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**POLICEMEN'S PENSION
AND RELIEF FUND**

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CITY OF ALEXANDRIA, LOUISIANA

APRIL 30, 1998

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

Release Date 6/12 @ 1998

**POLOCHEN'S PENSION AND RELIEF FUND
CITY OF ALEXANDRIA, LOUISIANA**

APRIL 30, 1998

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PARSONS, MENARD & BERKEGTON, LLP

City of Police Accounts

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor, City Council,
and Board of Trustees
Policemen's Pension and Relief Fund
City of Alexandria, Louisiana

We have audited the accompanying financial statements of the Policemen's Pension and Relief Fund of the City of Alexandria, Louisiana, as of April 30, 1999, and for the year then ended as listed in the table of contents. These financial statements are the responsibility of the City of Alexandria'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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the financial statements present only the Policemen's Pension and Relief Fund and are not intended to present fairly the financial position and results of operations of the City of Alexandria, Louisiana, in conformity with generally accepted accounting principles.

As discussed in Note 1, effective May 1, 1997, the Policemen's Pension and Relief Fund adopted Statement No. 25 of the Governmental Accounting Standards Board, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial status of the Policemen's Pension and Relief Fund of the City of Alexandria, Louisiana, as of April 30, 1999, and the changes in financial status for the year then ended in conformity with generally accepted accounting principles.

PARSONS MENARD BERKEGTON, LLP
1100 Canal Street
Baton Rouge, Louisiana 70802-1111



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PAYNE, MOORE & HERRINGTON, LLP

The Honorable Mayor, City Council,
and Board of Trustees
Policemen's Pension and Relief Fund
City of Alexandria, Louisiana

In accordance with Government Auditing Standards, we have also issued our report dated July 21, 1998, on our consideration of the Policemen's Pension and Relief Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws and regulations.

We have also previously audited, in accordance with generally accepted auditing standards, the financial statements as of and for the years ended April 30, 1993, 1994, 1995, 1996, and 1997 (none of which are presented herein), and we expressed unqualified opinions on those financial statements.

In our opinion, the information set forth in the required supplemental information for each of the six years in the period ended April 30, 1998, appearing on pages 6 through 11, is fairly stated in all material respects, in relation to the financial statements from which it has been derived.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying financial information listed as additional information in the table of contents is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Payne, Moore & Herrington, LLP
Certified Public Accountants

July 21, 1998

POLICEMEN'S PENSION AND RELIEF FUND
 CITY OF MONROE, LOUISIANA
 STATEMENT OF PLAN NET ASSETS
 APRIL 30, 1988

EXHIBIT A

ASSETS	
Cash	\$ 25,381
Accrued interest receivable	300
Investments, at fair value	
Certificates of deposit	88,888
Due from other funds of the City of Louisiana	
General Fund	85,380
Special Accounts	217,877
LIABILITIES	—\$—
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
<u>(A schedule of funding progress is presented on page 2)</u>	<u>\$218,877</u>

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

POLICEMEN'S PENSION AND RELIEF FUND
 CITY OF ALEXANDRIA, LOUISIANA
 STATEMENT OF CHANGES IN PLAN NET ASSETS
 YEAR ENDED APRIL 30, 1988

EXHIBIT B

ADDITIONS	
Employer contributions	\$218,816
Investment income	8,843
Total additions	227,659
DEDUCTIONS	
Plan benefits	223,822
Administrative	3,258
Total Deductions	227,080
NET INCREASE	-6-
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING OF YEAR	212,813
<u>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, END OF YEAR</u>	<u>212,813</u>

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

POLICEMEN'S PENSION AND RELIEF FUND
CITY OF ALEXANDRIA, LOUISIANA
APRIL 30, 1988

NOTES TO FINANCIAL STATEMENTS

1. PLAN DESCRIPTION, SIGNIFICANT ACCOUNTING POLICIES, AND PLAN ASSET MATTERS

The Policemen's Pension and Relief Fund (the Fund) of the City of Alexandria, Louisiana, is the administrator of a single-employer defined benefit plan established by state law. The Fund is considered part of the City of Alexandria's financial reporting entity and is included in the City's financial report as a pension trust fund.

