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# CITY OF ALEXANDRIA FINANCIAL REPORT

ALEXANDRIA, LOUISIANA

APRIL 30, 1999

Under the provisions of the Louisiana Constitution, the City of Alexandria is required to submit to the State Auditor a financial report for each fiscal year. This report is prepared in accordance with the provisions of the Louisiana Constitution and the Louisiana Revised Statutes, Title 24, Chapter 1, which require the City to submit to the State Auditor a financial report for each fiscal year. The report is prepared in accordance with the provisions of the Louisiana Constitution and the Louisiana Revised Statutes, Title 24, Chapter 1, which require the City to submit to the State Auditor a financial report for each fiscal year.

NOV 24 1999



**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

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PAYNE, MOORE & HERRINGTON, LLP

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, 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, 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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether 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, 1999, 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, 1999, 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.

As discussed in Note 1 of the financial statements, effective May 1, 1998, the City adopted Statement No. 31 of the Governmental Accounting Standards Board, Accounting and Financial Reporting for Certain Investments and for External Investment Pools.

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The Honorable Mayor and City Council  
City of Alexandria, Louisiana

In accordance with *Government Auditing Standards*, we have also issued a report dated October 12, 1999, on our consideration of the internal control over financial reporting of the City of Alexandria, Louisiana, and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

The year 2000 supplementary information on page 123 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and the presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that the City of Alexandria, Louisiana is or will become year 2000 compliant, that the City's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City does business are or will become year 2000 compliant.

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 of the City of Alexandria, Louisiana. The accompanying financial information listed as additional information in the table of contents, including the schedule of expenditures of federal awards as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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.

  
Certified Public Accountants

October 12, 1999



#### 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. Information in the form of combining, individual fund, and account group statements and schedules is included elsewhere in this report.

CITY OF ALEXANDRIA, LOUISIANA  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 APRIL 30, 1999

	PRIMARY GOVERNMENT'S				
	GOVERNMENTAL FUND TYPES				PROPRIETARY
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	FUND TYPES ENTERPRISE
<b>ASSETS AND OTHER DEBITS</b>					
<b>ASSETS</b>					
Cash	\$ 3,551	\$ 1,119,450		\$ 110,541	\$ 274,999
Equity in pooled cash and investments	7,703,309		680,581	22,317,825	9,405,934
Investments			2,769,159		
Receivables (net of allowance for uncollectibles)					
Taxes	31,102	1,761,655	16,550	52,055	
Accounts					6,842,129
Intergovernmental	575,447	205,653		98,034	81,492
Other	1,161,874	51,218	35,115	457	48,075
Due from other funds	1,542,559	1,436		255,672	29,937
Prepaid expenses					
Inventory	119,243	4,000			1,817,441
Restricted assets					35,543,660
Fixed assets (net where applicable of accumulated depreciation)					102,277,781
Other assets					1,707,908
<b>OTHER DEBITS</b>					
Amount available in debt service funds					
Amount to be provided for retirement of General long-term debt					
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 11,137,085</b>	<b>\$ 3,143,412</b>	<b>\$ 3,501,405</b>	<b>\$ 22,834,584</b>	<b>\$ 158,029,356</b>

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

EXHIBIT A  
(Continued)

PRIMARY GOVERNMENT'S				COMPONENT UNITS			TOTAL
PROPRIETARY	FIDUCIARY	ACCOUNT GROUPS		TOTAL	ALEXANDRIA		MEMORANDUM
FUND TYPES	FUND TYPES	GENERAL	GENERAL	MEMORANDUM	CITY	CITY	ONLY
INTERNAL	TRUST	FIXED	LONG-TERM	ONLY	MARSHAL	COURT	REPORTING
SERVICE		ASSETS	DEBT	PRIMARY			ENTITY
				GOVERNMENT			
\$ 26,946	\$ 1,105,658	\$	\$	\$ 2,641,145	\$ 151,223	\$ 437,324	\$ 3,229,692
8,380,959				48,488,608			48,488,608
	62,509,912			65,279,071		140,000	65,419,071
				1,861,362			1,861,362
	150,585			6,992,714			6,992,714
				960,626		11,079	971,705
254,675	529,033			2,080,447	10,417	714	2,091,578
33	109,066			1,938,703	8,447	168	1,947,318
37,818				37,815		1,023	38,838
				1,940,684			1,940,684
				35,543,660			35,543,660
14,603	8,514	79,851,587		182,152,485	142,467	295,480	182,590,432
				1,707,908			1,707,908
			3,501,405	3,501,405			3,501,405
			41,272,024	41,272,024			41,272,024
<u>\$ 8,715,031</u>	<u>\$ 64,412,768</u>	<u>\$ 79,851,587</u>	<u>\$ 44,773,429</u>	<u>\$ 396,398,657</u>	<u>\$ 312,554</u>	<u>\$ 885,788</u>	<u>\$ 397,596,999</u>

CITY OF ALEXANDRIA, LOUISIANA  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 APRIL 30, 1999

	PRIMARY GOVERNMENT'S				
	GOVERNMENTAL FUND TYPES				PROPRIETARY
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE FUND TYPES
<b>LIABILITIES, EQUITY, AND OTHER CREDITS</b>					
<b>LIABILITIES</b>					
Bank overdraft	\$	\$	\$	\$	\$
Accounts and contracts payable	300,056	79,757		1,953,333	1,379,841
Accrued expense/other payables	697,233	7,894			1,460,216
Liability for unpaid claims costs					
Compensated absences payable					
Payable from restricted assets					8,780,086
Due to other funds	117,060	1,670,363		8,236	143,044
Due to other governments		36,303			
Advance from other funds				1,050,000	674,811
Deferred revenues	436,127	52,889			
General obligations payable					
Revenue bonds					54,955,000
Landfill postclosure care costs					150,000
Claims and judgments payable					
<b>Total Liabilities</b>	<b>1,550,476</b>	<b>1,847,206</b>	<b>-0-</b>	<b>3,011,569</b>	<b>67,542,998</b>
<b>EQUITY AND OTHER CREDITS</b>					
Investment in general fixed assets					
Contributed capital					43,888,787
Retained earnings					
Reserved					21,740,123
Unreserved					24,857,448
Fund balances					
Reserved	29,232	221,723	3,501,405	3,731,815	
Unreserved - designated				890,448	
Unreserved - undesignated	9,557,377	1,074,483		15,200,752	
<b>Total Equity and Other Credits</b>	<b>9,586,609</b>	<b>1,296,206</b>	<b>3,501,405</b>	<b>19,823,015</b>	<b>90,486,358</b>
<b>TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS</b>	<b>\$ 11,137,085</b>	<b>\$ 3,143,412</b>	<b>\$ 3,501,405</b>	<b>\$ 22,834,584</b>	<b>\$ 158,029,356</b>

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

EXHIBIT A  
(Concluded)

PRIMARY GOVERNMENT'S				COMPONENT UNITS			TOTAL
PROPRIETARY	FIDUCIARY	ACCOUNT GROUPS		TOTAL	ALEXANDRIA		MEMORANDUM
FUND TYPES	FUND TYPES	GENERAL	GENERAL	MEMORANDUM	CITY	CITY	ONLY
INTERNAL	TRUST	FIXED	LONG-TERM	ONLY	MARSHAL	COURT	PRIMARY
SERVICE		ASSETS	DEBT	GOVERNMENT			
\$ 210,434	\$	\$	\$	\$ 210,434	\$	\$	\$
42,359				3,755,346	28,810	1,678	3,785,834
7,250	210			2,172,803	40,426	305,381	2,518,610
4,647,000				4,647,000			4,647,000
			1,680,429	1,680,429			1,680,429
				8,780,086			8,780,086
				1,938,703	8,447	168	1,947,318
				36,303			36,303
				1,724,811			1,724,811
				489,016			489,016
			33,078,000	33,078,000			33,078,000
			10,015,000	64,970,000			64,970,000
				150,000			150,000
454,876				454,876			454,876
5,361,919	210	-0-	44,773,429	124,087,807	77,683	307,227	124,472,717
		79,851,587		79,851,587	142,467	295,480	80,289,534
655,791				44,544,578			44,544,578
124,810				21,864,933			21,864,933
2,572,511				27,429,959			27,429,959
		64,412,558		71,896,733			71,896,733
				890,448			890,448
				25,832,612	92,404	283,081	26,208,097
3,353,112	64,412,558	79,851,587	-0-	272,310,850	234,871	578,561	273,124,282
<u>\$ 8,715,031</u>	<u>\$ 64,412,768</u>	<u>\$ 79,851,587</u>	<u>\$ 44,773,429</u>	<u>\$ 396,398,657</u>	<u>\$ 312,554</u>	<u>\$ 885,788</u>	<u>\$ 397,596,999</u>

CITY OF ALEXANDRIA, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES  
 YEAR ENDED APRIL 30, 1999

	PRIMARY	
	GENERAL	SPECIAL REVENUE
<b>REVENUES</b>		
Taxes	\$ 1,746,964	\$ 19,107,323
Licenses and permits	1,783,244	
Intergovernmental	8,380,607	1,682,076
Charges for services	419,075	218,401
Fines and fees	554,540	
Investment revenue	401,694	65,154
Court costs		
Other	286,635	155,894
Total Revenues	13,572,759	21,228,848
<b>EXPENDITURES</b>		
Current		
General government	6,102,562	75,473
Public safety	13,996,990	
Public works	6,618,852	
Special programs		2,057,635
Capital outlay	1,321,750	176,386
Debt service		
Principal	410,422	
Interest and fiscal charges	1,326,541	
Total Expenditures	29,777,117	2,309,494
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(16,204,358)	18,919,354
<b>OTHER FINANCING SOURCES (USES)</b>		
Proceeds of refunding certificates of indebtedness	21,857,971	
Payment of police and fire pension merger liabilities from proceeds of refunding certificates of indebtedness	(21,444,320)	
Payment of costs of issuing refunding certificates of indebtedness	(261,276)	
Operating transfers in (out)	17,331,520	(18,805,429)
Total Other Financing Sources (Uses)	17,483,895	(18,805,429)
<b>EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	1,279,537	113,925
<b>FUND BALANCES, BEGINNING OF YEAR</b>	8,307,072	1,182,281
<b>FUND BALANCES, END OF YEAR</b>	\$ 9,586,609	\$ 1,296,206

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

EXHIBIT B

GOVERNMENT'S		PRIMARY GOVERNMENT	COMPONENT UNITS		TOTAL MEMORANDUM ONLY
DEBT SERVICE	CAPITAL PROJECTS	TOTAL MEMORANDUM ONLY	ALEXANDRIA		REPORTING ENTITY
			CITY MARSHAL	CITY COURT	
\$ 758,389	\$ 2,799,677	\$ 24,412,353	\$	\$	\$ 24,412,353
		1,783,244			1,783,244
	394,539	10,457,222		5,287	10,462,509
		637,476			637,476
		554,540			554,540
166,418	1,561,154	2,194,420	8,341	7,256	2,210,017
		-0-	123,969	128,367	252,336
	668,742	1,111,271	1,107	2,318	1,114,696
924,807	5,424,112	41,150,526	133,417	143,228	41,427,171
		6,178,035	114,300	88,373	6,380,708
		13,996,990			13,996,990
		6,618,852			6,618,852
		2,057,635			2,057,635
	14,175,643	15,673,779	1,896	10,252	15,685,927
2,456,000		2,866,422			2,866,422
1,193,576		2,520,117			2,520,117
3,649,576	14,175,643	49,911,830	116,196	98,625	50,126,651
(2,724,769)	(8,751,531)	(8,761,304)	17,221	44,603	(8,699,480)
		21,857,971			21,857,971
		(21,444,320)			(21,444,320)
	(2,925)	(264,201)			(264,201)
3,238,157	1,525,603	3,289,851			3,289,851
3,238,157	1,522,678	3,439,301	-0-	-0-	3,439,301
513,388	(7,228,853)	(5,322,003)	17,221	44,603	(5,260,179)
2,988,017	27,051,868	39,529,238	75,183	238,478	39,842,899
\$ 3,501,405	\$ 19,823,015	\$ 34,207,235	\$ 92,404	\$ 283,081	\$ 34,582,720

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, 1999

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Taxes	\$ 1,728,000	\$ 1,746,964	\$ 18,964
Licenses and permits	1,694,500	1,783,244	88,744
Intergovernmental	8,468,349	8,380,607	(87,742)
Charges for services	336,430	419,075	82,645
Fines and fees	582,000	554,540	(27,460)
Investment revenue	360,000	401,694	41,694
Other	239,393	286,635	47,242
Total Revenues	13,408,672	13,572,759	164,087
<b>EXPENDITURES</b>			
Current			
General government	6,495,087	6,102,562	392,525
Public safety	14,767,590	13,996,990	770,600
Public works	7,114,236	6,618,852	495,384
Special programs			
Capital outlay	1,989,265	1,321,750	667,515
Debt service			
Principal	410,422	410,422	-0-
Interest and fiscal charges	1,326,541	1,326,541	-0-
Total Expenditures	32,103,141	29,777,117	2,326,024
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(18,694,469)	(16,204,358)	2,490,111
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of refunding certificates of indebtedness	21,857,972	21,857,971	(1)
Payment of police and fire pension merger liabilities from proceeds of refunding certificates of indebtedness	(21,693,449)	(21,444,320)	249,129
Payment of costs of issuing refunding certificates of indebtedness	(319,900)	(261,276)	58,624
Operating transfers in (out)	16,669,812	17,331,520	661,708
Total Other Financing Sources (Uses)	16,514,435	17,483,895	969,460
<b>EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	(2,180,034)	1,279,537	3,459,571
<b>FUND BALANCES, BEGINNING OF YEAR</b>	8,307,072	8,307,072	-0-
<b>FUND BALANCES, END OF YEAR</b>	\$ 6,127,038	\$ 9,586,609	\$ 3,459,571

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



EXHIBIT C

SPECIAL REVENUE FUNDS			DEBT SERVICE FUNDS		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
\$ 18,352,938	\$ 19,107,323	\$ 754,385	\$ 767,000	\$ 758,389	\$ (8,611)
3,816,829	1,682,076	(2,134,753)			
245,000	218,401	(26,599)			
33,000	65,154	32,154	174,500	166,418	(8,082)
182,905	155,894	(27,011)			
22,630,672	21,228,848	(1,401,824)	941,500	924,807	(16,693)
159,293	75,473	83,820			
4,359,070	2,057,635	2,301,435			
853,711	176,386	677,325			
			2,456,000	2,456,000	-0-
			1,198,833	1,193,576	5,257
5,372,074	2,309,494	3,062,580	3,654,833	3,649,576	5,257
17,258,598	18,919,354	1,660,756	(2,713,333)	(2,724,769)	(11,436)
(17,985,432)	(18,805,429)	(819,997)	2,978,455	3,238,157	259,702
(17,985,432)	(18,805,429)	(819,997)	2,978,455	3,238,157	259,702
(726,834)	113,925	840,759	265,122	513,388	248,266
1,182,281	1,182,281	-0-	2,988,017	2,988,017	-0-
\$ 455,447	\$ 1,296,206	\$ 840,759	\$ 3,253,139	\$ 3,501,405	\$ 248,266

CITY OF ALEXANDRIA, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND  
 CHANGES IN RETAINED EARNINGS/FUND BALANCES  
 ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS  
 YEAR ENDED APRIL 30, 1999

EXHIBIT D

	PROPRIETARY FUND TYPE		FIDUCIARY FUND TYPE	TOTAL (MEMORANDUM ONLY)
	ENTERPRISE	INTERNAL SERVICE	PENSION TRUSTS	
<b>OPERATING REVENUES</b>				
Charges for sales and services	\$ 61,718,780	\$ 7,363,713	\$	\$ 69,082,493
Member and employer contributions			4,234,786	4,234,786
Investment income			9,790,363	9,790,363
Other	1,597,620		3,061	1,600,681
<b>Total Operating Revenues</b>	<b>63,316,400</b>	<b>7,363,713</b>	<b>14,028,210</b>	<b>84,708,323</b>
<b>OPERATING EXPENSES</b>				
Production, distribution, treatment, and collection	40,608,761			40,608,761
Insurance claims and premiums		7,290,257		7,290,257
Cost of service	4,482,959			4,482,959
Depreciation	5,139,681	4,280		5,143,961
Plan benefit payments			4,654,760	4,654,760
Employee refunds			209,610	209,610
General and administrative expense	5,851,108	384,280	106,035	6,341,423
<b>Total Operating Expenses</b>	<b>56,082,509</b>	<b>7,678,817</b>	<b>4,970,405</b>	<b>68,731,731</b>
<b>OPERATING INCOME (LOSS)</b>	<b>7,233,891</b>	<b>(315,104)</b>	<b>9,057,805</b>	<b>15,976,592</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Grant revenue	647,520			647,520
Investment revenue	2,667,104	448,416		3,115,520
Gain on sale of fixed assets	18,426			18,426
Interest expense and fiscal charges	(3,061,920)			(3,061,920)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>271,130</b>	<b>448,416</b>	<b>-0-</b>	<b>719,546</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>7,505,021</b>	<b>133,312</b>	<b>9,057,805</b>	<b>16,696,138</b>
<b>OPERATING TRANSFERS IN (OUT)</b>	<b>(4,193,196)</b>	<b>903,345</b>	<b>-0-</b>	<b>(3,289,851)</b>
<b>NET INCOME</b>	<b>3,311,825</b>	<b>1,036,657</b>	<b>9,057,805</b>	<b>13,406,287</b>
<b>RETAINED EARNINGS/FUND BALANCES, BEGINNING OF YEAR</b>	<b>43,285,746</b>	<b>1,660,664</b>	<b>55,354,753</b>	<b>100,301,163</b>
<b>RETAINED EARNINGS/FUND BALANCES, END OF YEAR</b>	<b>\$ 46,597,571</b>	<b>\$ 2,697,321</b>	<b>\$ 64,412,558</b>	<b>\$ 113,707,450</b>

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

CITY OF ALEXANDRIA, LOUISIANA  
 COMBINED STATEMENT OF CASH FLOWS  
 ALL PROPRIETARY FUND TYPES  
 YEAR ENDED APRIL 30, 1999

EXHIBIT E  
 (Continued)

	ENTERPRISE	INTERNAL SERVICE	TOTAL (MEMORANDUM ONLY)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 7,233,891	\$ (315,104)	\$ 6,918,787
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	5,589,601	4,280	5,593,881
Provision for doubtful accounts	276,645		276,645
Changes in assets and liabilities			
Customer receivables	(1,145,069)		(1,145,069)
Other receivables	(566)	48,171	47,605
Prepaid expenses		(8,204)	(8,204)
Due from other funds	315,872	495	316,367
Inventories	129,212		129,212
Accounts payable	492,105	15,968	508,073
Claims payable	(1,074,689)	(114,680)	(1,189,369)
Due to other funds	76,355		76,355
Accrued expenses and other liabilities	87,372	656	88,028
Estimated liability for landfill post-closure costs	(330,310)		(330,310)
Estimated liability for claims incurred		(204,000)	(204,000)
Customer deposits - net	117,226		117,226
Net Cash Provided (Used) by Operating Activities	11,767,645	(572,418)	11,195,227
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Operating transfers - net	(4,188,420)	903,345	(3,285,075)
Advances to other funds			-0-
Repayment of advances to other funds	650,000		650,000
Government subsidy - operations	609,914		609,914
Bank overdraft - net		(48,480)	(48,480)
Net Cash Provided (Used) by Noncapital Financing Activities	(2,928,506)	854,865	(2,073,641)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of property, plant, and equipment	(7,454,252)	(3,194)	(7,457,446)
Sale of property, plant, and equipment	18,463		18,463
Government subsidy - capital grant	40,482		40,482
Payments of bonds and other indebtedness	(2,940,000)		(2,940,000)
Interest paid on long-term debt	(3,061,858)		(3,061,858)
Interest received on construction funds	1,034,534		1,034,534
Contribution in aid of construction	6,579		6,579
Net Cash Provided (Used) by Capital and Related Financing Activities	(12,356,052)	(3,194)	(12,359,246)

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

CITY OF ALEXANDRIA, LOUISIANA  
 COMBINED STATEMENT OF CASH FLOWS  
 ALL PROPRIETARY FUND TYPES  
 YEAR ENDED APRIL 30, 1999

EXHIBIT E  
 (Concluded)

	ENTERPRISE	INTERNAL SERVICE	TOTAL (MEMORANDUM ONLY)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Change in equity in pooled cash and investments - net	\$ (5,130,202)	\$ (700,723)	\$ (5,830,925)
Change in investments - net	4,982,582		4,982,582
Interest received on operating funds	1,681,886	448,416	2,130,302
Net Cash Provided by Investing Activities	1,534,266	(252,307)	1,281,959
<b>NET DECREASE IN CASH AND EQUIVALENTS</b>	(1,982,647)	26,946	(1,955,701)
<b>CASH AND EQUIVALENTS, BEGINNING OF YEAR</b>	6,952,960	-0-	6,952,960
<b>CASH AND EQUIVALENTS, END OF YEAR</b>	\$ 4,970,313	\$ 26,946	\$ 4,997,259
<b>CLASSIFIED AS</b>			
Current Assets	\$ 274,999	\$ 26,946	\$ 301,945
Restricted Assets	4,695,324		4,695,324
<b>TOTAL</b>	\$ 4,970,323	\$ 26,946	\$ 4,997,269

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

**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

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**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

**1. ORGANIZATION AND 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. Change in Accounting Principle**

During the year ended April 30, 1999, the City implemented the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. In accordance with this statement, the City is required to report its investments, other than investment held by its defined benefit pension plans, at their fair value on the reporting date. In addition, the Statement indicates that the cumulative effect of applying this Statement, if material, should be reported as a restatement of beginning fund balance or retained earnings, as appropriate. At May 1, 1998, there was no material difference between fair market value and carrying value of investments covered by this Statement, therefore, beginning fund balance or retained earnings, as appropriate, has not been restated.

**B. 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.C. 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

CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999

NOTES TO FINANCIAL STATEMENTS

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.
- c. Issue debt without approval by another government.

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

C. Individual Component Unit Disclosures

Blended Component Units. 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 unit 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, 1998.



CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999

NOTES TO FINANCIAL STATEMENTS

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

D. 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.

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.

**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

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.

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.

**E. 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.

Proprietary funds follow GAAP prescribed by the Governmental Accounting Standards Board and all Financial Accounting Standards Board's Standards issued prior to November 30, 1989. 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. 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

**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

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.

**F. 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 and some special revenue funds 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. 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.

**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

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.

**G. 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 Fund, Special Revenue Funds, and Capital Projects Funds. Encumbrances at year end, if material, are reported as reservations of fund balances.

**H. Cash and Investments**

Cash - Cash includes amounts on hand and in demand deposits and repurchase agreements. 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.

Investments - Investments are reported at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Certificates of deposit classified as investments are valued at cost which equals fair value. U.S. Treasury Notes are valued based on quoted market prices. Corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. Securities traded on national securities exchanges are valued at the last reported sales price on the last business day of the plan year. Investments traded in the over-the-counter market are valued at the average of the last reported bid and asked prices. Mortgages have been valued on the basis of their future principal and interest payments discounted at prevailing interest rates for similar investments.

**I. Short-term Interfund Receivables/Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables

CITY OF ALEXANDRIA, LOUISIANA

APRIL 30, 1999

NOTES TO FINANCIAL STATEMENTS

and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

J. Advances to Other Funds

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

K. Inventories

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

L. 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 funds 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.

M. 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.

**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

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.

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.

**N. 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.

**O. 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. 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.

CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999

NOTES TO FINANCIAL STATEMENTS

P. 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.

Q. 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.

R. 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.

S. Supplemental Wages

Certain employees of the police and fire departments receive supplemental wages from the State of Louisiana. These supplemental wages are recognized as intergovernmental revenue and public safety expenditures in the General Fund.

T. Interfund transactions

Quasi-external transactions, if any, are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as operating transfers.

