CITY OF ALEXANDRIA, LOUISIANA

Financial Report

For the Year Ended April 30, 2023

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INDEPENDENT AUDITOR'S REPORT

The Honorable Jacques Roy, Mayor
and Members of the City Council
City of Alexandria, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alexandria, Louisiana, as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Alexandria, Louisiana's basic financial statements as listed in the table of contents.

In our opinion, based on our report and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alexandria, Louisiana, as of April 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Alexandria, Louisiana and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – GASB 87 Implementation

As described in Note 26 in the notes to the basic financial statements, the City of Alexandria adopted new accounting guidance GASB 87, Leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Alexandria, Louisiana's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. We did not audit the financial statements of the City of Alexandria Employees' Retirement System, pension trust fund which represent 73.64%, 82.74% and 24.66%, respectively, of the assets, net position and revenues of the aggregate remaining fund information. These financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Alexandria Employees' Retirement System is based solely on the reports of other auditors. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Alexandria, Louisiana's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Alexandria, Louisiana's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information on pages 6-17 and 90 - 99, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Alexandria, Louisiana's basic financial statements. The accompanying Justice System Funding Schedule – Receiving Entity and the schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Justice System Funding Schedule – Receiving Entity and the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the unaudited summary of utility service customers and the unaudited listing of insurance in force but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2023, on our consideration of the City of Alexandria, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Alexandria, Louisiana's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Alexandria, Louisiana's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
October 30, 2023

REQUIRED
SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis
Year ended April 30, 2023

Our discussion and analysis of the City of Alexandria's financial performance provides an overview of the City's financial activities for the fiscal Year Ended April 30, 2023. Please read it in conjunction with the City's financial statements, which begin on page 20. For ease of understanding, figures are rounded to the nearest tenth of $1 million or the nearest $1 thousand, as appropriate.

Financial Highlights

- The City's assets exceeded liabilities by $319.0 million.
- The City's net position decreased around $9.8 million during FY 2022-23. This is the combined result of a decrease of around $.8 million in net position from governmental activities and by a decrease in net position from business activities of $9.0 million.
- Unrestricted net position decreased by $19.7. This is the result of a decrease of $8.7 from governmental activities and by a decrease of $11.0 million from business type activities.
- Fund balance in the General Fund is $35.2 million, which amounts to approximately 55% of the expenditures of the General Fund in FY 2022-23.
- The City's long-term debt increased $46.3 million, due to pension and other post employee benefits liability.

Overview of the Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 20 and 21) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 23. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting On The City As A Whole

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting,* which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net position* and changes in them. You can think of the City's net position- the difference between assets and liabilities as one way to measure the City's financial health, or *financial position.* Over time, *increases or decreases* in the City's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the *overall health* of the City.

See independent auditor's report.

In the Statement of Net Position and the Statement of Activities we divide the City into three kinds of activities:

- Governmental activities - Most of the City's basic services are reported here, including the police, fire, public works and parks departments, and general administration. Property taxes, sales taxes, franchise fees, and state and federal grants finance most of these activities.

- Business-type activities - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's utilities, sanitation, zoo, golf course, and transit are reported here.

- Component units - The City has no component units at the present time.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 23 and provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the U.S. Department of Housing and Urban Development). The City's two kinds of funds - *governmental* and *proprietary* - use different accounting approaches.

- *Governmental funds* - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in a reconciliation following these fund financial statements.

- *Proprietary funds* - When the City charges customers for the services it provides - whether to outside customers or to other units of the City - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail. We use internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the City's other programs and activities, such as the City's Risk Management.

The City as Trustee

Reporting the City's Fiduciary Responsibilities

The City is the trustee, or *fiduciary,* for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 32 and 33. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Government Wide Financial Analysis

The following table reflects a condensed version of the Statement of Net Position displaying 2023 and 2022:

City of Alexandria, LA
Condensed Statement of Net Position (in millions)
April 30, 2023 and April 30, 2022

	Governmental 2023	Governmental 2022	Business 2023	Business 2022	Total 2023	Total 2022
Assets						
Current & Other Assets	$ 108.7	$ 109.0	$ 51.7	$ 68.0	$ 160.4	$ 177.0
Restricted Assets	-	-	38.8	38.6	38.8	38.6
Capital Assets	173.0	174.2	215.6	220.7	388.6	394.9
Total Assets	281.7	283.2	306.1	327.3	587.8	610.5
Deferred Outflow of Resources	39.1	17.0	44.3	26.4	83.4	43.4
Liabilities						
Current Liabilities	4.9	4.4	13.5	13.1	18.4	17.5
Long-Term Liabilities	95.2	63.4	193.5	179.8	288.7	243.2
Total Liabilities	100.1	67.8	207.0	192.9	307.1	260.7
Deferred Inflows of Resources	23.6	34.4	21.6	29.9	45.2	64.3
Net Position						
Invested in Capital Assets (Net)	163.1	160.8	86.9	87.3	250.0	248.1
Restricted	43.6	38.1	28.3	25.7	71.9	63.8
Unrestricted	(9.5)	(.9)	6.7	17.8	(2.8)	16.9
Total Net Position	$ 197.2	$ 198.0	$ 121.9	$ 130.8	$319.1	$ 328.8

As of April 30, 2023 the City's Net Position totals $319.1 million, showing an increase of about 3 % compared to the 2022 total of $328.8 million. Roughly $250.0 million, or 78%, of the City's total Net Position resides in the Invested in Capital Assets category. These are land, buildings, infrastructure, equipment and other items required for the City to furnish its goods and services to citizens on the governmental side of operations and customers on the business side of operations. These assets are not available for appropriation (spending), as they are not intended to be sold. Restricted Assets account for $71.9 million, or 23%, of the total. Restrictions are placed by entities outside the City government, such as bondholders. These assets are also not available for appropriation. The City shows a negative $2.8 million in Unrestricted Net Assets for FY 2022-23

See independent auditor's report.

The following table is a condensed version of the Statement of Activities displaying 2023 and 2022:

City of Alexandria, LA
Condensed Statement of Activities (in millions)
April 30, 2023 and April 30, 2022

	Governmental 2023	Governmental 2022	Business 2023	Business 2022	Total 2023	Total 2022
Revenues						
Program Revenues:						
Charges for Services, Fines, Fees	$ 4.6	$ 4.5	$ 115.4	$ 103.8	$ 120.0	$ 108.3
Grants & Contributions	7.0	8.3	4.1	3.2	11.1	11.5
General Revenues:						
Sales Taxes	57.3	57.4			57.3	57.4
Other Taxes	10.2	10.3	1.3	1.3	11.5	11.6
Other	3.8	3.1	1.7	.4	5.5	3.5
Total Revenues	82.9	83.6	122.5	108.7	205.4	192.3
Expenses						
General government	23.9	20.2			23.9	20.2
Public safety	35.0	27.6			35.0	27.6
Public works	23.7	17.4			23.7	17.4
Community and economic development	.2	.5			.2	.5
Interest on long-term debt	.5	.6	4.7	5.1	5.2	5.7
Electricity			79.4	60.7	79.4	60.7
Gas			15.9	14.5	15.9	14.5
Water			8.7	6.8	8.7	6.8
Wastewater			9.1	7.8	9.1	7.8
Transit			3.3	2.4	3.3	2.4
Sanitation			6.1	5.0	6.1	5.0
Zoological Park			3.6	2.8	3.6	2.8
Golf Course			1.1	1.1	1.1	1.1
Total Expenses	83.3	66.3	131.9	106.2	215.2	172.5
Change in Net Position before Transfers	-.4	17.3	-9.4	2.5	-9.8	19.8
Transfers	-.4	6.9	.4	-6.9	-	-
Increase (Decrease) In Net Position	$ -.8	$ 24.2	$ -9.0	$ -4.4	$ -9.8	$ 19.8
Net Position, Beginning of Year	198.0	173.8	130.9	135.3	328.9	309.0
Net Position, End of Year	$ 197.2	$ 198.0	$ 121.9	$ 130.9	$ 319.1	$ 328.9

See independent auditor's report.

The City's total revenues were $205.4 million and total expenses were $215.2 million for FY 2022-23. This results in a decrease of net position before transfers of 9.8 million. This can be broken down first by governmental and business activities, then broken down further by function.

Net Position in Governmental Activities decreased by $.8 million in FY 2022-23 compared to an increase of $24.2 in FY 2021-22. Examining the expenses for the 2 years, we see that they are up significantly from $66.3 million in FY 2021-22 to $83.3 million in FY 2022-23, roughly a 37% difference. We see increases of $6.3 million in Public Works; $ 7.4 million in Public Safety; and $3.7 million in General Government. These are partially offset by decreases of $.3 million in Community & Economic Development and $.1 million in Interest in Long Term Debt. Revenues reflect a slight decrease, amounting to $.7 million. The majority of the decrease is found in Capital Grants & Contributions totaling roughly $1.3 million, along with other minor decreases such as Sales Taxes of $.1 million. These are partially offset by increases such as in Other Revenue of $.7 million.

Business-type Activities Net Position decreased $9.0 million for FY 2022-23, compared to a decrease in the prior year of $4.4 million. Expenses are up $25.7 million with increases of $18.7 million in Electricity and $1.4 million in Gas are joined by increases of over $1 million in Water, Wastewater, and Sanitation. Revenues are up $13.8 million, the majority of which can be found in Charges for Services amounting to $11.6 million, while Investment Earnings are up $1.1 million and Grants are up $.9 million. Electric and Gas Fuel Cost Recovery revenues are up a combined $18.8 million compared to the prior year. Relatively minor net decreases in other Charges for Services account for the remainder.

In the long run, the City's costs for Electric and Gas fuel are passed on to the customers and have no effect on the City's finances. In the short run, however, the City can be either recovering costs or rebating costs depending on which way fuel prices are going. These fluctuations in revenue can cause significant differences in the short term.

Individual Fund Analysis

We will briefly analyze the activity and fund balances of the major funds of the Governmental Funds category and the Business (Proprietary) Funds category, beginning with the General Fund. Differences are rounded to the nearest tenth of $1 million for ease of discussion.

Governmental Funds

General Fund

The General Fund ended FY 2022-23 with a decrease in Fund Balance of nearly $3.6 million. In short, the General Fund spent more than it took by this amount. In order to see the change, a comparison of revenues and expenditures of FY 2022-23 and FY 2021-22 is needed.

Revenues and Transfers In decreased by roughly $8.0 million. The greatest changes can be found in the Transfers In with a decrease of $5.9 million and Intergovernmental Revenue with a decrease of $2.3 million. Other relatively minor net increases account for the remainder of the changes .

