TO FINANCIAL STATEMENTS

	CASH POOL	INVESTMENT <u>POOL</u>	TOTALS
Restricted - Utilities System	•		
Enterprise Fund			
Customers' deposits	\$	\$ 2,720,605	\$ 2,720,605
Special projects		1,386,239	1,386,239
Revenue bond reserve		1,530,313	1,530,313
Utilities capital projects		8,735,939	8,735,939
Utilities revenue bond			
construction		21,089,693	21,089,693
Total Restricted	-0-	<u>35,462,789</u>	<u>35,462,789</u>
Totals	\$30,421	\$69,616,990	\$69,647,411

Cash. At April 30, 1996, cash consisted of the following:

Petty cash and change funds Cash with bond paying agents	•	UNRESTRICTED \$ 8,300	<u>RESTRICTED</u> \$ 5,475,926	<u>CASH</u> \$
Cash and cash equivalents				
Cash in bank	3,033,434	2,567,772		465,662
Repurchase agreements	12,846,420	2,224,819	<u></u>	<u>10,621,601</u>
Total	\$21,364,080	\$4,800,891	\$5,475,926	\$11,087,263

The City's deposits at year-end were entirely covered by federal depository insurance or by collateral held by the City or its agent in the City's name.

<u>Investments</u>. The City may invest in United States bonds, treasury notes, or certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana, investments as stipulated in state law, or any other federally insured investment. In addition, the City of Alexandria Employees' Retirement System plan may invest in corporate stocks and bonds.

A summary of investments at year-end is shown below. All investments are held by the City or its agent in the City's name. Certificates of deposits classified as investments were entirely covered by federal depository insurance or by collateral held by the City or its agent in the City's name.

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UNREALIZED

POOLED

	CARRYING	MARKET	GAIN
	AMOUNT	VALUE	(LOSS)
Certificates of deposit	\$ 1,429,438	\$ 1,429,438	\$ -0-

U.S. Treasury obligations Zero coupon treasury receipts GNMA notes 69,296,00569,573,416277,4114,230,7555,592,1201,361,3652,634,7942,994,915360,121

(continued)

NOTES TO FINANCIAL STATEMENTS

			UNREALIZED
	CARRYING	MARKET	GAIN
	AMOUNT	VALUE	(LOSS)
FNMA notes	946,625	994,593	47,968
Corporate bonds	19,959,610	21,519,240	1,559,630
Corporate stocks	7,244,133	8,816,738	<u>1,572,605</u>
Totals	\$105,741,360	\$110,920,460	\$5,179,100

3. RECEIVABLES

Receivables at April 30, 1996 consist of the following:

	GOVERNMENTAL FUND TYPES	PROPRIETARY FUND <u>TYPES</u>	FIDUCIARY FUND <u>TYPES</u>	TOTALS
Taxes - ad valorem	\$ 144,989	\$	\$	\$ 144,989
Accounts				
Uncollected cycle				
billings		3,678,686		3,678,686
Estimated services				
between cycles		3,231,927		3,231,927
Intergovernmental				
Federal	55,030	192,452		247,482
State	2,826,448	11,575		2,838,023
Interest and dividends	39,153	67,612	596,102	702,867
Other	1,082,903	39,160	<u> </u>	1,122,063
Gross receivables	4,148,523	7,221,412	596,102	11,966,037
Allowance for				
uncollectible	(824,322)	(602,456)	<u> </u>	(1,426,778)
Net Receivables	\$3,324,201	\$6,618,956	\$596,102 \$	10,539,259

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City normally in October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed. The City bills and collects its own property taxes using the assessed values determined by the tax assessor of Rapides Parish.

For the year ended April 30, 1996, taxes of 17.88 mills were levied on property with assessed values totaling \$195,564,623 and were dedicated as follows:

Streets and Drainage General purpose 11.25 mills 6.63 mills

NOTES TO FINANCIAL STATEMENTS

5. ADVANCES FROM/TO OTHER FUNDS

Advances from and to other funds at April 30, 1996, consist of the following:

	ADVANCES	ADVANCES
	TO	FROM
	OTHER FUNDS	OTHER FUNDS
Capital Projects Funds		
General Capital Projects Fund	\$	\$1,500,000
1993 Streets and Drainage Property Tax Fund		1,163,556
Enterprise Funds		
Utilities System Fund - included in		
Restricted Assets - Special Projects		
Accounts	2,663,556	
Totals	\$2,663,556	\$2,663,556

Of the above amount, \$1,931,778 is noncurrent.

6. RESTRICTED ASSETS

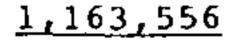
At April 30,1996, restricted assets of the Utility System Enterprise Fund are comprised of the following:

Cash and equivalents	\$ 5,475,926
Equity in pooled cash and investments	35,462,789
Investments, at amortized cost	6,776,872
Advances to other funds	2,663,556
Grant receivable	136,988
Total	\$50,516,131

Restricted assets of the Utility System Enterprise Fund by account, at April 30, 1996, consist of the following:

Cash with Paying Agents	
Cash and equivalents	\$ 5,475,926
Customers' Deposits accounts	
Equity in pooled cash and investments	2,720,605
Special Projects accounts	
Equity in pooled cash and investments	1,386,239
Advances to other funds	
General Capital Projects Fund	
(Current \$150,000)	1,500,000

1993 Streets and Drainage Property Tax Fund (Current \$581,778) Total



4,049,795

NOTES TO FINANCIAL STATEMENTS

Revenue Bond Reserve accounts 1,530,313 Equity in pooled cash and investments 5,776,872 Investments, at amortized cost 7,307,185 Total Revenue Bond Capital Additions and Contingencies accounts 1,000,000 Investments, at amortized cost Utilities Capital Projects accounts 8,735,939 Equity in pooled cash and investments Grant receivable 136,988 8,872,927 Total Utilities Revenue Bond Construction accounts 21,089,693 Equity in pooled cash and investments \$50,516,131 Total

Section IX of the 1996/97 annual operating budget provides that revenues in excess of amounts budgeted in the 1996/97 annual operating and capital budgets for video poker shall be transferred to the Utilities Special Projects Restricted Assets.

7. FIXED ASSETS

The following is a summary of changes in fixed assets during the fiscal year.

	BALANCE 5/1/95	ADDITIONS	(RETIREMENTS)	COMPLETED CONSTRUCTION	BALANCE <u>4/30/96</u>
GENERAL FIXED ASSET					
ACCOUNT GROUP Land	\$ 5,543,810	\$ 886,033	\$	\$	\$ 6,429,843
Buildings and	\$ 9,945,010	\$ 660,055	Ŷ	Ŷ	Υ 0,323,043
improvements	26,597,472	16,900		754,950	27,369,322
Furniture and					
fixtures	819,608	9,571	(3,480)		825,699
Equipment	4,622,899	472,039	(7,756)		5,087,182
Vehicles	4,430,771	1,222,923	(360,943)		5,292,751
Construction in					
progress	2,231,039	12,577,173		<u>(754,950</u>)	14,053,262
Totals	\$44,245,599	\$15,184,639	\$(372,179)	\$ -0-	\$59,058,059

In the general fixed assets account group, a certain portion of the costs of the assets has been estimated based upon current costs. The amount of general fixed assets that is valued at actual historical cost and those valued at estimated historical cost are detailed below:

Actual historical cost Estimated historical cost Total

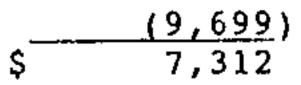
\$57,257,330 <u>1,800,729</u> \$59,058,059

NOTES TO FINANCIAL STATEMENTS

	BALANCE			COMPLETED	BALANCE
	5/1/95	ADDITIONS	(RETIREMENTS)	CONSTRUCTIO	N 4/30/96
ENTERPRISE FUNDS					
Utilities System					
Land \$	5 796,939	\$ 400,000	\$	\$	\$ 1,196,939
Plant and		•			
equipment	141,198,000	953,967	(802,432)	59,696	141,409,231
Vehicles	3,423,879	353,032	(240,997)	23,900	3,559,814
Construction in	• •	,	, - · · · /		
progress	4,038,194	8,509,158		(83,596)	12,463,756
Totals	149,457,012	10,216,157	(1,043,429)		158,629,740
Sanitation Fund	140,401,012	10/210/10/	(-,,		
Vehicles	1,011,789	184,334			1,196,123
Furniture and	1,011,705	104/004			•
	62,837				62,837
equipment	1,074,626	184,334	-0-	_0_	1,258,960
Totals Numinimal Dug Lin		104,004		•	_,,
Municipal Bus Lin	e				
Buildings and	1 504 967				1,504,267
terminals	1,504,267	107 500	1657 Q001		1,926,077
Buses	2,386,377	197,500	• • • • • • •		123,062
Other vehicles	74,253	62,430			274,864
Equipment	261,127	19,659			3,828,270
Totals	4,226,024	279,589			\$163,716,970
Totals	\$154,757,662	\$10,680,080	\$(1,720,772)	\$ -0-	\$105,110,910
Accumulated					(70 017 626)
depreciation					<u>(70,917,626</u>)
					\$ 92,799,344
NET FIXED ASSETS -	ENTERPRISE FU	INDS			\$ JZ11JJ1344
	1100				
INTERNAL SERVICE FU	INDS				
Risk Management	A F 044	<u>^</u>	¢	\$	\$ 5,044
Vehicles	\$ 5,044	\$	\$	Ŷ	y <i>3</i> ,044
Furniture &		C D A			6,268
equipment	5,594	674		\$	
Totals	\$ 10,638	\$ 674	\$ -0-	\$ -0-	Ş 11,512
Accumulated					16 666
depreciation					(6,666)
NET FIXED ASSETS -	INTERNAL SERV	VICE FUND			\$ 4,646
FIDUCIARY FUNDS					
Employees' Retire	ement				
System					
Furniture &					
equipment	\$ 16,507	\$ 504	\$ -0-	\$ -0-	\$ 17,011
Neeuwulnted					

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Accumulated depreciation NET FIXED ASSETS - FIDUCIARY FUNDS



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NOTES TO FINANCIAL STATEMENTS

Fixed assets are depreciated in the proprietary and similar trust funds using the straight line method over the following estimated useful lives:

Jtilities System	
Plant and equipment	8 – 50 years
Vehicles	3 – 8 years
Sanitation Fund	
Vehicles	6 - 10 years
Furniture and equipment	4 - 10 years
Municipal Bus Line	
Buildings and terminals	10 - 40 years
Buses	4 - 8 years
Other vehicles	6 – 8 years
Equipment	3 - 20 years
Risk Management	
Vehicles	3 years
Employees' Retirement System	
Furniture and equipment	5 – 7 years

Depreciation expense included in the financial statements for the fiscal year is summarized below:

Enterprise Funds	
Utilities System Fund	\$5,098,004
Sanitation Fund	148,793
Municipal Bus Line Fund	289,054
Internal Service Fund Risk Management Fund	1,195
Pension Trust Fund Employees' Retirement System Fund	<u>2,657</u> \$5,539,703

The Utilities System depreciation expense above includes \$475,357 which is reflected in overhead in the operating statements. The Employees' Retirement System depreciation is included in administrative expenses.