**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

U. 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 those estimates.

V. 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."

At April 30, 1999, the pooled cash and investments account was comprised of the following:



**CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

Cash and cash equivalents	
Cash in bank	\$ 38,827
Repurchase agreements	<u>25,170,074</u>
Total Cash and Cash Equivalents	25,208,901
Investments - United States Treasury Notes	49,526,877
Interest receivable	<u>811,150</u>
Total pooled cash and investments	\$75,546,928

A summary of equity in pooled cash and investments by fund at April 30, 1999 follows:

Unrestricted	
General Fund	\$ 7,703,309
Debt Service Funds	
General Obligation Bonds Fund	680,581
Capital Projects Funds	
General Capital Projects Fund	7,063,024
1988 Drainage Property Tax Fund	2,706,317
1993 Streets and Drainage Property Tax Fund	4,708,241
Public Safety Complex Fund	2,609,605
1998 Property Tax General Capital Projects Fund	5,230,638
Enterprise Funds	
Utilities System Fund	8,457,613
Municipal Bus Line Fund	454,746
Sanitation Fund	493,575
Internal Service Funds	
Risk Management Fund	7,500,113
Employee Benefits Insurance Fund	533,489
Unemployment Benefits Fund	<u>347,357</u>
Total Unrestricted	48,488,608
Restricted	
Utilities System Enterprise Fund	
Customers' deposits	3,062,843
Special projects	2,791,235
Revenue bond reserve	4,964,266
Capital projects	10,427,586
Revenue bond construction	<u>5,812,390</u>
Total Restricted	<u>27,058,320</u>
Total equity in pooled cash and investments	\$75,546,928

**CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

Cash and cash equivalents

At April 30, 1999, cash and cash equivalents consisted of the following:

	<u>UNRESTRICTED</u>	<u>RESTRICTED</u>	<u>INVESTMENT POOL</u>	<u>TOTAL</u>
Petty cash and change funds	\$ 8,675	\$	\$	\$ 8,675
Cash with bond paying agent		4,695,324		4,695,324
Cash and cash equivalents				
Cash in bank	1,745,823		38,827	1,784,650
Repurchase agreements	<u>886,647</u>	<u>                    </u>	<u>25,170,074</u>	<u>26,056,721</u>
Total Cash and cash equivalents	\$2,641,145	\$4,695,324	\$25,208,901	\$32,545,370

Cash and cash equivalents are reported in the combined balance sheet as follows:

Reported as cash and cash equivalents	\$ 2,641,145
Included in restricted assets	4,695,324
Included in equity in pooled cash and investments	<u>25,208,901</u>
	\$32,545,370

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.

Investments - The City may invest in United States bonds, treasury notes, or time certificates of deposit of any bank domiciled or having a branch 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 deposit 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.

**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

Reported as investments in the combined balance sheet,  
at fair value

Debt Service Funds		
Certificates of deposit	\$	2,769,159
Pension Trust Funds		
Certificates of deposit		182,742
Corporate bonds		16,665,235
U.S. Treasury obligations		2,690,903
U.S. Government agencies		5,716,008
Zero coupon treasury receipts		7,164,729
Corporate stocks		<u>30,090,295</u>
Total Pension Trust Funds		<u>62,509,912</u>
		65,279,071

Included in equity in pooled cash and investments,  
at fair value

U.S. Treasury obligations	49,526,877
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Included in restricted assets,  
at fair value

U.S. Treasury obligations	<u>2,355,129</u>
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Total Investments	\$117,161,077
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A comparison of the fair values of investments to cost or amortized cost is presented below:

	FAIR VALUE	COST	UNREALIZED GAIN (LOSS)
Certificates of deposit	\$ 2,951,901	\$ 2,951,901	\$ -0-
Corporate bonds	16,665,235	15,265,489	1,399,746
U.S. Treasury obligations	54,572,909	54,145,998	426,911
U.S. Government agencies	5,716,008	5,498,003	218,005
Zero coupon treasury receipts	7,164,729	5,626,588	1,538,141
Corporate stocks	<u>30,090,295</u>	<u>19,155,511</u>	<u>10,934,784</u>
Total Investments	\$117,161,077	\$102,643,490	\$14,517,587

**CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

**3. RECEIVABLES**

Receivables at April 30, 1999, consist of the following:

	GOVERNMENTAL FUND <u>TYPES</u>	PROPRIETARY FUND <u>TYPES</u>	FIDUCIARY FUND <u>TYPES</u>	<u>TOTALS</u>
Taxes				
Ad valorem	\$ 233,504	\$	\$	\$ 233,504
Sales taxes	1,761,655			1,761,655
Accounts				
Uncollected cycle billings		5,211,711		5,211,711
Estimated services between cycles		3,062,809		3,062,809
Intergovernmental				
Federal	547,467	71,668		619,135
State	331,667	9,824		341,491
Interest and dividends	35,115	41,644	529,033	605,792
Other	<u>2,354,467</u>	<u>261,106</u>	<u>150,585</u>	<u>2,766,158</u>
Gross receivables	5,263,875	8,658,762	679,618	14,602,255
Allowance for uncollectibles	<u>(1,274,715)</u>	<u>(1,432,391)</u>	<u>-0-</u>	<u>(2,707,106)</u>
Net receivables	\$ 3,989,160	\$ 7,226,371	\$679,618	\$11,895,149

Ad valorem taxes attach as an enforceable lien on property as of January 1st 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 1st 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, 1999, taxes of 21.58 mills were levied on property with assessed values totaling \$221,597,423 and were dedicated as follows:

Streets and drainage	11.25 mills
Debt service	3.50 mills
General purpose	6.83 mills

Total taxes levied were \$4,782,072 of which \$126,708, representing current taxes, remained uncollected at April 30, 1999.

**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

Receivables arising from utility services provided to customers consist of uncollected billings rendered customers on monthly cycle billings and estimated services provided customers between billing cycles. The allowance for uncollectible accounts of \$1,432,391 represents the projected uncollectible accounts at April 30, 1999.

**4. DUE FROM/TO OTHER FUNDS**

Amounts due from and to other funds at April 30, 1999, consist of the following:

	<u>DUE FROM OTHER FUNDS</u>	<u>DUE TO OTHER FUNDS</u>
General Fund	\$1,542,559	\$ 117,060
Special Revenue Funds		
City Sales Tax Fund		1,572,851
Community Development Block Grant Fund	239	91,315
Home Investment Partnership Fund	1,197	5,000
Economic Development Fund		1,197
Capital Projects Funds		
General Capital Projects Fund	251,589	4,153
1993 Streets and Drainage Property Tax Fund	4,083	
1998 Property Tax General Capital Projects Fund		4,083
Enterprise Funds		
Utilities System Fund	5,588	137,456
Municipal Bus Line Fund	10,949	5,588
Sanitation Fund	13,400	
Internal Service Funds		
Risk Management Fund	33	
Trust and Agency Funds		
Policemen's Pension and Relief Fund	<u>109,066</u>	
Totals	<u>\$1,938,703</u>	<u>\$1,938,703</u>

**CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

**5. ADVANCES FROM/TO OTHER FUNDS**

Advances from and to other funds at April 30, 1999, consist of the following:

	<u>ADVANCES TO OTHER FUNDS</u>	<u>ADVANCES FROM OTHER FUNDS</u>
Capital Projects Funds		
General Capital Projects Fund	\$	\$1,050,000
Enterprise Funds		
Utilities System Fund		
Included in restricted assets	1,050,000	
Included in other assets	674,811	
Sanitation Fund		
Included in noncurrent liabilities		<u>674,811</u>
	<u>\$1,724,811</u>	<u>\$1,724,811</u>

Of the above amount, \$1,574,811 is noncurrent.

**6. RESTRICTED ASSETS**

At April 30, 1999, restricted assets of the Utility System Enterprise Fund consist of the following:

Cash and cash equivalents	\$ 4,695,324
Equity in pooled cash and investments	27,058,320
Investments, at fair value	2,355,129
Accounts receivable	384,887
Advances to other funds	<u>1,050,000</u>
	<u>\$35,543,660</u>

Restricted assets of the Utility System Enterprise Fund by account at April 30, 1999, consisted of the following:

**CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

Cash with paying agent		
Cash and equivalents		\$ 4,695,324
Customers' deposits accounts		
Equity in pooled cash and investments		3,062,843
Special projects accounts		
Equity in pooled cash and investments	\$2,791,235	
Advances to General Capital Projects Fund (current \$150,000)	1,050,000	
Total		3,841,235
Revenue bond reserve account		
Equity in pooled cash and investments	4,964,266	
Investments, at fair value	<u>1,355,129</u>	
Total		6,319,395
Revenue Bond Capital Additions and Contingencies account		
Investments, at fair value		1,000,000
Utilities capital projects accounts		
Equity in pooled cash and investments	10,427,586	
Accounts receivable	<u>245,000</u>	
Total		10,672,586
Utilities Revenue Bond Construction account		
Equity in pooled cash and investments	5,812,390	
Accounts receivable	<u>139,887</u>	
Total		<u>5,952,277</u>
Total		<u>\$35,543,660</u>

**7. FIXED ASSETS**

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

	<u>BALANCE</u> <u>05/01/98</u>	<u>ADDITIONS</u>	<u>(RETIREMENTS)</u>	<u>COMPLETED</u> <u>CONSTRUCTION</u>	<u>BALANCE</u> <u>04/30/99</u>
<b>GENERAL FIXED ASSET</b>					
<b>ACCOUNT GROUP</b>					
Land	\$ 6,522,274	\$	\$	\$	\$ 6,522,274
Buildings and improvements	43,899,253	22,756		7,811,614	51,733,623
Furniture and fixtures	830,868	3,431			834,299
Equipment	6,482,719	1,281,195			7,763,914
Vehicles	5,915,907	572,630	(7,811,614)		6,488,537
Construction in progress	<u>7,425,496</u>	<u>6,895,058</u>	<u>(7,811,614)</u>	<u>                    </u>	<u>6,508,940</u>
Totals	<u>\$71,076,517</u>	<u>\$8,775,070</u>	<u>\$                    -0-</u>	<u>\$                    -0-</u>	<u>\$79,851,587</u>

**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

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	\$78,050,858
Estimated historical cost	<u>1,800,729</u>
Total	\$79,851,587

	<u>BALANCE</u> <u>05/01/98</u>	<u>ADDITIONS</u>	<u>(RETIREMENTS)</u>	<u>COMPLETED</u> <u>CONSTRUCTION</u>	<u>BALANCE</u> <u>04/30/99</u>
<b>ENTERPRISE FUNDS</b>					
Utilities System					
Land	\$ 1,196,939	\$	\$	\$	\$ 1,196,939
Plant and equipment	157,219,524	1,302,207	(60,344)	1,562,703	160,024,090
Vehicles	3,821,046	628,048	(143,953)		4,305,141
Construction in progress	<u>10,752,255</u>	<u>5,458,355</u>	<u>          </u>	<u>(1,562,703)</u>	<u>14,647,907</u>
Totals	172,989,764	7,388,610	(204,297)	-0-	180,174,077
Sanitation Fund					
Land		73,140			73,140
Vehicles	1,359,361				1,359,361
Furniture and equipment	<u>103,301</u>	<u>3,957</u>	<u>(1,513)</u>	<u>          </u>	<u>105,745</u>
Totals	1,462,662	77,097	(1,513)	-0-	1,538,246
Municipal Bus Line					
Buildings and terminals	1,504,267				1,504,267
Buses	2,060,828				2,060,828
Other vehicles	123,062				123,062
Equipment	<u>290,516</u>	<u>47,843</u>	<u>(3,543)</u>	<u>          </u>	<u>334,816</u>
Totals	<u>3,978,673</u>	<u>47,843</u>	<u>(3,543)</u>	<u>-0-</u>	<u>4,022,973</u>
Totals	<u>\$178,431,099</u>	<u>\$7,513,550</u>	<u>\$ (209,353)</u>	<u>\$ -0-</u>	<u>\$185,735,296</u>
Accumulated depreciation					<u>(83,457,515)</u>
<b>NET FIXED ASSETS - ENTERPRISE FUNDS</b>					<u><b>\$102,277,781</b></u>



**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

	<u>BALANCE</u> <u>05/01/98</u>	<u>ADDITIONS</u>	<u>(RETIREMENTS)</u>	<u>COMPLETED</u> <u>CONSTRUCTION</u>	<u>BALANCE</u> <u>04/30/99</u>
<b>INTERNAL SERVICE FUNDS</b>					
Risk Management					
Vehicles	\$ 15,477	\$	\$	\$	\$ 15,477
Furniture and equipment	<u>6,268</u>	<u>3,194</u>	<u>          </u>	<u>          </u>	<u>9,462</u>
Totals	<u>\$ 21,745</u>	<u>3,194</u>	<u>-0-</u>	<u>-0-</u>	<u>24,939</u>
Accumulated depreciation					(10,336)
<b>NET FIXED ASSETS - INTERNAL SERVICE FUNDS</b>					<u>\$ 14,603</u>
<b>FIDUCIARY FUNDS</b>					
Employees' Retirement System					
Furniture and equipment	\$ 17,011	\$ 7,696	-0-	-0-	\$ 24,707
Accumulated depreciation					(16,193)
<b>NET FIXED ASSETS - FIDUCIARY FUNDS</b>					<u>\$ 8,514</u>

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

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

CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999

NOTES TO FINANCIAL STATEMENTS

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

Enterprise Funds	
Utilities System Fund	\$5,261,085
Sanitation Fund	123,601
Municipal Bus Line Fund	204,915
Internal Service Fund	
Risk Management Fund	4,280
Pension Trust Fund	
Employees' Retirement System Fund	2,253
	\$5,596,134

The Utilities System depreciation expense above includes \$449,920 which is reflected in overhead in the operating statements. The Employees' Retirement System depreciation is included in administrative expenses.

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

	<u>PROJECT AUTHORIZATION</u>	<u>EXPENDED TO DATE</u>	<u>COMMITMENT</u>	<u>REQUIRED FURTHER FINANCING</u>
Public safety				
Public safety complex	\$ 7,300,000	\$ 5,453,278	\$1,366,662	None
Parks and recreation				
Golf course and recreation complex	2,654,271	58,248	386,101	None
Utilities System Fund				
Electric	21,458,861	13,102,154	2,722,454	None
Gas	1,604,755	830,194	246,730	None
Water	2,097,926	1,066,534	174,379	None
Wastewater	3,865,505	1,063,693	1,079,906	None
General and administrative	<u>1,700,416</u>	<u>48,035</u>	<u>717,326</u>	None
Totals	<u>30,727,463</u>	<u>16,210,610</u>	<u>4,940,795</u>	
Totals	\$40,681,734	\$21,722,136	\$6,693,558	

**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

**8. LIABILITIES PAYABLE FROM RESTRICTED ASSETS**

Liabilities payable from restricted assets of the Utilities System Enterprise Fund consisted of the following at April 30, 1999:

Payable from cash with paying agent	
Revenue bonds	\$3,105,000
Interest	1,590,324
Payable from customer deposit accounts	
Customer guaranteed deposits	3,062,843
Payable from capital projects accounts	
Accounts and contracts	93,093
Payable from revenue bond construction accounts	
Accounts and contracts	<u>928,826</u>
	<b>\$8,780,086</b>

**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, 1999.

	<u>LOSS RETAINED</u>	
	<u>OCCURRENCE</u>	<u>EACH IN AGGREGATE</u>
General liability	\$150,000	\$3,000,000
Automobile liability	150,000	1,000,000
Law enforcement liability	150,000	3,000,000
Workers' compensation	500,000	Statutory
Public officials and employees liability	75,000	1,000,000
Property damage	75,000	1,000,000

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 \$4,647,000 reported in the Fund, as of April 30, 1999, is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported

CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999

NOTES TO FINANCIAL STATEMENTS

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, 1999, were as follows:

Balance, beginning of the year	\$ 4,851,000
Current year claims and changes in estimates	1,520,072
Claims payments	<u>(1,724,072)</u>
Balance, end of the year	\$ 4,647,000

At the balance sheet date, the sum of \$124,810 has been funded for catastrophic losses.

The City is a defendant in lawsuits which are not covered by an insurance program and is involved in ongoing disputes regarding certain class actions or potential class actions filed on behalf of past and present employees. The various disputes are primarily of an employment or wage related matters. The City denies any liability or responsibility for wages or other claims and intends to contest the claim or claims vigorously and to not seek any out-of-court settlements. Legal council has advised that there is no specific estimate which can be made of the amount or range of the potential loss or exposure, if any, at this time.

**10. EMPLOYEE BENEFITS INSURANCE**

City employs 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 \$454,876 reported in the Fund at April 30, 1999, is based upon the requirements of GASB Statement No. 10, which requires that a liability for

CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999

NOTES TO FINANCIAL STATEMENTS

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, 1999, were as follows:

Balance, beginning of the year	\$ 569,556
Current year claims and changes in estimates	4,665,388
Claims payments	<u>(4,780,068)</u>
Balance, end of the year	\$ 454,876

Subsequent to the end of the current fiscal year, the employee benefits insurance fund terminated as a self-funded plan and ceased to utilize a third party administrator. Insurance was provided by a commercial carrier effective June 1, 1999. Shortly thereafter, the City was notified that coverage would cease under the present arrangement due to the financial condition of the insurance company. Effective, October 1, 1999, the City elected to return to a self-funded plan and has contracted with a separate third party to provide administrative functions relative to the plan operations.

**11. UNEMPLOYMENT BENEFITS**

The City employs an Unemployment Benefits Fund (an internal service fund) to pay 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.

During the year ended April 30, 1999, no payments were paid to the Unemployment Benefits Fund. Management believes that sufficient investments are available in the Unemployment Benefits Fund to pay claims from investment earnings.

Claims incurred as of April 30, 1999, are considered immaterial and are not included in this report.

**12. LONG-TERM DEBT**

General Obligation Debts: 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'

**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

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.

Revenue Bonds: 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, 1999, consisted of the following:

	INTEREST RATES	<u>ENTERPRISE</u>	GENERAL LONG-TERM DEBT
General Obligation			
Sales tax bonds			
1993 refunding	4.90 - 5.70	\$	\$ 5,645,000
1997 refunding	4.35 - 4.70		4,370,000
Ad valorem tax bonds	4.60 - 8.00		6,825,000
Certificates of indebtedness - 1993			
Series 1993 - refunding	5.00		588,000
Series 1998 - capital projects	4.54 - 4.60		4,090,000
Series 1998 A&B - refunding	4.65 - 6.00		4,285,000
Series 1998C - refunding	5.75 - 6.85		17,250,000
Compensated absences			1,680,429
Enterprise			
Revenue bonds			
1989 capital additions	7.25	360,000	
1992 refunding	5.15 - 6.00	20,065,000	
1993 capital additions	4.30 - 8.00	13,055,000	
1993 refunding	4.20 - 5.30	10,495,000	
1995 capital additions	5.00 - 9.00	<u>14,085,000</u>	
Totals		58,060,000	44,733,429
Current portion of Utilities System			
Enterprise obligations included in			
Liabilities payable from restricted			
assets			
Revenue bonds		<u>(3,105,000)</u>	_____
Totals		\$54,955,000	\$44,733,429

The annual requirement to amortize outstanding long-term debt other than compensated absences, including interest of \$37,127,494, is as follows:

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YEAR ENDED <u>APRIL 30</u>	<u>ENTERPRISE</u>	GENERAL LONG-TERM <u>DEBT</u>	<u>TOTAL</u>
2000	\$ 6,240,080	\$ 5,997,770	\$ 12,237,850
2001	6,234,120	5,240,261	11,474,381
2002	6,225,842	5,225,366	11,451,208
2003	6,236,265	5,225,933	11,462,198
2004	6,247,968	4,070,911	10,318,879
2005-2022	<u>40,121,250</u>	<u>41,254,728</u>	<u>81,375,978</u>
	\$71,305,525	\$67,014,969	\$138,320,494

The amount of interest costs incurred during the current period was \$2,517,155 related to general obligation debt and \$3,279,297 related to Utilities System Enterprise Fund debt, including capitalized interest of \$217,377.

During the year ended April 30, 1999, the following changes occurred in long-term liabilities:

	<u>BALANCE</u> <u>05/01/98</u>	<u>ADDITIONS</u>	<u>(REDUCTIONS)</u>	<u>BALANCE</u> <u>04/30/99</u>
<b>General Long-Term Debt</b>				
Sales Tax Bonds	\$10,790,000	\$	\$ (775,000)	\$10,015,000
Ad valorem tax bonds	7,090,000		(225,000)	6,865,000
Certificates of indebtedness	6,134,000	26,535,000	(6,456,000)	26,213,000
Police pension merger	4,290,577		(4,290,577)	-0-
Fire pension merger	18,019,527		(18,019,527)	-0-
Compensated absences	1,503,020	177,409		1,680,429
Claims and judgments	<u>207,756</u>		<u>(207,756)</u>	<u>-0-</u>
Totals	48,034,880	26,712,409	(29,973,860)	44,773,429
<b>Utilities System</b>				
Revenue bonds	61,000,000		(2,940,000)	58,060,000
Installment obligations	<u>1,074,689</u>		<u>(1,074,689)</u>	<u>-0-</u>
Totals	\$62,074,689	\$ -0-	\$ (4,014,689)	\$58,060,000

Defeased Debt: During the year ended April 30, 1999, the City issued \$21,553,000 of Certificates of Indebtedness, Series 1998A, B, and C, to currently refund \$20,753,189 of police and fire pension merger liabilities. The City defeased the police and fire pension merger liabilities to reduce its total debt service requirements over the twenty-three years by \$2,194,824 and to obtain an economic gain (the difference between the present value of the debt service payments on the old and new debt) of \$1,108,965.

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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	
Sales Tax Bonds	
Series ST-1979	\$ 4,200,000
Series ST-1987	5,210,000
Enterprise	
Utilities System Revenue Bonds	
Series 1989A	<u>9,195,000</u>
	<b>\$18,605,000</b>

Conduit Debt Obligations: On November 1, 1996, the City issued Industrial Revenue Bonds, Series 1996, in the amount of \$1,500,000 to provide financial assistance to a private-sector entity for the construction of industrial facilities deemed to be in the public interest. These bonds are secured by the property financed and are payable solely from payments received from the underlying mortgage loan. Upon repayment of these bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of April 30, 1999, the aggregate principal outstanding on the bonds was \$1,242,497.

**13. CONTRIBUTED CAPITAL**

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

<u>SOURCE</u>	<u>UTILITIES SYSTEM</u>	<u>MUNICIPAL BUS LINE</u>	<u>SANITATION FUND</u>	<u>TOTAL</u>
<b>Additions</b>				
Plant and equipment				
Public contributions	\$ 1,000	\$	\$	\$ 1,000
Buses and equipment				
Government subsidy		40,482		40,482
General Capital Projects				
Fund		5,579		5,579
Balance, beginning of year	<u>37,249,902</u>	<u>6,160,041</u>	<u>431,783</u>	<u>43,841,726</u>
Balance, end of year	\$37,250,902	\$6,206,102	\$431,783	\$43,888,787

No changes occurred in the contributed capital of the Risk Management Internal Service Fund during the year.



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**NOTES TO FINANCIAL STATEMENTS**

**14. RESERVED RETAINED EARNINGS**

Retained earnings as of April 31, 1999, were reserved for the following purposes:

Enterprise Funds	
Utilities System	
Special projects	\$ 3,841,235
Revenue bond debt service	6,319,395
Capital additions and contingencies	1,000,000
Capital projects	<u>10,579,493</u>
Total	21,740,123
Internal Service Funds	
Risk Management Fund	
Catastrophic losses	<u>124,810</u>
	<u>\$21,864,933</u>

**15. RESERVED FUND BALANCES**

Fund balances were reserved as of April 30, 1999, for the following purposes:

General Fund	
Law Enforcement Block Grant	\$ 29,232
Special Revenue Funds	
Riverfront Center Fund	
Operations	221,723
Debt Service Funds	
Sales Tax Bonds Fund	
Future debt service	1,661,650
Current debt service	1,077,703
Certificates of Indebtedness Fund	
Current debt service	64,921
General Obligation Bonds	
Current debt service	697,131
Capital Projects Funds	
General Capital Projects	
Encumbrances	798,248
1988 Drainage Property Tax	
Encumbrances	314,589
1993 Streets and Drainage Property Tax	
Encumbrances	737,309
Public Safety Complex	
Encumbrances	1,366,662
1998 Property Tax General Capital Projects Fund	
Encumbrances	515,007
Pension Trust Funds	
City Employees' Retirement System	
Employees' retirement	64,102,260
Firemen's Pension and Relief Fund	
Employees' retirement	92,421
Policemen's Pension and Relief Fund	
Employees' retirement	<u>217,877</u>
	<u>\$71,896,733</u>

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**16. UNRESERVED-DESIGNATED FUND BALANCES**

Unreserved fund balances were designated as of April 30, 1999, for the following projects:

Capital Projects Funds	
General Capital Projects Fund	
Industrial park	\$263,363
Community center	432,697
Relocation	<u>181,270</u>
Total	877,330
1993 Streets and Drainage Property Tax Fund	
Relocation	<u>13,118</u>
Total	\$890,448

**17. ACCUMULATED DEFICITS**

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

Enterprise Funds	
Municipal Bus Line Fund	\$4,005,933
Sanitation Fund	379,312

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 \$2,200,169.