Expenditures and Transfers Out increased $4.5 million when compared to the previous year. The greatest factor here was Public Works increasing $2.3 million; Public Safety increased $2.2 million; General Government increased $.4 million; and Transfers Out increased $.6 million. These increases are partially offset by a decrease in Debt Service of $1.1 million. Other minor changes account for the remainder.

Overall, Expenditures and Transfers Out in the General Fund exceeded Revenues and Transfers in leading to the previously mentioned decrease in Fund Balance of $3.6 million.

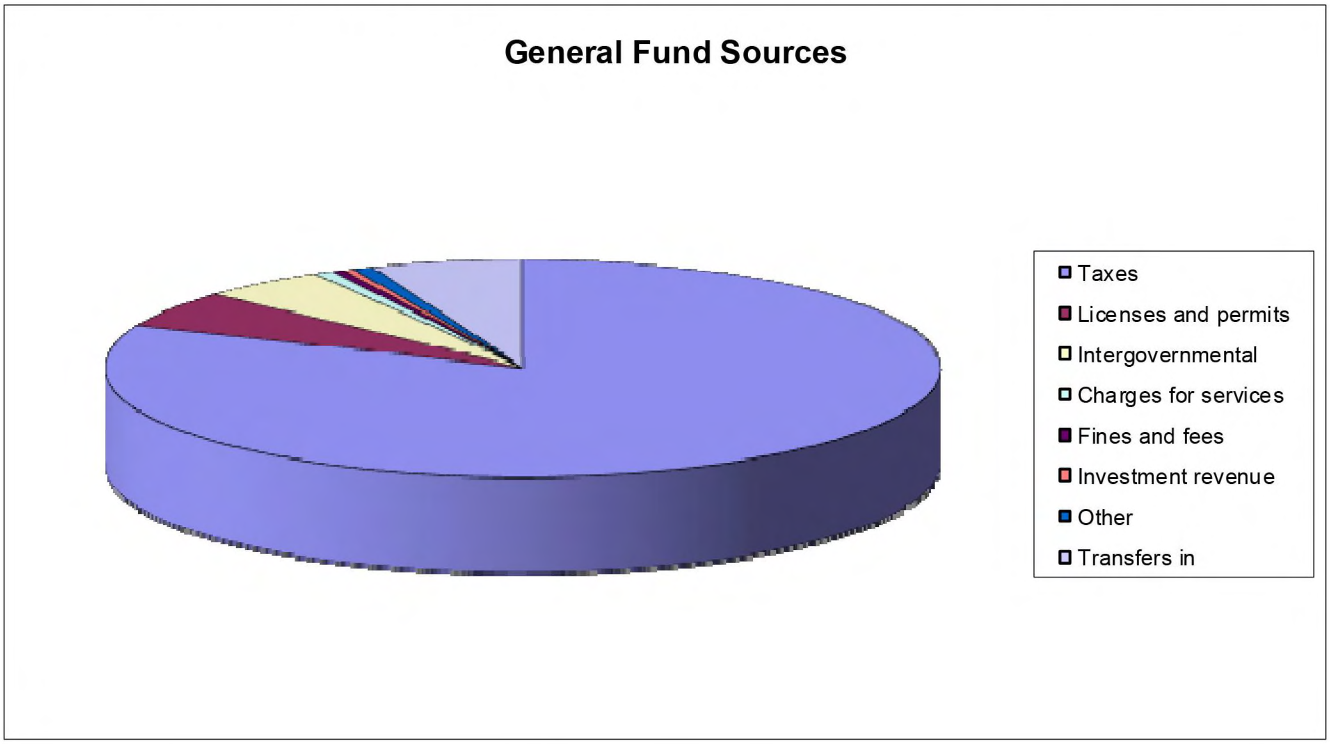
General Fund Budgetary Highlights

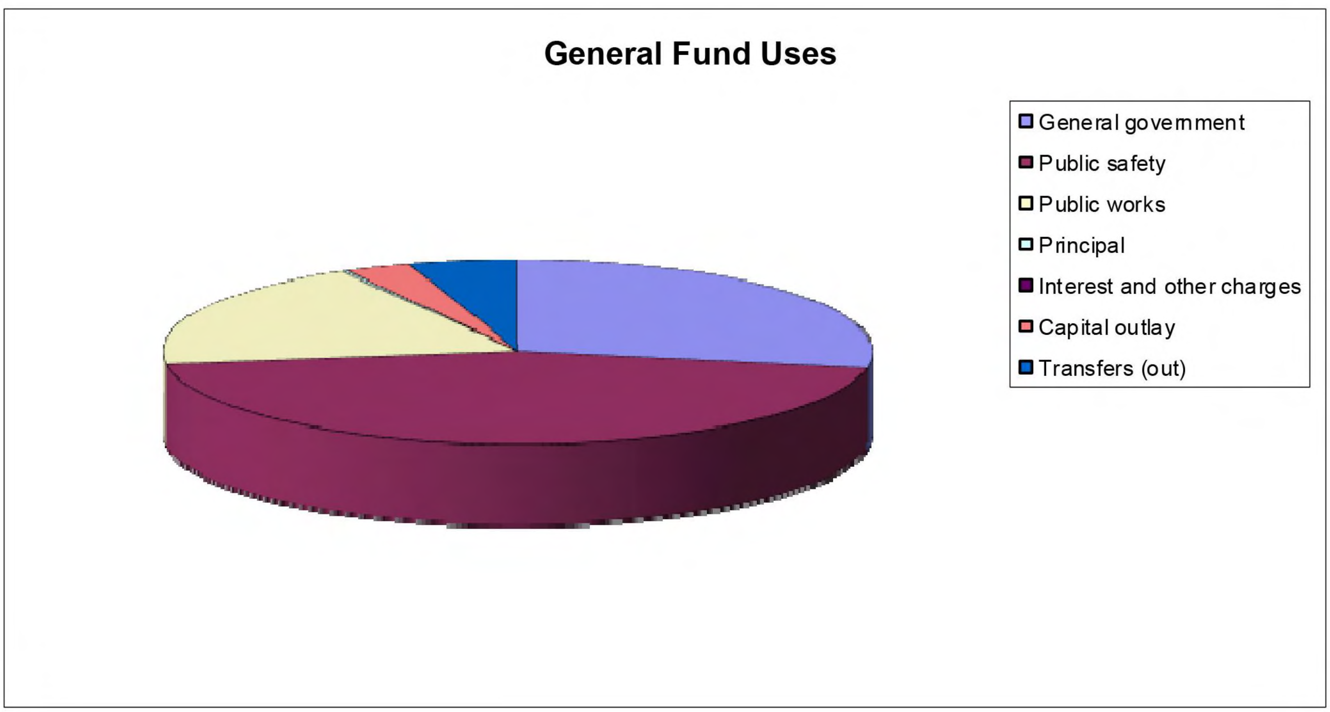
The original budget of the General Fund reflects the City's plan and financial intent at the beginning of the fiscal year. This is routinely adjusted during the year to better reflect actual revenues available and actual expenditures incurred. The City does its most comprehensive adjustment at Major Budget Amendment (MBA). Revenues and Use of Fund Balance were adjusted for a net increase of $4.2 million, or 5.81%. The major changes here are increases in Taxes of $6.1 million; Intergovernmental Revenue of $2.1 million; and Use of Fund Balance of $1.4 million These are partially offset by net decreases in Transfers In of $5.7 million. Other relatively minor adjustments make up the remainder.

Budgeted Expenditures and Transfers Out were adjusted up during the year by $4.2 million due to a variety of factors. Transfers Out was increased by $.7 million; Overtime in various departments was increased $1.7 million; Vehicle Fuel was increased $.4 million; and Vehicle Repairs was increased $1.5 million.

Fortunately, the City did not use the $12.0 million in fund balance budgeted for FY 2022-23, but, as previously noted, did use Fund Balance in the amount of $3.6 million. Actual Revenues and Transfers In were around $5.2 million greater than budgeted, while actual Expenditures and Transfers Out were about $2.2 million less than budgeted. There were various offsets in the revenues, but the greatest factors were variances in combined Sales Taxes of $1.6 million; Occupational Licenses of $.6 million, and Intergovernmental of $1.0 million. The greatest factor in the expenditures coming in so much lower than budgeted is the previously mentioned attrition; i.e., vacant employee positions during the year that were budgeted but had no employees to be paid from them. The combined salary and fringes for these vacancies translated to roughly $3.3 million in reduced expenditures, even after adjusting budgets down at Major Budget Amendment. Along with this factor, a timing issue existed with Capital Outlay as $1.4 million in purchases were not made in FY 2022-23 and will be made in subsequent years. Favorable variances in discretionary spending such as $.3 million in Professional Fees; $.2 million in Programming; and $.2 million in Vehicles Fuel account for the remainder of the difference in General Fund Expenditures.

The following charts represent the actual sources and uses of General Fund monies for Fiscal 2022-23.





See independent auditor's report.

General Capital Projects Fund

Revenues and Other Financing Sources are up in this fund by roughly $2.0 million, where increases in Intergovernmental of roughly $1.0 million are joined by increases of roughly $.4 million each in Taxes and Interest Revenue.

Expenditures and Transfers Out for FY 2022-23 are up $1.7 million compared to the previous year. Expenditures can vary greatly over two consecutive years in a capital projects fund depending on how far along individual large projects are. Once a project is designed and construction begins, funds can be expended in a relatively short time. Significant progress was achieved in multiple projects in FY 2022-23, such as Amphitheatre Improvements, North 16th Street Bridge Replacement, Martin Park Drainage, Masonic Corridor Phase 2, and Reconstruction of Johnny Downs Sports Complex.