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NOTES TO FINANCIAL STATEMENTS

A summary of significant construction or renovation projects is presented below:

	PROJECT AUTHORIZATION	EXPENDED TO DATE	<u>Commitment</u>	FURTHER FINANCING
Public Safety Public safety complex	\$ 7,300,000	\$707,526	\$ -0-	(1)
Public works Exhibition and River				
Front Center	17,250,799	13,431,823	2,778,339	(2)
Downtown parking garage	4,125,663	546,946	65,894	(3)
Totals	21,376,462	13,978,769	2,844,233	
Utilities System				
Electric	13,508,012	3,339,657	4,385,576	None
Gas	17,350,983	8,658,861	1,157,478	None
Water	2,591,437	860,890	211,231	None
Wastewater	5,591,286	87,945	1,162,601	None
Totals	39,041,718	12,947,353	6,916,886	
Totals	\$67,718,180	\$27,633,648	\$9,761,119	

- (1) On May 9, 1996, \$7,300,000 in General obligation bonds payable from ad valorem tax revenues were issued for the purpose of constructing the public safety complex.
- (2) Financing for the Exhibition and River Front Center is provided by state grants, sales tax revenues dedicated to capital projects, General Fund revenues, and an interfund loan from the Utilities System.
- (3) The downtown parking garage will be financed by sales tax revenues dedicated to capital projects, and operating transfers from the Utilities System.

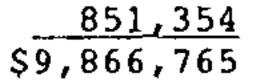
8. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

Liabilities payable from restricted assets of the Utilities System Enterprise Fund consisted of the following at April 30, 1996:

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Payable from cash with paying agent	
Revenue bonds	\$3,590,000
Interest	1,885,926
Payable from customer deposit accounts	
Customer guaranteed deposits	2,720,605
Payable from capital projects accounts	
Accounts and contracts	818,880

Payable from revenue bond construction accounts Accounts and contracts Total



REQUIRED

NOTES TO FINANCIAL STATEMENTS

Budgeted amounts are as originally adopted, or as amended from time to time by the Council.

Budgets are adopted consistent with generally accepted accounting principles, except those which are adopted on a project-length basis.

Budgets are adopted on a line item basis. Administrative amendments can be made on a departmental basis between line item accounts only. Interdepartmental amendments, interfund amendments, and additional appropriations from one fund to another are subject to Council approval. The overall level of control is on an interdepartmental basis.

Annual operating budget appropriations expire at the close of the fiscal year to the extent not expended.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by the General and Capital Projects Funds. Encumbrances at year end, if material, are reported as reservations of fund balances.

G. Cash and Investments

Cash includes amounts on hand and in demand deposits. Investments are stated at cost or amortized cost, except for the Deferred Compensation Agency Fund in which investments are reported at market.

Management has amortized premiums or discounts on securities by the straight-line method. The difference in amortization by the straight-line method and the effective interest rate method is not material in relation to the financial statements taken as a whole. Interest income is recognized as earned. Gains and losses on sales of securities are recognized on the transaction date.

For the purpose of the statement of cash flows, management considers all highly liquid investments, including restricted assets, with a maturity of three months or less, when purchased, to be cash equivalents.

H. Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between

individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

NOTES TO FINANCIAL STATEMENTS

10. EMPLOYEE BENEFITS INSURANCE

During a prior fiscal year, the City established an Employee Benefits Insurance Fund (an internal service fund) to account for and finance employee hospitalization/health insurance and certain employee life insurance. Under this program, the Employee Benefits Insurance Fund normally provides coverage for a maximum of \$75,000 per plan year for each covered employee's (and dependent's, if applicable) qualifying health claims. Commercial insurance is purchased for health claims in excess of self-insured maximum of \$75,000 for each covered employee's (and dependent's, if applicable) qualifying health claims. The Fund does not have a maximum aggregate retained loss. The Employee Benefit Insurance Fund also purchases certain employee life insurance.

All funds of the City and covered employees participate in the program and make payments to the Employee Benefits Insurance Fund based on estimates of the

amount needed to pay current year claims. The claims liability of \$287,222 reported in the Fund at April 30, 1996, is based upon the requirements of GASB Statement Number 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Fund's claims liability amount in the fiscal year ending April 30, 1996, were as follows:

Balance, beginning of the year	\$ 273,097
Current year claims and changes in estimates	3,012,455
Claims payments	(2,998,330)
Balance, end of the year	\$ 287,222

11. UNEMPLOYMENT BENEFITS

Effective May 1, 1995, the City established the Unemployment Benefits Fund (an internal service fund) to fund self-insured unemployment claims under state statutes. All claims are administered by the state unemployment office. Approved claims are paid by the state, which invoices the City for reimbursement.

All funds of the City participate in the program. Payments in the amount of one-half percent (0.5%) of payroll is paid to the Unemployment Benefits Fund. Management plans are to accumulate approximately \$300,000 in this fund. Interest earnings from investments would then be used to pay claims.

Claims incurred as of April 30, 1996 are considered immaterial and are not included in this report.

CITY OF ALEXANDRIA, LOUISIANA UTILITIES SYSTEM REVENUE BOND CONSTRUCTION FUNDS SCHEDULE OF REVENUES AND EXPENDITURES YEAR ENDED APRIL 30, 1996

SCHEDULE 6

	1989 UTILITY REVENUE	1993 UTILITY REVENUE	1995 UTILITY REVENUE	
	BONDS	BONDS	BONDS	TOTAL
REVENUES				
Transfer from Utilities				
System Fund	\$	\$	\$13,546,821	\$13,546,821
Interest earned	<u>59,008</u>	511,906	<u> </u>	1,146,388
Total Revenues	59,008	511,906	14,122,295	14,693,209
EXPENDITURES				
Electrical Division				
Land			400,000	400,000
Substation improvements	172,228		691,008	863,236
Water Division				
Extension and improvements	243,040			243,040
Repair and maintenance				
projects	5,660			5,660
Gas Division				
Replacement program		4,960,888		4,960,888
Waste Water Division				
Machinery and equipment	57,835			57,835
Transfer to Utilities System				
Capital Projects Fund		<u></u>	260,701	260,701
Total	478,763	4,960,888	1,351,709	6,791,360
EXCESS(DEFICIENCY) OF REVENUES				
OVER EXPENDITURES	\$ <u>(419,755</u>)	\$ <u>(4,448,982</u>)	\$ <u>12,770,586</u>	\$ <u>7,901,849</u>

See independent auditor's report.



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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Mayor and City Council City of Alexandria, Louisiana

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements of the City of Alexandria, Louisiana, as of and for the year ended April 30, 1996, and have issued our report thereon dated September 12, 1996. We have also audited the City of Alexandria, Louisiana's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated September 12, 1996.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements and the combining, individual fund and account group financial statements are free of material misstatement and about whether the City of Alexandria, Louisiana, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended April 30, 1996, we considered the City's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Alexandria, Louisiana, and on the compliance of the City of Alexandria, Louisiana, with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements and the combining, individual fund and account group financial statements in a separate report dated September 12, 1996.

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L. PAUL KOOD, C.P.A. ERNEST F. SASSER, C.P.A. BALL P. DE SELLE, C.P.A. MARVAN A JUNEAU, C.P.A. RODERT L. LITTON, C.P.A. REBECCA B. MORRIS, C.P.A. H. FRED RANDOW, C.P.A. ROBERT W. OVORAK, C.P.A. MICHAEL A. JUNEAU, C.P.A.

1419 METRO DRIVE • P.O. BOX 13200 • ALEXANDRIA, LA 71315-3200

PH: (318) 443-1893 • FAX: (318) 443-2515

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS



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PAYNE, MOORE & HERRINGTON, LLP

The Honorable Mayor and City Council City of Alexandria, Louisiana

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements and the combining, individual fund and account group 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 structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe

none of the reportable conditions described above is a material weakness.

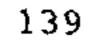
We also noted other matters involving the internal control structure and its operation that we have reported to the management of the City of Alexandria, Louisiana, in a separate letter entitled, Other Comments and Recommendations, dated September 12, 1996.

This report is intended for the information of the Mayor and City Council of the City of Alexandria, Louisiana. However, this report is a matter of public record, and its distribution is not limited.

Pagne, Moore & Herrington, LLP

Cerfified Public Accountants

September 12, 1996





The Honorable Mayor and City Council City of Alexandria, Louisiana

PHYSICAL INVENTORY OF FUEL AT MOTORPOOL NOT RECONCILED TO BOOKS

Our tests indicate that the physical inventory for fuel at the motorpool was not reconciled to the related general ledger control account on a regular basis. These tests indicate that the motorpool was not charging fuel to the user departments at the correct rate. The effect of this was to require an adjustment in excess of \$40,000 to adjust the general ledger control account for fuel at the motorpool to agree to the year-end fuel physical inventory.

We recommend that a monthly reconciliation of the motorpool physical inventory for fuel to the related general ledger control account be prepared. Any discrepancies should be investigated and corrected.

MANAGEMENT'S RESPONSE

A load of gasoline purchased and dropped into the tank needs to be tracked through the system to determine if the correct charge is being made. We will begin this procedure and also begin the monthly reconciliation as suggested.

REFUNDS TO THE EMPLOYEE BENEFITS INSURANCE FUND

Refunds from health providers to the Employee Benefits Insurance Fund are being make payable to the third-party administrator. The administrator endorses these refund checks as payable to the City and forwards these checks to the City for deposit into the Employee Benefits Insurance Fund bank account. There are no controls in place to ensure that all refunds received by the third-party administrator on behalf of the City are forwarded to the City.

We recommend that all health providers be informed that refund checks are to be made payable to the City of Alexandria instead of the third-party administrator.

MANAGEMENT'S RESPONSE

The third-party administrator will begin printing the following on all check stubs - "ATTENTION: Any refunds should be made payable to the City of Alexandria."



The Honorable Mayor and City Council City of Alexandria, Louisiana

In planning and performing our audit of the general purpose financial statements and combining, individual fund and account group financial statements of the City of Alexandria, Louisiana, for the year ended April 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed the control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and combining, individual fund and account group financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements and combining, individual fund and account group financial statements.