The financial statements contained herein present only the Policemen's Pension and Relief Fund and are not intended to present fairly the financial position and results of operations of the City of Alexandria, Louisiana in conformity with generally accepted accounting principles.

Plan Description

On August 18, 1983, the City of Alexandria entered into a merger contract with the Municipal Police Employees' Retirement System (MPERS). The purpose of the merger was to transfer all active policemen who were currently participating in the City's Policemen's Pension and Relief Fund into the state wide Municipal Police Employees' Retirement System in accordance with Act 537 of the 1981 Legislative Session. In addition to the active policemen, all retirees, widows, and survivors were also merged. All full-time policemen hired after July 12, 1977 were directly covered in the MPERS through legislative mandate.

In conjunction with the merger of active policemen with the MPERS, the City entered into a private agreement, "No Loss in Benefit Guarantee," with the local policemen which guaranteed that no member would lose any rights or benefits that the member would have been entitled to under Policemen's Pension and Relief Fund of the City of Alexandria. Specifically, the Policemen's Pension and Relief Fund provided a retirement eligibility requirement of 18 years of service at any age- these eligibility requirements were more liberal than those of MPERS in that benefits are not payable until age 58 with 38 years of service, age 58 with a minimum of 13 years of service or at any age with 25 years of service. Therefore, if a policeman retires prior to age 58, the agreement guarantees that the City will pay the benefit until age 58 at which time MPERS will commence retirement benefit payments.

As a result of the merger, all active policemen are now subject to the benefit formula and retirement eligibility requirements prescribed by MPERS. In addition, all retirees, widows, and survivors were guaranteed to continue receiving their current benefits regardless of MPERS' benefit provisions.

POLICEMEN'S PENSION AND RELIEF FUND
CITY OF ALEXANDRIA, LOUISIANA
APRIL 30, 1998

NOTE TO FINANCIAL STATEMENTS

At April 30, 1998, Fund membership consisted of:

Current employees	
vested 10 years of service and age less than 60	-0-
Retirees and survivors currently receiving benefits	1
Total	1

Retirement benefits vest after twenty years of creditable service. The plan provides normal retirement benefits after twenty years of service at two-thirds of the highest average monthly salary for any continuous twelve month period of time worked prior to retirement.

Covered employees are not required to contribute to the Fund. The City of Alexandria is required to contribute twenty percent of municipal court fines, ten percent of fees and alcohol licenses, and an amount equal to the current operating deficit of the Fund without regard for reserve requirements accruing or having accrued as an actuarial liability. Benefit and contribution provisions are established by state law and may be amended only by the Legislature of the State of Louisiana.

Significant Accounting Policies

Basis of Accounting - The Fund's financial statements are prepared using the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Change in Accounting Principle - During the current fiscal year, the Fund implemented the provisions of GASB Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Net Liabilities for Defined Contribution Plans. Under GASB Statement No. 25, the Fund is required to report plan investments at their fair value at the reporting date. The Fund was not required to restate the beginning balance of plan net assets because investments at April 30, 1997 consisted of certificates of deposits for which cost was equal to fair value.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles 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 these estimates.

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

Investments - Statutes allow the Fund to invest in securities issued, guaranteed, or insured by the United States government, certificates of deposit of

POLICEMEN'S PENSION AND RELIEF FUND
CITY OF ALBANY, LOUISIANA
APRIL 30, 1948

NOTES TO FINANCIAL STATEMENTS

Investments - System allows the Fund to invest in securities issued, guaranteed, or insured by the United States government, 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, which consist of certificates of deposit, are valued at cost which equals fair value.

Short-term receivables - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables are classified as "due from other funds" on the Statement of Plan Roll Assets.