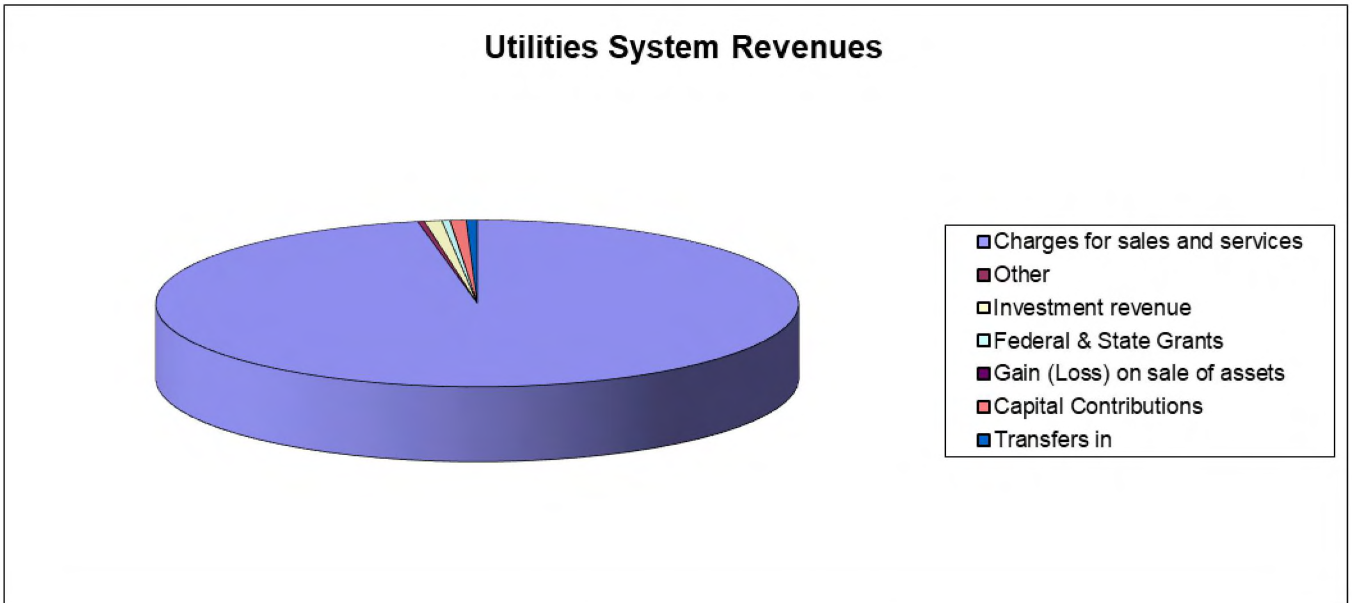
Overall Fund Balance increased $2.1 million for FY 2022-23.

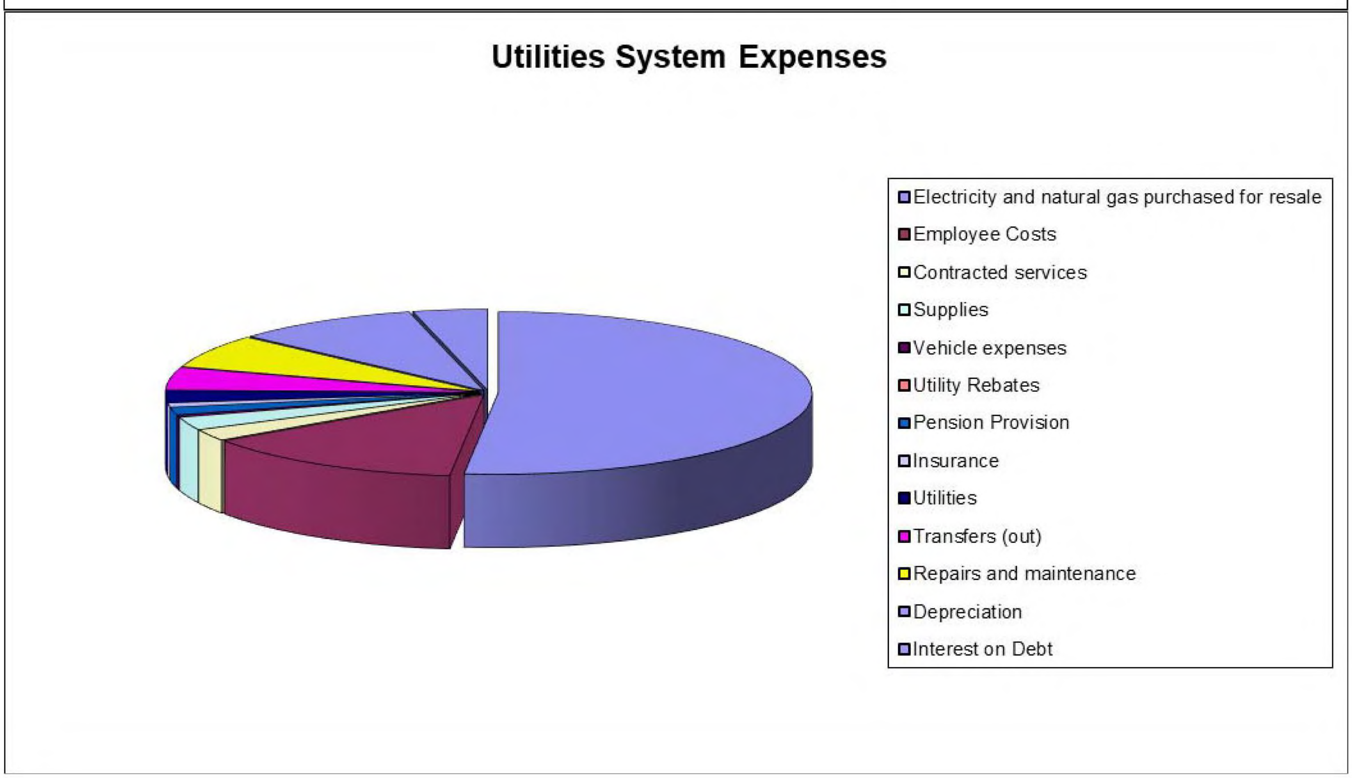
Utilities System Fund

The Utilities System Fund is the largest of the City's proprietary funds, dwarfing the Sanitation Fund, Municipal Transit Fund, Zoo Fund and Golf Course Fund. Revenues in the Utilities System are based primarily on the sales of electricity, water, natural gas, and wastewater service to customers. These revenues, Charges for Services, are up $11.0 million compared to the prior year. This is partially due to fuel cost recovery. The City does not benefit from fuel cost because that is simply the passing on of costs incurred by the City to its customers, but the incurring and subsequent recovery of these costs can cause considerable fluctuations in the revenue and expense of the System. Actual increases in revenues that are not due to fuel cost are $1.6 million when compared to the prior year.

Expenses and Transfers Out are up $13.7 million in FY 2022-23 compared to the previous year. The biggest factor here is the expense side of Fuel Cost increasing $13.9 million; while employee costs increased $3.2 million; Utilities increased $.7 million and Repairs & Maintenance increased $1.0 compared to the prior year. These increases are partially offset by a reduction in Transfers Out of $4.5 million and Supplies of $.6 million.

The result of the above was decrease in Net Position to the Utilities System Fund of roughly $10.5 million for FY 2022-23. The following charts show the breakdown of Revenues and Expenses of the Utilities System Fund for FY 2022-23:





See independent auditor's report.

Capital Asset and Debt Administration

Capital Assets

Capital Assets (Net of Depreciation)

	Governmental		Business	
	2023	2022	2023	2022
Land	$ 14.6	$ 14.6	$ 3.5	$ 3.5
Construction in Progress	13.4	26.0	14.4	12.6
Buildings	47.2	49.9	3.2	3.7
Furniture & Fixtures	1.2	1.7	.6	.6
Vehicles	5.1	5.6	4.7	4.4
Infrastructure	91.6	76.8	189.2	196.1
Net Capital Assets	$ 173.1	$ 174.6	$ 215.6	$ 220.9

In Governmental Activities, the major change is a decrease in Construction in Progress of $12.6 million; as major projects such as Jackson/Horseshoe Intersection; Mall Ditch Improvements, and Woodale Outfall Drainage were completed. Infrastructure shows a corresponding increase of $14.8 million with the completion of these and other projects. Other relatively minor changes account for the remainder of the difference.

In Business Activities, Infrastructure is down by $6.9 million accounting for majority of the changes. This is partially offset by increases such as Construction in Progress of $1.8 million.

Governmental Funds

The City had a net decrease of $1.5 million in capital assets this year in Governmental Activities. These capital assets would include buildings, vehicles, equipment, as well as infrastructure, net of depreciation.

Business-Type Funds

The City had a net decrease of $5.3 million in capital assets this year in Business Activities. These capital assets would include buildings, vehicles, equipment, as well as infrastructure, net of depreciation.

For greater detail on capital assets, please see Note 10 to the financial statements.

Debt Administration

Governmental Funds

In the Governmental Funds, Bonded Long-Term debt decreased $2.3 million; the result of scheduled payments of principal.

Enterprise Funds

In the Enterprise Funds, Bonded Long-Term Debt decreased $3.4 million; the result of scheduled payments of principal. For further information on debt, please see Note 11 to the financial statements.

Bonded Long-Term Debt

	Governmental		Business	
	2020	**2019**	**2020**	**2019**
Sales Tax Revenue Bonds	$ 11.1	$ 13.4	$ -	$ -
Utility Revenue Bonds	-	-	165.8	147.4
Total Outstanding Debt	$ 11.1	$ 13.4	$ 165.8	$ 147.4

Future Outlook

The City faced some difficult financial challenges in FY 2022-23, and will face these and other challenges in the foreseeable future.

In governmental activities, an increase in Fund Balance of $2.1 was previously noted. However, the General Fund saw a decrease in Fund Balance of $3.6 million. This is due to a variety of factors including expenditures being up in most major categories and Sales Tax Revenue being relatively flat. The greatest single factor is the absence of the Transfer from the Utilities System Fund, which has recently been $5.2 million. That transfer as originally budgeted for FY 2022-23 was over 9% of the total revenues and transfers for the General Fund. The justification for its absence will be discussed under "business activities".

In business activities, a decrease of $9.0 million in Net Position was noted in Enterprise Funds, the majority of which is attributable to the $10.5 million decrease in Net Position in the Utilities System Fund. As noted, revenues were up from the prior year, but most of the increase was due to fuel cost recovery. Expenses went up much more sharply contributing to the results. There was a steep increase in Receivables in the Utilities System Fund. This was due to the lack of timely cutoffs for non- payment in the prior administration. Uncollected cycle billings rose from $9 million in the prior year to $16.2 million at the end of FY 2022-23. Consequently, the Allowance for Uncollectibles, an estimation used by the City to determine how much of the receivable will never be collected, rose by $4.2 million. This estimation would have been higher if it were not for considerable efforts and success in collections in FY 2023-24 thus far. The effect on the Utilities System Fund's cash flows has been devastating, as evidenced by examining the Statement of Cash Flows. FY 2022-23 shows net cash provided by operations at $12.5 million, compared to $18.3 million in FY 2021-22. This is further evidence of the Utilities System having to pay its obligations to suppliers, employees and the like in full, while not being paid in full for the services it has provided to customers. Balances of cash and equivalents dropped $5.6 million during FY 2022-23, even with the suspension of the Transfer to General Fund of $5.3 million mentioned above. This situation will require considerable attention in order to put the Utilities System Fund, and the City as a whole, back in a favorable financial condition.