The reportable conditions noted are as follows:

GENERAL FIXED ASSETS DONATED TO THE CITY NOT RECORDED

The City's policy is to record donated general fixed assets at market value on the date of donation in the General Fixed Asset Account Group. Our tests discovered that land valued at \$420,000 donated to the City was not recorded in the General Fixed Asset Account Group as required by the City's policy.

We recommend that procedures be established to provide copies of acts of donation to accounting personnel to ensure that all donated fixed assets are recorded in accordance with the City's policy.

MANAGEMENT'S RESPONSE

The appropriate city personnel will be notified of the proper recording procedures, and we will ensure that all future act of donation documents are sent to the accounting department.



CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF THE GENERAL PURPOSE, COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor and City Council City of Alexandria, Louisiana

We have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Alexandria, Louisiana, as of and for the year ended April 30, 1996 and have issued our report

thereon dated September 12, 1996.

We have conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements and the combining, individual fund and account group financial statements are free of material misstatement.

The management of the City of Alexandria is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements and combining, individual fund and account group financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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L PAVE HODD, C.P.A. ERNEST F. SASSER, C.P.A. DAIE P. DE SELLE, E.P.A. Marvin A. Joneau, C.P.A. Robert L. Litton, C.P.A. Rebecca B. Morris, C.P.A. H. Fred Randow, C.P.A. i Robert W. Ovdrak, C.P.A. Michael A. Juneau, C.P.A.

1419 METRO DRIVE * P.D. BOX 13200 * ALEXANDRIA, LA 71315-3200

PH: (318) 443-1893 • FAX: (318) 443-2515

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF THE GENERAL PURPOSE, COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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		CITY OF ALE SCHEDULE OF FEDE YEAR ENDE	F ALEXANDRIA, LO FEDERAL FINANCIA ENDED APRIL 30,	A, LOUISIANA ANCIAL ASSISTANCE 30, 1996			
OR/ ANTOR LE of Housing Plopment evelopment	FEDERAL CFDA NUMBER	PASS-THRC	PROGRAM OR AWARD <u>AMOUNT</u>	ACCRUED REVENUE AT MAY 1, 1995	RECEIPTS	EXPENDITURES	ACCRUED REVENUE AT APRIL 30, 1996
nt program nt program nt program nent Partnership ent Partnership ent Partnership s f Transportation	14.218 14.218 14.218 14.218 14.218 14.218 14.218	B-93-MC-22-0001 B-94-MC-22-0001 B-95-MC-22-0001 M-92-MC-22-0205 M-93-MC-22-0205 M-94-MC-22-0205 M-95-MC-22-0205	\$1,136,000 1,235,000 1,124,000 638,000 372,000 379,000 409,000	\$114,816 -0- 6,811 5,811 -0- 121,627	\$ 516,475 688,010 -0- 15,500 256,111 66,385 66,385	\$ 401,659 736,687 -0- 15,500 249,300 72,738 72,738	\$ 48,677 48,677 6,353 6,353
Sportation Derating Assistance Derating Assistance Derating Assistance Derating Assistance Derating Assistance Derating Assistance F Agriculture	20.507 20.507 20.507 20.507 20.507	LA-90-X005 LA-90-X107 LA-90-X121 LA-90-X134 LA-90-X158 LA-90-X158 LA-90-X168	1,226,000 730,684 616,000 578,000 538,454	4, 720 993 2, 829 8, 542	5,947 21,275 42,482 15,788 531,548 531,548	144 150 150 150 150 150 150 150 150 150 150	
the State of artment of and Forestry Planting Grant munity Forestry Justice	59.009 10.664		7,760 5,000		7,760 12,760	7,760	
he State of Lission on Law d Administration	16.710		164,036	-0-	18,547	, 65	-0- 17,103
STANCE	16.579	95-P3-B1-0039	72,598			36,294 71,944	<u>18,147</u> <u>35,250</u>
litor's report on sup	supplementar	y information -	schedule of	* <u>tsu,169</u> \$ federal fina	2,123,483 ncial assista	\$ <u>2,276,046</u> hce.	\$ <u>282,732</u>

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U.S. Department of and Urban Develo Community Deve Entitlement Entitlement Entitlement Frogram Home Investmen Program Home Investmen Program Home Investmen Program Home Investmen Program U.S. Department of Urban Mass Transp Capital and Ope U.S. Department of p U.S. Department of J COPS FAST Passed-through the Louisiana Commiss Enforcement and Street Sales Disrug Totals Passed-through the Louisiana Depart Agriculture a LDAF Tree P URBAN Commu Grant FEDERAL GRANTOR PASS THROUGH GRAN FINANC audi independent FEDERAL TOTAL U.S. See



The Honorable Mayor and City Council City of Alexandria, Louisiana

auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole and the financial statements of each of the respective individual funds and account groups.

Type Phone & Derington, LLP Certified Public Accountants

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September 12, 1996

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NOTES TO FINANCIAL STATEMENTS

9. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During a prior fiscal year, the City established a Risk Management Fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the Risk Management Fund provides coverage up to the maximum amounts indicated in the following table. The City purchases commercial insurance for claims in excess of coverage provided by the Fund and for all other risks of loss. Settled claims did not exceed this commercial coverage for the fiscal year ended April 30, 1996.

LOSS RETAINED

EACH

	OCCURRENCE	AGGREGATE
General liability	\$150,000	\$1,400,000
Automobile liability	150,000	1,400,000
Workers' Compensation	500,000	Statutory
Public officials and employees liability	75,000	1,400,000
Property damage	75,000	1,400,000

All funds of the City participate in the program and make payments to the Risk Management Fund based upon actuarial estimates of the amounts needed to pay prior and current year claims. The claims liability of \$5,672,285 reported in the Fund, as of April 30, 1996, is based on the requirements of GASB Statement Number 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The City has elected to record the liability on the discounted basis.

Changes in the Fund's claims liability amount in the fiscal year ending April 30, 1996, were as follows:

Balance, beginning of the year	\$ 5,004,664
Current year claims and changes in estimates	2,266,608
Claims payments	<u>(1,598,987</u>)
Balance, end of the year	\$ 5,672,285

Management plans to fund the balance of the actuarially determined accumulated deficit in the Risk Management Fund over time by operating transfers from various funds. At the balance sheet date, the sum of \$124,810 has been funded for catastrophic losses.



CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT OF THE GENERAL PURPOSE, COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor and City Council City of Alexandria, Louisiana

We have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Alexandria, Louisiana, as of and for the year ended April 30, 1996, and have issued our report

thereon dated September 12, 1996.

We conducted our audit in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements and the combining, individual fund and account group financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the City of Alexandria, Louisiana, is the responsibility of the management of the City of Alexandria, Louisiana. As part of obtaining reasonable assurance about whether the general purpose financial statements and the combining, individual fund and account group financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements and the combining, individual fund and account group financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed the following instances of noncompliance that are required to be reported herein under *Government Auditing Standards* for which the ultimate resolution cannot presently be determined or which has no effect on the financial statements. Accordingly, no provision for any liability that may result has been recognized in the City of Alexandria, Louisiana's 1996 general purpose financial statements and the combining, individual fund and account group financial statements.

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E. PAUL HODD, C.P.A. ERNEST F. SASSER, C.P.A. DALE P. DE SELLE, C.P.A. MARVIN A. JUNEAU, C.P.A. ROBERT E. LITEON, C.P.A. REBECCA B. MORRIS, C.P.A. H. FRID RANDOW, C.P.A. ROBERT W. DVORAK, C.P.A. MICHAEL A. JUNEAU, C.P.A.

1419 METRO DRIVE • P.O. BOX 13200 • ALEXANORIA, LA 71315-3200

PH: (318) 443-1893 • FAX: (318) 443-2515

CITY OF ALEXANDRIA, LOUISIANA SANITATION ENTERPRISE FUND COMPARISON OF REVENUES AND EXPENDITURES BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL YEAR ENDED APRIL 30, 1996

SCHEDULE 8

VARIANCE

	D.U.D.C.E.M	<u>አ</u> ርጉሙ 1 እ የ	FAVORABLE
DEVENUE	BUDGET	ACTUAL	(UNFAVORABLE)
REVENUES			
Charges for services	\$1 04F 000	¢1 074 705	\$ 20 705
Collection fees	\$1,845,000	\$1,874,795	\$ 29,795
Disposal fees	983,000	736,339	(246,661)
Garbage bags	25,000	17,808	(7,192)
Interest revenue	20,000	15,769	(4,231)
Other income		400	400
Operating transfers in			
General Fund	148,568	262,622	114,054
Utilities System Fund	7,815	12,988	$\frac{5,173}{(1,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0$
Total Revenues	3,029,383	2,920,721	(108,662)
EXPENDITURES			
Salaries	831,365	846,695	(15,330)
Employee fringe benefits	277,571	275,333	2,238
Disposal costs	758,900	728,466	30,434
Payments in lieu of insurance	216,097	216,097	-0-
Operating supplies	79,698	85,414	(5,716)
Vehicle costs	-		
Gas and oil	48,890	55,807	(6,917)
Repairs and maintenance	95,210	118,227	(23,017)
Recycling program	26,000	30,634	(4,634)
Litter reduction - Cenla Pride	36,000	36,000	-0-
Provision for doubtful accounts	11,645	11,645	-0-
Professional services	1,600	971	629
Other repairs and maintenance	2,000	848	1,152
Other operating costs	31,523	8,511	23,012
Landfill rent	72,500		72,500
Landfill closure costs	120,000	172,280	(52,280)
Capital additions	184,334	184,334	-0-
Repayment of advance from Utilities		~~~ , ,	-
System Fund	146,958	146,949	9
Operating transfers out	,	~ ,	-
General Fund - indirect costs	148,568	262,622	(114,054)
Utilities System Fund - indirect costs	7,815	12,988	(5,173)
Total Expenditures	3,096,674	3,193,821	(97, 147)
rocar Expendence	570507074	011001022	
EXCESS (DEFICIENCY) OF REVENUES OVER			
EXPENDITURES	\$ <u>(67,291</u>)	(273,100)	\$ <u>1205,809</u>)
RECONCILIATION TO NET INCOME			
Capital additions		184,334	
Repayment of advance from Utilities		•	
System Fund		146,949	
Landfill closure costs		6,018	
Depreciation		(148,793)	
<u>NET INCOME - GAAP BASIS</u> (Exhibit J-11)		¢ (84 502)	
$\frac{1}{1}$		\$ <u>(84,592</u>)	

See independent auditor's report.

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

The Honorable Mayor and City Council City of Alexandria, Louisiana

We have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Alexandria, Louisiana, as of and for the year ended April 30, 1996, and have issued our report thereas dated Sectomber 12 1006

thereon dated September 12, 1996.