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

**18. SUPPLEMENTAL PAY**

Certain employees meeting statutory qualifications in the fire and police departments receive supplemental pay directly from the State of Louisiana. This supplemental pay in the amount of \$932,490 is recognized as intergovernmental revenue in the General Fund and as expenditures in the following public safety departments:

Police	\$540,150
Fire	<u>392,340</u>
	\$932,490

**CITY OF ALEXANDRIA, LOUISIANA**  
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**NOTES TO FINANCIAL STATEMENTS**

**19. 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, a natural gas distribution system, a water production and distribution system, and a sewerage transmission and treatment plant. The following is a condensed summary of the three enterprise funds:

	UTILITIES SYSTEM	MUNICIPAL BUS LINE	SANITATION	TOTAL
Operating revenues	\$ 60,213,138	\$ 316,769	\$ 2,786,493	\$63,316,400
Operating expenses				
Depreciation	(4,811,165)	(204,915)	(123,601)	(5,139,681)
Depreciation (overhead)	(449,920)			(449,920)
Other	<u>(46,009,949)</u>	<u>(1,579,413)</u>	<u>(2,903,546)</u>	<u>(50,492,908)</u>
Operating income (loss)	8,942,104	(1,467,559)	(240,654)	7,233,891
Nonoperating revenues				
(expenses)				
Grant revenue		647,520		647,520
Investment income	2,648,325	8,532	10,247	2,667,104
Disposition of assets	17,978		448	18,426
Interest expense and fiscal charges	(3,061,920)			(3,061,920)
Operating transfers in (out)	<u>(5,009,671)</u>	<u>784,789</u>	<u>31,686</u>	<u>(4,193,196)</u>
Net Income (Loss)	<u>\$ 3,536,816</u>	<u>\$ (26,718)</u>	<u>\$ (198,273)</u>	<u>\$ 3,311,825</u>
Current capital contributions	\$ 1,000	\$ 46,061	\$ -0-	\$ 47,061
Net working capital	14,654,678	420,060	362,168	15,436,906
Revenue bonds payable	58,060,000	-0-	-0-	58,060,000
Total equity	88,233,718	2,200,169	52,471	90,486,358

Segment information for the Utilities System Enterprise Fund for the fiscal year ended April 30, 1999, follows:

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**NOTES TO FINANCIAL STATEMENTS**

	<u>TOTAL</u>	<u>ELECTRIC</u>	<u>GAS</u>	<u>WATER</u>	<u>WASTE WATER</u>
Operating revenues	\$ 60,213,138	\$ 46,488,146	\$ 6,931,720	\$ 4,360,489	\$ 2,432,783
Operating expenses					
Depreciation	(5,261,085)	(1,799,776)	(1,205,851)	(1,024,698)	(1,230,760)
Other	<u>(46,009,949)</u>	<u>(32,540,715)</u>	<u>(6,310,525)</u>	<u>(3,842,620)</u>	<u>(3,316,089)</u>
Operating income (loss)	8,942,104	12,147,655	(584,656)	(506,829)	(2,114,066)
Nonoperating revenue (expenses) - net	(395,617)				
Operating transfers (out) - net	<u>(5,009,671)</u>				
Net Income	\$ 3,536,816				

One commercial customer accounted for 16% of the operating revenues of the water system for the year ended April 30, 1999.

**20. 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 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, 1999, were as follows:

Balance, beginning of the year	\$ 480,310
Changes in estimates	258,609
Current year expenditures	<u>(588,919)</u>
Balance, end of the year	\$ 150,000

**21. 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:

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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 1/6th of the interest falling due on the next interest payment date and 1/12th 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).

Proceeds of the 1998 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.
- c. The remaining one-third is to be dedicated to fund General Fund operations.

**22. 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

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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 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.

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- (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 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

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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 above required 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.

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



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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.

**23. 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 (2) the date all outstanding bonds of LEPA have been paid, (1) 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.

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**24. DEFINED BENEFIT PENSION PLANS**

The City contributes to three single-employer defined benefit pension plans. The City also contributes to four statewide cost-sharing, multiple-employer, defined benefit public employee retirement systems.

Information relative to the four statewide cost-sharing, multiple-employer, defined benefit public employee retirement systems is presented below:

Municipal Police Employees Retirement System of Louisiana (MPERS)

*Plan Description.* 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 of creditable service not to exceed one hundred percent (100%). Benefit and contribution requirements are established by state law. MPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Municipal Police Employees' Retirement System, P. O. Box 94095, Baton Rouge, LA 70804-9095.

*Funding Policy.* Members are currently required to contribute seven and one-half percent (7 1/2%) of their annual salary to the system, including supplemental pay. The City contributes an actuarially determined rate, presently set at nine percent (9%) of the member's salary, including supplemental pay.

Firefighter's Retirement System of Louisiana (FRS)

*Plan Description.* 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

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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. Benefit and contribution requirements are established by state law. FRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Firefighters' Retirement System, 3100 Brentwood Drive, Baton Rouge, LA 70809.

*Funding Policy.* Members are currently required to contribute eight percent (8%) of their annual salary, including supplemental pay to the Plan. The City contributes an actuarially determined rate, presently at nine percent (9%) of the member's salary, including supplemental pay.

Louisiana State Employee's Retirement System (LASERS)

*Plan Description.* 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 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 to age sixty (60) upon completing ten (10) 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.

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Benefit and contribution requirements are established by state law.

LASERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to P. O. Box 44213, Baton Rouge, LA 70804-4213.

*Funding Policy.* Judges, court officers, and legislators contribute eleven and one-half percent (11 1/2%) of their salary to the System. The City contributes an actuarially determined rate, presently set at 12.3% of the member's annual salary.

Parochial Employees' Retirement System of Louisiana (PERSL)

*Plan Description.* 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 average salary over the thirty-six (36) consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefit and contribution requirements are established by state law. PERSL issues a publicly available financial report that may be obtained by writing to the Parochial Employees' Retirement System, P.O. Box 14619, Baton Rouge, LA 70898-4619.

*Funding Policy.* The member contributes 9 1/2% of her salary to the System. The City presently contributes 7 3/4% to the System as an employer match.

Required contributions. The City made the following contributions equal to the required contributions to the various multi-employer pension plans:

<u>YEAR ENDING</u>	<u>MPERS</u>	<u>FRS</u>	<u>LASERS</u>	<u>PERSL</u>	<u>TOTALS</u>
04/30/99	\$396,947	\$306,753	\$3,896	\$1,170	\$708,766
04/30/98	377,868	327,129	4,000	1,127	710,124
04/30/97	362,114	301,946	3,640	1,058	668,758

CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999

NOTES TO FINANCIAL STATEMENTS

Information relative to the three single-employer defined benefit pension plans are presented below.

City of Alexandria Employees' Retirement System (COAERS)

*Plan Description.* 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. Benefit and contribution provisions are established by state law. COAERS issues a publicly available financial report that may be obtained by writing to the City of Alexandria Employees' Retirement System, P. O. Box 71, Alexandria, Louisiana 71309-0071.

Policemen's Pension and Relief Fund (PPARF)

*Plan Description.* 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. Benefit and contribution requirements are established by state law. PPARF issues a publicly available financial report that may be obtained by writing to the Policemen's Pension and Relief Fund of the City of Alexandria, P. O. Box 71, Alexandria, Louisiana 71309-0071.

Firemen's Pension and Relief Fund (FPARF)

*Plan Description.* 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

**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

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 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. Benefits and contribution provisions are established by state law. FPARF issues a publicly available financial report that may be obtained by writing to the Police Pension and Relief Fund of the City of Alexandria, P. O. Box 71, Alexandria, Louisiana 71309-0071.

*Funding Policy and Annual Pension Cost.*

*For the COAERS, employees are required by statute to contribute 10 percent of their salary to the System. The City is required by statute to contribute remaining amounts necessary to finance the COAERS at an actuarially determined rate.*

*For the PPARF and the FPARF, members are not required to contribute to the funds. The City is required to contribute an amount sufficient to meet the operating deficit of each fund without regard for reserve requirements accruing or having accrued on an actuarial basis.*

*For all three of the single-employer defined benefit pension plans of the City, benefit and contribution provisions are established by state law and may be amended only by the Louisiana Legislature.*

*The City's annual pension cost for the current year and related information for each of the City's single-employer plans is as follows:*

**CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

	<u>COAERS</u>	<u>PPARF</u>	<u>FPARF</u>
Contribution rate			
City	17.88%	n/a	n/a
Plan members	10.00%	n/a	n/a
Annual pension cost	\$2,394,071	\$188,758	\$50,000
Contributions made	\$2,394,071	\$188,758	\$50,000
Actuarial valuation date	12/31/98	n/a	n/a
Actuarial cost method	Frozen Entry	n/a	n/a
	Age Normal		
Remaining amortization period	20 years	n/a	n/a
Asset valuation method	Three year	n/a	n/a
	smoothing for		
	stocks. Other		
	assets at		
	amortized cost.		
Actuarial assumptions			
Investment rate of return	8.00%	n/a	n/a
Projected salary increases	5.50%	n/a	n/a
Includes inflation rate	3.25%	n/a	n/a
Includes merit raises at	2.25%	n/a	n/a
Cost of living adjustments	None	n/a	n/a

THREE YEAR TREND INFORMATION

	<u>Year</u>	<u>Annual</u>	<u>Percentage</u>	<u>Net</u>
	<u>Ending</u>	<u>Pension</u>	<u>of APC</u>	<u>Pension</u>
		<u>Cost (APC</u>	<u>Contributed</u>	<u>Obligation</u>
City of Alexandria	04/30/99	\$2,394,071	100%	\$-0-
Employees' Retirement	04/30/98	2,441,767	100	-0-
System	04/30/97	2,348,477	100	-0-
Policemen's Pension	04/30/99	\$ 188,758	100%	\$-0-
and Relief Fund	04/30/98	219,036	100	-0-
	04/30/97	276,272	100	-0-
Firemen's Pension	04/30/99	\$ 50,000	100%	\$-0-
and Relief Fund	04/30/98	150,000	100	-0-
	04/30/97	100,000	100	-0-

CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999

NOTES TO FINANCIAL STATEMENTS

**25. 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 \$721,506. Employer contributions for the fiscal year were \$129,005, or 17.88% 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.

**26. 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. The City paid the EEIDD a total of \$23,025 under this lease during the fiscal year ended April 30, 1999.

**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, 1999. These items are included in the General Fixed Assets Account Group and, accordingly, no depreciation is recorded.

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

Total lease revenues for the fiscal year, consisting solely of minimum rentals on the above leases, amounted to \$75,333.



**CITY OF ALEXANDRIA, LOUISIANA**  
**APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

Minimum future rentals to be received on non-cancelable leases as of April 30, 1999, for each of the next five years and in the aggregate are:

<u>YEAR ENDED</u> <u>APRIL 30,</u>	<u>AMOUNT</u>
2000	\$ 78,200
2001	72,500
2002	72,500
2003	59,500
2004	50,000
Thereafter	<u>583,333</u>
Total Minimum Future Rentals	\$916,033

**27. LEGAL COMPLIANCE**

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

The City did not maintain records as required by R.S. 24:515(B)(1) for acquisitions and dispositions of property and equipment.

**28. COMPENSATION PAID TO MEMBERS OF THE CITY COUNCIL**

In accordance with the requirements of the Office of the Legislative Auditor, State of Louisiana, the following report reflects compensation paid to members of the City Council, City of Alexandria, for the fiscal year ended April 30, 1999.

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

**CITY OF ALEXANDRIA, LOUISIANA  
APRIL 30, 1999**

**NOTES TO FINANCIAL STATEMENTS**

**29. CONTINGENCY**

Management has not calculated the possible rebate of arbitrage interest, as of April 30, 1999, on each of the recent tax exempt bond issues. The contingent liability, stated simply, is the interest earned from the investment of unspent bond proceeds that is in excess of the amount of earnings that would have been obtained had the investment rate been equal to the yield on the bonds. Since the rebate calculation is a cumulative calculation performed until all proceeds have been expended, management believes that the amount of the contingent liability for arbitrage interest, if any, will be eliminated in future years. In the event that the contingent liability for arbitrage interest is not eliminated, the City will be liable for remittance of the rebate amount, as subsequently calculated, to the federal government.

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

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GENERAL FUND

The general fund of the City 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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CITY OF ALEXANDRIA, LOUISIANA  
GENERAL FUND  
BALANCE SHEET  
APRIL 30, 1999

EXHIBIT F-1

ASSETS

Cash		\$ 3,551
Equity in pooled cash and investments		7,703,309
Receivables		
Ad valorem taxes (net of \$49,144 allowance for uncollectible)		31,102
Intergovernmental		575,447
Other (net of \$1,140,918 allowance for uncollectible)		1,161,874
Due from other funds		
Special Revenue Funds		1,417,338
Enterprise Funds		125,221
Inventory		<u>119,243</u>
<u>TOTAL ASSETS</u>		<u>\$11,137,085</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable		\$ 300,056
Accrued expenses		687,471
Other current liabilities		9,762
Due to other funds		
Enterprise Funds		7,961
Internal Service Funds		33
Fiduciary Funds		109,066
Deferred revenue		<u>436,127</u>
Total Liabilities		1,550,476

FUND BALANCE

Reserved for		
Law Enforcement Block Grant		29,232
Unreserved - undesignated		<u>9,557,377</u>
Total Fund Balance		<u>9,586,609</u>

<u>TOTAL LIABILITIES AND FUND BALANCE</u>		<u>\$11,137,085</u>
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The accompanying notes are an integral part of the financial statements.

CITY OF ALEXANDRIA, LOUISIANA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED APRIL 30, 1999

EXHIBIT F-2

VARIANCE  
FAVORABLE  
(UNFAVORABLE)

	<u>BUDGET</u>	<u>ACTUAL</u>	
REVENUES (EXHIBIT F-3)			
Taxes	\$ 1,728,000	\$ 1,746,964	\$ 18,964
Licenses and permits	1,694,500	1,783,244	88,744
Intergovernmental	8,468,349	8,380,607	(87,742)
Charges for services	336,430	419,075	82,645
Fines and forfeitures	582,000	554,540	(27,460)
Investment income	360,000	401,694	41,694
Other	<u>239,393</u>	<u>286,635</u>	<u>47,242</u>
Total Revenues	13,408,672	13,572,759	164,087
EXPENDITURES (EXHIBIT F-4)			
Current			
General government	6,495,087	6,102,562	392,525
Public safety	14,767,590	13,996,990	770,600
Public works	7,114,236	6,618,852	495,384
Debt service	1,736,963	1,736,963	-0-
Capital outlay	<u>1,989,265</u>	<u>1,321,750</u>	<u>667,515</u>
Total Expenditures	<u>32,103,141</u>	<u>29,777,117</u>	<u>2,326,024</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(18,694,469)	(16,204,358)	2,490,111
OTHER FINANCING SOURCES (USES) (EXHIBIT F-5)			
Proceeds of refunding			
certificates of indebtedness	21,857,972	21,857,971	(1)
Payment of police and fire pension merger liabilities from proceeds of refunding			
certificates of indebtedness	(21,693,449)	(21,444,320)	249,129
Payment of costs of issuing refundng certificates of indebtedness	(319,900)	(261,276)	58,624
Operating transfers in	18,513,381	19,294,559	781,178
Operating transfers (out)	<u>(1,843,559)</u>	<u>(1,963,039)</u>	<u>(119,480)</u>
Total Other Financing Sources (Uses)	<u>16,514,445</u>	<u>17,483,895</u>	<u>969,450</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(2,180,024)	1,279,537	3,459,561
FUND BALANCE, BEGINNING OF YEAR	<u>8,307,072</u>	<u>8,307,072</u>	<u>-0-</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 6,127,048</u>	<u>\$ 9,586,609</u>	<u>\$3,459,561</u>

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



CITY OF ALEXANDRIA, LOUISIANA  
GENERAL FUND  
STATEMENT OF REVENUES - BUDGET AND ACTUAL  
YEAR ENDED APRIL 30, 1999

EXHIBIT F-3

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
<b>Taxes</b>			
Ad valorem	\$ 1,498,000	\$ 1,488,289	\$ (9,711)
Franchise	160,000	185,234	25,234
Interest and fees - delinquent taxes	<u>70,000</u>	<u>73,441</u>	<u>3,441</u>
Totals	1,728,000	1,746,964	18,964
<b>Licenses and permits</b>			
Occupational licenses	1,610,000	1,692,456	82,456
Permits	<u>84,500</u>	<u>90,788</u>	<u>6,288</u>
Totals	1,694,500	1,783,244	88,744
<b>Intergovernmental</b>			
Parish sales taxes	5,130,000	5,210,402	80,402
Beer taxes	100,000	109,943	9,943
Tobacco taxes	218,000	219,017	1,017
Video poker commissions	620,000	694,480	74,480
Fire insurance rebate	55,000	58,438	3,438
State supplemental pay	905,980	932,490	26,510
Grants	<u>1,439,369</u>	<u>1,155,837</u>	<u>(283,532)</u>
Totals	8,468,349	8,380,607	(87,742)
<b>Charges for services</b>			
Police - academy fees, etc.	100,000	111,721	11,721
State ROW maintenance	56,430	56,430	-0-
Zoo and park charges	160,000	211,627	51,627
Miscellaneous	<u>20,000</u>	<u>39,297</u>	<u>19,297</u>
Totals	336,430	419,075	82,645
<b>Fines and forfeitures</b>			
City court			
Fines	440,000	430,148	(9,852)
Civil fees	32,000	33,412	1,412
Legal fees	<u>110,000</u>	<u>90,980</u>	<u>(19,020)</u>
Totals	582,000	554,540	(27,460)
Investment income	360,000	401,694	41,694
<b>Other</b>			
Rentals	106,500	116,434	9,934
Miscellaneous	<u>132,893</u>	<u>170,201</u>	<u>37,308</u>
Totals	239,393	286,635	47,242
<b><u>TOTAL REVENUES</u></b>	<b><u>\$13,408,672</u></b>	<b><u>\$13,572,759</u></b>	<b><u>\$ 164,087</u></b>

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

CITY OF ALEXANDRIA, LOUISIANA  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
YEAR ENDED APRIL 30, 1999

EXHIBIT F-4  
(Continued)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<b>CURRENT</b>			
General Government			
City Council	\$ 152,350	\$ 140,871	\$ 11,479
City Clerk's office	136,376	121,687	14,689
Mayor's office	161,599	154,756	6,843
Mayor's assistants' office	191,654	181,180	10,474
Administrative			
Professional fees	82,103	62,972	19,131
Claims and judgments	293,341	290,998	2,343
Payments in lieu of insurance	1,929,339	1,929,339	-0-
Street lights and hydrant charges	240,158	295,258	(55,100)
Economic development	279,535	202,294	77,241
Probation officer	80,000	76,180	3,820
Other	179,847	114,384	65,463
Community services	413,017	326,045	86,972
Community development	66,841	50,530	16,311
EEO Coordinator	53,388	52,951	437
City Court	173,820	168,232	5,588
City Marshal	163,170	149,564	13,606
Finance department	80,366	77,548	2,818
Accounting department	303,060	242,017	61,043
Purchasing department	203,291	200,033	3,258
Printing department	69,222	67,733	1,489
Central warehouse	226,593	217,186	9,407
Parts warehouse	64,840	63,521	1,319
Civil service	320,920	281,557	39,363
Legal	410,896	411,020	(124)
Planning	219,361	224,706	(5,345)
Totals	6,495,087	6,102,562	392,525
Public Safety			
Police	8,778,972	8,407,055	371,917
Animal shelter	187,841	174,012	13,829
Fire	5,800,777	5,415,923	384,854
Totals	14,767,590	13,996,990	770,600
Public Works			
Director's office	119,519	117,504	2,015
Assistant director's office	324,795	277,233	47,562
Engineers' office	521,720	519,836	1,884
Street repair and drainage	2,400,444	2,275,718	124,726
Parks and recreation	481,134	467,558	13,576
Traffic signals	437,789	389,337	48,452
Building inspection	38,155	38,400	(245)
Buildings - utilities and maintenance	1,042,779	950,315	92,464
Motor pool	862,243	746,144	116,099
Urban forester	96,906	90,554	6,352
Zoo	788,752	746,253	42,499
Totals	7,114,236	6,618,852	495,384

CITY OF ALEXANDRIA, LOUISIANA  
GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
YEAR ENDED APRIL 30, 1999

EXHIBIT F-4  
(Concluded)

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>DEBT SERVICE</b>			
Public Safety			
Policemen's pension merger			
Principal	\$ 125,524	\$ 125,524	\$ -0-
Interest	166,332	166,332	-0-
Firemen's pension merger			
Principal	284,898	284,898	-0-
Interest	<u>1,160,209</u>	<u>1,160,209</u>	<u>-0-</u>
Totals	1,736,963	1,736,963	-0-
<b>CAPITAL OUTLAY</b>			
General government	171,134	144,944	26,190
Public safety	1,218,294	855,991	362,303
Public works	<u>599,837</u>	<u>320,815</u>	<u>279,022</u>
Totals	<u>1,989,265</u>	<u>1,321,750</u>	<u>667,515</u>
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>\$32,103,141</u></b>	<b><u>\$29,777,117</u></b>	<b><u>\$2,326,024</u></b>

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

CITY OF ALEXANDRIA, LOUISIANA  
GENERAL FUND  
STATEMENT OF OTHER FINANCING SOURCES (USES) - BUDGET AND ACTUAL  
YEAR ENDED APRIL 30, 1999

EXHIBIT F-5

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of refunding certificates of indebtedness	\$21,857,972	\$21,857,971	\$ (1)
Payment of police and fire pension merger liabilities from proceeds of refunding certificates of indebtedness	(21,693,449)	(21,444,320)	249,129
Payment of costs of issuing refunding certificates of indebtedness	(319,900)	(261,276)	58,624
Operating transfers in			
Special Revenue Funds			
City Sales Tax Fund	13,557,000	14,119,730	562,730
Decentralized Art Fund	8,000		(8,000)
Community Development Block Grant Fund -			
Indirect cost allocation	46,856	61,402	14,546
Home Investment Partnership Fund - Indirect cost allocation			
		4,522	4,522
Enterprise Funds			
Utilities System Fund			
In lieu of taxes	3,004,000	3,171,968	167,968
Indirect cost allocation	1,265,415	1,265,415	-0-
Sanitation Fund			
Indirect cost allocation	408,229	453,229	45,000
Municipal Bus Line Fund			
Indirect cost allocation	223,881	218,293	(5,588)
Operating transfers (out)			
Special Revenue Funds			
Youth Baseball Board Recreation Fund			
	(10,000)	(10,000)	-0-
Enterprise Funds			
Utilities System Fund			
	(520,000)	(594,480)	(74,480)
Sanitation Fund			
	(497,885)	(542,885)	(45,000)
Internal Service Funds			
Risk Management Fund			
	(15,674)	(15,674)	-0-
Employee Benefits Fund			
	(800,000)	(800,000)	-0-
<b><u>TOTAL OTHER FINANCING SOURCES (USES)</u></b>	<b><u>\$16,514,445</u></b>	<b><u>\$17,483,895</u></b>	<b><u>\$969,450</u></b>

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 sales tax bonds and for capital improvements.