Contacting the Finance Division of the City

This report is intended as a brief overview of the City's financial condition. Any questions should be directed to the Director of Finance, PO Box 71, Alexandria, LA 71309.

David L. Johnson, CPA
Director of Finance
City of Alexandria, Louisiana

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

CITY OF ALEXANDRIA, LOUISIANA

Statement of Net Position
April 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and interest-bearing deposits	$ 93,713,846	$ 35,637,811	$ 129,351,657
Certificates of deposit	1,710,288	2,500,000	4,210,288
Receivables, net	5,241,059	12,713,463	17,954,522
Due from other governmental agencies	1,945,083	790,738	2,735,821
Internal balances	5,418,158	(5,418,158)	-
Prepaid expense	269,180	-	269,180
Inventories	361,307	5,541,322	5,902,629
Restricted assets:			
Cash and interest-bearing deposits	-	38,770,832	38,770,832
Capital assets			
Non-depreciable:			
Land and land improvements	14,636,292	3,489,049	18,125,341
Construction and infrastructure in progress	13,412,465	14,381,581	27,794,046
Depreciable, net	145,009,551	197,710,399	342,719,950
Total assets	281,717,229	306,117,037	587,834,266
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized bond refunding charges	-	14,624,740	14,624,740
Deferred outflows of resources - pensions	33,138,122	29,708,105	62,846,227
Deferred outflows of resources - OPEB related	5,981,562	-	5,981,562
Total deferred outflows of resources	39,119,684	44,332,845	83,452,529
LIABILITIES			
Accounts payable	2,845,646	4,877,027	7,722,673
Salaries payable	1,936,832	890,092	2,826,924
Accrued interest payable	109,240	1,880,407	1,989,647
Customer guaranteed deposits	-	5,898,346	5,898,346
Long-term liabilites:			
Due within one year	8,122,389	5,864,205	13,986,594
Due in more than one year	16,158,746	169,055,845	185,214,591
Net pension liability	50,330,400	18,550,511	68,880,911
Other post employee benefits payable	20,541,167	-	20,541,167
Total liabilities	100,044,420	207,016,433	307,060,853
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - ARPA	5,645,001	5,645,001	11,290,002
Deferred inflows of resources - pensions	13,834,613	15,915,487	29,750,100
Deferred inflows of resources - OPEB related	4,165,902	-	4,165,902
Total deferred inflows	23,645,516	21,560,488	45,206,004
NET POSITION			
Net investment in capital assets	163,098,794	86,867,858	249,966,652
Restricted for:			
Debt service	2,333,872	24,736,646	27,070,518
Project Restor	-	2,500,000	2,500,000
Capital projects	41,252,389	-	41,252,389
Capital additions and contingencies	-	1,024,458	1,024,458
Unrestricted	(9,538,078)	6,743,999	(2,794,079)
Total net position	$ 197,146,977	$ 121,872,961	$ 319,019,938

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Activities
For the Year Ended April 30, 2023

		Program Revenues			Net (Expense) Revenues and Changes in Net Position		
			Operating	Capital	Primary Government		
Activities	Expenses	Fees, Fines, and Charges for Services	Grants and Contributions	Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	$ 23,886,166	$ 4,344,449	$ -	$ -	$ (19,541,717)	$ -	$ (19,541,717)
Public safety	34,957,605	217,151	2,723,036	-	(32,017,418)	-	(32,017,418)
Public works	23,710,181	60,190	-	3,210,751	(20,439,240)	-	(20,439,240)
Economic development	248,773	51,936	1,068,680	-	871,843	-	871,843
Interest on long-term debt	518,159	-	-	-	(518,159)	-	(518,159)
Total governmental activities	83,320,884	4,673,726	3,791,716	3,210,751	(71,644,691)	-	(71,644,691)
Business-type activities:							
Electricity	79,402,566	83,238,263	448,489	-	-	4,284,186	4,284,186
Natural Gas	15,942,047	12,703,914	-	-	-	(3,238,133)	(3,238,133)
Water	8,653,234	6,616,287	-	889,487	-	(1,147,460)	(1,147,460)
Waste Water	9,121,240	5,994,374	-	-	-	(3,126,866)	(3,126,866)
Municipal Transit	3,252,168	228,811	1,409,931	1,384,744	-	(228,682)	(228,682)
Sanitation	6,101,632	5,235,166	-	-	-	(866,466)	(866,466)
Zoological Park	3,629,401	623,514	-	-	-	(3,005,887)	(3,005,887)
Golf Course	1,167,345	798,081	-	-	-	(369,264)	(369,264)
Interest and fiscal charges on long term debt	4,708,598	-	-	-	-	(4,708,598)	(4,708,598)
Total business-type activities	131,978,231	115,438,410	1,858,420	2,274,231	-	(12,407,170)	(12,407,170)
Total activities	$ 215,299,115	$ 120,112,136	$ 5,650,136	$ 5,484,982	(71,644,691)	(12,407,170)	(84,051,861)
General revenues:							
Taxes -							
Property taxes, levied for general purposes					9,398,597	1,327,833	10,726,430
Sales and use taxes, levied for general purposes					57,315,087	-	57,315,087
Hotel occupancy taxes					546,645	-	546,645
Franchise taxes					230,204	-	230,204
Grants and contributions not restricted to specific programs					54,576	-	54,576
Interest and investment earnings					1,490,099	1,232,821	2,722,920
Insurance proceeds					143,099	-	143,099
Miscellaneous					935,419	374,752	1,310,171
Nonemployer pension contribution					1,111,573	-	1,111,573
Gain/(loss) on disposal of capital assets					24,668	46,191	70,859
Transfers					(445,151)	445,151	-
Total general revenues and transfers					70,804,816	3,426,748	74,231,564
Change in net position					(839,875)	(8,980,422)	(9,820,297)
Net position - beginning					197,986,852	130,853,383	328,840,235
Net position - ending					$ 197,146,977	$ 121,872,961	$ 319,019,938

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

FUND FINANCIAL STATEMENTS (FFS)

CITY OF ALEXANDRIA, LOUISIANA

Balance Sheet
Governmental Funds
April 30, 2023

	General Fund	General Capital Projects Fund	Other Governmental Funds	Totals
ASSETS				
Cash and interest-bearing deposits	$ 33,492,076	$ 22,532,418	$ 24,048,171	$ 80,072,665
Certificates of deposit	-	-	1,710,288	1,710,288
Receivables, net	4,160,614	528,370	552,075	5,241,059
Due from other funds	5,478,681	-	319,006	5,797,687
Due from other governmental agencies	795,155	1,089,410	60,518	1,945,083
Inventories	361,307	-	-	361,307
Total assets	$ 44,287,833	$ 24,150,198	$ 26,690,058	$ 95,128,089
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 1,208,620	$ 853,378	$ 551,461	$ 2,613,459
Salaries payable	1,936,832	-	-	1,936,832
Due to other funds	328,851	41,665	9,013	379,529
Total liabilities	3,474,303	895,043	560,474	4,929,820
Deferred Inflows of Resources:				
Deferred revenue - ARPA	5,645,001	-	-	5,645,001
Unavailable revenues	-	-	264,943	264,943
Total deferred inflows of resources	5,645,001	-	264,943	5,909,944
Fund balances:				
Nonspendable	361,307	-	-	361,307
Restricted -				
Debt service	-	-	2,443,112	2,443,112
Capital projects	-	22,155,155	19,097,234	41,252,389
Committed				
Capital projects	-	1,100,000	-	1,100,000
Economic development	-	-	3,363,950	3,363,950
Assigned	-	-	960,345	960,345
Unassigned	34,807,222	-	-	34,807,222
Total fund balances	35,168,529	23,255,155	25,864,641	84,288,325
Total liabilities and fund balances	$ 44,287,833	$ 24,150,198	$ 26,690,058	$ 95,128,089

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

CITY OF ALEXANDRIA, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
For the Year Ended April 30, 2023

Total fund balances for governmental funds		$ 84,288,325
Capital assets, net		173,058,308
Long-term liabilities:		
Bonds payable	$ (11,055,000)	
Leased asset liability	(291,445)	
Compensated absences	(3,642,077)	
Accrued interest payable	(109,240)	(15,097,762)
Pensions:		
Net pension liability	(50,330,400)	
Deferred inflows of resources	(13,834,613)	
Deferred outflows of resources	33,138,122	(31,026,891)
Unearned revenue		264,943
Net position of the Internal Service Funds		(14,339,946)
Total net position of governmental activities		$ 197,146,977

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
For the Year Ended April 30, 2023

	General Fund	General Capital Projects Fund	Other Governmental Funds	Totals
Revenues:				
Taxes:				
Property taxes	$ 3,930,609	$ -	$ 5,467,988	$ 9,398,597
Sales taxes	48,003,440	6,833,765	2,477,882	57,315,087
Franchise	230,204	-	-	230,204
Hotel occupancy taxes	-	-	546,645	546,645
Licenses and permits	3,591,137	-	-	3,591,137
Intergovernmental	3,154,503	3,802,772	691,789	7,649,064
Charges for services	486,048	-	367,486	853,534
Fines and fees	281,671	-	-	281,671
Investment income	274,429	510,283	424,946	1,209,658
Miscellaneous	343,398	-	-	343,398
Total revenues	60,295,439	11,146,820	9,976,736	81,418,995
Expenditures:				
Current -				
General government	18,950,600	71,469	755,559	19,777,628
Public safety	30,366,342	-	-	30,366,342
Public works	12,865,045	-	-	12,865,045
Community development	-	-	422,950	422,950
Capital outlay	2,057,645	8,184,125	2,146,023	12,387,793
Debt service -				
Principal retirement	177,671	-	2,330,000	2,507,671
Interest and fiscal charges	13,541	-	503,700	517,241
Total expenditures	64,430,844	8,255,594	6,158,232	78,844,670
Excess (deficiency) of revenues over expenditures	(4,135,405)	2,891,226	3,818,504	2,574,325
Other financing sources (uses):				
Proceeds from the sale of fixed assets	26,435	-	-	26,435
Insurance proceeds	143,099	-	-	143,099
Transfers in	3,770,000	100,000	-	3,870,000
Transfers out	(3,372,239)	(914,007)	(185,000)	(4,471,246)
Total other financing sources (uses)	567,295	(814,007)	(185,000)	(431,712)
Net changes in fund balances	(3,568,110)	2,077,219	3,633,504	2,142,613
Fund balances, beginning	38,736,639	21,177,936	22,231,137	82,145,712
Fund balances, ending	$ 35,168,529	$ 23,255,155	$ 25,864,641	$ 84,288,325