In connection with our audit of the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Alexandria, Louisiana, as of and for the year ended April 30, 1996, and with our consideration of the City of Alexandria, Louisiana's internal control structure used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended April 30, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; matching; and eligibility. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Alexandria, Louisiana's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Alexandria, Louisiana, had not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

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L. PAUL HOOD, C.P.A. ERNEST F. SASSER, C.P.A. DALE P. DE SELLE, C.P.A. MARVIN & JUNEAU, C.P.A. ROBERT L. LITTON, E.P.A. REBECCA B. MORRIS, C.P.A. H. FRED RANDOW, C.P.A. ROBERT W. DYDRAK, C.P.A. MICHAEL A. JUNEAU, C.P.A.

- 1419 METRO DRIVE 🔹 P.O. BOX 13200 🔹 ALEXANDRIA, 1A 71315-3200

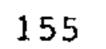
PH: (318) 443-1893 • TAX: (318) 443-2515

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

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The Honorable Mayor and City Council City of Alexandria, Louisiana

In our opinion, the City of Alexandria, Louisiana, complied, in all material respects, with the requirements governing types of services allowed or unallowed; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended April 30, 1996.

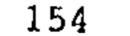
This report is intended for the information of the Mayor and City Council of the City of Alexandria, Louisiana. However, this report is a matter of public record and its distribution is not limited.

Taime Moore & Herrington, LCP Certified Public Adcountants

September 12, 1996



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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Mayor and City Council City of Alexandria, Louisiana

We have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Alexandria, Louisiana, as of and for the year ended April 30, 1996, and have issued our report thereon dated September 12, 1996.

We have also audited the City of Alexandria, Louisiana's compliance with the requirements governing types of services allowed or unallowed; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended April 30, 1996. The management of the City of Alexandria, Louisiana, is responsible for the City of Alexandria, Louisiana's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget Circular (OMB) A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City of Alexandria, Louisiana's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to above.

L PAUL HODD. C.P.A ERNEST F. SASSER, C.P.A DALE P. DE SELLE. C.P.A. CARRIER DE SELLE C.P.A. C.P.A ROBERT L. LIFTON, C.P.A. REBECCA B. MORRIS, C.P.A. C.P.A. INCHAEL A. JUNEAU, C.P.A. ISB PH: (310) 443-1893 • FAX: (310) 443-2515

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS



The Honorable Mayor and City Council City of Alexandria, Louisiana

This report is intended for the information of the Mayor and City Council of the City of Alexandria, Louisiana. However, this report is a matter of public record and its distribution is not limited.

Tayne, Moore & Jerington, UP Certified Public Accountants

September 12, 1996



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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Mayor and City Council City of Alexandria, Louisiana

We have audited the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Alexandria, Louisiana, as of and for the year ended April 30, 1996, and have issued our report thereon dated September 12, 1996.

We have applied procedures to test the City of Alexandria, Louisiana's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended April 30, 1996:

Political activity; Davis-Bacon Act; Civil rights; Cash management; Federal financial reports; Allowable costs/Cost principles; Drug-free Workplace Act; and Administrative requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Alexandria, Louisiana's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Alexandria, Louisiana, had not complied, in all material respects, with those requirements.

L. PAUL HOOD, C.P.A. ERNEST F. SASSER, C.P.A. DALE P. DE SELLE, C.P.A. Marvin & Juneau, C.P.A. Robert L. Litton, C.P.A. Rebecca B. Morris, C.P.A. H. Fred Randow, C.P.A. Robert W. Dvorak, C.P.A. Michael A. Juneau, C.P.A.

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1419 METRO DRIVE - P.O. BOX 13200 - ALEXANDRIA, LA 71315-3200

PH: (310) 443-1893 • FAX: (310) 443-2515

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

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OTHER COMMENTS AND RECOMMENDATIONS





The Honorable Mayor and City Council City of Alexandria, Louisiana

LOUISIANA LOCAL GOVERNMENT BUDGET ACT

Budgeted revenue exceeded actual revenue by five percent (5%) or more in the following special revenue funds. Budgets adopted for these funds were on a project basis instead of an annual basis as required by state law.

Community Development Block Grant Fund Decentralized Art Fund Home Investment Partnership Program Fund

Actual expenditures exceeded budgeted expenditures by more that five percent (5%) in the Youth Baseball Recreation Special Revenue Fund.

In three funds; Community Development Block Grant Fund, Decentralized Art Fund, and Home Investment Partnership Fund, budgeted revenue exceeded actual revenue by five percent (5%). All three of these funds are special revenue funds whose funding is derived from another governmental entity. The funds are budgeted based upon the total appropriation to be received from that entity for that particular grant period. Community Development and Home Investment Partnership Fund are Federally funded programs and follow the federal government's fiscal year (October 1 through September 30). Decentralized Art Fund is a program ran through the State of Louisiana and follows the State's fiscal year (July 1 through June 30). 5.5

Actual expenditures exceeded budgeted expenditures by more than five percent in the Youth Baseball Recreation Fund.

New procedures have been implemented to prevent these findings from reoccurring. A form has been developed to monitor the total budgeted revenues and expenditures to actual revenues and expenditures for all funds. In the event the fund will be over or under the 5% bench mark, a budget amendment will be made to correct the appropriate accounts.

ASSET MANAGEMENT LAWS

It is our understanding the Louisiana Revised Statutes require the City to physically inventory fixed assets annually. We were informed that a physical inventory of fixed assets was not conducted during the year ended April 30, 1996.



CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Mayor and City Council City of Alexandria, Louisiana

In planning and performing our audit of the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Alexandria, Louisiana, as of and for the year ended April 30, 1996, we considered the City's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls, operating efficiency, and possible compliance with laws. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. A separate report dated September 12, 1996, contains our report on reportable conditions in the City's internal control structure. This letter does not affect our report dated September 12, 1996 on the general purpose financial statements and the combining, individual fund and account group financial statements of the City of Alexandria, Louisiana.

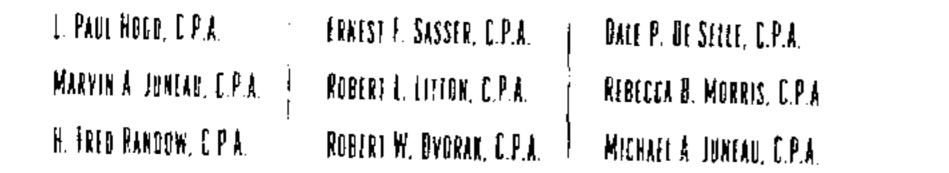
We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with management personnel, and we will be pleased to discuss them in detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

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Tayne Moore Advington, LLP Certified Public Accountants

September 12, 1996



1419 METRO DRIVE • P.O. BOX 13200 • ALEXANDRIA, LA 71315-3200

PH: (310) 443-1893 • FAX: (318) 443-2515

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT OF THE GENERAL PURPOSE, COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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The Honorable Mayor and City Council City of Alexandria, Louisiana

This report is intended for the information of the Mayor and City Council of the City of Alexandria, Louisiana. However, this report is a matter of public record, and its distribution is not limited.

Agne Those Stemiston, UP Certified Public Accountants

September 12, 1996



NOTES TO FINANCIAL STATEMENTS

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings, equipment, and vehicles in the proprietary and nonexpendable trust fund types is computed using the straight-line method.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.

M. Bond Issuance Costs

In governmental fund types, bond issuance costs are recognized in the current period. Bond issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond issuance costs for proprietary fund types are

recorded as deferred charges.

N. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave of governmental funds that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No accrued current expenditures are reported in the governmental funds as the amounts are considered immaterial. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. In accordance with the provisions of GASB Statement No. 16, no liability is recorded for compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the employer and employee.

O. Long-term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

TRUST AND AGENCY FUNDS

Trust funds are used to account for assets held by the government in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

PENSION TRUST FUNDS

CITY EMPLOYEES' RETIREMENT SYSTEM FUND is used to accumulate resources for retirement benefits for City employees covered under the plan. Participants contribute ten percent (10%) of their salaries to the Fund. The City contributes a percentage of covered participants' salaries determined by the System's actuary.

FIREMEN'S PENSION AND RELIEF FUND is used to account for benefits paid to members of this plan. Effective May 1, 1993, this plan was merged into the statewide Firefighter's Retirement System. In the event that a member, hired prior to January 1, 1980, exercises his or her right to a twenty year retirement any time under the age of 50 and is not eligible to receive benefits from the state system, then the Fund shall provide benefits until that person is eligible to receive benefits under the state system. Covered employees are not required to contribute to the Fund. The City is required to contribute an amount sufficient to meet any deficit of the Fund without regard for reserve requirements accruing on an actuarial basis.

POLICEMEN'S PENSION AND RELIEF FUND is used to account for benefits paid to members of this plan. Effective September 1, 1983, this plan was merged into the statewide Municipal and State Police Employees' Retirement System. The Fund remains liable for retirement benefits in the event that a police officer, hired prior to August 1, 1976, retires before reaching age fifty or 25 years of eligible service. Members are not required to contribute to the Fund. The City is required to contribute an amount sufficient to meet any deficit of the Fund without regard for reserve requirements accruing on an actuarial basis.

AGENCY FUND

DEFERRED COMPENSATION FUND is used to account for assets held for employees in accordance with the provisions of Internal Revenue Code Section 457.