In addition, the fund is used to account for the 1999 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.

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

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.

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.

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.

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.

RIVERFRONT CENTER FUND accounts for funds received from the State of Louisiana and a hotel-motel occupancy tax for the operations of the Alexandria Riverfront Center. The Alexandria Riverfront Center is managed by the Alexandria/Pineville Area Convention and Visitors Bureau for the City of Alexandria.

CITY OF ALEXANDRIA, LOUISIANA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
APRIL 30, 1999

	CITY SALES TAX	COMMUNITY DEVELOPMENT BLOCK GRANT	HUD EMERGENCY SHELTER PROGRAM	HOME INVESTMENT PARTNERSHIP PROGRAM
ASSETS				
Cash and cash equivalents	\$	\$207,371	\$3,811	\$ 6,491
Receivables				
Taxes	1,761,655			
Intergovernmental		156,484	4,541	9,432
Other		99		
Due from other funds				
Special Revenue Funds		239		1,197
Inventory				
<u>TOTAL ASSETS</u>	<u>\$1,761,655</u>	<u>\$364,193</u>	<u>\$8,352</u>	<u>\$17,120</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$	\$ 50,935	\$8,352	\$ 4,517
Accrued expenses		5,291		2,603
Due to other funds				
General Fund	1,321,262	91,315		4,761
Special Revenue Funds				239
Capital Project Funds	251,589			
Due to other governments				
Deferred revenues		1,975		5,000
Total Liabilities	<u>1,572,851</u>	<u>149,516</u>	<u>8,352</u>	<u>17,120</u>
FUND BALANCES (Exhibit G-2)				
Reserved for Riverfront Center operations				
Unreserved - undesignated	<u>188,804</u>	<u>214,677</u>		
Total Fund Balances	<u>188,804</u>	<u>214,677</u>	<u>-0-</u>	<u>-0-</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$1,761,655</u>	<u>\$364,193</u>	<u>\$8,352</u>	<u>\$17,120</u>

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

EXHIBIT G-1

<u>ECONOMIC DEVELOPMENT</u>	<u>YOUTH BASEBALL RECREATION BOARD</u>	<u>DECENTRALIZED ART</u>	<u>RIVERFRONT CENTER</u>	<u>TOTAL</u>
\$472,203	\$ 832	\$ 81,100	\$347,642	\$1,119,450
				1,761,655
		35,196		205,653
			51,119	51,218
				1,436
	<u>4,000</u>			<u>4,000</u>
<u>\$472,203</u>	<u>\$4,832</u>	<u>\$116,296</u>	<u>\$398,761</u>	<u>\$3,143,412</u>
\$	\$2,523	\$	\$ 13,430	\$ 79,757
				7,894
				1,417,338
1,197				1,436
				251,589
		18,835	17,468	36,303
		<u>45,914</u>		<u>52,889</u>
<u>1,197</u>	<u>2,523</u>	<u>64,749</u>	<u>30,898</u>	<u>1,847,206</u>
			221,723	221,723
<u>471,006</u>	<u>2,309</u>	<u>51,547</u>	<u>146,140</u>	<u>1,074,483</u>
<u>471,006</u>	<u>2,309</u>	<u>51,547</u>	<u>367,863</u>	<u>1,296,206</u>
<u>\$472,203</u>	<u>\$4,832</u>	<u>\$116,296</u>	<u>\$398,761</u>	<u>\$3,143,412</u>

CITY OF ALEXANDRIA, LOUISIANA  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
YEAR ENDED APRIL 30, 1999

	CITY SALES TAX	COMMUNITY DEVELOPMENT BLOCK GRANT	HUD EMERGENCY SHELTER PROGRAM	HOME INVESTMENT PARTNERSHIP PROGRAM
<b>REVENUES</b>				
Tax - net	\$ 18,810,264	\$	\$	\$
Intergovernmental Charges for services		1,075,654	48,022	392,192
Interest	13,425	11,068		
Other		67,148		33,575
Total Revenues	<u>18,823,689</u>	<u>1,153,870</u>	<u>48,022</u>	<u>425,767</u>
<b>EXPENDITURES - CURRENT</b>				
Current				
Special programs and projects		957,521	48,022	416,453
General planning and administration				43,965
Capital outlay		<u>175,087</u>		
Total Expenditures	<u>-0-</u>	<u>1,132,608</u>	<u>48,022</u>	<u>460,418</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	18,823,689	21,262	-0-	(34,651)
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in (out) - net	<u>(18,800,713)</u>	<u>(10,194)</u>		<u>34,651</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	22,976	11,068	-0-	-0-
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>165,828</u>	<u>203,609</u>	<u>-0-</u>	<u>-0-</u>
<b><u>FUND BALANCES, END OF YEAR</u></b>	<u>\$ 188,804</u>	<u>\$ 214,677</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

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



<u>ECONOMIC DEVELOPMENT</u>	<u>YOUTH BASEBALL RECREATION BOARD</u>	<u>DECENTRALIZED ART</u>	<u>RIVERFRONT CENTER</u>	<u>TOTAL</u>
\$	\$	\$	\$297,059	\$ 19,107,323
		166,208		1,682,076
	54,426		163,975	218,401
23,761	66		16,834	65,154
<u>50,000</u>		<u>1,168</u>	<u>4,003</u>	<u>155,894</u>
73,761	54,492	167,376	481,871	21,228,848
	66,775	137,014	431,850	2,057,635
		31,508		75,473
			<u>1,299</u>	<u>176,386</u>
<u>-0-</u>	<u>66,775</u>	<u>168,522</u>	433,149	2,309,494
73,761	(12,283)	(1,146)	48,722	18,919,354
<u>(39,173)</u>	<u>10,000</u>	<u>-0-</u>	<u>-0-</u>	<u>(18,805,429)</u>
34,588	(2,283)	(1,146)	48,722	113,925
<u>436,418</u>	<u>4,592</u>	<u>52,693</u>	<u>319,141</u>	<u>1,182,281</u>
<u>\$471,006</u>	<u>\$ 2,309</u>	<u>\$ 51,547</u>	<u>\$367,863</u>	<u>\$ 1,296,206</u>

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, 1999

EXHIBIT G-3

	1976 SALES TAX		1998 SALES TAX		TOTAL
REVENUES	BUDGET	ACTUAL	BUDGET	ACTUAL	(UNFAVORABLE)
			(UNFAVORABLE)		(UNFAVORABLE)
			FAVORABLE		FAVORABLE
Sales tax collected	\$	\$9,557,666	\$	\$9,558,626	\$
Collection charges		(156,459)		(149,569)	(306,028)
Net Received		9,401,207		9,409,057	18,810,264
Interest		6,712		6,713	13,425
Total Revenues	<u>9,038,000</u>	<u>9,407,919</u>	<u>369,919</u>	<u>9,038,000</u>	<u>18,076,000</u>
					<u>747,689</u>
<b>OTHER FINANCING USES</b>					
Operating Transfers Out					
General Fund for Operations and maintenance	4,519,000	4,703,960	(184,960)	6,025,333	10,544,333
Pay plan				3,012,667	3,138,590
Debt service	1,842,035	2,101,104	(259,069)	1,842,035	2,101,104
Capital projects	<u>2,676,965</u>	<u>2,579,879</u>	<u>97,086</u>	<u>2,676,965</u>	<u>2,579,879</u>
Total Other Financing Uses	<u>9,038,000</u>	<u>9,384,943</u>	<u>(346,943)</u>	<u>9,038,000</u>	<u>18,076,000</u>
					<u>(724,713)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER OTHER FINANCING USES</b>					
	-0-	22,976	22,976	-0-	22,976
<b>FUND BALANCES, BEGINNING OF YEAR</b>					
	<u>165,828</u>	<u>165,828</u>	<u>-0-</u>	<u>-0-</u>	<u>165,828</u>
<b>FUND BALANCES, END OF YEAR</b>					
	<u>\$ 165,828</u>	<u>\$ 188,804</u>	<u>\$ 22,976</u>	<u>\$ -0-</u>	<u>\$ 188,804</u>
					<u>\$ 22,946</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, 1999

EXHIBIT G-4

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Intergovernmental - grants	\$2,245,459	\$1,075,654	\$(1,169,805)
Interest	10,000	11,068	1,068
Other - program revenue	80,000	67,148	(12,852)
Total Revenues	<u>2,335,459</u>	<u>1,153,870</u>	<u>(1,181,589)</u>
<b>EXPENDITURES</b>			
Current			
Special programs and projects			
Demolition and code enforcement	353,217	113,485	239,732
Rehabilitation - deferred loans	692,746	553,789	138,957
Rehabilitation - administrative	108,625	64,440	44,185
Other	429,707	133,287	296,420
General and administrative	204,865	92,520	112,345
Capital outlay			
Parks and recreation	208,000	4,529	203,471
Streets and drainage	553,706	170,558	383,148
South Alexandria Community Center	81,685		81,685
Total Expenditures	<u>2,632,551</u>	<u>1,132,608</u>	<u>1,499,943</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(297,092)</b>	<b>21,262</b>	<b>318,354</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in			
General Capital Projects Fund	202,017	51,208	(150,809)
Operating transfers (out)			
General Fund - indirect cost allocation	<u>(108,503)</u>	<u>(61,402)</u>	<u>47,101</u>
Total Other Financing Sources (Uses)	<u>93,514</u>	<u>(10,194)</u>	<u>(103,708)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<b>(203,578)</b>	<b>11,068</b>	<b>214,646</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>203,609</u>	<u>203,609</u>	<u>-0-</u>
<b><u>FUND BALANCE, END OF YEAR</u></b>	<b><u>\$ 31</u></b>	<b><u>\$ 214,677</u></b>	<b><u>\$ 214,646</u></b>

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, 1999

EXHIBIT G-5

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Intergovernmental revenues - grants	\$134,826	\$48,022	\$(86,804)
EXPENDITURES			
Special programs			
Emergency shelter program	<u>134,826</u>	<u>48,022</u>	<u>86,804</u>
EXCESS OF REVENUES OVER EXPENDITURES	-0-	-0-	-0-
FUND BALANCE, BEGINNING OF YEAR	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>FUND BALANCE, END OF YEAR</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  
HOME INVESTMENT PARTNERSHIP PROGRAM SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED APRIL 30, 1999

EXHIBIT G-6

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Intergovernmental - grants	\$1,237,411	\$392,192	\$(845,219)
Other - owner contributions	<u>49,305</u>	<u>33,575</u>	<u>(15,730)</u>
Total Revenues	1,286,716	425,767	(860,949)
<b>EXPENDITURES</b>			
Rehabilitation - deferred loans	961,604	406,064	555,540
Special programs	323,140	10,389	312,751
General planning and administration	<u>107,315</u>	<u>43,965</u>	<u>63,350</u>
Total Expenditures	<u>1,392,059</u>	460,418	<u>931,641</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(105,343)	(34,651)	70,692
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfer in (out)			
General Fund	3,044	(4,522)	(7,566)
Economic Development Special Revenue Fund	<u>102,299</u>	<u>39,173</u>	<u>(63,126)</u>
Total Other Financing Sources (Uses)	<u>105,343</u>	<u>34,651</u>	<u>(70,692)</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	-0-	-0-	-0-
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<b><u>FUND BALANCE, END OF YEAR</u></b>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</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, 1999

EXHIBIT G-7

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Interest income	\$ 20,500	\$ 23,761	\$ 3,261
Other - lease income	<u>50,000</u>	<u>50,000</u>	<u>-0-</u>
Total Revenues	70,500	73,761	3,261
<b>EXPENDITURES</b>			
Special programs - economic development	<u>404,629</u>	<u>-0-</u>	<u>404,629</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(334,129)	73,761	407,890
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in (out) Home Investment Partnership Special Revenue Fund	<u>(102,289)</u>	<u>(39,173)</u>	<u>63,116</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES</b>	(436,418)	34,588	471,006
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>436,418</u>	<u>436,418</u>	<u>-0-</u>
<b><u>FUND BALANCE, END OF YEAR</u></b>	<u>\$ -0-</u>	<u>\$471,006</u>	<u>\$471,006</u>

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

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, 1999

EXHIBIT G-8

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Charges for services - concessions, etc.	\$ 65,000	\$ 54,426	\$(10,574)
Interest income	<u>100</u>	<u>66</u>	<u>(34)</u>
Total Revenues	65,100	54,492	(10,608)
<b>EXPENDITURES</b>			
Special programs - ballpark operations	<u>75,100</u>	<u>66,775</u>	<u>8,325</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(10,000)	(12,283)	(2,283)
<b>OTHER FINANCING SOURCES</b>			
Operating transfer in General Fund	<u>10,000</u>	<u>10,000</u>	<u>-0-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>	-0-	(2,283)	(2,283)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>4,592</u>	<u>4,592</u>	<u>-0-</u>
<b><u>FUND BALANCE, END OF YEAR</u></b>	<u>\$ 4,592</u>	<u>\$ 2,309</u>	<u>\$ (2,283)</u>

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

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, 1999

EXHIBIT G-9

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Intergovernmental - grants	\$199,133	\$166,208	\$(32,925)
Other revenue	<u>1,168</u>	<u>1,168</u>	<u>1,168</u>
Total Revenues	199,133	167,376	(31,757)
<b>EXPENDITURES</b>			
Special programs - subrecipients	182,946	137,014	45,932
General planning and administration	<u>51,978</u>	<u>31,508</u>	<u>20,470</u>
Total Expenditures	<u>234,924</u>	<u>168,522</u>	<u>66,402</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(35,791)	(1,146)	34,645
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfer in (out) General Fund	<u>(16,000)</u>	<u>-0-</u>	<u>16,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES</b>	(51,791)	(1,146)	50,645
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>52,693</u>	<u>52,693</u>	<u>-0-</u>
<b><u>FUND BALANCE, END OF YEAR</u></b>	<u>\$ 902</u>	<u>\$ 51,547</u>	<u>\$ 50,645</u>

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



CITY OF ALEXANDRIA, LOUISIANA  
RIVERFRONT CENTER SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED APRIL 30, 1999

EXHIBIT G-10

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Taxes - hotel occupancy	\$276,938	\$297,059	\$ 20,121
Charges for services - rental of center	180,000	163,975	(16,025)
Interest income	2,400	16,834	14,434
Other	<u>3,600</u>	<u>4,003</u>	<u>403</u>
Total Revenues	462,938	481,871	18,933
<b>EXPENDITURES</b>			
Current			
Special programs - operation of center			
Salaries	179,113	166,077	13,036
Employee fringe benefits	20,398	23,746	(3,348)
Contracted services	57,000	62,337	(5,337)
Utilities	63,100	42,933	20,167
Operating supplies	16,800	9,385	7,415
Repairs and maintenance	36,000	28,141	7,859
Office supplies and expenses	29,900	27,973	1,927
Insurance	23,000	24,904	(1,904)
Other operating expenses	62,354	46,354	16,000
Capital outlay	<u>10,320</u>	<u>1,299</u>	<u>9,021</u>
Total Expenditures	<u>497,985</u>	<u>433,149</u>	<u>64,836</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(35,047)	48,722	83,769
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>319,141</u>	<u>319,141</u>	<u>-0-</u>
<b><u>FUND BALANCE, END OF YEAR</u></b>	<u>\$284,094</u>	<u>\$367,863</u>	<u>\$ 83,769</u>

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

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#### DEBT SERVICE FUNDS

Debt Service funds are used to accumulate and account for resources for payment of principal and interest on certificates of indebtedness, sales tax bonds, and general obligation bonds as they mature.

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CITY OF ALEXANDRIA, LOUISIANA  
DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
APRIL 30, 1999

EXHIBIT H-1

ASSETS	<u>SALES TAX BONDS</u>	<u>CERTIFICATES OF INDEBTEDNESS</u>	<u>GENERAL OBLIGATION BONDS</u>	<u>TOTAL</u>
Equity in pooled cash and investments	\$	\$	\$680,581	\$ 680,581
Investments				
Certificates of deposit, at cost	2,704,471	64,688		2,769,159
Receivables				
Ad valorem taxes (net of \$4,000 allowance for uncollectibles)			16,550	16,550
Interest	<u>34,882</u>	<u>233</u>	<u>          </u>	<u>35,115</u>
<u>TOTAL ASSETS</u>	<u>\$2,739,353</u>	<u>\$64,921</u>	<u>\$697,131</u>	<u>\$3,501,405</u>
FUND BALANCES (Exhibit H-2)				
Reserved for debt service				
Current	\$1,077,703	\$64,921	\$697,131	\$1,839,755
Future	<u>1,661,650</u>	<u>          </u>	<u>          </u>	<u>1,661,650</u>
<u>TOTAL FUND BALANCES</u>	<u>\$2,739,353</u>	<u>\$64,921</u>	<u>\$697,131</u>	<u>\$3,501,405</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, 1999

EXHIBIT H-2

	SALES TAX BONDS	CERTIFICATES OF INDEBTEDNESS	GENERAL OBLIGATION BONDS	TOTAL
<b>REVENUES</b>				
Ad valorem taxes - net	\$	\$	\$758,389	\$ 758,389
Investment income	<u>118,841</u>	<u>13,311</u>	<u>34,266</u>	<u>166,418</u>
Total Revenues	118,841	13,311	792,655	924,807
<b>EXPENDITURES - DEBT SERVICE</b>				
Principal retirement	775,000	1,456,000	225,000	2,456,000
Interest	510,426	282,661	397,527	1,190,614
Paying agents' fees	<u>1,479</u>	<u>          </u>	<u>1,483</u>	<u>2,962</u>
Total Expenditures	<u>1,286,905</u>	<u>1,738,661</u>	<u>624,010</u>	<u>3,649,576</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(1,168,064)	(1,725,350)	168,645	(2,724,769)
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in Special Revenue Funds	1,498,180	602,924		2,101,104
Capital Projects Funds	<u>          </u>	<u>1,137,053</u>	<u>          </u>	<u>1,137,053</u>
Total other financing sources	<u>1,498,180</u>	<u>1,739,977</u>	<u>-0-</u>	<u>3,238,157</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>	330,116	14,627	168,645	513,388
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>2,409,237</u>	<u>50,294</u>	528,486	<u>2,988,017</u>
<b><u>FUND BALANCES, END OF YEAR</u></b>	<u>\$ 2,739,353</u>	<u>\$ 64,921</u>	<u>\$697,131</u>	<u>\$ 3,501,405</u>

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

CITY OF ALEXANDRIA, LOUISIANA  
 SALES TAX BONDS DEBT SERVICE FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED APRIL 30, 1999

EXHIBIT H-3

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Interest	\$ 128,000	\$ 118,841	\$ (9,159)
EXPENDITURES - DEBT SERVICE			
Principal retirement	775,000	775,000	-0-
Interest	510,426	510,426	-0-
Paying agents' fees	<u>2,951</u>	<u>1,479</u>	<u>1,472</u>
Total Expenditures	<u>1,288,377</u>	<u>1,286,905</u>	<u>1,472</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,160,377)	(1,168,064)	(7,687)
OTHER FINANCING SOURCES			
Operating transfers in Special Revenue Funds	<u>1,249,427</u>	<u>1,498,180</u>	<u>248,753</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	89,050	330,116	241,066
FUND BALANCE, BEGINNING OF YEAR	<u>2,409,237</u>	<u>2,409,237</u>	<u>-0-</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 2,498,287</u>	<u>\$ 2,739,353</u>	<u>\$ 241,066</u>

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

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, 1999

EXHIBIT H-4

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Interest	\$ 13,500	\$ 13,311	\$ (189)
EXPENDITURES - DEBT SERVICE			
Installment obligations	1,456,000	1,456,000	-0-
Interest	<u>286,528</u>	<u>282,661</u>	<u>3,867</u>
Total Expenditures	1,742,528	1,738,661	3,867
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,729,028)	(1,725,350)	3,678
OTHER FINANCING SOURCES			
Operating transfers in			
Special Revenue Funds	592,608	602,924	10,316
Capital Projects Funds	<u>1,136,420</u>	<u>1,137,053</u>	<u>633</u>
Total Other Financing Sources	<u>1,729,028</u>	<u>1,739,977</u>	<u>10,949</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	-0-	14,627	14,627
FUND BALANCE, BEGINNING OF YEAR	<u>50,294</u>	<u>50,294</u>	<u>-0-</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 50,294</u>	<u>\$ 64,921</u>	<u>\$14,627</u>

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



CITY OF ALEXANDRIA, LOUISIANA  
GENERAL OBLIGATION BONDS DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED APRIL 30, 1999

EXHIBIT H-5

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Ad valorem taxes - net	\$767,000	\$758,389	\$(8,611)
Investment income	<u>33,000</u>	<u>34,266</u>	<u>1,266</u>
Total Revenues	800,000	792,655	(7,345)
EXPENDITURES - DEBT SERVICE			
Principal retirement	225,000	225,000	-0-
Interest	397,527	397,527	-0-
Paying agents' fees	<u>1,401</u>	<u>1,483</u>	<u>(82)</u>
Total Expenditures	<u>623,928</u>	<u>624,010</u>	<u>(82)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	176,072	168,645	(7,427)
FUND BALANCE, BEGINNING OF YEAR	<u>528,486</u>	<u>528,486</u>	<u>-0-</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$704,558</u>	<u>\$697,131</u>	<u>\$(7,427)</u>

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

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### 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.

1988 DRAINAGE PROPERTY TAX FUND accounts for drainage improvements financed with a special property tax approved by voters during 1988.

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

PUBLIC SAFETY COMPLEX FUND accounts for acquisition and construction of the police and fire department's public safety complex.

1998 PROPERTY TAX GENERAL CAPITAL PROJECTS FUND accounts for various capital projects financed with a special property tax approved by voters during 1998.