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

CITY OF ALEXANDRIA, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended April 30, 2023

Total net changes in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances		$ 2,142,613
Capital assets:		
Capital outlay, meeting the City's capitalization policy	$ 7,120,732	
Effect of disposition of assets	(1,767)	
Depreciation expense	(8,481,427)	(1,362,462)
Long-term debt:		
Principal payments - bonds	2,330,000	
Compensated absences	(168,333)	
Interest expense	26,023	2,187,690
Effect of GASB 87 Implementation:		
Principal payments - leased assets	177,671	
Depreciation expense - leased assets	(175,199)	
Effect of implementation (Note 26)	(26,941)	(24,469)
Net revenue (expense) of the Internal Service Fund		(2,359,203)
Unavailable revenue		(52,616)
Effect of the change in net pension liability, deferred outflows/inflows of resources:		
Increase in pension expense	(2,483,001)	
Nonemployer pension contribution revenue recognized	1,111,573	(1,371,428)
Total changes in net position per Statement of Activities		$ (839,875)

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Net Position
Proprietary Funds
April 30, 2023

	Business-Type Activities			Governmental Activities
	Utility Systems Fund	Other Enterprise Fund	Total Enterprise Funds	Internal Service Fund
ASSETS				
Current assets:				
Cash and interest-bearing deposits	$ 22,337,981	$ 13,299,830	$ 35,637,811	$ 13,641,181
Certificates of deposit	2,500,000	-	2,500,000	-
Receivables, net	12,077,234	120,128	12,197,362	-
Due from other governmental agencies	964,590	342,249	1,306,839	-
Due from other funds	144,130	2,338,445	2,482,575	-
Inventories	5,541,322	-	5,541,322	-
Prepaid expense	-	-	-	269,180
Total current assets	43,565,257	16,100,652	59,665,909	13,910,361
Restricted assets:				
Cash and interest bearing deposits	38,770,832	-	38,770,832	-
Noncurrent assets:				
Capital assets				
Land and land improvements	2,398,084	1,090,965	3,489,049	-
Construction and infrastructure in progress	14,381,581	-	14,381,581	-
Property, plant and equipment, net	186,465,010	11,245,389	197,710,399	-
Total noncurrent assets	242,015,507	12,336,354	254,351,861	-
Total assets	285,580,764	28,437,006	314,017,770	13,910,361
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized bond refunding charges	14,624,740	-	14,624,740	-
Deferred outflows of resources - pensions	23,376,869	6,331,236	29,708,105	-
Deferred outflows of resources - OPEB	-	-	-	5,981,562
Total deferred outflows of resources	38,001,609	6,331,236	44,332,845	5,981,562

(continued)

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Net Position
Proprietary Funds (continued)
April 30, 2023

	Business-Type Activities			Governmental Activities
	Utility Systems Fund	Other Enterprise Fund	Total Enterprise Funds	Internal Service Fund
LIABILITIES				
Current liabilities:				
Accounts payable	$ 4,572,582	$ 304,445	$ 4,877,027	$ 232,187
Salaries payable	706,837	183,255	890,092	-
Due to other funds	7,775,743	124,990	7,900,733	-
Compensated absences	243,103	38,003	281,106	-
Claims payable	-	-	-	4,953,900
Bonds payable	796,493	-	796,493	-
Payable from restricted assets -				
Accrued interest	1,880,407	-	1,880,407	-
Bonds payable	4,730,000	56,606	4,786,606	-
Total current liabilities	20,705,165	707,299	21,412,464	5,186,087
Noncurrent liabilities:				
Compensated absences	1,377,586	215,348	1,592,934	-
Customer guaranteed deposits	5,898,346	-	5,898,346	-
Claims payable	-	-	-	4,338,713
OPEB obligation payable	-	-	-	20,541,167
Bonds payable	167,458,137	4,774	167,462,911	-
Net pension liability	14,597,124	3,953,387	18,550,511	-
Total noncurrent liabilities	189,331,193	4,173,509	193,504,702	24,879,880
Total liabilities	210,036,358	4,880,808	214,917,166	30,065,967
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pensions	12,523,661	3,391,826	15,915,487	-
Deferred inflows of resources - ARPA	5,645,001	-	5,645,001	-
Deferred inflows of resources - OPEB	-	-	-	4,165,902
Total deferred inflows of resources	18,168,662	3,391,826	21,560,488	4,165,902
NET POSITION				
Net investment in capital assets	74,536,278	12,331,580	86,867,858	-
Restricted for debt service	24,736,646	-	24,736,646	-
Restricted for Project Restor	2,500,000	-	2,500,000	-
Restricted for capital additions and contingencies	1,024,458	-	1,024,458	-
Unrestricted	(7,420,029)	14,164,028	6,743,999	(14,339,946)
Total net position	$ 95,377,353	$ 26,495,608	$ 121,872,961	$ (14,339,946)

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended April 30, 2023

	Business-Type Activities			Governmental Activities
	Utility Systems Fund	Other Enterprise Fund	Total Enterprise Funds	Internal Service Fund
Operating revenues:				
Charges for services	$ 108,552,838	$ 6,885,572	$ 115,438,410	$ 13,622,083
Other	367,850	6,902	374,752	729,814
Total operating revenues	108,920,688	6,892,474	115,813,162	14,351,897
Operating expenses:				
Salaries and wages	12,149,442	3,275,574	15,425,016	-
Payroll taxes	154,245	64,808	219,053	-
Retirement	2,501,211	693,034	3,194,245	-
Group insurance	1,932,149	514,533	2,446,682	-
General insurance	-	-	-	1,260,364
Claims	1,009,000	325,000	1,334,000	16,037,228
Telephone and utilities	2,968,175	952,604	3,920,779	-
Professional services	2,792,626	1,176,182	3,968,808	1,323,949
Equipment and tools	778,722	23,060	801,782	-
Depreciation	11,670,583	1,636,331	13,306,914	-
Gas and oil	487,233	596,713	1,083,946	-
Repairs and maintenance	8,179,032	1,277,324	9,456,356	-
Supplies	2,347,931	539,818	2,887,749	-
Miscellaneous	2,062	121,155	123,217	-
Disposal costs	-	1,957,810	1,957,810	-
Electricity and Natural Gas Purchases	63,323,019	-	63,323,019	-
Utility Rebates	67,191	-	67,191	-
Total operating expenses	110,362,621	13,153,946	123,516,567	18,621,541
Operating income (loss)	(1,441,933)	(6,261,472)	(7,703,405)	(4,269,644)
Nonoperating revenues (expenses):				
Property taxes	-	1,327,833	1,327,833	-
Interest income	983,498	249,323	1,232,821	280,441
Grants and contributions	448,489	1,409,931	1,858,420	-
Provision for net pension laibility, net	(1,843,553)	(435,608)	(2,279,161)	-
Interest expense and other fiscal charges	(4,706,159)	(2,439)	(4,708,598)	-
Gain/(loss) on sale of assets	23,327	22,864	46,191	-
Total nonoperating revenues (expenses)	(5,094,398)	2,571,904	(2,522,494)	280,441
Income (loss) before capital contributions and transfers	(6,536,331)	(3,689,568)	(10,225,899)	(3,989,203)
Capital contributions	889,487	1,384,744	2,274,231	-
Transfers in	615,000	5,458,246	6,073,246	1,630,000
Transfers out	(5,494,000)	(1,608,000)	(7,102,000)	-
Change in net position	(10,525,844)	1,545,422	(8,980,422)	(2,359,203)
Net position, beginning	105,903,197	24,950,186	130,853,383	(11,980,743)
Net position, ending	$ 95,377,353	$ 26,495,608	$ 121,872,961	$ (14,339,946)

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Cash Flows
Proprietary Funds
For the Year Ended April 30, 2023

	Business-Type Activities			Governmental Activities
	Utility Systems Fund	Other Enterprise Funds	Total Enterprise Fund	Internal Service Fund
Cash flows from operating activities:				
Receipts from customers	$ 110,255,756	$ 7,237,740	$ 117,493,496	$ -
Receipts from insured	-	-	-	2,221,769
Receipts from interfund services provided	-	-	-	11,400,314
Payments to suppliers	(81,751,632)	(6,898,011)	(88,649,643)	(2,359,926)
Payments for claims and loss time	-	-	-	(15,167,991)
Payments to employees	(16,354,117)	(4,523,571)	(20,877,688)	-
Other receipts	367,850	6,902	374,752	729,814
Net cash provided (used) by operating activities	12,517,857	(4,176,940)	8,340,917	(3,176,020)
Cash flows from noncapital financing activities:				
Proceeds from taxes levied	-	1,327,833	1,327,833	-
Grants and contributions	-	1,630,811	1,630,811	-
Cash received (paid) from/to other funds	1,120,468	(2,130,766)	(1,010,298)	-
Transfers from other funds	615,000	5,458,246	6,073,246	1,630,000
Transfers to other funds	(5,494,000)	(1,608,000)	(7,102,000)	-
Net cash provided (used) by noncapital financing activities	(3,758,532)	4,678,124	919,592	1,630,000
Cash flows from capital and related financing activities:				
Principal paid on long term debt	(5,312,000)	-	(5,312,000)	-
Principal paid on leased assets	(30,411)	(54,662)	(85,073)	-
Interest and fiscal charges paid on long term debt	(4,054,318)	(3,190)	(4,057,508)	-
Grants and other contributions	373,386	1,384,744	1,758,130	-
Proceeds from sale of assets	44,859	22,864	67,723	-
Acquisition of property, plant and equipment	(6,378,451)	(1,653,254)	(8,031,705)	-
Net used by capital and related financing activities	(15,356,935)	(303,498)	(15,660,433)	-
Cash flows from investing activities:				
Purchase of interest-bearing deposits with maturity in excess of ninety days	(2,500,000)	-	(2,500,000)	-
Proceeds of interest-bearing deposits with maturity in excess of ninety days	2,500,000	-	2,500,000	-
Interest on deposits	983,498	249,323	1,232,821	280,441
Net cash provided by investing activities	983,498	249,323	1,232,821	280,441
Net increase (decrease) in cash and cash equivalents	(5,614,112)	447,009	(5,167,103)	(1,265,579)
Cash and cash equivalents, beginning of year	66,722,925	12,852,821	79,575,746	14,906,760
Cash and cash equivalents, end of year	$ 61,108,813	$ 13,299,830	$ 74,408,643	$ 13,641,181