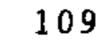


EXHIBIT A

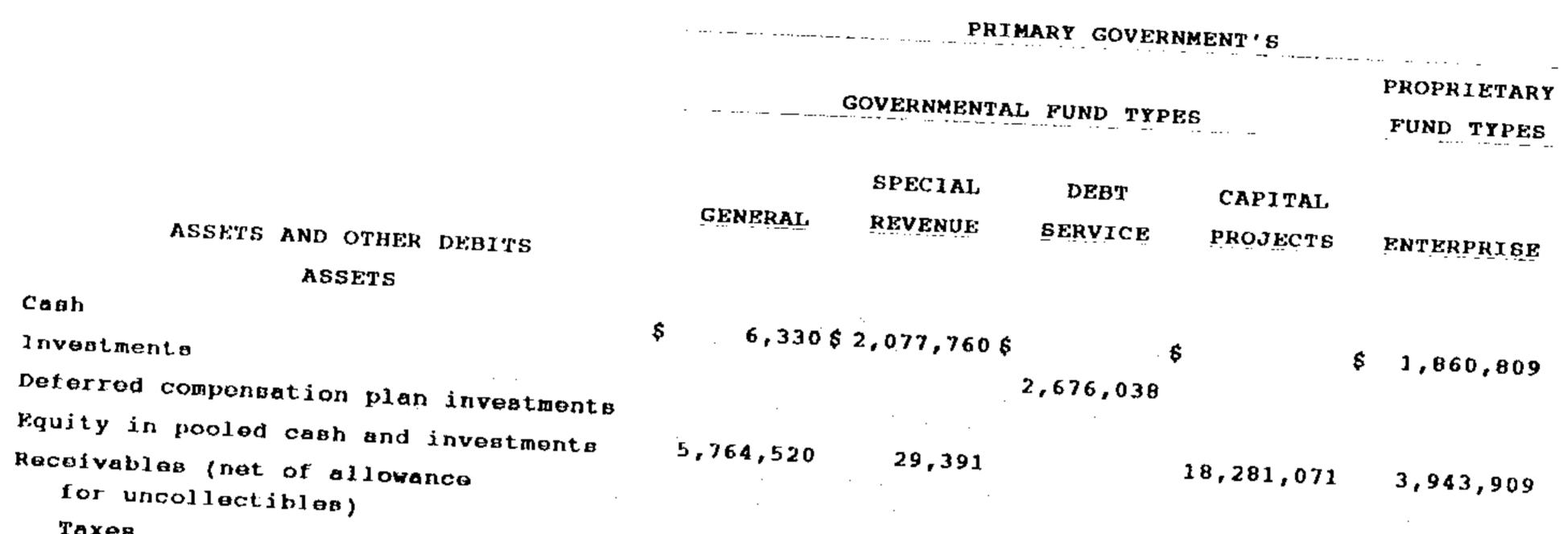
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(Continued)

PROPRIETARY FUND TYPES		MARY GOVERNM	T GROUPS	TOTAL MEMORANDUM	COMPONE	NT UNITS	TOTAL MEMORANDU ONLY
INTERNAL Service	TRUST AND Agency	GENERAL FIXED Assets	GENERAL LONG-TERM DEBT	<u>ONLY</u> PRIMARY GOVERNMENT	ALEXA City <u>Marshal</u>	NDRIA CITY <u>COURT</u>	REPORTING
\$	\$ 857,022 38,354,442 2,006,970		5 \$ - a - a - a - a - a - a - a - a - a -	41.030 ARO	. • •		\$5,293,55 41,145,48
6,164,701	~;000;910			2,006,970 34,183,592			2,006,97 34,183,59
37,632	596,102			6,308,157			38,00 6,308,15
•	68,133			3,085,506	600	611 178	1,108,80 3,085,50 2,871,06
· · ·		· · ·		0 2,042,009 50,516,131			2,042,00
4,646	7,312	59,058,059		151,869,361	124,042	247,325	50,516,13
					· · · · · · · · · · · · · · · · · · ·		1,302,87
	· · ·		2,715,109	— — —			

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CITY OF ALEXANDRIA, LOUISIANA COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS APRIL 30, 1996



Taxes					·
Accounts	14,047	23,953			
Other					
Intergovernmental	365,572	80	39,071		6,308,157
Due from other funds	89,966	55,030		2,736,482	69,140
Advance to other funds	1,600,417	15,491		980,353	204,028
Inventories					203,916
Restricted assets	139,818	4,000			1.999 101
Fixed assets (net where applicable of					1,898,191 50,516,131
accumulated depreciation)					5075107131
Other assets					92,799,344
		· .			1,289,240
OTHER DEBITS					1,209,240
Amount available in debt service funds					
Amount to be provided for retirement of					
General long-term debt					· · ·
TOTAL ASSETS AND OTHER DEBITS					
	\$ 7,980,670\$ 2	,205,705\$2,	715,109\$2	1,997,906 \$1	59 000 000
			an a		

The accompanying notes are an integral part of the financial statements.

GENERAL PURPOSE FINANCIAL STATEMENTS

The General Purpose Financial Statements include all funds and account groups of the City and are designed to provide an overview of the financial position and results of operations for the City as a whole. Additional information in the form of combining, individual fund and account group statements and schedules is included elsewhere in this report.



The Honorable Mayor and City Council City of Alexandria, Louisiana

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining, individual fund and account group financial statements. The accompanying financial information listed as additional information in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the City of Alexandria, Louisiana. Such information, except for the summary of utility service customers and the listing of insurance in force marked "unaudited", on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general purpose, combining, individual fund and account group financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds and account groups taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated September 12, 1996, on our consideration of the City of Alexandria's internal control structure and a report dated September 12, 1996 on its compliance with laws and regulations.

Moore Herington, LLP ed Public Accountants

September 12, 1996



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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council City of Alexandria, Louisiana

We have audited the accompanying general purpose financial statements and the combining, individual fund and account group financial statements of the City of Alexandria, Louisiana, as of April 30, 1996, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the City of Alexandria, Louisiana's management. Our responsibility is to express an

opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 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 provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Alexandria, Louisiana, as of April 30, 1996, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the City of Alexandria, Louisiana, as of April 30, 1996, and the results of operations of such funds and the cash flows of individual proprietary funds for the year then ended in conformity with generally accepted accounting principles.

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L. PAUL HOOD, C.P.A. ERNEST F. SASSER, C.P.A. DALE P. DE SELLE, C.P.A. MARVIN A. JUNEAU, C.P.A. ROBERT L. LITTON, C.P.A. REBECCA B. MORRIS, C.P.A. K. FRED RANDBW, C.P.A. ROBERT W. DVORAK, C.P.A. MICHAEL A. JUNEAU, C.P.A.

1419 METRO DRIVE • P.D. BOX 13200 • ALEXANDRIA, LA 71315-3200

PH: (318) 443-1893 + FAX: (318) 443-2515

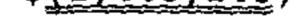
CITY OF ALEXANDRIA, LOUISIANA INTERNAL SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS (ACCUMULATED DEFICIT) YEAR ENDED APRIL 30, 1996

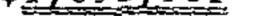
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EXHIBIT K-2

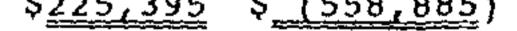
	RISK MANAGEMENT <u>FUND</u>	EMPLOYEE BENEFITS INSURANCE FUND	UNEMPLOYMEN BENEFITS FUND	NT TOTAL
OPERATING REVENUES				~~~~~
Charges for services				
Required risk contributions- other funds	¢ > 006 070	¢	6100 200	60 005 367
Employer contributions	\$ 2,886,079	\$ 2,358,879	\$109,288	\$2,995,367 2,358,879
Employee contributions		884,428		884,428
Stop loss reimbursement	620	90,059		90,679
Subrogation claims	7,542	71,592		79,134
Miscellaneous	· · · · · · · · · · · · · · · · · · ·	37,893		37,893
Total Operating Revenues	2,894,241	3,442,851	109,288	6,446,380
OPERATING EXPENSES				
Insurance premiums				
General liability	242,673			242,673
Workmen's compensation	75,619			75,619
Automobile liability	128,699			128,699
Property coverage	158,291			158,291
Hospitalization/health		272,112		272,112
Life Insurance claims		125,732		125,732
General liability	759,972			759,972
Workmen's compensation	949,278			949,278
Automobile liability	524,277			524,277
Law enforcement liability	33,081			33,081
Unemployment			8,918	8,918
Hospitalization/health		3,012,455		3,012,455
Administrative costs	273,583	179,576		453,159
Depreciation	$\frac{1,195}{2,146,668}$	7 500 075	<u> </u>	$\frac{1,195}{6,746,461}$
Total Operating Expenses	3,146,668	3,589,875	8,918	6,745,461
OPERATING INCOME (LOSS)	(252,427)	(147,024)	100,370	(299,081)
NONOPERATING REVENUE				
Interest	172,401	116,967	9,527	298,895
INCOME (LOSS) BEFORE OPERATING				
TRANSFERS	(80,026)	(30,057)	109,897	(186)
OPERATING TRANSFERS IN	283,368			283,368
	205,500			205,500
NET INCOME (LOSS)	203,342	(30,057)	109,897	283,182
THUR TRUE WERE LOND - COMPLEX -				
RETAINED EARNINGS (DEFICIT),	13 631 0051	1 770 010	<u>م</u>	1040 0605
BEGINNING OF YEAR	(2,571,085)	1,729,018	-0-	(842,067)
RESIDUAL EQUITY TRANSFER	(115,498)		115,498	-0-
RETAINED EARNINGS (DEFICIT),				
END OF YEAR	\$ <u>(2,483,241</u>)	\$ <u>1,698,961</u>	\$ <u>225,395</u>	\$ <u>(558,885</u>)











The accompanying notes are an integral part of the financial statements.







The Honorable Mayor and City Council City of Alexandria, Louisiana

MANAGEMENT'S RESPONSE

A physical inventory will be taken once a year after the close of the fiscal year.

We considered these instances of noncompliance in forming our opinion on whether the City of Alexandria, Louisiana's 1996 general purpose financial statements and the combining, individual fund and account group financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated September 12, 1996, on those general purpose financial statements and the combining, individual fund

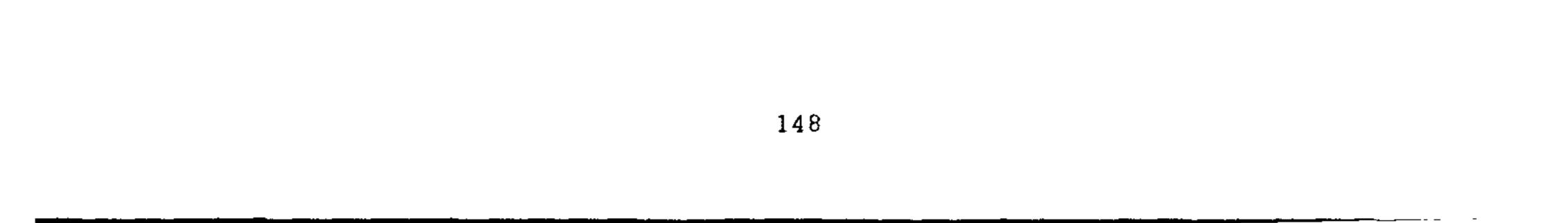
and account group financial statements.

We also noted certain immaterial instances of noncompliance that we have reported to the management of the City of Alexandria, Louisiana, in a separate letter, titled Other Comments and Recommendations, dated September 12, 1996.

This report is intended for the information of the Mayor and City Council of the City of Alexandria, Louisiana. However, this report is a matter of public record and its distribution is not limited.