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CITY OF ALEXANDRIA, LOUISIANA  
CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
APRIL 30, 1999

EXHIBIT I-1

		1988	1993	1998	TOTAL
ASSETS		DRAINAGE PROPERTY TAX	STREETS AND DRAINAGE PROPERTY TAX	PROPERTY TAX GENERAL CAPITAL PROJECTS	PUBLIC SAFETY COMPLEX
Cash and cash equivalents	\$	541	\$ 110,000	\$	\$ 110,541
Equity in pooled cash and investments		7,063,024	4,708,241	5,230,638	22,317,825
Receivables					
Ad valorem taxes					
(net of \$66,653 allowance for uncollectibles)			-0-		-0-
(net of \$14,000 allowance for uncollectibles)					
Intergovernmental		98,034		52,055	52,055
Other				98,034	98,034
Due from other funds					457
Special Revenue Funds		251,589			251,589
Capital Projects Funds			4,083		4,083
<b>TOTAL ASSETS</b>		<u>\$7,413,188</u>	<u>\$4,822,324</u>	<u>\$5,282,693</u>	<u>\$22,834,584</u>
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
Accounts and contracts payable	\$	247,463	\$ 373,853	\$ 225,982	\$ 1,953,333
Due to other funds					
Capital Projects Funds				4,083	4,083
Enterprise Funds		4,153			4,153
Advance from Utilities Enterprise Fund					
Total Liabilities		<u>1,050,000</u>	<u>373,853</u>	<u>230,065</u>	<u>1,050,000</u>
		<u>1,301,616</u>		<u>771,414</u>	<u>3,011,569</u>
<b>FUND BALANCES (Exhibit I-2)</b>					
Reserved for encumbrances		798,248	737,309	515,007	3,731,815
Unreserved					
Designated for					
Industrial park		263,363			263,363
Community center		432,697			432,697
Relocation		181,270	13,118		194,388
Undesignated		4,435,994	3,698,044	4,537,621	15,200,752
Total Fund Balances		<u>6,111,572</u>	<u>4,448,471</u>	<u>5,052,628</u>	<u>19,823,015</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>		<u>\$7,413,188</u>	<u>\$4,822,324</u>	<u>\$5,282,693</u>	<u>\$22,834,584</u>

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

CITY OF ALEXANDRIA, LOUISIANA  
CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
YEAR ENDED APRIL 30, 1999

EXHIBIT I-2

	1988	1993	1998	TOTAL
	DRAINAGE PROPERTY TAX	STREETS AND DRAINAGE PROPERTY TAX	PROPERTY TAX GENERAL CAPITAL PROJECTS	PROPERTY TAX GENERAL CAPITAL PROJECTS
<b>REVENUES</b>				
Taxes - ad valorem	\$	\$	\$	\$
Intergovernmental - grants	394,539		2,464,604	2,799,677
Investment income	397,712	367,624	329,819	394,539
Other	668,542		200	1,561,154
Total Revenues	<u>1,460,793</u>	<u>702,697</u>	<u>2,794,623</u>	<u>5,424,112</u>
<b>EXPENDITURES - CAPITAL OUTLAY</b>				
Public works	3,748,309	3,141,660	1,563,643	8,923,456
Public safety	167,462	5,084,725	<u>1,563,643</u>	5,252,187
Total Expenditures	<u>3,915,771</u>	<u>3,141,660</u>	<u>1,563,643</u>	<u>14,175,643</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(2,454,978)	(2,438,963)	1,230,980	(8,751,531)
<b>OTHER FINANCING SOURCES (USES)</b>				
Bond issuance costs			(2,925)	(2,925)
Operating transfers in (out)	2,528,671			2,528,671
Special Revenue Funds - net			(1,137,053)	(1,137,053)
Debt Service Funds	(91,000)	91,000		-
Capital Projects Funds - net	114,985	19,000		133,985
Enterprise Funds - net				
Total Other Financing Sources (uses)	<u>2,552,656</u>	<u>110,000</u>	<u>(1,139,978)</u>	<u>1,522,678</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	97,678	(2,328,963)	91,002	(7,228,853)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>6,013,894</u>	<u>6,777,434</u>	<u>4,961,626</u>	<u>27,051,868</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 6,111,572</u>	<u>\$ 4,448,471</u>	<u>\$ 5,052,628</u>	<u>\$ 19,823,015</u>

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

CITY OF ALEXANDRIA, LOUISIANA  
GENERAL CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE  
YEAR ENDED APRIL 30, 1999

EXHIBIT I-3

REVENUES

Intergovernmental - grants	
Federal	\$ 217,406
State of Louisiana	177,133
Investment income	397,712
Other	<u>668,542</u>
Total Revenues	1,460,793

EXPENDITURES - CAPITAL OUTLAY

Public Works	
Drainage	783,972
Streets	679,892
Parking garage	304,462
Building renovations	623,533
Geneological library renovations	173,158
Zoological park	791,444
Parks and recreation	227,390
Other	164,458
Public Safety	
Animal shelter	<u>167,462</u>
Total Expenditures	<u>3,915,771</u>

(DEFICIENCY) OF REVENUES OVER EXPENDITURES (2,454,978)

OTHER FINANCING SOURCES (USES)

Operating transfers in (out)	
Special Revenue Funds - net	2,528,671
Capital Projects Funds	(91,000)
Enterprise Funds - net	<u>114,985</u>
Total Other Financing Sources	<u>2,552,656</u>

EXCESS OF REVENUES AND OTHER FINANCING SOURCES  
OVER EXPENDITURES AND OTHER FINANCING USES 97,678

FUND BALANCE, BEGINNING OF YEAR 6,013,894

FUND BALANCE, END OF YEAR \$ 6,111,572

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, 1999

EXHIBIT I-4

REVENUES	
Investment income	\$ 164,553
EXPENDITURES - CAPITAL OUTLAY	
Public Works	
Drainage	<u>469,844</u>
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(305,291)
FUND BALANCE, BEGINNING OF YEAR	<u>2,676,987</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$2,371,696</u>

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



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, 1999

EXHIBIT I-5

REVENUES	
Taxes - ad valorem	\$ 335,073
Interest income	<u>367,624</u>
Total Revenues	702,697
EXPENDITURES - CAPITAL OUTLAY	
Public Works	
Drainage	4,631
Streets	<u>3,137,029</u>
Total Expenditures	<u>3,141,660</u>
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,438,963)
OTHER FINANCING SOURCES	
Operating transfers in	
General Capital Projects Fund	91,000
Enterprise Funds	<u>19,000</u>
Total Other Financing Sources	<u>110,000</u>
(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	(2,328,963)
FUND BALANCE, BEGINNING OF YEAR	<u>6,777,434</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 4,448,471</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, 1999

EXHIBIT I-6

REVENUES	
Investment income	\$ 301,446
EXPENDITURES - CAPITAL OUTLAY	
Public Safety	
Public Safety Complex	
Construction	4,138,752
Engineering	192,340
Other	<u>753,633</u>
Total Expenditures	<u>5,084,725</u>
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,783,279)
FUND BALANCE, BEGINNING OF YEAR	<u>6,621,927</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 1,838,648</u>

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

CITY OF ALEXANDRIA, LOUISIANA  
 1998 PROPERTY TAX GENERAL CAPITAL PROJECTS FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE  
 YEAR ENDED APRIL 30, 1999

EXHIBIT I-7

REVENUES	
Taxes - ad valorem	\$ 2,464,604
Investment income	329,819
Other	<u>200</u>
Total Revenues	2,794,623
EXPENDITURES - CAPITAL OUTLAY	
Public Works	
Drainage	121,260
Streets	882,062
Parks and recreation	<u>560,321</u>
Total Expenditures	<u>1,563,643</u>
EXCESS OF REVENUES OVER EXPENDITURES	1,230,980
OTHER FINANCING SOURCES (USES)	
Bond issuance costs	(2,925)
Operating transfers in (out)	
Debt Service Funds	<u>(1,137,053)</u>
Total Other Financing Sources (Uses)	<u>(1,139,978)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	91,002
FUND BALANCE, BEGINNING OF YEAR	<u>4,961,626</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 5,052,628</u>

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

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## 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 general governmental operations and the 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  
 ENTERPRISE FUNDS  
 COMBINING BALANCE SHEET  
 APRIL 30, 1999

EXHIBIT J-1  
 (Continued)

	UTILITIES SYSTEM	MUNICIPAL BUS LINE	SANITATION FUND	TOTAL
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and equivalents	\$ 274,817	\$	182	\$ 274,999
Equity in pooled cash and investments	8,457,613	454,746	493,575	9,405,934
Utility receivables, net of allowance for doubtful accounts	3,779,320			3,779,320
Estimated unbilled receivables	2,898,018		164,791	3,062,809
Other receivables	45,913	2,106	56	48,075
Due from other City funds	5,588	10,949	13,400	29,937
Due from other governments		81,492		81,492
Inventories	<u>1,817,441</u>			<u>1,817,441</u>
Total Current Assets	<u>17,278,710</u>	<u>549,293</u>	<u>672,004</u>	<u>18,500,007</u>
<b>RESTRICTED ASSETS</b>				
Cash with paying agents	4,695,324			4,695,324
Customers' deposit accounts	3,062,843			3,062,843
Special projects accounts	3,841,235			3,841,235
Revenue bond reserve accounts	6,319,395			6,319,395
Revenue bond capital additions and contingencies accounts	1,000,000			1,000,000
Capital projects accounts	10,672,586			10,672,586
Revenue bond construction accounts	<u>5,952,277</u>			<u>5,952,277</u>
Total Restricted Assets	<u>35,543,660</u>	<u>-0-</u>	<u>-0-</u>	<u>35,543,660</u>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>				
Property, plant, and equipment	180,174,077	4,022,973	1,538,246	185,735,296
Accumulated depreciation	<u>(80,111,519)</u>	<u>(2,242,864)</u>	<u>(1,103,132)</u>	<u>(83,457,515)</u>
Net Property, Plant, and Equipment	<u>100,062,558</u>	<u>1,780,109</u>	<u>435,114</u>	<u>102,277,781</u>
<b>OTHER ASSETS</b>				
Advances to other City funds	674,811			674,811
Bond issuance costs	<u>1,033,097</u>			<u>1,033,097</u>
Total Other Assets	<u>1,707,908</u>	<u>-0-</u>	<u>-0-</u>	<u>1,707,908</u>
<b>TOTAL ASSETS</b>	<u>\$154,592,836</u>	<u>\$ 2,329,402</u>	<u>\$ 1,107,118</u>	<u>\$158,029,356</u>

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

CITY OF ALEXANDRIA, LOUISIANA  
 ENTERPRISE FUNDS  
 COMBINING BALANCE SHEET  
 APRIL 30, 1999

EXHIBIT J-1  
 (Concluded)

	UTILITIES SYSTEM	MUNICIPAL BUS LINE	SANITATION FUND	TOTAL
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)</b>				
Accounts payable	\$ 1,228,172	\$ 39,805	\$ 111,864	\$ 1,379,841
Due to other City funds	137,456	5,588		143,044
Accrued expenses	1,134,291	83,840	117,972	1,336,103
Other current liabilities	124,113			124,113
Estimated landfill postclosure costs			80,000	80,000
Total	<u>2,624,032</u>	<u>129,233</u>	<u>309,836</u>	<u>3,063,101</u>
<b>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)</b>				
Payable from cash with paying agent	4,695,324			4,695,324
Payable from customer deposit accounts	3,062,843			3,062,843
Payable from capital projects accounts	93,093			93,093
Payable from revenue bond construction accounts	928,826			928,826
Total	<u>8,780,086</u>	<u>-0-</u>	<u>-0-</u>	<u>8,780,086</u>
Total Current Liabilities	<u>11,404,118</u>	<u>129,233</u>	<u>309,836</u>	<u>11,843,187</u>
<b>NONCURRENT LIABILITIES</b>				
Estimated landfill postclosure costs			70,000	70,000
Advance from other funds			674,811	674,811
Revenue bonds payable	54,955,000			54,955,000
Total Noncurrent Liabilities	<u>54,955,000</u>	<u>-0-</u>	<u>744,811</u>	<u>55,699,811</u>
Total Liabilities	<u>66,359,118</u>	<u>129,233</u>	<u>1,054,647</u>	<u>67,542,998</u>
<b>EQUITY</b>				
Contributed capital	37,250,902	6,206,102	431,783	43,888,787
Retained earnings (Accumulated deficit)				
Reserved	21,740,123			21,740,123
Unreserved	29,242,693			29,242,693
Total Retained Earnings (Accumulated Deficit)	<u>50,982,816</u>	<u>(4,005,933)</u>	<u>(379,312)</u>	<u>46,597,571</u>
Total Equity	<u>88,233,718</u>	<u>2,200,169</u>	<u>52,471</u>	<u>90,486,358</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>\$154,592,836</u>	<u>\$ 2,329,402</u>	<u>\$1,107,118</u>	<u>\$158,029,356</u>

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

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CITY OF ALEXANDRIA, LOUISIANA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN RETAINED EARNINGS  
YEAR ENDED APRIL 30, 1999

EXHIBIT J-2

	UTILITIES SYSTEM	MUNICIPAL BUS LINE	SANITATION FUND	TOTAL
<b>OPERATING REVENUES</b>				
Charges for sales and services	\$58,684,541	\$ 247,946	\$2,786,293	\$61,718,780
Other	<u>1,528,597</u>	<u>68,823</u>	<u>200</u>	<u>1,597,620</u>
Total Operating Revenues	60,213,138	316,769	2,786,493	63,316,400
<b>OPERATING EXPENSES</b>				
Production, distribution, treatment, and collection	40,608,761			40,608,761
Cost of service		1,579,413	2,903,546	4,482,959
General and administrative	5,851,108			5,851,108
Depreciation	<u>4,811,165</u>	<u>204,915</u>	<u>123,601</u>	<u>5,139,681</u>
Total Operating Expenses	<u>51,271,034</u>	<u>1,784,328</u>	<u>3,027,147</u>	<u>56,082,509</u>
<b>OPERATING INCOME (LOSS)</b>	8,942,104	(1,467,559)	(240,654)	7,233,891
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Grant revenue		647,520		647,520
Investment revenue	2,648,325	8,532	10,247	2,667,104
Gain on disposition of property, plant, and equipment	17,978		448	18,426
Interest expense and fiscal charges	<u>(3,061,920)</u>			<u>(3,061,920)</u>
Total Nonoperating Revenues (Expenses)	<u>(395,617)</u>	<u>656,052</u>	<u>10,695</u>	<u>271,130</u>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	8,546,487	(811,507)	(229,959)	7,505,021
<b>OPERATING TRANSFERS IN (OUT)</b>	<u>(5,009,671)</u>	<u>784,789</u>	<u>31,686</u>	<u>(4,193,196)</u>
<b>NET INCOME (LOSS)</b>	3,536,816	(26,718)	(198,273)	3,311,825
<b>RETAINED EARNINGS (DEFICIT), BEGINNING OF YEAR</b>	<u>47,446,000</u>	<u>(3,979,215)</u>	<u>(181,039)</u>	<u>43,285,746</u>
<b>RETAINED EARNINGS (DEFICIT), END OF YEAR</b>	<u>\$50,982,816</u>	<u>\$(4,005,933)</u>	<u>\$(379,312)</u>	<u>\$46,597,571</u>

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

YEAR ENDED APRIL 30, 1999  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED APRIL 30, 1999

EXHIBIT J-3  
(Continued)

	<u>UTILITIES SYSTEM</u>	<u>MUNICIPAL BUS LINE</u>	<u>SANITATION FUND</u>	<u>TOTAL</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 8,942,104	\$ (1,467,559)	\$ (240,654)	\$ 7,233,891
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	5,261,085	204,915	123,601	5,589,601
Provision for doubtful accounts	276,645			276,645
Changes in assets and liabilities				
Customer receivables	(1,131,463)		(13,606)	(1,145,069)
Other receivables	(1,118)	552		(566)
Due from other funds	262,294		53,578	315,872
Inventories	129,212	(637)	14,405	129,212
Accounts payable	478,337		(500)	492,105
Due to other funds	76,855			76,355
Other current liabilities	13,795	8,725	(7,949)	13,795
Accrued expenses	72,801		(330,310)	73,577
Estimated liability for landfill postclosure costs	(1,005,822)	(62,968)	(5,899)	(330,310)
Claims and judgments payable	117,226			(1,074,689)
Customer deposits - net	13,491,951	(1,361,972)	(407,334)	117,226
Net Cash Provided (Used) by Operating Activities	<u>13,491,951</u>	<u>(1,361,972)</u>	<u>(407,334)</u>	<u>11,767,645</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Operating transfers - net	(5,009,671)	789,565	31,686	(4,188,420)
Advances to other funds	(674,811)		674,811	-
Repayment of advances to other funds	650,000	609,914		650,000
Government subsidy - operations				609,914
Net Cash Provided (Used) by Noncapital Financing Activities	(5,034,482)	1,399,479	706,497	(2,928,506)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of property, plant, and equipment	(7,333,464)	(43,690)	(77,098)	(7,454,252)
Government subsidy - capital grant	40,482			40,482
Payments of revenue bonds and other indebtedness	(2,940,000)			(2,940,000)
Interest paid on long-term debt	(3,061,858)			(3,061,858)
Proceeds received from the sale of property, plant and equipment	18,013		450	18,463
Interest received on construction funds	1,034,534			1,034,534
Contribution in aid of construction	1,000	5,579		6,579
Net Cash Provided (Used) by Capital and Related Financing Activities	(12,281,775)	2,371	(76,648)	(12,356,052)

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

CITY OF ALEXANDRIA, LOUISIANA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED APRIL 30, 1999

EXHIBIT J-3  
(Concluded)

	<u>UTILITIES SYSTEM</u>	<u>MUNICIPAL BUS LINE</u>	<u>SANITATION FUND</u>	<u>TOTAL</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Change in equity in pooled cash and investments - net	\$(4,795,287)	\$(93,410)	\$(241,505)	\$(5,130,202)
Acquisition of investments	4,982,592			4,982,592
Interest received on operating funds	1,663,107	8,532	10,247	1,681,886
Net Cash Provided (Used) by Investing Activities	<u>1,850,412</u>	<u>(84,878)</u>	<u>(231,258)</u>	<u>1,534,276</u>
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	(1,973,894)	-0-	(8,743)	(1,982,637)
CASH AND EQUIVALENTS, BEGINNING OF YEAR	<u>6,944,035</u>	<u>-0-</u>	<u>8,925</u>	<u>6,952,960</u>
<u>CASH AND EQUIVALENTS, END OF YEAR</u>	<u>\$ 4,970,141</u>	<u>\$ -0-</u>	<u>\$ 182</u>	<u>\$ 4,970,323</u>
CLASSIFIED AS				
Current Assets	\$ 274,817		\$ 182	\$ 274,999
Restricted Assets	<u>4,695,324</u>			<u>4,695,324</u>
<u>TOTAL</u>	<u>\$ 4,970,141</u>	<u>\$ -0-</u>	<u>\$ 182</u>	<u>\$ 4,970,323</u>

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

CITY OF ALEXANDRIA, LOUISIANA  
 UTILITIES SYSTEM ENTERPRISE FUND  
 BALANCE SHEET  
 APRIL 30, 1999

EXHIBIT J-4  
 (Continued)

ASSETS

CURRENT ASSETS

Cash and equivalents	\$	274,817
Equity in pooled cash and investments		8,457,613
Utility receivables, net of allowance for doubtful accounts of \$1,432,391		3,779,320
Unbilled receivables		2,898,018
Other receivables		45,913
Due from other City funds		5,588
Inventories		<u>1,817,441</u>
Total Current Assets		17,278,710

RESTRICTED ASSETS

Cash with paying agents		4,695,324
Customers' deposit accounts		3,062,843
Special projects accounts		3,841,235
Revenue bond reserve accounts		6,319,395
Revenue bond capital additions and contingencies accounts		1,000,000
Capital projects accounts		10,672,586
Revenue bond construction accounts		<u>5,952,277</u>
Total Restricted Assets		35,543,660

PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment		180,174,077
Accumulated depreciation		<u>(80,111,519)</u>
Net Property, Plant, and Equipment		100,062,558

OTHER ASSETS

Advances to other City funds		674,811
Bond issuance costs		<u>1,033,097</u>
Total Other Assets		<u>1,707,908</u>

TOTAL ASSETS

\$154,592,836

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

CITY OF ALEXANDRIA, LOUISIANA  
 UTILITIES SYSTEM ENTERPRISE FUND  
 BALANCE SHEET  
 APRIL 30, 1999

EXHIBIT J-4  
 (Concluded)

LIABILITIES AND EQUITY	
<b>CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)</b>	
Accounts payable	\$ 1,228,172
Due to other City funds	137,456
Other current liabilities	124,113
Accrued expenses	<u>1,134,291</u>
Total	2,624,032
 <b>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)</b>	
Payable from cash with paying agent	
Revenue bonds	3,105,000
Interest	1,590,324
Payable from customer deposit accounts	
Customer guaranteed deposits	3,062,843
Payable from capital projects accounts	
Accounts and contracts	93,093
Payable from revenue bond construction accounts	
Accounts and contracts	<u>928,826</u>
Total	<u>8,780,086</u>
Total Current Liabilities	11,404,118
 <b>NONCURRENT LIABILITIES</b>	
Revenue bonds payable	<u>54,955,000</u>
Total Noncurrent Liabilities	<u>54,955,000</u>
Total Liabilities	66,359,118
 <b>EQUITY</b>	
Contributed capital	37,250,902
Retained earnings	
Reserved for	
Special projects	3,841,235
Revenue bond debt service	6,319,395
Capital additions and contingencies	1,000,000
Capital projects	<u>10,579,493</u>
Total Reserved Retained Earnings	21,740,123
Unreserved	<u>29,242,693</u>
Total Retained Earnings	<u>50,982,816</u>
Total Equity	<u>88,233,718</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>\$154,592,836</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, 1999

EXHIBIT J-5

	<u>TOTAL</u>	<u>ELECTRICITY</u>	<u>NATURAL GAS</u>	<u>WATER</u>	<u>WASTE WATER</u>
<b>OPERATING REVENUES</b>					
Charges for sales and services	\$58,684,541	\$45,169,849	\$6,873,177	\$4,273,407	\$ 2,368,108
Other	<u>1,528,597</u>	<u>1,318,297</u>	<u>58,543</u>	<u>87,082</u>	<u>64,675</u>
Total	60,213,138	46,488,146	6,931,720	4,360,489	2,432,783
<b>OPERATING EXPENSES</b>					
Electricity purchases	26,406,819	26,406,819			
Natural gas purchases	3,337,812		3,337,812		
Salaries	5,105,651	1,942,203	1,175,090	907,243	1,081,115
Employee benefits	1,475,226	556,218	344,347	266,871	307,790
Supplies	505,630	198,555	27,826	79,731	199,518
Auto and truck expenses	218,735	72,631	33,419	44,956	67,729
Communications	74,972	41,161	9,758	8,018	16,035
Utilities	1,006,342	87,939	475	641,925	276,003
Repairs and maintenance	1,697,734	976,202	99,473	314,317	307,742
Depreciation	4,811,165	1,674,539	1,099,457	901,872	1,135,297
Other	779,840	528,067	34,647	155,725	61,401
Overhead					
Utility director	137,193	43,447	30,309	34,990	28,447
Budget director	98,504	31,195	21,762	25,123	20,424
Billing office	327,860	103,829	72,431	83,618	67,982
Billing and collections	1,269,313	401,976	280,419	323,727	263,191
Meter readers	604,859	241,659	168,582	194,618	
Data processing	1,001,973	317,313	221,358	255,544	207,758
Utility services	527,253		170,467	196,793	159,993
Provision for doubtful accounts	265,000	203,972	31,037	19,297	10,694
Payments in lieu of insurance	1,047,237	331,647	231,358	267,088	217,144
Other	<u>571,916</u>	<u>181,119</u>	<u>126,349</u>	<u>145,862</u>	<u>118,586</u>
Total	<u>51,271,034</u>	<u>34,340,491</u>	<u>7,516,376</u>	<u>4,867,318</u>	<u>4,546,849</u>
<b>OPERATING INCOME (LOSS)</b>	8,942,104	<u>\$12,147,655</u>	<u>\$ (584,656)</u>	<u>\$ (506,829)</u>	<u>\$ (2,114,066)</u>
<b>NONOPERATING REVENUE (EXPENSES)</b>					
Interest income	2,648,325				
Gain on disposition of fixed assets	17,978				
Interest expense and fiscal charges	<u>(3,061,920)</u>				
Net	<u>(395,617)</u>				
<b>INCOME BEFORE OPERATING TRANSFERS</b>	8,546,487				
<b>OPERATING TRANSFERS IN (OUT)</b>	<u>(5,009,671)</u>				
<b>NET INCOME</b>	3,536,816				
<b>RETAINED EARNINGS, BEGINNING OF YEAR</b>	<u>47,446,000</u>				
<b><u>RETAINED EARNINGS, END OF YEAR</u></b>	<u>\$50,982,816</u>				

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, 1999

EXHIBIT J-6

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating income	\$ 8,942,104
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	5,261,085
Provision for doubtful accounts	276,645
Changes in assets and liabilities	
Customer receivables	(1,131,463)
Other receivables	(1,118)
Due from other funds	262,294
Inventories	129,212
Accounts payable	478,337
Due to other funds	76,855
Other current liabilities	13,795
Accrued expenses	72,801
Judgment payable	(1,005,822)
Customer deposits - net	117,226
Net Cash Provided by Operating Activities	<u>13,491,951</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Operating transfers out - net	(5,009,671)
Advances to other funds	(674,811)
Repayment of advances to other funds	650,000
Net Cash Used by Noncapital Financing Activities	<u>(5,034,482)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition of property, plant, and equipment	(7,333,464)
Payments of revenue bonds and other indebtedness	(2,940,000)
Interest paid on long-term debt	(3,061,858)
Proceeds received from the sale of property, plant, and equipment	18,013
Interest received on construction funds	1,034,534
Contribution in aid of construction	1,000
Net Cash Used by Capital and Related Financing Activities	<u>(12,281,775)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Increase in equity in pooled cash and investments - net	(4,795,287)
Decrease in investments	4,982,592
Interest received on operating funds	1,663,107
Net Cash Provided by Investing Activities	<u>1,850,412</u>
<b>NET DECREASE IN CASH AND EQUIVALENTS</b>	<b>(1,973,894)</b>
<b>CASH AND EQUIVALENTS, BEGINNING OF YEAR</b>	<b><u>6,944,035</u></b>
<b><u>CASH AND EQUIVALENTS, END OF YEAR</u></b>	<b><u>\$ 4,970,141</u></b>
<b>CLASSIFIED AS</b>	
Current Assets	\$ 274,817
Restricted Assets	<u>4,695,324</u>
<b><u>TOTAL</u></b>	<b><u>\$ 4,970,141</u></b>