(continued)

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended April 30, 2023

	Business-Type Activities			Governmental Activities
	Utility Systems Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ (1,441,933)	$ (6,261,472)	$ (7,703,405)	$ (4,269,644)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:				
Depreciation	11,670,583	1,636,331	13,306,914	-
Provision for OPEB related activity, net	-	-	-	24,782
(Increase) decrease current assets:				
Accounts receivable	1,658,215	352,168	2,010,383	-
Inventories	(66,564)	-	(66,564)	-
Prepaid expenses	-	-	-	-
Increase (decrease) current liabilities:				
Accounts payable	269,923	71,655	341,578	224,387
Salaries payable	119,968	12,085	132,053	-
Compensated absences	262,962	12,293	275,255	-
Customer guaranteed deposits	44,703	-	44,703	-
Claims payable	-	-	-	844,455
Net cash provided (used) by operating activities	$ 12,517,857	$ (4,176,940)	$ 8,340,917	$ (3,176,020)
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:				
Cash and cash equivalents, beginning of period -				
Cash and interest-bearing deposits - unrestricted	$ 28,108,724	$ 12,852,821	$ 40,961,545	$ 14,906,760
Cash and interest-bearing deposits - restricted	38,614,201	-	38,614,201	-
Total cash and cash equivalents	66,722,925	12,852,821	79,575,746	14,906,760
Cash and cash equivalents, end of period -				
Cash and interest-bearing deposits - unrestricted	22,337,981	13,299,830	35,637,811	13,641,181
Cash and interest-bearing deposits - restricted	38,770,832	-	38,770,832	-
Total cash and cash equivalents	61,108,813	13,299,830	74,408,643	13,641,181
Net increase (decrease)	$ (5,614,112)	$ 447,009	$ (5,167,103)	$ (1,265,579)

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Fiduciary Net Position
Fiduciary Funds
For the Year Ended April 30, 2023

	Pension Trust Funds		
	City of Alexandria Employees' Retirement System (12/31/2022)	City of Alexandria Firemen's Pension and Relief Fund (4/30/2023)	Totals
ASSETS			
Cash and interest-bearing deposits	$ 5,051,685	$ 37,802	$ 5,089,487
Accrued interest and dividends receivable	728,716	-	728,716
Investments, at fair value			
Corporate bonds	60,295,740	-	60,295,740
Corporate stocks	127,640,846	-	127,640,846
Total investments	187,936,586	-	187,936,586
Capital assets			
Furnitures, fixtures and equipment, net	322	-	322
Total assets	193,717,309	37,802	193,755,111
LIABILITIES			
Liabilities:			
Payroll taxes withheld	780	-	780
NET POSITION			
Restricted	$ 193,716,529	$ 37,802	$ 193,754,331

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended April 30, 2023

	Pension Trust Funds		
	City of Alexandria Employees' Retirement System (12/31/2022)	City of Alexandria Firemen's Pension and Relief Fund (4/30/2023)	Totals
Additions:			
Contributions			
Employer	$ 4,849,023	$ -	$ 4,849,023
Plan Members	2,023,710	-	2,023,710
Purchased service, transfer, etc.	137,819	-	137,819
Total contributions	7,010,552	-	7,010,552
Investment earnings:			
Net appreciation (depreciation) in fair value of investments	(35,492,208)	-	(35,492,208)
Interest	2,637,339	841	2,638,180
Dividends	3,137,331	-	3,137,331
Total investment earnings	(29,717,538)	841	(29,716,697)
Total additions	(22,706,986)	841	(22,706,145)
Deductions:			
Benefit payments, excluding DROP benefits	11,702,487	14,967	11,717,454
DROP benefits	542,826	-	542,826
Employee refunds	414,838	-	414,838
Transfers to other systems	499,173	-	499,173
Administrative expenses	178,687	269	178,956
Total deductions	13,338,011	15,236	13,353,247
Net decrease	(36,044,997)	(14,395)	(36,059,392)
Net Position Restricted for Pensions, beginning of year	229,761,526	52,197	229,813,723
Net Position Restricted for Pensions, end of year	$ 193,716,529	$ 37,802	$ 193,754,331

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

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Alexandria (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

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 City Council is comprised of seven members (two members are elected at large, and one member is elected from each of the five districts of the City for terms of four years). The City provides the following services to the residents of the City as authorized by its charter: police and fire protection, street and drainage systems, utility services including electricity, gas, water, wastewater, and waste disposal, parks and recreation, planning and zoning, and economic development programs.

A financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. GASB establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

1. A potential component unit must have separate corporate powers that distinguish it as being legally separate from the primary government. These include the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued in its own name without recourse to a State or local government, and the right to buy, sell, lease, and mortgage property in its own name.

2. The primary government must be financially accountable for a potential component unit. Financial accountability may exist as a result of the primary government appointing a voting majority of the potential component unit's governing body; their ability to impose their will on the potential component unit by significantly influencing the programs, projects, activities, or level of services performed or provided by the potential component unit; or the existence of a financial benefit or burden. In addition, financial accountability may also exist as a result of a potential component unit being fiscally dependent on the primary government.

In some instances, the potential component unit should be included in the reporting entity (even when the criteria above are not met), if exclusion would render the reporting entity's financial statements incomplete or misleading.

Based on the above criteria, the City has no component units.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the City of Alexandria, the primary government, as a whole. They include all funds of the reporting entity, except fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The City's internal service funds are a governmental activity. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Fund financial statements report detailed information about the City.

The various funds of the City are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the City, is determined major at management's discretion, or meets the following criteria:

a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

b. Total assets and deferred outflows, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major funds of the City are described below:

Governmental Funds –

General Fund

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

General Capital Projects Fund

This fund accounts for various capital projects. Funding is provided by intergovernmental grants and sales taxes dedicated to capital improvements.

Enterprise Fund –

Utility Systems Fund

The Utility Systems fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City records revenues and expenditures from the sales of electricity, natural gas, water and sewer services in this fund.

In addition to the major funds described above, the City reports the following:

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 governmental unit, or to other governmental units, on a cost-reimbursement basis. The City's internal service funds are the Risk Management Fund, Employee Benefits Insurance Fund and the Unemployment Benefits Fund. The City's internal service funds are presented in the proprietary fund financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity. These proprietary funds are reported with the governmental activities in the government-wide statements.

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 the City of Alexandria Employees' Retirement System Fund and the City of Alexandria Firemen's Pension and Relief Fund 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 financial statements are prepared using the economic resources measurement focus and full accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used.

Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the City's taxpayers or citizens, as a whole; program revenues reduce the cost of the function to be financed from the City's general revenues.

Allocation of indirect expenses

The City reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts and savings accounts deposits of the City. Certificates of deposits with maturities in excess of six months are presented in the financials as a separate line item. For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

Investments

Under state law, the City may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The City may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana. Investments are reported at fair market value.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem, net of an allowance for doubtful accounts and sales and use taxes. Major receivables of the Business-type activities include customer's utility service receivables as well as estimated unbilled services at April 30, 2023. In addition, the City records other receivables for loans and intergovernmental grants. Receivables are shown net of an allowance for doubtful accounts and are based on management estimate of their collectability.

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 are valued at average cost. Inventories are accounted for in the funds using the consumption method, whereby expenditures are recognized as inventory is used.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both government-wide and proprietary fund financial statements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at acquisition cost or estimated cost if acquisition is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains minimum capitalization thresholds as follows:

Land	All costs
Buildings and building improvements	$100,000
Machinery and equipment	$5,000
Furniture and Fixtures	$5,000
Vehicles	$5,000
Infrastructure	$250,000

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. These assets have been valued at estimated acquisition cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and building improvements	10-40 years
Furniture and fixtures	3-10 years
Plant, equipment and infrastructure	3-50 years
Vehicles	3-10 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Restricted Assets

Restricted assets include cash and interest-bearing deposits of the proprietary fund that are legally restricted as to their use. The restricted assets are related to revenue bond accounts and customer deposits.

Unearned Revenues

Unearned revenues arise when resources are received before the City has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the City has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of the revenue bonds payable and state revolving loan funds.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. For fund financial reporting, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

Employees of the City can earn vacation pay in varying amounts ranging from eighty (80) hours a year to a maximum of two-hundred and sixty-four (264) hours a year, depending upon length of service and type of employee. At the end of each year, annual leave may be carried forward provided the amount carried forward does not exceed five hundred and twenty-eight (528) hours. Unused vacation is paid to an employee upon retirement or resignation at hourly rates being earned at separation.

Sick leave is accumulated at the rate of eight hours per month, and any unused sick leave may be carried forward without limitation. Upon resignation, termination or retirement, employees are paid out 1/3 of their accumulated sick leave.

In the government-wide and proprietary fund financial statements, the Government accrues accumulated unpaid vacation and sick leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is the amount estimated to be used/paid in the following year. The remainder is reported as non-current.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period and thus, will not be recognized as an outflow of resources (expenses/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

> Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
>
> Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

Proprietary fund equity is classified the same as in the government-wide statements.

In the fund statements, governmental fund equity is classified as fund balance.

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the council members. The Council is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by council members.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City's adopted policy, only council members or the City's finance committee may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Council members or the finance committee has provided otherwise in its commitment or assignment actions.

Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified by character in the governmental funds and by operating and nonoperating expenditures in the proprietary fund financials.

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

E. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include restrictions related to sales tax Note 3, ad valorem taxes for the repayment of debt Note 11, and Utilities System revenue Note 12.

F. Use of 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

G. Pensions

The net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Non-employer contributions are recognized as revenues in the government-wide and proprietary fund financial statements. In the governmental fund financial statements contributions are recognized as expenditures when due.

H. Postemployment Benefits Other than Pensions (OPEB)

The net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB, and OPEB expense has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. In the governmental fund financial statements contributions are recognized as expenditures when due.

(2) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in October and are actually billed to taxpayers in November. Billed taxes become delinquent on January 1 of the following year. The City bills and collects its own property taxes using the assessed values determined by the tax assessor of Rapides Parish. Property tax revenues are recognized when levied to the extent that they result in current receivables.