Parme, Moore & Herington, LLP Certified Public Accountants

September 12, 1996



CITY OF ALEXANDRIA, LOUISIANA PENSION TRUST FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES YEAR ENDED APRIL 30, 1996

EXHIBIT L-2

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	CITY	FIREMEN'S	POLICEMEN	S
	EMPLOYEES'	PENSION	PENSION	
	RETIREMENT	AND	AND	
	SYSTEM	RELIEF	RELIEF	
	(12/31/95)	FUND	FUND	TOTAL
OPERATING REVENUES				
Member contributions	\$ 1,235,531	\$	\$:	\$ 1,235,531
Employer contributions	2,065,929		293,003	2,358,932
Investment income	2,847,171	6,812	6,854	2,860,837
Total Operating				
Revenues	6,148,631	6,812	299,857	6,455,300
OPERATING EXPENSES				

Diam hamafik 5 585 335

Plan benefit payments	3,489,557	90,270	298,285	3,878,112
Employee refunds	120,232			120,232
Administrative expenses Total Operating	96,168	1,775	1,572	99,515
Expenses	3,705,957	92,045	<u>299,857</u>	4,097,859
NET INCOME (LOSS)	2,442,674	(85,233)	-0-	2,357,441
FUND BALANCES, BEGINNING OF YEAR	37,097,962			

184,551	217,877			37,500,390
FUND BALANCES, END OF YEAR	\$ <u>39,540,636</u>	\$ <u>99,318</u>	\$ <u>217,877</u>	\$ <u>39,857,831</u>

The accompanying notes are an integral part of the financial statements.



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CITY OF ALEXANDRIA, LOUISIANA UTILITIES SYSTEM CAPITAL PROJECTS FUND SCHEDULE OF REVENUES AND EXPENDITURES YEAR ENDED APRIL 30, 1996

SCHEDULE 5

REVENUES	
Transfer from Utilities System Fund	\$ 550,000
Transfer from 1995 Utilities System Revenue Bond	
Construction Fund	260,701
Relocation assistance	104,363
Interest earned	549,359
Other revenues	8,162
Total	1,472,585
EXPENDITURES	
Electrical Division	
Power plant improvements	82,285
Substation improvements	1,410,828
Extensions and improvements	4,761
	0 0 0 0

Repair and maintenance projects	9,796
Utility relocation	7,900
Water Division	
Extensions and improvements	531,385
Gas Division	
Replacement program	3,758
Extensions and improvements	
Waste Water Division	
Extensions and improvements	30,110
Repair and maintenance projects	1,484,890
Sewage plant study	62,903
General and Administrative	
Machinery and equipment	2,375
Total	3,630,991
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ <u>(2,158,406</u>

See independent auditor's report.





CITY OF ALEXANDRIA, LOUISIANA UTILITIES SYSTEM ENTERPRISE FUND COMPARISON OF REVENUES AND EXPENDITURES BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL YEAR ENDED APRIL 30, 1996

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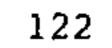
SCHEDULE 4

VARIANCE

	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)
REVENUES	popopi	nerono	<u>10mmvonness</u>
Electric	\$39,761,066	\$42,803,570	\$ 3,042,504
Natural gas	8,652,500	9,556,875	904,375
Water	3,888,150	4,134,971	246,821
Wastewater	2,052,525	2,252,527	200,002
Interest earned	1,075,000	1,497,934	422,934
Other	270,700	343,503	72,803
Utility revenue bond proceeds	15,000,000	15,000,000	-0-
Use of restricted retained earnings	4,067,000	4,067,000	-0-
Operating transfers			
1993 Streets and Drainage Capital			
Projects Fund	581,787	581,778	(9) 5,173
Sanitation Fund	154,764	$\frac{159,937}{500}$	5,173
Totals	75,503,492	80,398,095	4,894,603
EXPENDITURES	00 0F4 10F	00 070 F05	(100 400)
Electrical production	23,854,185	23,962,585	(108,400)
Electrical distribution	3,173,952	3,059,246	114,706
Gas division Weter purification and distribution	6,727,255	8,005,587	(1,278,332) 8,596
Water purification and distribution	2,673,177	2,664,581	0,550
Wastewater treatment, collection, and testing	3,017,587	2,608,000	409,587
Utility director	129,551	121,736	7,815
Budget director	139,603	117,748	21,855
Business office	302,296	297,617	4,679
Billings and collections	1,466,234	1,461,959	4,275
Meter readers	610,741	601,635	9,106
Data processing	959,464	924,688	34,776
Utility services	575,636	542,027	33,609
Payments in lieu of insurance	743,185	743,185	-0-
Bank service charges	13,000	10,234	2,766
Debt service - principal, interest			
and paying agent fees	8,603,974	7,524,511	1,079,463
Restricted retained earnings for		1 051 070	0
future debt service	1,351,060	1,351,060	-0-
Operating transfers			
General Fund	2 050 000	2 072 160	1222 1601
In lieu of taxes Indirect cost allocation	2,850,000	3,073,169	(223,169)
Indirect cost allocation General Capital Projects Fund	1,156,862 4,137,491	1,068,040 4,137,491	88,822 -0-
1993 Streets and Drainage Capital	4,133,491	4,101,401	
Projects Fund	69,509	69,509	-0-
Utilities System Capital	07,507	07,505	- V
Projects Fund	550,000	550,000	-0-
1995 Utilities System Revenue Bond	550,000	550,000	•
Construction Fund	13,546,821	13,546,821	-0-
Sanitation Fund	7,815	12,988	(5,173)
Municipal Bus Line Enterprise Fund	1,038,212	1,142,957	(104,745)
Risk Management Fund	120,770	120,770	-0-
Totals	77,818,380	77,718,144	100,236
EXCESS(DEFICIENCY) OF REVENUES			
OVER EXPENDITURES	\$(2,314,888)	\$ 2,679,951	\$ 4.994.839
			" maintain and a state of the s

See independent auditor's report.





CITY OF ALEXANDRIA, LOUISIANA UTILITIES SYSTEM ENTERPRISE FUND RECONCILIATION OF EXCESS OF REVENUES OVER EXPENDITURES (NON-GAAP BUDGETARY BASIS) TO NET INCOME (GAAP BASIS) YEAR ENDED APRIL 30, 1996

SCHEDULE 3

\$ 2,679,951
(2,158,406)
7,901,849
8,423,394
9,887,347
4,059,628
228,252
1,500,000
(15,000,000)
(5,098,004)

Use of restricted retained earnings - net Repayments of advances to other funds Amortization of bond issuance costs Loss on disposition of fixed assets Contributed capital

<u>NET INCOME (EXHIBIT J-5)</u>

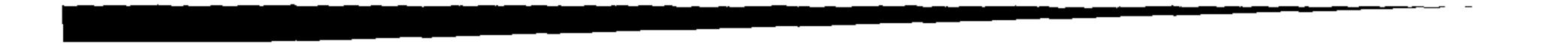
Notes: For financial reporting purposes, the above funds are consolidated into the Utilities System Enterprise Fund. Interfund receivables/payables and operating transfers between these funds are eliminated.

For budgetary control purposes, each of the above funds is recognized as a separate entity. The following is a brief description of the differences between the City's non-GAAP budgetary basis excess (deficiency) of revenues over expenditures and GAAP net income reported in the financial statements. Capital additions, net debt service requirements, and bond issuance costs are treated as expenditures. Utilities revenue bond proceeds, intergovernmental grants and other items of contributed capital are treated as revenues. Depreciation is not recognized. Operating transfers between the various Utilities System Funds are not eliminated.

See independent auditor's report.

(2,715,940) (728,725) (94,651) (7,271) <u>(8,162</u>)

\$ 445,868



CITY OF ALEXANDRIA, LOUISIANA UTILITIES SYSTEM ENTERPRISE FUND UNAUDITED SUMMARY OF UTILITY SERVICE CUSTOMERS APRIL 30, 1996

SCHEDULE 1

TYPE OF SERVICE	NUMBER OF CUSTOMERS
Electricity	<u>APRIL 30, 1996</u>
Water	22,181
Gas	19,546
Wastewater	17,195
	16,202

See independent auditor's report.

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ADDITIONAL INFORMATION

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	COMBINING STATEMENT OF GENERAL LOUISIANA APRIL 30, 1996		
LE AND TO BE LE PAYMENT -TERM DEBT ole in Debt	CERTIFICATES OF OF INDEBTEDNESS BONDS BONDS BONDS COMPENSATED FIRE ABSENCES PENSION LIABILITY	POLICE POLICE PENSION <u>LIABILITY</u>	EXHIBIT N-
rovided for nt of general bt principal from and use tax id revenues	\$ 47,636 \$ 2,667,473 \$ \$ 2,062,364 10.127 For	٢	\$ 2,715,109
ND TO BE PROVIDED DEBT PAYABLE indebtedness nces payable	\$12,795,000 \$1,400,123 18,534,628 \$12,795,000 \$1,400,123 18,534,628 \$12,795,000 \$ \$	<u>4,591,237</u>	12, 189, 891 24, 525, 988 \$39, 430, 988
iability <u>TERM DEBT PAYABLE</u> tes are an integral	1,400,123 <u>\$2,110,000</u> <u>\$12,795,000</u> <u>\$1,400,123</u> <u>18,534,628</u> Part of the financial statements.	$\frac{4.591.237}{54.591.237}$ \$1 \$4.591.237 \$39	\$12,795,000 2,110,000 1,400,123 18,534,628 4,591,237 \$ <u>39,430,988</u>

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AMOUNT AVAILABLE A PROVIDED FOR THE P OF GENERAL LONG-TE Amount Available Service Amount to be prov the retirement long-term debt City sales an General Fund TOTAL AVAILABLE AND GENERAL LONG-TERM DF Ronde Devela Compensated absence Fire pension liabi Police pension liabi TOTAL GENERAL LONG-1 Bonds Payable Certificates of

The accompanying not



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GENERAL LONG-TERM DEBT ACCOUNT GROUP This group of accounts is used to account for long-term debt not accounted for in any other fund.