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

CITY OF ALEXANDRIA, LOUISIANA  
MUNICIPAL BUS LINE ENTERPRISE FUND  
BALANCE SHEET  
APRIL 30, 1999

EXHIBIT J-7

ASSETS

CURRENT ASSETS

Equity in pooled cash and investments	\$ 454,746
Other receivables	2,106
Due from other governments - grants	81,492
Due from other funds	
General Fund	6,796
General Capital Projects Fund	<u>4,153</u>
Total Current Assets	549,293

PROPERTY, PLANT, AND EQUIPMENT

Building and terminal	1,504,267
Buses	2,060,828
Other vehicles	123,062
Office equipment	53,136
Garage equipment	37,674
Other equipment	235,720
Signs	<u>8,286</u>
Total	4,022,973
Accumulated depreciation	<u>(2,242,864)</u>
Net Property, Plant, and Equipment	<u>1,780,109</u>

TOTAL ASSETS

\$ 2,329,402

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 39,805
Due to other funds	
Utilities System Enterprise Fund	5,588
Accrued expenses	<u>83,840</u>
Total Current Liabilities	129,233

EQUITY

Contributed capital	6,206,102
Accumulated deficit	<u>(4,005,933)</u>
Total Equity	<u>2,200,169</u>

TOTAL LIABILITIES AND EQUITY

\$ 2,329,402

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, 1999

EXHIBIT J-8

OPERATING REVENUES	
Passenger	\$ 247,946
Advertising	4,452
Other	<u>64,371</u>
Total Operating Revenues	316,769
OPERATING EXPENSES	
Salaries	773,201
Pension fund contributions	137,366
Hospitalization and life insurance	80,351
Other payroll taxes	8,518
Uniforms	6,649
Contract labor	20,593
Fuel and oil	88,756
Repairs and maintenance	
Buses, vans, and other vehicles	156,140
Buildings and equipment	12,149
Tires	16,897
Payments in lieu of insurance premiums	244,406
Claims and judgments	7,854
Professional services	9,403
Office supplies and expenses	10,578
Utilities	3,032
Other	3,520
Depreciation	<u>204,915</u>
Total Operating Expenses	<u>1,784,328</u>
OPERATING LOSS	(1,467,559)
NONOPERATING REVENUES	
Federal and state grants	647,520
Interest revenue	<u>8,532</u>
Net Nonoperating Revenues	<u>656,052</u>
LOSS BEFORE OPERATING TRANSFERS	(811,507)
OPERATING TRANSFERS IN (OUT)	
General Capital Projects Fund	6,015
Utilities System Enterprise Fund	1,026,768
General Fund	(218,293)
Risk Management Fund	<u>(29,701)</u>
Net Operating Transfers In	<u>784,789</u>
NET LOSS	(26,718)
ACCUMULATED DEFICIT, BEGINNING OF YEAR	<u>(3,979,215)</u>
<u>ACCUMULATED DEFICIT, END OF YEAR</u>	<u>\$(4,005,933)</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, 1999

EXHIBIT J-9

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating loss	\$(1,467,559)
Adjustments to reconcile operating loss to net cash used by operating activities	
Depreciation	204,915
Changes in assets and liabilities	
Other receivables	552
Accounts payable	(637)
Accrued expenses	8,725
Claims and judgments payable	<u>(62,968)</u>
Net Cash Used by Operating Activities	(1,316,972)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Operating transfers - net	789,565
Government subsidy - operating grant	<u>609,914</u>
Net Cash Provided by Noncapital Financing Activities	1,399,479
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of buses and equipment	(43,690)
Contributed capital	
Government subsidy	40,482
General Capital Projects Fund	<u>5,579</u>
Net Cash Provided by Capital and Related Financing Activities	2,371
CASH FLOWS FROM INVESTING ACTIVITIES	
Increase in equity in pooled cash and investments - net	(93,410)
Interest received	<u>8,532</u>
Net Cash Used by Investing Activities	<u>(84,878)</u>
NET INCREASE IN CASH AND EQUIVALENTS	-0-
CASH AND EQUIVALENTS, BEGINNING OF YEAR	<u>-0-</u>
<u>CASH AND EQUIVALENTS, END OF YEAR</u>	<u>\$ -0-</u>

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

CITY OF ALEXANDRIA, LOUISIANA  
SANITATION ENTERPRISE FUND  
BALANCE SHEET  
APRIL 30, 1999

EXHIBIT J-10

ASSETS

CURRENT ASSETS

Cash	\$	182
Equity in pooled cash and investments		493,575
Estimated unbilled receivables		164,791
Other receivables		56
Due from other funds		
General Fund		1,165
Utilities System Enterprise Fund		12,235
Total Current Assets		672,004

PROPERTY, PLANT, AND EQUIPMENT

Land		73,140
Vehicles		1,359,361
Furniture and equipment		105,745
Total		1,538,246
Accumulated depreciation		(1,103,132)
Net Property, Plant, and Equipment		435,114

TOTAL ASSETS

\$ 1,107,118

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Accounts payable	\$	111,864
Accrued expenses		117,972
Estimated liability for landfill postclosure costs		80,000
Total Current Liabilities		309,836

NONCURRENT LIABILITIES

Estimated liability for landfill postclosure costs		70,000
Advance from Utilities System Enterprise Fund		674,811
Total Noncurrent Liabilities		744,811
Total Liabilities		1,054,647

EQUITY

Contributed capital		431,783
Accumulated deficit		(379,312)
Total Equity		52,471

TOTAL LIABILITIES AND EQUITY

\$ 1,107,118

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 ACCUMULATED DEFICIT  
YEAR ENDED APRIL 30, 1999

EXHIBIT J-11

OPERATING REVENUES	
Charges for services	\$2,786,293
Other	<u>200</u>
Total Operating Revenues	2,786,493
OPERATING EXPENSES	
Salaries	895,212
Employee fringe benefits	278,420
Disposal costs	865,798
Payments in lieu of insurance	167,799
Landfill postclosure costs	258,609
Operating supplies	70,503
Vehicle costs	
Gas and oil	50,904
Repairs and maintenance	143,549
Recycling program	28,957
Litter reduction - Cenla Pride	38,417
Doubtful accounts	11,645
Professional fees	930
Claims and judgments	78,544
Other repairs and maintenance	346
Other operating costs	13,913
Depreciation	<u>123,601</u>
Total Operating Expenses	3,027,147
OPERATING INCOME (LOSS)	(240,654)
NONOPERATING REVENUES	
Interest revenue	10,247
Gain on disposition of property, plant, and equipment	<u>448</u>
Total Nonoperating Revenues	<u>10,695</u>
NET INCOME (LOSS) BEFORE OPERATING TRANSFERS	(229,959)
OPERATING TRANSFERS IN (OUT)	
General Fund	542,885
General Fund (Indirect costs)	(453,229)
Utilities System Enterprise Fund	116,435
Utilities System Enterprise Fund (Indirect costs)	(116,435)
Risk Management Internal Service Fund	<u>(57,970)</u>
Net Operating Transfers	<u>31,686</u>
NET INCOME (LOSS)	(198,273)
ACCUMULATED DEFICIT, BEGINNING OF YEAR	<u>(181,039)</u>
<u>ACCUMULATED DEFICIT, END OF YEAR</u>	<u>\$ (379,312)</u>

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, 1999

EXHIBIT J-12

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating income (loss)	\$(240,654)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Depreciation	123,601
Changes in assets and liabilities	
Estimated unbilled receivables	(13,606)
Due from other funds	53,578
Accounts payable	14,405
Accrued expenses	(7,949)
Due to other funds	(500)
Estimated liability for landfill postclosure costs	(330,310)
Claims and judgments payable	<u>(5,899)</u>
Net Cash Used by Operating Activities	(407,334)
 <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Advance from Utilities System Enterprise Fund	674,811
Operating transfers - net	<u>31,686</u>
Net Cash Provided by Noncapital Financing Activities	706,497
 <b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>	
Proceeds from the sale of property, plant, and equipment	450
Acquisition of property, plant, and equipment	<u>(77,098)</u>
Net Cash Used by Capital Financing Activities	(76,648)
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Increase in equity in pooled cash and investments - net	(241,505)
Investment revenue	<u>10,247</u>
Net Cash Used by Investing Activities	<u>(231,258)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	(8,743)
<b>CASH, BEGINNING OF YEAR</b>	<u>8,925</u>
<b><u>CASH, END OF YEAR</u></b>	<u>\$ 182</u>

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

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### 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.

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

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CITY OF ALEXANDRIA, LOUISIANA  
INTERNAL SERVICE FUNDS  
COMBINING BALANCE SHEET  
APRIL 30, 1999

EXHIBIT K-1

	RISK MANAGEMENT <u>FUND</u>	EMPLOYEE BENEFITS INSURANCE <u>FUND</u>	UNEMPLOYMENT BENEFITS <u>FUND</u>	<u>TOTAL</u>
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 26,946	\$	\$	\$ 26,946
Equity in pooled cash and investments	7,500,113	533,489	347,357	8,380,959
Stop loss and subrogation claims receivable	41,928	212,747		254,675
Prepaid expenses	37,815			37,815
Due from General Fund	<u>33</u>			<u>33</u>
<b>Total Current Assets</b>	<b><u>7,606,835</u></b>	<b><u>746,236</u></b>	<b><u>347,357</u></b>	<b><u>8,700,428</u></b>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>				
Property, plant, and equipment	24,939			24,939
Accumulated depreciation	<u>(10,336)</u>			<u>(10,336)</u>
<b>Net Property, Plant, and Equipment</b>	<b><u>14,603</u></b>	<b><u>-0-</u></b>	<b><u>-0-</u></b>	<b><u>14,603</u></b>
<b><u>TOTAL ASSETS</u></b>	<b><u>\$7,621,438</u></b>	<b><u>\$746,236</u></b>	<b><u>\$347,357</u></b>	<b><u>\$8,715,031</u></b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Bank overdraft	\$	\$210,434	\$	\$ 210,434
Accounts payable	9,653	26,401	6,305	42,359
Accrued expenses	7,250			7,250
Claims payable		454,876		454,876
Estimated liability for claims incurred	<u>2,192,000</u>			<u>2,192,000</u>
<b>Total Current Liabilities</b>	<b><u>2,208,903</u></b>	<b><u>691,711</u></b>	<b><u>6,305</u></b>	<b><u>2,906,919</u></b>
<b>NONCURRENT LIABILITIES</b>				
Estimated liability for claims incurred	<u>2,455,000</u>			<u>2,455,000</u>
<b>Total Liabilities</b>	<b><u>4,663,903</u></b>	<b><u>691,711</u></b>	<b><u>6,305</u></b>	<b><u>5,361,919</u></b>
<b>EQUITY</b>				
Contributed capital	655,791			655,791
Retained earnings				
Reserved for catastrophic losses	124,810			124,810
Unreserved	<u>2,176,934</u>	<u>54,525</u>	<u>341,052</u>	<u>2,572,511</u>
<b>Total Retained Earnings</b>	<b><u>2,301,744</u></b>	<b><u>54,525</u></b>	<b><u>341,052</u></b>	<b><u>2,697,321</u></b>
<b>Total Equity</b>	<b><u>2,957,535</u></b>	<b><u>54,525</u></b>	<b><u>341,052</u></b>	<b><u>3,353,112</u></b>
<b><u>TOTAL LIABILITIES AND EQUITY</u></b>	<b><u>\$7,621,438</u></b>	<b><u>\$746,236</u></b>	<b><u>\$347,357</u></b>	<b><u>\$8,715,031</u></b>

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

CITY OF ALEXANDRIA, LOUISIANA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN RETAINED EARNINGS  
YEAR ENDED APRIL 30, 1999

EXHIBIT K-2

	<u>RISK MANAGEMENT FUND</u>	<u>EMPLOYEE BENEFITS INSURANCE FUND</u>	<u>UNEMPLOYMENT BENEFITS FUND</u>	<u>TOTAL</u>
<b>OPERATING REVENUES</b>				
Charges for services				
Required risk contributions- other funds	\$ 3,388,781	\$	\$	\$ 3,388,781
Employer contributions		2,212,198		2,212,198
Employee contributions		1,350,858		1,350,858
Stop loss reimbursements	29,529	144,685		174,214
Subrogation claims	<u>237,662</u>			<u>237,662</u>
Total Operating Revenues	<u>3,655,972</u>	<u>3,707,741</u>	<u>-0-</u>	<u>7,363,713</u>
<b>OPERATING EXPENSES</b>				
Insurance premiums				
General liability	218,813			218,813
Workmen's compensation	68,047			68,047
Automobile liability	120,716			120,716
Property coverage	199,017			199,017
Hospitalization/health Life		317,033		317,033
		81,833		81,833
Claims incurred				
General liability	567,858			567,858
Workmen's compensation	605,501			605,501
Automobile liability	550,715			550,715
Law enforcement liability	77,238			77,238
Change in estimated liability for claims incurred	(204,000)			(204,000)
Unemployment			22,098	22,098
Hospitalization/health		4,665,388		4,665,388
Administrative costs	208,055	176,225		384,280
Depreciation	<u>4,280</u>			<u>4,280</u>
Total Operating Expenses	<u>2,416,240</u>	<u>5,240,479</u>	<u>22,098</u>	<u>7,678,817</u>
<b>OPERATING INCOME (LOSS)</b>	1,239,732	(1,532,738)	(22,098)	(315,104)
<b>NONOPERATING REVENUE</b>				
Investment income	<u>395,799</u>	<u>31,497</u>	<u>21,120</u>	<u>448,416</u>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	(1,635,531)	(1,501,241)	(978)	133,312
<b>OPERATING TRANSFERS IN</b>	<u>103,345</u>	<u>800,000</u>		<u>903,345</u>
<b>NET INCOME (LOSS)</b>	1,738,876	(701,241)	(978)	1,036,657
<b>RETAINED EARNINGS, BEGINNING OF YEAR</b>	<u>562,868</u>	<u>755,766</u>	<u>342,030</u>	<u>1,660,664</u>
<b><u>RETAINED EARNINGS, END OF YEAR</u></b>	<u>\$ 2,301,744</u>	<u>\$ 54,525</u>	<u>\$341,052</u>	<u>\$ 2,697,321</u>

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

CITY OF ALEXANDRIA, LOUISIANA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED APRIL 30, 1999

EXHIBIT K-3

	RISK MANAGEMENT <u>FUND</u>	EMPLOYEE BENEFITS INSURANCE <u>FUND</u>	UNEMPLOYMENT BENEFITS <u>FUND</u>	<u>TOTAL</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 1,239,732	\$(1,532,738)	\$(22,098)	\$(315,104)
Depreciation	4,280			4,280
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Stop loss and subrogation claims receivable	286	47,885		48,171
Prepaid expenses	(8,204)			(8,204)
Due from other funds	495			495
Accounts payable	(1,525)	13,614	3,879	15,968
Accrued expenses	656			656
Claims payable		(114,680)		(114,680)
Estimated liability for claims incurred	<u>(204,000)</u>	_____	_____	<u>(204,000)</u>
Net Cash Provided (Used) by Operating Activities	1,031,720	(1,585,919)	(18,219)	(572,418)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Bank overdraft	(23,849)	(24,631)		(48,480)
Operating transfers in	<u>103,345</u>	<u>800,000</u>	_____	<u>903,345</u>
Net Cash Provided by Noncapital Financing Activities	79,496	775,369	-0-	854,865
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of property, plant, and equipment	<u>(3,194)</u>	_____	_____	<u>(3,194)</u>
Net Cash Used by Capital and Financing Activities	(3,194)	-0-	-0-	(3,194)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Decrease (Increase) in equity in pooled cash and investments	(1,476,875)	779,053	(2,901)	(700,723)
Investment revenue	<u>395,799</u>	<u>31,497</u>	<u>21,120</u>	<u>448,416</u>
Net Cash Provided (Used) by Investing Activities	(1,081,076)	810,550	18,219	(252,307)
NET INCREASE IN CASH	26,946	-0-	-0-	26,946
CASH, BEGINNING OF YEAR	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>CASH, END OF YEAR</u>	<u>\$ 26,946</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 26,946</u>

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

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## TRUST FUNDS

Trust funds are used to account for assets held by the government in a trustee capacity.

### 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 fifty 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 twenty-five 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.

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CITY OF ALEXANDRIA, LOUISIANA  
PENSION TRUST FUNDS  
COMBINING STATEMENT OF PLAN NET ASSETS  
YEAR ENDED APRIL 30, 1999

EXHIBIT L-1

	CITY EMPLOYEES' RETIREMENT SYSTEM <u>(12/31/98)</u>	FIREMEN'S PENSION AND RELIEF FUND	POLICEMEN'S PENSION AND RELIEF FUND	<u>TOTAL</u>
<b>ASSETS</b>				
Cash	\$ 1,088,251	\$ 8,713	\$ 8,694	\$ 1,105,658
Receivables				
Accounts	150,585			150,585
Accrued interest and dividends	527,950	714	369	529,033
Due from General Fund			109,066	109,066
Investments, at fair value	62,327,170	82,994	99,748	62,509,912
Furniture, fixtures, and equipment, at cost, net of accumulated depreciation	<u>8,514</u>			<u>8,514</u>
Total Assets	64,102,470	92,421	217,877	64,412,768
<b>LIABILITIES</b>				
Payroll taxes withheld	<u>210</u>	<u>-0-</u>	<u>-0-</u>	<u>210</u>
<b>NET ASSETS HELD IN TRUST FOR <u>PENSION BENEFITS</u></b>	<u>\$64,102,260</u>	<u>\$92,421</u>	<u>\$217,877</u>	<u>\$64,412,558</u>

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

CITY OF ALEXANDRIA, LOUISIANA  
PENSION TRUST FUNDS  
COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS  
YEAR ENDED APRIL 30, 1999

EXHIBIT L-2

	CITY EMPLOYEES' RETIREMENT SYSTEM 12/31/98	FIREMEN'S PENSION AND RELIEF FUND	POLICEMEN'S PENSION AND RELIEF FUND	<u>TOTAL</u>
<b>ADDITIONS</b>				
Contributions				
Employer	\$ 2,547,617	\$50,000	\$188,758	\$ 2,786,375
Plan members	<u>1,448,411</u>	<u>          </u>	<u>          </u>	<u>1,448,411</u>
Total Contributions	3,996,028	50,000	188,758	4,234,786
Investment income				
Net appreciation in fair value of investments	5,370,398			5,370,398
Interest	2,358,135	5,657	6,509	2,370,301
Dividends	374,955			374,955
Gain on sale or redemption of securities	<u>1,674,709</u>	<u>          </u>	<u>          </u>	<u>1,674,709</u>
Total Investment Income	9,778,197	5,657	6,509	9,790,363
Miscellaneous income	<u>3,061</u>			<u>3,061</u>
Total Additions	13,777,286	55,657	195,267	14,028,210
<b>DEDUCTIONS</b>				
Benefits	4,361,450	99,829	193,481	4,654,760
Refunds of contributions	209,610			209,610
Administrative expenses	<u>103,183</u>	<u>1,066</u>	<u>1,786</u>	<u>106,035</u>
Total Deductions	<u>4,674,243</u>	<u>100,895</u>	<u>195,267</u>	<u>4,970,405</u>
NET INCREASE (DECREASE)	9,103,043	(45,238)	-0-	9,057,805
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, BEGINNING OF YEAR				
	<u>54,999,217</u>	<u>137,659</u>	<u>217,877</u>	<u>55,354,753</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS, END OF YEAR				
	<u>\$64,102,260</u>	<u>\$ 92,421</u>	<u>\$217,877</u>	<u>\$64,412,558</u>

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



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.

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CITY OF ALEXANDRIA, LOUISIANA  
STATEMENT OF GENERAL FIXED ASSETS  
APRIL 30, 1999

EXHIBIT M-1

<b>GENERAL FIXED ASSETS</b>	
Land	\$ 6,522,274
Buildings and improvements	51,733,623
Furniture and fixtures	834,299
Equipment	7,763,914
Vehicles	6,488,537
Construction in progress	<u>6,508,940</u>
<b><u>TOTAL GENERAL FIXED ASSETS</u></b>	<b><u>\$79,851,587</u></b>
<b>INVESTMENT IN GENERAL FIXED ASSETS</b>	
General obligation bonds	\$ 3,795,695
Capital projects	40,886,202
Grants	24,160,807
General public	2,693,183
Other sources	<u>8,315,700</u>
<b><u>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</u></b>	<b><u>\$79,851,587</u></b>

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

CITY OF ALEXANDRIA, LOUISIANA  
 STATEMENT OF CHANGES IN GENERAL FIXED ASSETS  
 YEAR ENDED APRIL 30, 1999

EXHIBIT M-2

	<u>LAND</u>	<u>BUILDINGS AND IMPROVEMENTS</u>	<u>FURNITURE AND FIXTURES</u>	<u>EQUIPMENT</u>	<u>VEHICLES</u>	<u>CONSTRUCTION IN PROGRESS</u>	<u>TOTAL</u>
BEGINNING OF YEAR	\$6,522,274	\$43,899,253	\$830,868	\$6,482,719	\$5,915,907	\$ 7,425,496	\$71,076,517
ADDITIONS							
Capital projects		22,756		738,732		6,895,058	7,656,546
Grant revenues				139,398			139,398
Other (General Fund) revenues			3,431	403,065	572,630		979,126
RETIREMENTS							
COMPLETED CONSTRUCTION		<u>7,811,614</u>				<u>(7,811,614)</u>	<u>-0-</u>
<u>END OF YEAR</u>	<u>\$6,522,274</u>	<u>\$51,733,623</u>	<u>\$834,299</u>	<u>\$7,763,914</u>	<u>\$6,488,537</u>	<u>\$ 6,508,940</u>	<u>\$79,851,587</u>

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

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 OF ALEXANDRIA, LOUISIANA  
 COMBINING STATEMENT OF GENERAL LONG-TERM DEBT  
 APRIL 30, 1999

EXHIBIT N-1

	CERTIFICATES OF INDEBTEDNESS	SALES TAX BONDS	GENERAL OBLIGATION BONDS	COMPENSATED ABSENCES PAYABLE	TOTAL
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE PAYMENT OF GENERAL LONG-TERM DEBT					
Amount Available in Debt	\$ 64,921	\$ 2,739,353	\$ 697,131		\$ 3,501,405
Service Funds					
Amount to be provided for the retirement of general long-term debt principal from					
Ad valorem taxes	4,613,079	7,275,647	6,167,869		6,167,869
City sales and use tax	<u>21,535,000</u>			<u>1,680,429</u>	11,888,726
General Fund revenues					<u>23,215,429</u>
<u>TOTAL AVAILABLE AND TO BE PROVIDED</u>	<u>\$26,213,000</u>	<u>\$10,015,000</u>	<u>\$6,865,000</u>	<u>\$1,680,429</u>	<u>\$44,773,429</u>
GENERAL LONG-TERM DEBT PAYABLE					
Bonds payable	\$ 26,213,000	\$10,015,000	\$6,865,000		\$16,880,000
Certificates of indebtedness					26,213,000
Compensated absences payable				<u>1,680,429</u>	<u>1,680,429</u>
<u>TOTAL GENERAL LONG-TERM DEBT PAYABLE</u>	<u>\$26,213,000</u>	<u>\$10,015,000</u>	<u>\$6,865,000</u>	<u>\$1,680,429</u>	<u>\$44,773,429</u>

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

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**REQUIRED SUPPLEMENTAL INFORMATION**

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CITY OF ALEXANDRIA, LOUISIANA  
 REQUIRED SUPPLEMENTAL INFORMATION  
 YEAR 2000 SUPPLEMENTARY INFORMATION  
 APRIL 30, 1999

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the City's operations.