For the year ended April 30, 2023, taxes of 24.54 mills were levied on property with assessed valuations of $435,347,818 and were dedicated as follows:

Street and Drainage	11.51	mills
General purpose	6.98	mills
Zoo, capital projects and general corporate purposes	6.05	mills
Total	24.54	mills

(3) Dedication of Proceeds and Flow of Funds - Sales and Use Tax

Proceeds of the 1976 one percent (1%) City Sales and Use Tax are dedicated with one-half to be used for maintenance and operating expenses of the City. The other one-half is used in the following order of priority: On or before the 20th day of each month, they should transfer 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. 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 2005 one-half percent (.50%) City Sales and Use Tax are dedicated to paying salaries and related benefits for police, fire, and other City employees funded through the City's General Fund.

Proceeds of the 2008 one percent (1%) City Sales and Use Tax are dedicated to fund General Fund operations including no less than one-third of the tax collected is dedicated to fire, police, and General Fund classified employees' salaries and to replace General Fund revenues lost from federal and state government funding cuts from previous year and street repair; street cleaning; maintenance of city drainage systems; grass cutting; maintenance of parks and recreational facilities; police and fire services and programs; general building maintenance; demolition of condemned structures; and city planning.

(4) Cash and Interest-Bearing Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City's deposits may not be recovered or the City will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. The City does not have a policy for custodial credit risks; however, under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at April 30, 2023, are secured as follows:

Bank balances	$ 141,983,946
Federal deposit insurance	$ 500,000
Uninsured and collateral held by pledging bank not in the City's name	141,483,946
Total	$ 141,983,946

(5) Investments

The City of Alexandria Employees' Retirement System (COAERS) carrying amounts and approximate market values of investments are reported as of December 31, 2022 and summarized below:

		Investment Maturities (In Years)			
Investment Type	Fair Value	Less than 1	1 -- 5	6 -- 10	More than 10
Corporate bonds	$ 59,982,380	$ -	$ 949,206	$ 8,799,286	$ 50,233,888
GNMA notes	313,360	-	-	-	313,360
Total interest-bearing	60,295,740	$ -	$ 949,206	$ 8,799,286	$ 50,547,248
Common stocks	125,704,156				
Preferred stocks	1,936,690				
	$ 187,936,586				

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its value to changes in market interest rates. The System does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Interest rates for the interest-bearing investments are as follows:

Investment-Type	Interest Rates
Corporate bonds	1.60 - 8.75%
GNMA notes	2.00%

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the System will not be able to recover the value of its investment or collateral securities that are in the possession of another party. All of System's investments are held by the System or its agent in the System's name.

Credit Risk: The System 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 System may invest in corporate stocks and bonds. The System's investment policies limit its corporate debt investments to bonds rated at least BBB by Standards and Poor's or Baa by Moody's Investor Services. Moody's Investor Services credit ratings of the System's corporate bonds are summarized below. Due to the extraordinary market conditions experienced during the past several years, management determined that it would be detrimental to the System to sell the bonds whose credit ratings dropped below Baa.

Moody's Investor Service Credit Ratings	Fair Value
A or better	$ 48,595,258
Baa	11,700,482
	$ 60,295,740

The System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The System has recurring fair value measurements of $187,936,586, as of December 31, 2022, which are categorized as level 1 inputs.

(6) Receivables

Receivables at April 30, 2023 consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Receivables			
Taxes - sales	$ 4,725,629	$ -	$ 4,725,629
Taxes - ad valorem	699,185	-	699,185
Taxes - hotel motel	36,308	-	36,308
Accounts:			
Uncollected cycle billings	-	16,202,868	16,202,868
Estimated unbilled services	-	2,141,222	2,141,222
Interest	9,624	6,238	15,862
Other	490,405	908,388	1,398,793
Gross receivables	5,961,151	19,258,716	25,219,867
Allowance for uncollectibles	720,092	6,545,253	7,265,345
Net receivables	$ 5,241,059	$ 12,713,463	$ 17,954,522

Receivables of $699,185 related to ad valorem taxes consists of taxes uncollected for current and previous years, including accumulated costs for penalties, interest, grass cuttings, etc. Management has determined that these amounts will be uncollectible and has established an allowance for doubtful accounts of $699,185. An additional allowance of $20,907 is related to other receivables.

An allowance of doubtful accounts of $6,545,253 has been established for the receivables related to Utility services incurred by customers of the City. This amount represents management's estimate of the amount uncollectible at year end April 30, 2023.

See Note 25 Subsequent events, for additional information on the City of Alexandria, Louisiana's Utility System Fund receivables.

(7) Accounts Payable

Accounts payable at April 30, 2023 consisted of the following:

	Governmental Activities	Business-Type Activities	Internal Service Funds	Totals
Accounts payable	$ 2,764,327	$ 4,718,637	$ 232,187	$ 7,715,151
Retainage payable	79,020	158,390	-	237,410
Other liabilities	2,299	-	-	2,299
Total	$ 2,845,646	$ 4,877,027	$ 232,187	$ 7,954,860

(8) Due from Other Governmental Agencies

Due from other governmental agencies at April 30, 2023 consisted of the following:

	Governmental Activities	Business-Type Activities	Totals
Federal grants	$ 1,945,083	$ 773,843	$2,718,926
State grants	-	16,895	16,895
Total	$ 1,945,083	$ 790,738	$2,735,821

(9) Restricted Assets

Business-type activities:	
Revenue bonds current debt service	$ 6,610,407
Customer's deposits	5,898,346
MISO deposits	500,975
Cash in Escrow - 2014 Utility Revenue Bonds	24,125,000
Revenue bonds future debt service	611,646
Revenue bonds capital additions and contingencies	1,024,458
Total business-type activities	$ 38,770,832

CITY OF ALEXANDRIA, LOUISIANA

Notes to Basic Financial Statements

(10) Capital Assets

Capital asset activity was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land and land improvements	$ 14,586,292	$ 50,000	$ -	$ 14,636,292
Construction and infrastructure progress	25,963,454	4,500,057	17,051,046	13,412,465
Total capital assets not being depreciated	40,549,746	4,550,057	17,051,046	28,048,757
Capital assets being depreciated:				
Buildings and improvements	110,023,321	8,950	-	110,032,271
Furniture and fixtures	931,316	-	-	931,316
Equipment	17,179,540	488,487	176,038	17,491,989
Vehicles	18,693,832	583,168	328,164	18,948,836
Leased assets	867,583	-	-	867,583
Infrastructure	151,253,355	18,541,116	-	169,794,471
Total capital assets being depreciated	298,948,947	19,621,721	504,202	318,066,466
Less accumulated depreciation				
Buildings and improvements	60,089,758	2,748,154	-	62,837,912
Furniture and fixtures	881,127	30,781	-	911,908
Equipment	15,940,156	865,669	174,271	16,631,554
Vehicles	13,113,098	1,047,072	328,164	13,832,006
Leased assets	425,408	175,199	-	600,607
Infrastructure	74,453,177	3,789,751	-	78,242,928
Total accumulated depreciation	164,902,724	8,656,626	502,435	173,056,915
Total capital assets being depreciated, net	134,046,223	10,965,095	1,767	145,009,551
Governmental activities, capital assets, net	$ 174,595,969	$ 15,515,152	$ 17,052,813	$ 173,058,308

Depreciation expense was charged to governmental activities as follows:

General government	$ 2,116,870
Public safety	1,226,423
Public works	5,181,006
Economic development	132,327
Total depreciation expense	$ 8,656,626

Capital asset activity for business-type activities was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land and land improvements	$ 3,489,049	$ -	$ -	$ 3,489,049
Construction and infrastructure progress	12,552,997	1,828,586	-	14,381,583
Total capital assets not being depreciated	16,042,046	1,828,586	-	17,870,632
Capital assets being depreciated:				
Plant and infrastructure	407,144,741	4,317,600	556,730	410,905,611
Buildings and improvements	11,436,966	18,470	-	11,455,436
Vehicles and buses	16,414,478	1,577,510	367,267	17,624,721
Leased assets	367,254	-	-	367,254
Furniture, fixtures and equipment	1,435,524	289,535	66,985	1,658,074
Total capital assets being depreciated	436,798,963	6,203,115	990,982	442,011,096
Less accumulated depreciation				
Plant and infrastructure	210,996,239	11,257,108	535,199	221,718,148
Buildings and improvements	7,703,838	566,845	-	8,270,683
Vehicles and buses	12,035,577	1,233,146	367,267	12,901,456
Leased assets	162,006	84,231	-	246,237
Furniture, fixtures and equipment	1,065,573	165,584	66,984	1,164,173
Total accumulated depreciation	231,963,233	13,306,914	969,450	244,300,697
Total capital assets being depreciated, net	204,835,730	(7,103,799)	21,532	197,710,399
Business-type activities, capital assets, net	$ 220,877,776	$ (5,275,213)	$ 21,532	$ 215,581,031

Depreciation expense was charged to the business-type activities as follows.

Electricity	$ 6,804,765
Natural gas	1,418,304
Water	1,743,699
Wastewater	1,703,815
Municipal bus line	411,022
Sanitation	289,043
Municipal zoo	645,373
Municipal golf course	290,893
Total depreciation expense	$ 13,306,914

A summary of significant construction projects for the Utilities System Enterprise Fund is presented below:

	Project Authorization	Expended to Date	Commitment
Electric	$ 22,906,948	$ 9,330,307	$ 1,197,632
Water	19,778,094	3,721,356	2,303,308
Gas	6,238,311	3,185,160	984,432
Wastewater	4,813,415	119,551	1,195,734
General and administrative	1,704,982	119,887	14,272
Totals	$ 55,441,750	$ 16,476,261	$ 5,695,378

(11) Long-Term Liabilities

The following is a summary of the governmental activities long term debt:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Sales tax revenue bonds	$ 13,385,000	$ -	$ 2,330,000	$ 11,055,000	$ 2,445,000
Leased asset liability (Note 26)	469,116	-	177,671	291,445	177,177
Compensated absences, net	3,473,744	168,333	-	3,642,077	546,312
Claims payable	8,448,158	14,376,574	13,532,119	9,292,613	4,953,900
Total governmental activities long term liabiltities	$ 25,776,018	$ 14,544,907	$ 16,039,790	$ 24,281,135	$ 8,122,389

The compensated absences, net liability above is the obligation of the City and will be liquidated primarily from the general fund.

On May 28, 2014, the City issued $6,895,000 in Sales Tax Refunding Bonds, Series 2014, with an average interest rate of 2.05%, to advance refund $9,770,000 of outstanding Sales Tax Revenue Bonds, 2004 Issue, with an average interest rate of 1.99%. Interest on the bonds is paid semi-annually in February and August, with principal payments occurring in August each fiscal year end. These bonds are secured by and payable from an irrevocable pledge and dedication of one half of the City's special one percent (1%) sales and use tax. Events of default are outlined in the official statement of the Series 2014 bond and include failure to remit payments timely. In addition, failure to observe or perform any other agreement contained in the official statement that is not remedied within 45 days of receiving written notice will be considered a default. The sole remedy in the event of fault under the certificate shall be an action to compel performance.