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		CITY (STATEMENT OF YEAR	CITY OF ALEXANDRIA, WT OF CHANGES IN GEN YEAR ENDED APRIL	LOUISIANA TERAL FIXED 30, 1996	ASSETS		
EAR	\$5,543,810	BUILDINGS AND AND S26, 597, 472	FURNITURE AND <u>FIXTURES</u> \$819,608	<u>EQUIPMENT</u> \$4,622,899	VEHICLES \$4,430,777		EXHIBIT M-2
s ts s	395,333				•	\$ 2,231,039	\$44,245,599
outions Fund)	420,000		1,566	53,102 1,475	488,936	1,814,723	2.752 004
svenues	70,700	16,900	8,005	417,462	733,987	10,697,450 65,000	10,700,491 485,000
JCTION		754,950	(3,480)	(7,756)	(360,943)		
	\$ <u>6,429,843</u>	\$27,369,322	\$ <u>825,699</u>	\$ <u>5,087,182</u>		(754,950)	-0-
notes al	are an integral	part of the fi	financial stateme		\$ <u>1(////////////////////////////////////</u>	\$ <u>14,053,262</u> \$	\$ <u>59,058,059</u>

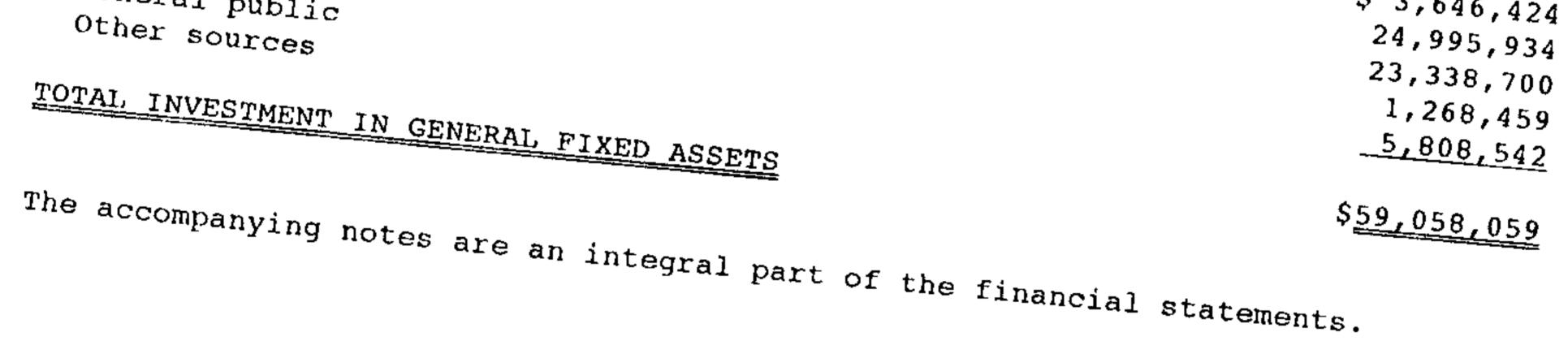
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Public contribut Other (General I The accompanying no BEGINNING OF YEA COMPLETED CONSTRUC Capital projec General Fund rev Grant revenues revenues revenues **RETIREMENTS** ADDITIONS END OF YEAR

CITY OF ALEXANDRIA, LOUISIANA STATEMENT OF GENERAL FIXED ASSETS APRIL 30, 1996

GENERAL FIXED ASSETS Land	EXHIBIT M-1
Buildings and (
Equipment	\$ 6,429,843
Vehicles Construction in progress	27,369,322 825,699
TOTAL GENERAL FIXED ASSETS	5,087,182 5,292,751
INVESTMENT IN OTHER	14,053,262
INVESTMENT IN GENERAL FIXED ASSETS General obligation bonds Capital projects	\$ <u>59,058,059</u>
-rants	
General public	\$ 3,646,424



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The Honorable Mayor and City Council City of Alexandria, Louisiana

This report is intended for the information of the Mayor and City Council of the City of Alexandria, Louisiana. However, this report is a matter of public record, and its distribution is not limited.

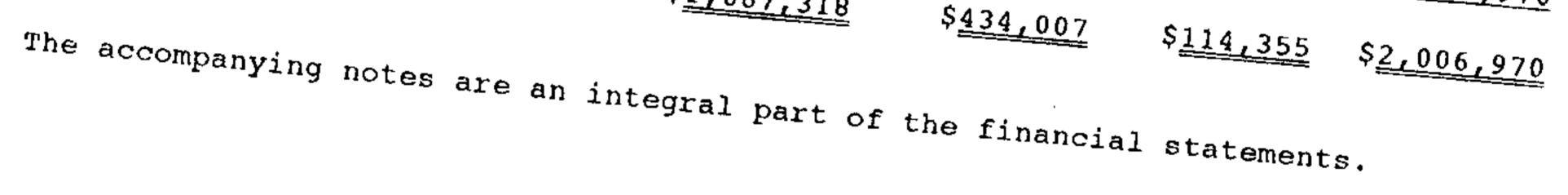
Tayne Moore Flerington, LLP Cerfified Public Accountants

September 12, 1996

CITY OF ALEXANDRIA, LOUISIANA DEFERRED COMPENSATION AGENCY FUND STATEMENT OF CHANGES IN ASSETS AND LIABILITIES YEAR ENDED APRIL 30, 1996

EXHIBIT L-3

ASSETS Investments	BALANCE <u>5/1/95</u>	ADDTUTONE		B AT BAT
contents	<u> </u>	ADDITIONS	DELETIONS	BALANCE
TOTAL ASSETS	\$1,687,318	\$434,007		
	\$1.687 210		\$ <u>114,355</u>	\$2,006,970
LIABILITIES	\$ <u>1,687,318</u>	\$434,007	¢114 -	
Deferred compensation benefits payable			\$ <u>114,355</u>	\$ <u>2,006,970</u>
TOTAL LIABILITIES	\$ <u>1,687,318</u>	\$ <u>434,007</u>	\$114 255	
	\$1,687,318	\$424 000	\$ <u>114,355</u>	\$ <u>2,006,970</u>



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CITY OF ALEXANDRIA, LOUISIANA INTERNAL SERVICE FUNDS COMBINING BALANCE SHEET APRIL 30, 1996

EXHIBIT K-1

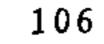
ASSETS	RISK MANAGEMENT <u>FUND</u>	EMPLOYEE BENEFITS INSURANCE <u>FUND</u>	UNEMPLOYME BENEFITS <u>FUND</u>	
CURRENT ASSETS Equity in pooled cash and				_
investments Stop loss and subrogation glaims	\$ 3,856,067	\$2,081,925	\$226,709	\$ 6,164,701
Stop loss and subrogation claims receivable Total Current Assets	<u>3,537</u> 3,859,604	<u>34,095</u> 2,116,020	226,709	<u>37,632</u> 6,202,333
PROPERTY, PLANT, AND EQUIPMENT Property, plant, and equipment Accumulated depreciation Net Property, Plant, and	11,312 (6,666)			11,312 (6,666)
Equipment	4,646	-0-	-0-	4,646
TOTAL ASSETS	\$ <u>3,864,250</u>	\$ <u>2,116,020</u>	\$ <u>226,709</u>	\$ 6,206,979

LIABILITIES AND EQUITY

CURRENT LIABILITIES								
Bank overdraft	\$	11,468	\$	119,546	\$		\$	131,014
Accounts payable		1,503	·	10,291		1,314		13,108
Accrued expenses		5,019		·				5,019
Due to other funds								-
General Fund		1,418						1,418
Utilities System Enterprise Fund		7						. 7
Claims payable		238,161		287,222				525,383
Estimated liability for claims		-						
incurred	~	2,348,050	_			- +,,	2	,348,050
Total Current Liabilities		2,605,626		417,059		1,314	3	,023,999
NONCURRENT LIABILITIES Estimated liability for claims incurred		3,086,074					3	,086,074
Total Liabilities		5,691,700		417,059		1,314		,110,073
EQUITY				-		-		- ·
Contributed capital		655,791	_					655,791
Retained earnings - unreserved			1	,698,961	22	5,395		,924,356
Accumulated deficit	1	2,483,241)				··	<u>(2</u>	,483,241)
Total Retained Earnings (Accumulated Deficit) Total Equity (Deficit)	-	2,483,241) 1,827,450)		,698,961 ,698,961	<u>22</u> 22	5,395 5,395	<u> </u>	(558,885) 96,906
TOTAL LIABILITIES AND EQUITY	\$_	3,864,250	\$ <u>2</u>	,116,020	\$ <u>22</u>	6,709	\$ <u>_6</u>	<u>,206,979</u>

The accompanying notes are an integral part of the financial statements.





LOUISIANA TRUST AND AGENCY FUNDS COMBINING BALANCE SHEET

CITY OF ALEXANDRIA,

	COMBINING COMBINING APRIL	IL AND AGENCY FUNDS INING BALANCE SHEET APRIL 30, 1996	ET		
	EMPLOYEES'	PENSION TRUST FUNDS FIREMEN'S I PENSION	DS POLICEMEN'S PENSTON	AGENCY	EXHIBIT L-1
SSETS		AND RELIEF <u>FUND</u>	AND RELIEF FUND	COMPENSATION	
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	\$	\$ 25,130	S		186 600 77
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ying notes are an integral	part of the	statomo	\$ 717 S	\$2,006,970	\$41,889,981

statements. financial 1

Investments, d compensation Due from other dividends rec Furniture, fixt equipment, ne Due to other f Deferred compe benefits pay Payroll taxes Accrued intere TOTAL LIABILITIE The accompanying Total Investments, LIABILITIES Reserved for retirement TOTAL ASSETS FUND BALANCES LIABILITIES Cash



The Honorable Mayor and City Council City of Alexandria, Louisiana

- 5) Reconcile subsidiary ledgers to appropriate general ledger control accounts on a current basis.
- 6) Provide for a complete review of the accounting trial balance and underlying transactions on a current basis for obvious posting errors. Investigate and/or correct unusual items as needed.
- 7) Update utility rate studies as practical and adjust rates as necessary to provide adequate revenues to meet budgeted needs.
- 8) Implement other recommendations relative to the Combined Utilities System as noted in our separate letters to management.

Tayne Moore & Jerington, LLP Cervified Public Accountants

September 12, 1996

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CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Mayor and City Council City of Alexandria, Louisiana

> RE: Resolution Number 2431-1982 Requirement of specific recommendations

In accordance with Resolution Number 2431-1982, "a resolution relative to the fulfillment of commitments of the City of Alexandria relative to the Combined Utilities System," as engaged independent certified public accountants, we are requested to include specific recommendations to ensure that the City and the Combined Utilities System generate sufficient revenues to pay operation and maintenance expenses of the Combined Utilities System and debt service on outstanding revenue bonds payable from such revenue, and to make all budgeted transfers to other funds of the City. During the current year, the City fulfilled each of these commitments, except as otherwise noted in the preceding reports.

For future periods, the City should continue to accomplish the following steps in addition to implementing certain other suggestions as listed below.

- 1) Prepare and approve an annual operating budget of the Combined Utilities System based upon the best criteria of revenue and expense estimates that can be developed.
- 2) Provide for budgetary control on a line item basis and monitor budget variances on a current basis. Amendments should be addressed for any unusual exceptions as they are encountered.
- 3) Provide projected monthly cash flow schedules with comparisons to actual prior and current amounts. Investigate any unusual variances.
- 4) Maintain current and accurate accounting records relative to financial activity of the system.

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L. PAUL HODD, C.P.A. ERNEST F. SASSER, C.P.A. DALE P. DE SELEE, C.P.A. Marvin A. Juneau, C.P.A. Robert L. Litton, C.P.A. Rebecca B. Morris, C.P.A. H. Fred Randow, C.P.A. Robert W. Dvorak, C.P.A. Michael A. Juneau, C.P.A.