The City has completed an inventory of computer systems and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conducting City operations. The City has identified the following systems requiring year 2000 remediation:

SYSTEM	STAGE
Information Systems - includes all financial, accounting, human resources, and similar hardware and software under the control of the Information Systems Department	Validation/Testing Stage is complete. All hardware and software is believed to be year 2000 compliant.
Electric production and distribution	The remediation stage is in process.
Gas distribution	The remediation stage is in process.
Water purification and distribution	The remediation stage is in process.
Wastewater collection and purification	The remediation stage is in process.
Building maintenance (elevators, heating and cooling systems)	The remediation stage is in process.
Traffic signals	The remediation stage is in process.

Year 2000 remediation efforts were combined with other scheduled upgrades to the various systems, and, as such, neither the cost of year 2000 remediation efforts through April 30, 1999, nor the amount committed to completing the year 2000 remediation is available.

Because of the unprecedented nature of the year 2000 issue, its effects and the success of the related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management can not assure that the systems are or will be year 2000 ready, that the City's remediation efforts will be successful in whole or in part, or that parties with whom the City does business will be year 2000 ready.

See independent auditor's report.

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**ADDITIONAL INFORMATION**

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CITY OF ALEXANDRIA, LOUISIANA  
UTILITIES SYSTEM ENTERPRISE FUND  
UNAUDITED SUMMARY OF UTILITY SERVICE CUSTOMERS  
APRIL 30, 1999

SCHEDULE 1

<u>TYPE OF SERVICE</u>	<u>NUMBER OF CUSTOMERS</u> <u>APRIL 30, 1999</u>
Electricity	24,848
Water	20,011
Gas	17,334
Wastewater	16,269

See independent auditor's report.

CITY OF ALEXANDRIA, LOUISIANA  
 UTILITIES SYSTEM ENTERPRISE FUND  
 SCHEDULE OF CHANGES IN ASSETS RESTRICTED FOR  
 REVENUE BOND INDENTURES  
 YEAR ENDED APRIL 30, 1999

SCHEDULE 2

	CASH WITH PAYING AGENT	BOND AND INTEREST REDEMPTION	BOND RESERVE	CAPITAL ADDITIONS AND CONTINGENCIES	TOTAL
ASSETS, BEGINNING OF YEAR	\$ 4,623,586	\$ -0-	\$6,543,175	\$1,000,000	\$12,166,761
ADDITIONS					
Transfers from operating account		6,285,648			6,285,648
Transfers from bond and interest redemption	<u>6,285,648</u>				<u>6,285,648</u>
Total Additions	<u>6,285,648</u>	<u>6,285,648</u>	<u>-0-</u>		<u>12,571,296</u>
TOTAL ASSETS AVAILABLE	10,909,234	6,285,648	6,543,175	1,000,000	24,738,057
DEDUCTIONS					
Principal payments	2,940,000				2,940,000
Interest and paying agent fees	3,273,910				3,273,910
Transfers to operating account			223,780		223,780
Transfer to paying agent		<u>6,285,648</u>			<u>6,285,648</u>
Total Deductions	<u>6,213,910</u>	<u>6,285,648</u>	<u>223,780</u>	<u>-0-</u>	<u>12,723,338</u>
<u>ASSETS, END OF YEAR</u>	<u>\$ 4,695,324</u>	<u>\$ -0-</u>	<u>\$6,319,395</u>	<u>\$1,000,000</u>	<u>\$12,014,719</u>

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, 1999

SCHEDULE 3

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	
Utilities System Enterprise Fund (Schedule 4)	\$ 1,136,494
Utilities System Capital Projects Fund (Schedule 5)	1,634,353
Utilities System Revenue Bond Construction Funds (Schedule 6)	<u>(4,397,007)</u>
Total	(1,626,160)
RECONCILIATION TO NET INCOME	
Capital additions through operations	7,388,609
Debt service requirements net of interest and fiscal charges	3,105,000
Advances to other funds	674,811
Repayments of advances to other funds	(650,000)
Contributed capital	(1,000)
Loss on disposition of property, plant, and equipment	(35)
Depreciation	(5,261,085)
Amortization of bond issuance costs	<u>(93,324)</u>
<u>NET INCOME (EXHIBIT J-5)</u>	<u>\$ 3,536,816</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, and transfers of excess funds in reserved retained earnings to operations are treated as revenues. Depreciation is not recognized. Operating transfers between the various Utilities System Funds are not eliminated.

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, 1999

SCHEDULE 4

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Electric	\$45,863,592	\$46,692,497	\$ 828,905
Natural gas	8,660,850	6,900,348	(1,760,502)
Water	4,133,150	4,165,689	32,539
Wastewater	2,227,525	2,196,677	(30,848)
Investment revenue	2,052,871	1,613,791	(439,080)
Other	278,713	275,941	(2,772)
Operating transfers in			
General Fund	520,000	594,480	74,480
Sanitation Fund	108,797	116,435	7,638
Repayment of advances			
General Capital Projects Fund	150,000	150,000	-0-
1998 Property Tax Capital Projects Fund	500,000	500,000	-0-
Totals	<u>64,495,498</u>	<u>63,205,858</u>	<u>(1,289,640)</u>
<b>EXPENDITURES</b>			
Electrical production	27,800,393	27,876,741	(76,348)
Electrical distribution	3,986,851	3,690,352	296,499
Gas division	7,052,461	5,212,730	1,839,731
Water purification and distribution	2,734,052	2,486,306	247,746
Wastewater treatment, collection, and testing	2,829,706	2,615,346	214,360
Utility director	258,738	158,840	99,898
Budget director	119,188	92,397	26,791
Business office	357,302	316,758	40,544
Billings and collections	1,527,458	1,476,911	50,547
Meter readers	633,395	613,844	19,551
Data processing	863,172	795,279	67,893
Utility services	626,988	507,917	119,071
Payments in lieu of insurance	1,047,237	1,047,237	-0-
Bank service charges	13,000	13,727	(727)
Economic development	62,500	52,021	10,479
Claims and judgments	1,434,149	426,589	1,007,560
Debt service - principal, interest, and paying agent fees	6,358,426	6,290,973	67,453
Advances to other funds	700,000	674,810	25,190
Operating transfers out			
General Fund			
In lieu of taxes	3,004,000	3,171,968	(167,968)
Indirect cost allocation	1,265,415	1,265,415	-0-
Capital Projects Fund	140,000	140,000	-0-
Utilities System Capital Projects Fund	2,000,000	2,000,000	-0-
Sanitation Enterprise Fund	108,797	116,435	(7,638)
Municipal Bus Line Enterprise Fund	1,032,356	1,026,768	5,588
Totals	<u>65,955,584</u>	<u>62,069,364</u>	<u>3,886,220</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ (1,460,086)</u>	<u>\$ 1,136,494</u>	<u>\$ 2,596,580</u>

See independent auditor's report.

CITY OF ALEXANDRIA, LOUISIANA  
 UTILITIES SYSTEM CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES AND EXPENDITURES  
 YEAR ENDED APRIL 30, 1999

SCHEDULE 5

REVENUES

Transfer from Utilities System Fund	\$2,000,000
Investment revenue	529,719
Other revenues	<u>1,000</u>
Total	2,530,719

EXPENDITURES

Electrical Division	
Power plant improvements	1,334
Extensions and improvements	70,663
Repair and maintenance projects	14,592
Utility relocation	152,900
Water Division	
Extensions and improvements	16,428
Repair and maintenance projects	9,932
Gas	
Extensions and improvements	1,126
Waste Water Division	
Extensions and improvements	375,524
Repair and maintenance projects	65,395
General and Administrative	
Buildings and improvements	98,977
Machinery and equipment	34,495
Professional fees	<u>55,000</u>
Total	<u>896,366</u>

<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	<u>\$1,634,353</u>
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See independent auditor's report.

CITY OF ALEXANDRIA, LOUISIANA  
 UTILITIES SYSTEM REVENUE BOND CONSTRUCTION FUNDS  
 SCHEDULE OF REVENUES AND EXPENDITURES  
 YEAR ENDED APRIL 30, 1999

SCHEDULE 6

	1989 UTILITY REVENUE <u>BONDS</u>	1993 UTILITY REVENUE <u>BONDS</u>	1995 UTILITY REVENUE <u>BONDS</u>	<u>TOTAL</u>
REVENUES				
Investment revenue	\$ 33,205	\$ 161,413	\$ 310,195	\$ 504,813
EXPENDITURES				
Electrical Division				
Power plant improvements		98,617		98,617
Substations			2,876,945	2,876,945
Extensions and improvements	141,677			141,677
Various small projects	12,383			12,383
Repair and maintenance projects		87,088		87,088
Professional fees		41,302		41,302
Water Division				
Water wells		236,065		236,065
Professional fees		131,000		131,000
Gas Division				
Replacement program		692,089		692,089
Extensions and improvements	38,700			38,700
Waste Water Division				
Treatment plant improvements		146,815	131,981	278,796
Extensions and improvements	205,454			205,454
Machinery and equipment	61,704			61,704
Total	<u>459,918</u>	<u>1,432,976</u>	<u>3,008,926</u>	<u>4,901,820</u>
 (DEFICIENCY) OF REVENUES OVER <u>EXPENDITURES</u>	 <u>\$(426,713)</u>	 <u>\$(1,271,563)</u>	 <u>\$(2,698,731)</u>	 <u>\$(4,397,007)</u>

See independent auditor's report.

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, 1999

SCHEDULE 7

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Charges for services - passenger revenue	\$ 222,500	\$ 247,946	\$ 25,446
Advertising revenue	5,000	4,452	(548)
Investment revenue	9,000	8,532	(468)
Grant revenue			
Operating	555,386	647,520	92,134
Capital		40,482	40,482
Other income	1,300	64,371	63,071
Operating transfers in			
Capital Projects Fund			
Operating		6,015	6,015
Capital		5,579	5,579
Utilities System Fund	1,032,356	1,026,768	(5,588)
Total Revenues	<u>1,825,542</u>	<u>2,051,665</u>	<u>226,123</u>
<b>EXPENDITURES</b>			
Salaries	766,889	773,201	(6,312)
Pension fund contributions	137,914	137,366	548
Hospitalization and life insurance	82,595	80,351	2,244
Other payroll taxes	8,520	8,518	2
Uniforms	6,650	6,649	1
Contract labor	20,593	20,593	-0-
Office supplies and expenses	11,115	10,578	537
Professional services	9,713	9,403	310
Payments in lieu of insurance	244,406	244,406	-0-
Vehicle costs			
Fuel and oil	95,272	88,756	6,516
Repairs and maintenance	130,247	156,140	(25,893)
Tires	19,897	16,896	3,001
Repairs and maintenance	12,506	12,149	357
Claims and judgements	7,854	7,854	-0-
Utilities	3,195	3,032	163
Other	10,599	3,521	7,078
Capital additions	3,995	47,843	(43,848)
Operating transfers out			
General Fund - indirect costs	223,881	218,293	5,588
Risk Management Fund	29,701	29,701	-0-
Total Expenditures	<u>1,825,542</u>	<u>1,875,250</u>	<u>(49,708)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ <u>-0-</u></b>	<b>176,415</b>	<b><u>\$176,415</u></b>
<b>RECONCILIATION TO NET INCOME</b>			
Capital additions		47,843	
Capital contributions		(46,061)	
Depreciation		<u>(204,915)</u>	
<b><u>NET LOSS - GAAP BASIS (Exhibit J-8)</u></b>		<b><u>\$ (26,718)</u></b>	

See independent auditor's report.

CITY OF ALEXANDRIA, LOUISIANA  
SANITATION ENTERPRISE FUND  
COMPARISON OF REVENUES AND EXPENDITURES -  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
YEAR ENDED APRIL 30, 1999

SCHEDULE 8

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Charges for services			
Collection fees	\$1,845,000	\$1,817,770	\$(27,230)
Disposal fees	913,500	944,266	30,766
Garbage bags	20,000	24,257	4,257
Investment revenue	10,000	10,246	246
Other income	1,650	648	(1,002)
Advance from the Utilities System Fund	700,000	674,811	(25,189)
Operating transfers in			
General Fund	497,885	542,885	45,000
Utilities System Fund	108,797	116,435	7,638
Total Revenues	<u>4,096,832</u>	<u>4,131,318</u>	<u>34,486</u>
<b>EXPENDITURES</b>			
Salaries	936,614	895,212	41,402
Employee fringe benefits	308,645	278,420	30,225
Disposal costs	775,742	865,798	(90,056)
Payments in lieu of insurance	167,799	167,799	-0-
Operating supplies	70,872	70,503	369
Vehicle costs			
Gas and oil	51,332	50,904	428
Repairs and maintenance	144,591	143,549	1,042
Recycling program	34,000	28,957	5,043
Litter reduction - Cenla Pride	40,000	38,417	1,583
Provision for doubtful accounts	11,645	11,645	-0-
Professional fees	981	930	51
Claims and judgments	92,046	78,544	13,502
Other repairs and maintenance	2,186	346	1,840
Other operating costs	14,775	13,912	863
Landfill closure costs	722,404	258,609	463,795
Capital additions	148,204	77,097	71,107
Operating transfers out			
General Fund - indirect costs	408,229	453,229	(45,000)
Utilities System Fund - indirect costs	108,797	116,435	(7,638)
Risk Management Fund	57,970	57,970	-0-
Total Expenditures	<u>4,096,832</u>	<u>3,608,276</u>	<u>488,556</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>\$ -0-</u>	523,042	<u>\$523,042</u>
<b>RECONCILIATION TO NET INCOME</b>			
Capital additions		77,097	
Advance from Utilities System Fund		(674,811)	
Depreciation		<u>(123,601)</u>	
<b><u>NET INCOME - GAAP BASIS (Exhibit J-11)</u></b>		<u>\$ (198,273)</u>	

See independent auditor's report.

CITY OF ALEXANDRIA, LOUISIANA  
UNAUDITED LISTING OF INSURANCE IN FORCE  
APRIL 30, 1999

SCHEDULE 9  
(Continued)

PROPERTY

Insurer: Coregis Insurance Company

Expiration date: May 6, 1999

Coverage:

Buildings, contents, machinery and equipment, EDP hardware, mobile equipment, and automobile physical damage

Loss retention:

\$75,000 per occurrence

Policy limits of liability:

\$1,000,000 per occurrence

\$1,000,000 annual aggregate for flood

\$1,000,000 annual aggregate for earthquake

EXCESS PROPERTY

Insurer: Allianz Insurance Company

Expiration date: May 6, 1999

Coverage:

All real property, machinery and equipment, improvements and betterments, all personal property owned by the City and personal property of others in custody of the City

Policy limits of liability:

\$100,000,000 per occurrence with specified sublimits in excess of the \$1,000,000 primary insurance

BOILER AND MACHINERY

Insurer: Boston Old Colony Insurance

Expiration date: May 6, 1999

Coverage:

Comprehensive boiler and machinery coverage including production machines

Loss retention:

Varies with a minimum of \$25,000 per occurrence

Policy limits of liability:

\$25,000,000 accident with specified sublimits

GENERAL LIABILITY

Insurer: Coregis Insurance Company

Expiration date: May 6, 1999

Coverage:

Bodily injury and property damage, personal and advertising injury, and employee benefits liability (claims made - retroactive date of 5/6/94)

Loss retention:

\$150,000 per occurrence

Policy limits of liability:

\$3,000,000 general aggregate limit (applies to law enforcement and general liability, including products/completed operations)

Included: products/completed operations aggregate limit

\$1,000,000 personal and advertising injury

\$1,000,000 per occurrence

CITY OF ALEXANDRIA, LOUISIANA  
UNAUDITED LISTING OF INSURANCE IN FORCE  
APRIL 30, 1999

SCHEDULE 9  
(Continued)

EXCESS LAW ENFORCEMENT LIABILITY

Insurer: Coregis Insurance Company

Expiration date: May 6, 1999

Coverage:

Bodily injury, property damage, and personal injury involving any law enforcement department or agency of the City

Loss retention:

\$150,000 per occurrence

Policy limits of liability:

\$1,000,000 per occurrence

\$3,000,000 general aggregate limit (see above)

AUTOMOBILE LIABILITY

Insurer: Coregis Insurance Company

Expiration date: May 6, 1999

Coverage:

Bodily injury or property damage caused by an accident and resulting from the ownership, maintenance or use of any automobile

Loss retention:

\$150,000 per occurrence

Policy limits of liability:

\$1,000,000 per occurrence

SELF-INSURED RETENTION AGGREGATE EXCESS INDEMNIFICATION

Insurer: Coregis Insurance Company

Expiration date: May 6, 1999

Coverage:

General liability, law enforcement liability, and auto liability combined

Policy limits of liability:

The carrier has agreed to limit losses within the self-insured loss retention to \$1,400,000. Should losses exceed \$1,400,000, the carrier will pay the self-insured retention until the \$1,000,000 limit of insurance is exhausted.

COMMERCIAL UMBRELLA LIABILITY

Insurer: Coregis Insurance Company

Expiration date: May 6, 1999

Coverage:

Affords excess coverage for employers liability by accident, general liability, law enforcement liability, and automobile liability and the related self-insured loss retention. The policy requires that specified levels of underlying insurance be maintained.

Loss retention:

\$10,000 per occurrence

Policy limits of liability:

\$1,000,000 each occurrence

\$1,000,000 general aggregate

\$1,000,000 products/completed operations aggregate



CITY OF ALEXANDRIA, LOUISIANA  
UNAUDITED LISTING OF INSURANCE IN FORCE  
APRIL 30, 1999

SCHEDULE 9  
(Concluded)

PUBLIC OFFICIALS AND EMPLOYEES LIABILITY

Insurer: Coregis Insurance Company

Expiration date: May 6, 1999

Coverage:

Actual or alleged errors, misstatements, misleading statements, omissions, or breach of duties of public officials or employees while acting in their capacities as public officials or employees

Loss retention:

\$75,000 each occurrence

Policy limits of liability:

\$1,000,000 each claim

\$1,000,000 annual aggregate

SPECIFIC EXCESS WORKERS' COMPENSATION AND EMPLOYERS LIABILITY INDEMNITY

Insurer: Midwest Employers Casualty Company

Expiration date: May 6, 1999

Coverage:

Workers' compensation - statutory

Employers' liability - any cause of action by an employee against the City for bodily injury or disease in the course of employment

Loss retention:

\$500,000 per occurrence

Policy limits of liability:

Workers' compensation - statutory

Employers' liability - \$1,000,000 per occurrence

USL&H and Jones Act recoveries limited to state statutory benefits

PUBLIC OFFICIALS BOND

Insurer: Western Surety Bond

Expiration Date: September 9, 1999

Coverage: Mayor

Policy limits of liability: \$100,000

FIDELITY BOND

Insurer: Fidelity and Deposit Company of Maryland

Expiration date: May 11, 1999

Coverage: Tax Collector

Policy limits of liability: \$10,000

PUBLIC EMPLOYEES HONESTY BOND

Insurer: Fidelity and Deposit Company of Maryland

Expiration date: September 1, 1999

Coverage:

Employees in the Divisions of Finance, Public Works, Planning and CADS

Loss retention: \$1,000 per occurrence

Policy limits of liability: \$100,000 per employee

CITY OF ALEXANDRIA, LOUISIANA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED APRIL 30, 1999

SCHEDULE 10  
 (Continued)

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ <u>PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>AGENCY OR PASS-THROUGH GRANT NUMBER</u>	<u>AWARD AMOUNT</u>	<u>AMOUNT EXPENDED</u>	<u>AMOUNT PROVIDED TO SUBRECIPIENTS</u>
U.S. Department of Agriculture - Forest Service Passed-through the State of Louisiana URBAN Community Forestry Grant	10.664		\$ 5,000	\$ 2,947	\$
U.S. Department of Housing and Urban Development - Community Planning and Development Direct Community Development Block Grants/Entitlement Grants					
Entitlement program	14.218	B-95-MC-22-0001	1,124,000	1,413	15,211
Entitlement program	14.218	B-96-MC-22-0001	1,082,000	375,070	4,494
Entitlement program	14.218	B-97-MC-22-0001	1,062,000	336,598	90,314
Entitlement program	14.218	B-98-MC-22-0001	1,027,000	383,872	
Home Investment Partnership Program	14.218	B-94-MC-22-0205	379,000	636	
Home Investment Partnership Program	14.218	B-95-MC-22-0205	409,000	3,602	
Home Investment Partnership Program	14.218	B-96-MC-22-0205	387,000	297,770	
Home Investment Partnership Program	14.218	B-97-MC-22-0205	378,000	40,222	
Home Investment Partnership Program	14.218	B-98-MC-22-0205	405,000	48,600	
Total - CFDA Number 14.218			<u>6,253,000</u>	<u>1,487,783</u>	<u>110,019</u>
Passed-through the State of Louisiana					
Emergency Shelter Grants Program	14.231	DOA #370 700216	74,000	34,062	34,062
Emergency Shelter Grants Program	14.231	DOA #370 900688	100,764	13,960	13,960
Total-CFDA Number 14.231			<u>174,764</u>	<u>48,022</u>	<u>48,022</u>
Agency Total			<u>6,427,764</u>	<u>1,535,805</u>	<u>158,041</u>

CITY OF ALEXANDRIA, LOUISIANA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED APRIL 30, 1999

SCHEDULE 10  
 (Continued)

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH GRANT NUMBER	AWARD AMOUNT	AMOUNT EXPENDED	AMOUNT PROVIDED TO SUBRECIPIENTS
<b>U.S. Department of Justice</b>					
<b>Bureau of Justice Assistance</b>					
Direct					
Local Law Enforcement Block Grants Program	16.592	96-LB-VX-3718	\$ 349,493	\$ 68,566	
Local Law Enforcement Block Grants Program	16.592	98-LB-VX-2905	279,212	143,212	
Local Law Enforcement Block Grants Program	16.592	98-LB-VX-6273	<u>162,205</u>	<u>-0-</u>	
Total-CFDA Number 16.592			<u>791,040</u>	<u>211,778</u>	<u>-0-</u>
Passed-through the State of Louisiana					
Byrne Formula Grant Program	16.579	98-B3-B.07-0025	57,449	28,748	
Street Sales Disruption	16.579	B96-3-021	<u>15,039</u>	<u>1,146</u>	
Criminal Patrols			<u>72,538</u>	<u>29,894</u>	<u>-0-</u>
Total-CFDA Number 16.579					
<b>Violence Against Women Grants Office</b>					
Passed-through the State of Louisiana					
Violence Against Women Formula Grants	16.588	97-M3-M.04-0406	9,371	3,150	
Domestic Violence Network					
<b>Office of Community Oriented Policing Services</b>					
Direct					
Public Safety Partnerships and Community Policing Grants	16.710	95CFWX4514	1,191,630	296,639	
COPS Universal Hiring Supplemental Award	16.710	98CMWX1365	<u>47,603</u>	<u>-0-</u>	
COPS More 98 Award			<u>1,239,233</u>	<u>296,639</u>	<u>-0-</u>
Total CFDA Number 16.710					
<b>Federal Bureau of Investigation</b>					
Direct					
Organized Crime Drug Enforcement Task Forces					
Overtime Costs and Authorized Expenses for State and Local Enforcement Personnel		245F-NO-62649	<u>3,309</u>	<u>3,309</u>	
Agency Total			<u>2,115,491</u>	<u>544,770</u>	<u>-0-</u>

CITY OF ALEXANDRIA, LOUISIANA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED APRIL 30, 1999

SCHEDULE 10  
 (Concluded)

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH GRANT NUMBER	AWARD AMOUNT	AMOUNT EXPENDED	AMOUNT PROVIDED TO SUBRECIPIENTS
<b>U.S. Department of Transportation</b>					
<b>Federal Highway Administration</b>					
Passed-through the State of Louisiana					
Highway Trust Fund-Monroe Street	20.205	STP-7829(005)M	\$ 620,263	\$ 217,406	
<b>Federal Transit Administration</b>					
Direct					
Federal Transit Capital and Operating					
Assistance Formula Grants					
Capital and operating assistance	20.507	LA-90-X168	510,454	36,340	
Capital and operating assistance	20.507	LA-90-X179	496,400	30,066	
Capital and operating assistance	20.507	LA-03-0064	883,000	-	
Capital and operating assistance	20.507	LA-90-X188	501,200	47,815	
Capital and operating assistance	20.507	LA-90-X202	641,340	519,512	
Total - CFDA Number 20.507			<u>3,032,394</u>	<u>633,733</u>	-0-
<b>National Highway Traffic Safety Administration</b>					
Passed-through the State of Louisiana					
Safe and Sober Overtime Campaign		9990-42	<u>3,761</u>	<u>2,461</u>	
Agency Total			<u>3,656,418</u>	<u>853,600</u>	-0-
<b>Totals</b>			<u>\$12,204,673</u>	<u>\$2,937,122</u>	<u>\$ 158,041</u>

Note:

Expenditures for CFDA #20.507 are reported on the accrual basis of accounting. All other expenditures reported on the Schedule of Expenditures of Federal Awards are reported on the modified accrual basis of accounting. Note 1 to the financial statements provides additional information relative to the City's accounting policies.