REQUIRED SUPPLEMENTAL INFORMATION

**POLICEMEN'S PENSION AND RELIEF FUND
CITY OF MONROE, LOUISIANA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF FUNDING PROGRESS**

SCHEDULE 1

ACTUARIAL VALUATION DATE	(2) ACTUARIAL		(3) EMPLOYERS		(4) EMPLOYEES		GRAND TOTAL PERCENTAGE OF COVERED PAYROLL
	VALUE OF ASSETS	LIABILITY (RAB)- RATES FOR RATES	FUNDED RATIO <u>(2) / (3)</u>	FUNDED RATIO <u>(3) / (4)</u>	(5)		
					COVERED PAYROLL	UNCOVERED PAYROLL	
04/30/93	\$217,877	\$228,088	95%	\$228,088	\$425,834	54%	
04/30/94	217,877	448,398	49%	451,522	448,424	100%	
04/30/95	217,877	681,485	32%	371,818	387,447	100%	
04/30/96	217,877	781,482	28%	533,885	128,373	81%	
04/30/97	217,877	881,938	25%	884,861	-0-	0%	
04/30/98	217,877	878,922	25%	353,844	-0-	0%	

Effective August 18, 1993, the System merged with the statewide Municipal Police Employees' Retirement System (MPERS) (See Note 1). The system remains liable only for retirees and survivors currently receiving benefits. All active policemen are now subject to the benefit formula and retirement eligibility requirements prescribed by MPERS. Therefore, the above presented percentages are not representative of normal expectations.

See independent auditor's report.

POLICEMEN'S PENSION AND RELIEF FUND
CITY OF MONROE, LOUISIANA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS

SCHEDULE 2

YEAR ENDED APRIL 30	AMOUNT RECORDED CONTRIBUTION	PERCENTAGE CONTRIBUTED
1993	\$228,800	100%
1994	271,206	100%
1995	281,748	100%
1996	293,800	100%
1997	274,270	100%
1998	219,836	100%

See Independent auditor's report.

POLICEMEN'S PENSION AND RELIEF FUND
CITY OF MONROE, LOUISIANA
NOTE TO REQUIRED SUPPLEMENTAL INFORMATION

The information presented in the required supplemental schedules was determined as part of the actuarial valuations at the date indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	04/30/99
Actuarial cost method	Entry Age Normal
Asset valuation method	Book Value
Actuarial assumptions: Investment rate of return	7.0%

See independent auditor's report.

ADDITIONAL INFORMATION

POLICEMEN'S PENSION AND RELIEF FUND
 CITY OF ALEXANDRIA, LOUISIANA
 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
 YEAR ENDED APRIL 30, 1998

SCHEDULE D

CASH IN HAND, MAY 1, 1997		\$ 47,389
Receipts		
Employee contributions	170,000	
Interest received	6,488	
Received from investments	<u> 22</u>	
Total Receipts		181,488
TOTAL CASH AVAILABLE		228,877
Disbursements		
Plan benefits	120,922	
Administrative and other expenses	<u> 1,889</u>	
Total Disbursements		122,811
<u>CASH IN HAND, APRIL 30, 1998</u>		<u>\$ 106,066</u>

See independent auditor's report.

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
AND LOUISIANA GOVERNMENTAL AIDIT GUIDE**

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



PAVNE, VENTURA & HERRINGTON, LLP

CIVIL PENS ACCOUNTS

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

The honorable Mayor, City Council, and Board of Trustees Policemen's Pension and Relief Fund City of Alexandria, Louisiana

We have audited the financial statements of the Policemen's Pension and Relief Fund (the Fund) of the City of Alexandria, Louisiana, as of and for the year ended April 30, 1998, and have issued our report thereon dated July 21, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Policemen's Pension and Relief Fund financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no material instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Policemen's Pension and Relief Fund's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may





PAUL MOORE & HERINGTON, LLP

The Honorable Mayor, City Council,
and Board of Trustees
Policemen's Pension and Relief Fund
City of Alexandria, Louisiana

occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Honorable Mayor, City Council, Board of Trustees, and management of the Policemen's Pension and Relief Fund. However, this report is a matter of public record and its distribution is not limited.

Paul Moore & Herington, LLP
Certified Public Accountants

July 21, 1998

SCHEDULE OF FINISHES AND QUANTIFIED COSTS

POLICEMEN'S PENSION AND RELIEF FUND
CITY OF ALEXANDRIA, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED APRIL 30, 1988

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? ___ yes ___X___ no

Reportable conditions identified that are not considered to be material weaknesses? ___ yes ___X___ none reported

Noncompliance material to financial statements noted? ___ yes ___X___ no

Prior Year Audit Findings None

Management's Corrective Action Plan Not Applicable

Federal Awards Not Applicable

SECTION II - FINANCIAL STATEMENT FINDINGS

None.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Not applicable.