1419 METRO BRIVE • P.O. BOX 13200 • ALEXANDRIA, LA 71315-3200

PR: (318) 443-1893 • FAX: (318) 443-2515

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SPECIAL LETTER RE: RESOLUTION NUMBER 2431-1982 REQUIREMENT OF SPECIFIC RECOMMENDATIONS

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The Honorable Mayor and City Council City of Alexandria, Louisiana

We recommend an annual natural gas cost recovery factor, similar to the annual electric cost recovery factor, be developed and implemented to prevent any future problems. An annual natural gas cost recovery factor would require Council approval.

MANAGEMENT'S RESPONSE

The City Administration will approach the City Council regarding the implementation of an annual adjustment to recover the actual cost of the gas purchased.



The Honorable Mayor and City Council City of Alexandria, Louisiana

PURCHASE OF NEW COPIER

In examining additions to fixed assets, we discovered that a department purchased a new copier at the state contact price to replace a copier. The invoice for the new copier indicated that the purchase price of the new copier included a trade-in. When we inquired as to why the City had not received credit for the fair market value of the old copier traded-in, we were informed by Purchasing Department personnel that a mistake had been made in indicating that the old copier was to be traded-in. The Purchasing Director contacted the vendor and required that the vendor correct the error by returning the copier. The old copier was returned to the City prior to the end of field work.

We recommend that additional care be exercised in acquisition of fixed assets to prevent a recurrence of this problem.

MANAGEMENT'S RESPONSE

This would have been discovered had a physical inventory been taken at yearend. As mentioned earlier, we will begin to inspect all City fixed assets annually. Additionally, the purchasing department will be notified to inform the accounting department of any items to be traded-in on future purchases so that item can be removed from the City inventory list.

NATURAL GAS COST RECOVERY FORMULA

The cost of natural gas purchased for resale to gas customers is recovered by the natural gas cost recovery factor as set forth in the City's Code of Ordinances. The factor is computed as the second prior month's cost of natural gas purchased divided by the prior month's volume of natural gas received. This factor is multiplied by the customers' consumption for the current month to determine the amount of natural gas costs recovered. In theory, over a year's time, all of the cost of natural gas purchased for resale less line loss should be recovered from the customers.

In February, 1996, the cost of natural gas purchased for resale and consumption increased sharply due to an ice storm. The cost of natural gas purchased in February is billed to customers in April. In April, consumption decreased significantly. Because of the method by which the cost recovery formula is applied, not all of February's cost of natural gas purchased for resale was recovered. Note: City personnel correctly computed the recovery factor in accordance with the ordinance. The fact that not all of the cost of natural gas purchased for resale was recovered was due to the formula itself, and not due to the actions of City personnel.



The Honorable Mayor and City Council City of Alexandria, Louisiana

DELINQUENT SPECIAL ASSESSMENTS

Business Office personnel indicate that when a special assessment becomes delinquent, it is turned over the City's attorney for collection. We were unable to determine what collection procedures, if any, were implemented by the City's Attorney or the status of these delinquent assessments.

MANAGEMENT'S RESPONSE

This matter has been referred to the City Attorney for additional review.

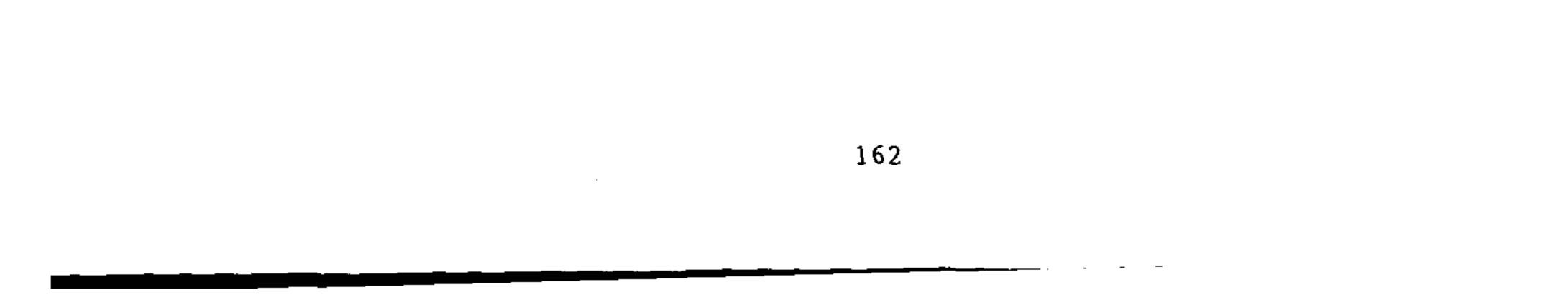
PHYSICAL INVENTORY PROCEDURES

We found that inventory items received by one department subsequent to the physical count and prior to year end were not included in the final inventory listing.

We recommend that procedures be established to ensure that inventory items received subsequent to a physical count but prior to the actual year end be included in the physical inventory to ensure that the proper ending inventory value is shown in the financial statements.

MANAGEMENT'S RESPONSE

The accounting department assumed the year end physical counts that were sent were taken April 30th, the last day of the fiscal year. However, a few departments did their physical count on the weekend before the 30th, specifically April 27th and 28th. We will insure that all year-end counts are taken on the 30th of April in the future.





The Honorable Mayor and City Council City of Alexandria, Louisiana

COMMENTS REGARDING THE COMPUTER SYSTEM

In prior Memorandum of Other Comments and Recommendations, we expressed certain concerns regarding new hardware and software applications. We reviewed the status of our prior concerns during our current engagement. The following summarizes our findings:

1. The following software applications were not implemented as of April 30, 1996:

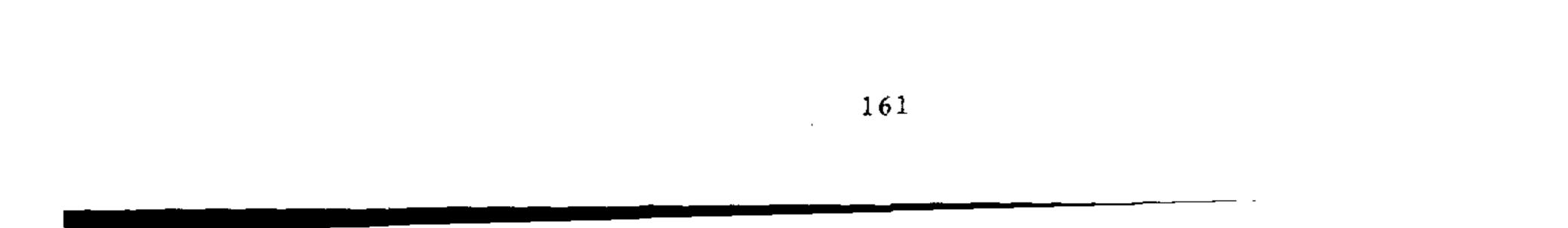
Prior	Present
Implementation	Implementation
Date	Date

Property Tax System	11/01/95	Fall, 1997
Business Licenses System	01/01/96	Spring, 1997

- 2. The Utility CIS System, scheduled, as of April 30,1995, for implementation on November 13, 1995, was placed into service on April 28, 1996.
- 3. The Inventory Control System has been implemented only by the City's central warehouse. The warehouse director indicates that there are numerous reporting deficiencies in the system.
- 4. The report generator package is still available only to certain Information's System personnel. Training has not been scheduled for other personnel.

MANAGEMENT'S RESPONSE

The property tax system and business license system packages continue to be pushed back for various reasons. As mentioned previously, the tax system was looked at by City personnel with the intention to implement it. We felt, however, that there were too many deficiencies in it. Another reason for the delay has been the tremendous amount of time that had to be devoted to the CIS implementation. This is still requiring a lot of time, even though the system has been implemented. As mentioned before, we will not "go live" on any new system until such time that we feel the system is suitable for implementation.





The Honorable Mayor and City Council City of Alexandria, Louisiana

EXPENDITURES OF BUSINESS OFFICE BUDGETED FROM UTILITY SYSTEM

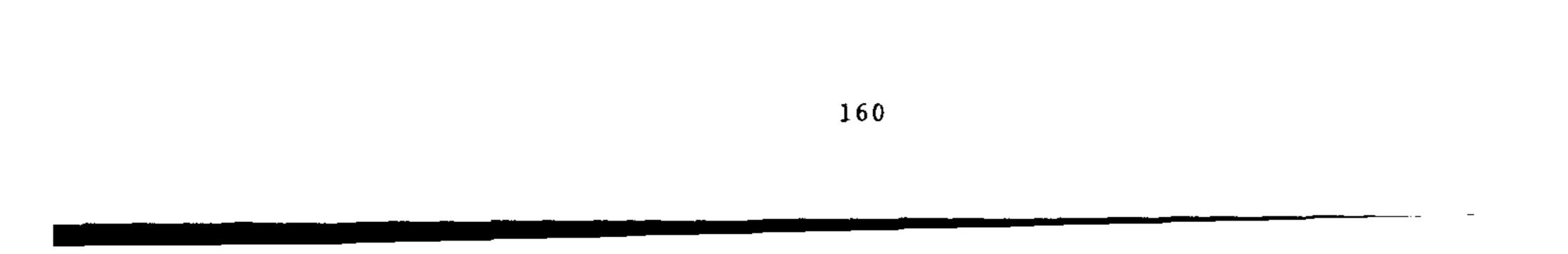
As previously reported, the expenditures of the former Tax Department, now called the Business Office, continue to be budgeted and paid from the Utility System. The theory, with which we concur, was to combine Utility System and Tax Department collections whereby all clerks and collection procedures would be merged to provide effective cross-training of employees and provide additional customer convenience. Effective consolidation of services has not been achieved. This results in Tax Department expenditures, such as the advertisement of the delinquent ad valorem tax rolls at a cost of \$16,811, a direct General Fund expenditure, being paid by the Utilities System.

As in prior years, this was addressed through the indirect cost allocation plan resulting in estimated costs effectively charged back to the General Fund. We are of the opinion these expenditures represent a direct cost to the General Fund rather than an indirect cost.

We continue to recommend that expenses of the Tax Department be budgeted and paid by the General Fund rather than the Utility System, until such time that an effective integration of procedures is realized.

MANAGEMENT'S RESPONSE

The "Business Office" concept, whereby customers could pay any city bill, be it a utility bill, tax notice, or just purchase a roll of garbage bags, is still only partially a reality. I feel that the necessary cross-training has been done to accomplish this goal. However, the computer hardware and software is not in place to allow the flexibility of the "one-stop" shopping that was originally intended. The new tax software was demonstrated to City personnel in the fall of 1995. It was not adequate, and we felt that the entire tax collection process would have suffered had we implemented it. The software has since been revised and a new "live" date is scheduled for October, 1997.





GENERAL FIXED ASSETS ACCOUNT GROUP This group of accounts is used to account for fixed assets other than those used in the proprietary and similar trust funds.