See independent auditor's report.

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

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF GENERAL PURPOSE, COMBINING,  
INDIVIDUAL FUND, AND ACCOUNT GROUP FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF 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, 1999, and have issued our report thereon dated October 12, 1999. 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 City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards, which are described in the accompanying schedule of findings and questioned costs as Finding 99-01. In addition, we noted certain immaterial instances of noncompliance that we have reported to management of the City of Alexandria, Louisiana, in a separate letter entitled Other Comments and Recommendations, dated October 12, 1999.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Alexandria, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operations that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's

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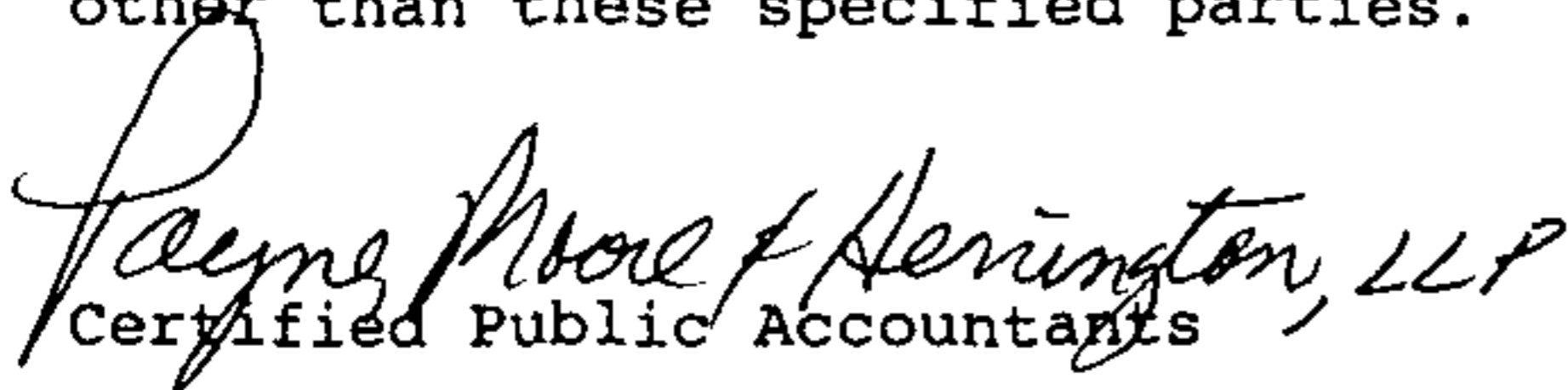
The Honorable Mayor and City Council  
City of Alexandria, Louisiana

ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs as Findings 99-02 through 99-03.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions, and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable conditions described above to be material weaknesses.

We also noted other matters involving the internal control over financial reporting that we have reported to the management of the City of Alexandria, Louisiana, in a separate letter, entitled *Other Comments and Recommendations*, dated October 12, 1999.

This report is intended solely for the information of the Mayor, members of the City Council, management of the City of Alexandria, Louisiana, federal awarding agencies, pass-through entities, and the Legislative Auditor's office of the State of Louisiana. This report is not intended to be, and should not be, used by anyone other than these specified parties.

  
Certified Public Accountants

October 12, 1999

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



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CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Mayor and City Council  
City of Alexandria, Louisiana

Compliance

We have audited the compliance of the City of Alexandria, Louisiana, with the types of compliance requirements described in the *U.S. Office Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal programs for the year ended April 30, 1999. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs is the responsibility of management of the City of Alexandria, Louisiana. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on City of Alexandria, Louisiana's compliance with those requirements.

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The Honorable Mayor and City Council  
City of Alexandria, Louisiana

In our opinion, City of Alexandria, Louisiana, complied in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended April 30, 1999.

Internal Control Over Compliance

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

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

This report is intended solely for the information of the Mayor, members of the City Council, management of the City of Alexandria, Louisiana, federal awarding agencies, pass-through entities, and the Legislative Auditor's office of the State of Louisiana. This report is not intended to be, and should not be, used by anyone other than these specified parties.

*Payne Moore & Herrington, LLP*  
Certified Public Accountants

October 12, 1999

CITY OF ALEXANDRIA, LOUISIANA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED APRIL 30, 1999

PART I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?	<u>  X  </u>	Yes	<u>      </u>	No
Reportable condition(s) identified not considered to be material weaknesses?	<u>      </u>	Yes	<u>  X  </u>	None reported

Noncompliance material to the financial statements noted?   X   Yes        No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<u>      </u>	Yes	<u>  X  </u>	No
Reportable condition(s) identified not considered to be material weaknesses?	<u>      </u>	Yes	<u>  X  </u>	None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?        Yes   X   No

Identification of major programs:

CFDA # 14.218	Community Development Block Grants/Entitlement Grants
CFDA # 20.507	Federal Transit Capital and Operating Assistance Formula Grants

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

Auditee qualified as a low-risk auditee?        Yes   X   No

CITY OF ALEXANDRIA, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED APRIL 30, 1999

PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE  
REQUIRED TO BE REPORTED UNDER GOVERNMENT AUDITING STANDARDS

FINDING 99-01

COMPLIANCE WITH ASSET MANAGEMENT LAWS

*Criteria:* It is our understanding that Louisiana Revised Statute 24:515(B)(1) requires the head of every auditee subject to examination under the provisions of R.S. 24:513(A) to maintain records of land, buildings, improvements other than buildings, equipment, and any other general fixed assets which were purchased or otherwise acquired, and for which such entity is accountable. The records shall include information as to the date of purchase of such property or equipment, the initial cost, the disposition, if any, the purpose of such disposition, and the name of the recipient of such disposed property or equipment.

*Condition:* We found that the City did not maintain complete records as required by R.S. 24:515(B)(1) for acquisitions or dispositions of property and equipment during the year ended April 30, 1999.

*Recommendation:* We recommend that the City comply with the record keeping requirements of R.S. 24:515(B)(1) for future acquisitions and disposition of property and equipment and that existing records be updated to comply with these requirements as soon as possible.

*Management's Response:*

See Management's Corrective Action Plan.

FINDING 99-02

LACK OF ACCOUNTING FOR AD VALOREM TAXES

*Criteria:* The objectives of internal controls are to provide management with reasonable assurance that assets are safeguarded against loss, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Reconciliation of property tax rolls to collections recorded in the general ledger is an integral internal control procedure.

*Condition:* The ad valorem property tax roll was not reconciled to the general ledger revenue control account resulting in property tax assessments indicated as paid in the tax rolls exceeding the revenue recorded in the general ledger by approximately \$22,300. Further investigation, with assistance of the Director of Finance and the Detective Division of the City of Alexandria Police Department resulted in an employee of the City charged with seven counts of felony theft.

*Cause:* Controls within the business office were not in place to prohibit certain individuals from performing tasks that should have been segregated.

*Recommendations:* Pursuant to our recommendation, special investigative procedures, with the assistance of the Director of Finance and Detective Division, were



CITY OF ALEXANDRIA, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED APRIL 30, 1999

undertaken which resulted in the above mentioned charges filed. Additionally, we recommend that a complete review of the internal controls of the business office be conducted with changes instituted to provide for better segregation of duties and responsibilities. Formal reconciliations should periodically be prepared to reconcile the tax rolls with revenue recorded in the general ledger.

*Management's Response:*

See Management's Corrective Action Plan.

FINDING 99-03

LACK OF OTHER RECONCILIATIONS

*Criteria:* The objectives of internal controls are to provide management with reasonable assurance that assets are safeguarded against loss, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. The reconciliation of subsidiary information to the general ledger control accounts is an integral internal control procedure to accomplish the above goals.

*Condition:* We found that most reconciliations designed to accomplish the above goals were not performed or not performed on a regular basis during the year ended April 30, 1999. Routine reconciliations not performed included bank reconciliations, reconciliations of receivable subsidiaries to their related control accounts, reconciliations of accounts payable subsidiaries to their related control accounts, reconciliations of customer deposits to their related control account, and reconciliation of utilities interface reports to the related general ledger accounts.

*Cause:* We were informed that the lack of reconciliations was due to the retirement or departure of experienced personnel in the finance and accounting departments. In some cases, new personnel were not hired and, in other cases, new personnel were not properly trained in their duties.

*Recommendations:* We recommend that all reconciliations be timely performed and reviewed by the appropriate finance and accounting department personnel and that any discrepancies be investigated and corrected. We also recommend that new personnel be properly trained in their duties.

*Management's Response:*

See Management's Corrective Action Plan.

PART III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None noted.

**OTHER COMMENTS AND RECOMMENDATIONS**

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

OTHER COMMENTS AND RECOMMENDATIONS

The 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, 1999, we considered the City's internal controls to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal controls.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls, operating efficiency, and compliance. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. A separate report, dated October 12, 1999, contains our report on reportable conditions on the City's internal control. This letter does not affect our report, dated October 12, 1999, 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.

*Payne, Moore & Herrington, LLP*  
Certified Public Accountants

October 12, 1999

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MEMORANDUM OF OTHER COMMENTS AND RECOMMENDATIONS

FINDING 99-04

PHYSICAL INVENTORY OF FIXED ASSETS

*Criteria:* Internal controls relating to fixed assets should provide for the safekeeping of those assets. An integral part of these internal controls should be an annual physical inventory of fixed assets and the reconciliation of this inventory to fixed asset control accounts in the general ledger.

*Condition:* Management informed us that not all departments completed a physical inventory of fixed assets during the year ending April 30, 1999.

*Recommendation:* We recommend that the City's policy of an annual physical inventory of fixed assets and the reconciliation of this inventory to the books be reinstated.

*Management's Response:*

See Management's Corrective Action Plan.

FINDING 99-05

SPECIAL WATER RATE CONTRACT

*Criteria:* It is our understanding that all rates charged for services, including special utility rate contracts, require approval by the City Council.

*Condition:* On August 31, 1998, a special water rate contract with a major customer expired. Subsequent to August 31, 1998, the customer was charged an "interim rate" apparently negotiated by representatives of administration. This interim rate contract was apparently never presented to the City Council for approval. A final contract was never negotiated or presented to the City Council for approval.

*Recommendation:* We recommend that all contracts, including those for special utility rates, be approved by the City Council.

*Management's Response:*

See Management's Corrective Action Plan.

FINDING 99-06

PROVISION FOR COOPERATIVE ENDEAVOR AGREEMENTS

*Condition:* We were informed that written cooperative endeavor agreements do not exist with entities such as the Mardi Gras Association, Cenlabration, Juneteenth, Fotaz, Uncle Sam Jam, et cetera which require these organizations to report on the use of funds received from the City.

*Recommendation:* We recommend that a written cooperative endeavor agreement be executed with each entity which provides for reporting on the expenditure of the City's funds. We recommend, for example, the agreement provide that each entity furnish a copy of its Form 990 and/or a determination letter verifying its nonprofit status with the Internal Revenue Service. The Council should also consider including a provision in the operating agreement that the entity have an annual audit conducted in accordance with generally accepted auditing standards or

MEMORANDUM OF OTHER COMMENTS AND RECOMMENDATIONS

allow the City to conduct an audit of the entity's books if deemed necessary by the Council and or administration.

*Management's Response:*

See Management's Corrective Action Plan.

FINDING 99-07

COLLATERAL PLEDGE

*Criteria:* The City should have a system to monitor the adequacy of the collateral pledged by financial institutions to guarantee the City's deposits.

*Condition:* Management is not monitoring the adequacy of collateral pledged by financial institutions to guarantee the City's deposits.

*Cause:* The City previously utilized procedures to monitor the adequacy of collateral pledged. However, these procedures were not reassigned when the employee originally designated to monitor the adequacy of collateral pledge resigned in a prior year.

*Recommendation:* The procedures to monitor the adequacy of collateral pledge should be reinstated and assigned to an appropriate employee.

*Management's Response:*

See Management's Corrective Action Plan.

FINDING 99-08

UTILITIES SYSTEM - WRITE-OFF OF UNCOLLECTIBLE ACCOUNTS

*Criteria:* It is our understanding that a list of Utilities System customer accounts deemed uncollectible by management is required to be submitted to the City Council for their review and approval of the write-off of these accounts.

*Condition:* Such a list has not been presented to the Council for the fiscal years ended April 30, 1997, 1998, and 1999. No accounts deemed uncollectible have been removed from the books during this time period.

*Cause:* It is our understanding that the software provider informed management not to use the bad debts subroutine prior to the current upgrade because of certain problems with this subroutine. We were informed by management, that subsequent to the current upgrade being installed in March, 1999, that they have not had time to test the new subroutine.

*Recommendation:* We recommend that the new bad debts subroutine be tested and that a list of Utilities System customer accounts deemed uncollectible be generated and presented to the City Council for their review and approval as soon as possible.

*Management's Response:*

See Management's Corrective Action Plan.

MEMORANDUM OF OTHER COMMENTS AND RECOMMENDATIONS

FINDING 99-09

UTILITIES SYSTEM - SOFTWARE

*Condition:* In prior years, we noted certain concerns with the Utilities System software. The Utilities System software was upgraded during the year ended April 30, 1999, addressing many of these concerns. However the following concerns still remain outstanding:

1. Certain essential management and auditor's reports are not available. Examples include new account reports, aging, and delinquent account reports restricted to commercial accounts or to accounts with balances greater than the user selected amount.
2. Certain necessary daily reports, for example the Daily Balancing Report, are not always run on a daily basis.
3. While the new processors have improved response time, data retrieval can still be very slow. This can be frustrating to both employees and customers.

*Recommendation:* We continue to recommend that the above concerns be specifically addressed in future upgrades.

*Management's Response:*

See Management's Corrective Action Plan.



MEMORANDUM OF OTHER COMMENTS AND RECOMMENDATIONS

FINDING 99-10

OVERTIME

*Condition:* We selected a sample of 29 employees with large amounts of overtime for testing. These 29 employees had accumulated a total of 11,411 hours of overtime during the year ended April 30, 1999. One employee in the Fire Department accumulated 1,152 hours of overtime and one employee in the Recreation Department accumulated 907 hours of overtime. All of the overtime tested was properly authorized and approved.

Overtime tested is recapped in the following table:

DEPARTMENT	NUMBER OF EMPLOYEES	OVERTIME HOURS
Fire Department	13	5,580
Bus Department	4	1,456
Police Department	3	1,026
Recreation Department	1	907
Streets and Parks Department	2	884
Electric Distribution Department	3	436
Electric Production Department	1	434
Information Systems Department	1	423
Wastewater Treatment Department	1	265
Totals	29	11,411

*Recommendation:* We do not have any specific recommendations since all overtime was properly authorized and approved. However, we do suggest that overtime be closely monitored for justification, authorization, and approval.

*Management's Response:*

See Management's Corrective Action Plan.

FINDING 99-11

REVIEW OF PURCHASE INVOICES

*Criteria:* The objectives of internal controls are to provide management with reasonable assurance that assets are safeguarded against loss, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Proper review of invoices prior to payment is a necessary internal control procedure to accomplish the above objectives.

*Condition:* We noted one construction invoice that included a balance from the previous period and which was erroneously paid again with the current balance due. The overpayment, in the amount of \$139,887, was made in December, 1998. In July,

MEMORANDUM OF OTHER COMMENTS AND RECOMMENDATIONS

1999, upon finding of facts, the contractor issued an invoice to the City in the amount of the overpayment.

*Cause:* Estimate number 1 was paid on October 23, 1998 and estimate number 2 was issued on October 24, 1998. At the time of issuance of estimate number 2, receipt of payment for estimate number 1 was not on hand, thus the amount was listed by the contractor as a prior balance outstanding. The outside engineering firm employed by the City, the electrical department and division, the purchasing department and the accounts payable department each reviewed and/or approved estimate number 2.

*Recommendations:* Although we believe this to be an isolated instance, we recommend that additional care be taken in reviewing invoices prior to processing for payment. In any occasion whereby an invoice indicates an amount due from a previous period, proper investigation should be undertaken and notations made on the face of the invoice that such amounts are approved for payment and the reason for approval.

*Management's response:*

See Management's Corrective Action Plan.

FINDING 99-12

ANNUAL AD VALOREM TAX ASSESSMENT

*Criteria:* Ad valorem tax assessed for debt service exceeds annual debt service requirements. It is our understanding that annual assessments should approximate as near as practical the annual need for debt service.

*Condition:* Accumulated ad valorem taxes assessed for payment of principal and interest of the General Obligation Bonds, Series 1996, plus accumulated interest earned on surplus funds on deposit exceed the current debt service requirements by almost \$505,000.

*Cause:* The original year of assessment preceded the actual debt service repayment requirements and subsequent annual assessments were greater than the debt service requirements. These amounts, when combined with annual account earnings have provided funds in excess of the amounts required to fund the annual debt service.

*Recommendations:* Consideration should be given to a reduction in future millage rates on these bonds in order that the accumulated surplus may be expended.

*Management's Response:*

See Management's Corrective Action Plan.

FINDING 99-13

SALES TAX PAID ON PURCHASE ORDERS

*Criteria:* Municipal governments are exempt from the payment of sales taxes on purchases of goods and materials.

MEMORANDUM OF OTHER COMMENTS AND RECOMMENDATIONS

*Condition:* Our random tests of invoices supporting purchases made by the City disclosed two instances where vendors applied sales taxes to the purchases of the City and these taxes were erroneously paid.

*Cause:* Invoices, in these instances, were not properly reviewed. It appears that these occasions were isolated instances.

*Recommendations:* A memorandum should be forwarded to all departments as a reminder that the City is not subject to sales tax on purchases and invoices should be thoroughly reviewed prior to approval for payment.

*Management's Response:*

See Management's Corrective Action Plan.

FINDING 99-14

CENTRALIZED FILING FOR EXECUTED CONTRACTS

*Criteria:* Contracts and agreements entered into by the Council and administration should be filed in a central location.

*Condition:* We encountered difficulty in locating various documents incident to our audit due to items being filed in various locations.

*Recommendations:* We recommend that a copy of all executed contracts and agreements be filed with the City Clerk.

*Management's Response:*

See Management's Corrective Action Plan.

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

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PAYNE, MOORE & HERRINGTON, LLP

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.
- 5) Reconcile subsidiary ledgers to appropriate general ledger control accounts on a current basis.

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The Honorable Mayor and City Council  
City of Alexandria, Louisiana

- 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.

*Payne, Moore & Herrington, LLP*  
Certified Public Accountants

October 12, 1999

**MANAGEMENT'S CORRECTIVE ACTION PLAN**



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City of Alexandria, Louisiana  
 Management's Corrective Action Plan  
 Year Ended April 30, 1999

SECTION I: INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
Finding 99-01  Response	Compliance with Asset Management Laws  The Accounting Department for the City of Alexandria has experienced a severe staffing shortage for almost two years. The department has a professional staff of three Accountants and the Accounting manager. The remaining staff was very inexperienced and had to help try to absorb some of the work load. The Accounting Manager's position has been vacant since December 1997 and an Accountant's position has been vacant since August 1998. We recently hired an Accounting Manager. She began work on October 18, 1999. One of her first projects will be to get our Fixed Asset Program operational.
Finding 99-02  Response	Lack of Accounting for Ad Valorem Taxes  The Business Office Manager has reassessed and made changes to all of the procedures used in the Business Office. Reconciliations of collections made by the business office to the general ledger will be made by the Business Office Manager on a routine basis.
Finding 99-03  Response	Lack of Reconciliation  New management procedures were implemented to monitor the responsibilities of the accounting and utility customer service department staff. New reconciliation procedures were developed and implemented during the audit for the accounts noted by the auditors. Training has been provided and will continue to be provided to the staff responsible for these reconciliations. The department managers of the two departments involved will be responsible for insuring compliance with these new procedures.

SECTION III: OTHER COMMENTS AND RECOMMENDATIONS (MANAGEMENT LETTER)	
Finding 99-04  Response	Physical Inventory of Fixed Assets  This finding and Finding 99-01 are interrelated. Please review the response given for Finding 99-01. Due to the lack of personnel, physical inventory of assets became impossible to perform. As soon as the new Fixed Asset Program is up and running, we will ask the council to allow us to hire contract labor to help us to perform the physical inventory of the City's assets.

City of Alexandria, Louisiana  
 Management's Corrective Action Plan  
 Year Ended April 30, 1999

Finding 99-05 Response	Special Water Rate Contract  The legal division will review and make the appropriate recommendations to the administration and council for corrective action in regard to this finding.
Finding 99-06 Response	Provision for Cooperative Endeavor Agreements  The legal division will review and make the appropriate recommendations to the administration and council for corrective action in regard to this finding.
Finding 99-07 Response	Collateral Pledge  Please review the response given for Finding 99-01. The individual who was responsible for these reconciliations resigned and the position has not been filled. We will try to reimplement our monitoring procedures as soon as possible.
Finding 99-08 Response	Utilities System - Write-Off of Uncollectible Accounts  The Utility Customer Service Department is in the process of testing and implementing the new bad debt subroutine. The new software was not installed until the March of 1999.
Finding 99-09 Response	Utilities System - Software  We concur with the comments made by our auditors. However, we are at the mercy of our software provider and will continue to voice our comments and complaints to our vendor.
Finding 99-10 Response	Overtime  The authorization and approval of overtime is the responsibility of the individual Superintendent and Division Directors. Routine reports are provided to the City Council for their review.
Finding 99-11 Response	Review of Purchase Invoices  Additional training has been provided to purchasing personnel. In the future, invoices received with prior balances will not be paid until properly researched.
Finding 99-12 Response	Annual Ad Valorem Tax Assessment  All of the information will be sent to the City's bond council for review and recommendation regarding the millage rate assessed.

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Finding 99-13  Response	Sales Tax Paid on Purchase Orders  A memo will be issued to all department managers reminding them the City is exempt from sales tax and to review their payments carefully before approving them for payment.
Finding 99-14  Response	Centralized Filing for Executed Contracts  The administration will discuss this recommendation with the City Council.

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**SCHEDULE OF PRIOR YEAR FINDINGS**

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City of Alexandria, Louisiana  
 Schedule of Prior Year Findings  
 Year Ended April 30, 1999

SECTION I: INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS		
Finding 98-01	Compliance with the Louisiana Local Government Budget Act	Resolved.
Finding 98-02	Annual Ad Valorem Tax Assessment	Partially resolved. See Finding 99-12
Finding 98-03	Reconciliations - Utilities System Enterprise Fund	Unresolved. See Finding 99-03
Finding 98-04	Supporting Documentation - Youth Baseball Recreation Board	Resolved.
Finding 98-05	Voided Checks	Resolved.
SECTION II: INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS		
Finding 98-06	Compliance with Reporting Requirements	Resolved.
SECTION III: OTHER COMMENTS AND RECOMMENDATIONS (MANAGEMENT LETTER)		
Finding 98-07	Physical Inventory of Fixed Assets	Unresolved. See Finding 99-04
Finding 98-08	Cellular Telephones	Resolved.
Finding 98-08	Fuel and Oil Inventory	Resolved.
Finding 98-09	Collateral Pledge	Unresolved. See Finding 99-07.
Finding 98-10	Utilities System - Write-Off of Uncollectible Accounts	Partially resolved. See Finding 99-08
Finding 98-11	Utilities System - Compliance with Delinquent Account Policy	Resolved.
Finding 98-12	Utilities System - Software	Partially resolved. See Finding 99-09



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