On November 24, 2015, the City issued $15,795,000 in Sales Tax Refunding Bonds, Series 2015, with an average interest rate of 1.84%, to advance refund $15,345,000 of outstanding Sales Tax revenue Bonds, Series 2008, with an average rate of interest of 2.37%. Interest on the bonds is paid semiannually in February and August, with principal payments occurring in August each fiscal year end. These bonds are secured by and payable from an irrevocable pledge and dedication of one half of the City's special one percent (1%) sales and use tax. Events of default are outlined in the official statement of the Series 2014 bond and include failure to remit payments timely. In addition, failure to observe or perform any other agreement contained in the official statement that is not remedied within 45 days of receiving written notice will be considered a default. The sole remedy in the event of fault under the certificate shall be an action to compel performance.

Governmental activities long-term liabilities are comprised of the following:

Governmental Activities	Issue Date	Maturity Dates	Interest Rates	Balance Outstanding
Sales tax revenue bonds				
Series 2014- Refunding	5/28/2014	8/1/2023	2.00 - 4.50%	$ 935,000
Series 2015- Refunding	11/24/2015	8/1/2028	2.00 - 5.00%	10,120,000
Total governmental activities bonds outstanding				$ 11,055,000

The annual debt service requirements to maturity of all governmental activities debt are as follows:

Year Ending April 30,	Principal Payments	Interest Payments	Total
2024	$ 2,445,000	$ 403,238	$ 2,848,238
2025	1,565,000	317,975	1,882,975
2026	1,645,000	237,725	1,882,725
2027	1,730,000	153,350	1,883,350
2028	1,810,000	82,950	1,892,950
2029-2033	1,860,000	27,900	1,887,900
Totals	$ 11,055,000	$ 1,223,138	$ 12,278,138

The following is a summary of business-type activities long term debt:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Utility revenue bonds	$ 170,340,000	$ -	$ 4,565,000	$ 165,775,000	$ 4,730,000
State revolving loans	7,895,448	-	747,000	7,148,448	765,000
Leased asset liability	207,635	-	85,073	122,562	88,099
Compensated absences, net	1,598,785	275,255	-	1,874,040	281,106
Total long-term liabilitites	180,041,868	275,255	5,397,073	174,920,050	5,864,205
Customer deposits, net	5,853,643	48,393	-	5,902,036	-
Unamortized bond refunding charges	(15,350,973)	-	726,233	(14,624,740)	-
Total business-type activities	$ 170,544,538	$ 323,648	$ 6,123,306	$ 166,197,346	$ 5,864,205

The compensated absences, net liability above is the obligation of the City and will be liquidated primarily from the enterprise fund the liability is associated with. See Note 18 for additional information on the leased asset liability.

On October 1, 2013, the City Issued $9,420,000 in Utilities Revenue Refunding Bonds, Series 2013A, with an average interest rate of 2.22% and $13,720,000 in Taxable Utilities Revenue Refunding Bonds, Series 2013B, with an average Interest rate of 1.81%, to advance refund $24,900,000 of outstanding Utility Revenue Bonds, Series 2004, with an average Interest rate of 2.33%. Interest on the bonds is paid semi-annually in May and November with principal payments occurring in May each fiscal year end. These bonds are secured by and payable from an irrevocable pledge and dedication of the Utility System revenues. Events of default are outlined in the official statements of the Series 2013A and Series 2014B bonds and include failure to remit payments timely. In addition, failure to observe or perform any other agreement contained in the official statement that is not remedied within 45 days of receiving written notice will be considered a default. The sole remedy in the event of fault under the certificate shall be an action to compel performance.

On February 25, 2014, the City Issued $28,075,000 in Utilities Revenue Refunding Bonds, Series 2014, with an average interest rate of 3.50%, for the purpose of constructing, acquiring or extending and improving the Utilities System of the City. Interest on the bonds is paid semi-annually in May and November with principal payments occurring in May each fiscal year end. These bonds are secured by and payable from an irrevocable pledge and dedication of the Utility System revenues. Events of default are outlined in the official statement of the Series 2014 bond and include failure to remit payments timely. In addition, failure to observe or perform any other agreement contained in the official statement that is not remedied within 45 days of receiving written notice will be considered a default. The sole remedy in the event of fault under the certificate shall be an action to compel performance.

On June 23, 2020, the City of Alexandria issued $138,800,000 of Taxable Utilities Revenue Refunding Bonds, Series 2020 to refund $96,150,000 of outstanding Utilities Revenue Bonds, Series 2013A maturing May 1, 2024 to May 1, 2043 and refund $24,125,000 of outstanding Utilities Revenue Bonds, Series 2014 maturing May 1, 2025 to May 1, 2043 (Series 2013A and 2014 referred to as "refunded bonds"). The Series 2020 Bonds bear interest at 0.90% to 3.09%, upon maturity, while the refunded bonds were bearing interest from 2.00% to 5.00% upon maturity. As of April 30, 2022, the City removed the Series 2013A liability from their financial statements as these bonds were fully refunded and considered defeased and no longer outstanding. The Series 2014 bonds were partially refunded as the City has in escrow proceeds of $24,125,000 to pay off the bonds when they become callable. The Series 2014 bonds are expected to become callable on May 1, 2024, and currently remain recorded on the financial statements.

The $96,150,000 outstanding Utilities Revenue Bonds, Series 2013A were deemed defeased as of June 23, 2020, when the Series 2020 bonds were issued. A total of $137,940,960 was deposited into an escrow fund for future payment of the refunded bonds. Of the monies deposited, $136,973,192 was derived from the proceeds of the issuance of the Series 2020 bonds, while the remaining $967,768 was transferred from existing sources. Monies are to be held in escrow, until the time when the bonds become callable. As of April 30, 2022 the amount remaining in escrow was $135,127,383, for the payment of remaining callable bonds of $120,275,000 which mature on May 1, 2024. As noted in the first paragraph of the bond refunding section above, $24,125,000 of the amount held in escrow, is currently recorded in the financials as restricted assets. Business-type activities long-term liabilities are comprised of the following:

Business-Type activities	Issue Date	Maturity Dates	Interest Rates	Balance Outstanding
Utilities System revenue bonds series				
2013A refunding 2004A	10/1/2013	10/1/2024	4.00-5.00%	$ 1,740,000
2013B refunding 2004B	10/1/2013	10/1/2024	2.33-4.53%	2,620,000
2014 capital improvements	2/25/2014	5/1/2024	2.00-5.00%	25,375,000
2020 taxable utilities refunding	6/23/2020	5/1/2043	0.90-3.09%	136,040,000
State Revolving loan funds series				
2010 capital improvements	1/22/2010	5/1/2030	3.45%	1,394,000
2011 capital improvements	5/1/2011	5/1/2030	3.45%	3,616,845
2012 capital improvements	5/1/2012	5/1/2032	0.95%	2,137,603
Total debt outstanding				$ 172,923,448

The annual debt service requirements of the utility revenue bond outstanding is as follows:

Year Ending April 30,	Principal Payments	Interest Payments	Total
2024	$ 4,730,000	$ 3,742,377	$ 8,472,377
2025	29,015,000	3,566,054	32,581,054
2026	5,030,000	3,425,769	8,455,769
2027	5,120,000	3,341,886	8,461,886
2028	5,225,000	3,244,604	8,469,604
2029-2033	28,330,000	14,447,021	42,777,021
2034-2038	36,630,000	10,426,950	47,056,950
2039-2043	42,390,000	4,754,527	47,144,527
2044	9,305,000	143,623	9,448,623
Totals	$ 165,775,000	$ 47,092,811	$ 212,867,811

State Revolving Loans

The City has three State Revolving Loans under DHH – Capitalization Grants for Drinking Water State Revolving Funds and DEQ – Capitalization Grants for Clean Water State Revolving Funds programs. Additional information is presented below on each of those loans.

The 2010 Capital improvements state revolving loan was financed through DHH for a maximum loan balance of $3,390,000. The City has fully drawn down this loan. Interest and fees on the loan are paid semi-annually in May and November at a 3.45% interest rate with principal payments occurring in May each fiscal year end. No default provision is provided for in the debt agreement.

The 2011 Capital improvements state revolving loan was financed through DHH for a maximum loan balance of $7,610,000. At April 30, 2022 the City has drawn down $6,323,902 leaving $1,286,098 left to be drawn down. Interest and fees on the loan are paid semi-annually in May and November at a 3.45% interest rate with principal payments occurring in May each fiscal year end. No default provision is provided for in the debt agreement.

The 2012 Capital improvements state revolving loan was financed through DEQ for a maximum loan balance of $4,550,000. The City has fully drawn down this loan. Interest and fees on the loan are paid semi-annually in May and November at a 0.95% interest rate with principal payments occurring in May each fiscal year end. No default provision is provided for in the debt agreement.

The estimated annual debt service requirements of the state revolving loans are as follows:

	Direct Borrowings		
Year Ending April 30,	Principal Payments	Interest Payments	Total
2024	$ 765,000	$ 149,296	$ 914,296
2025	784,000	130,090	914,090
2026	803,000	110,402	913,402
2027	823,000	90,288	913,288
2028	843,000	81,226	924,226
2029-2032	3,130,448	134,658	3,265,106
Totals	$ 7,148,448	$ 695,960	$ 7,844,408

(12) Flow of Funds; Restrictions on Use – Utilities System Enterprise Fund

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

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. The City will always provide revenues in each year sufficient to pay the necessary expenses of administering, operating, and maintaining the Utilities System; 120% of the principal and interest maturing on the bonds or other obligations payable there from 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. The City's 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:

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

- The maintenance of the Sinking Funds 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 become due and payable, by transferring from the Utilities System Fund to the Sinking Funds 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 becomes due. The depository for the Sinking Funds shall transfer from said Sinking Funds to the paying agent bank or banks for all bonds payable from said Fund at least one day 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.

- The maintenance of the Reserve Funds established pursuant to the bond resolutions by transferring from the proceeds of the bonds a sum equal to the lesser of (i) ten percent (10%) of the proceeds of the bonds or (ii) an amount which, together with monies on deposit in the Reserve Funds, will equal the highest combined principal and interest requirements for any succeeding fiscal year (ending 4/30) on the bonds (the "Reserve Funds Requirement"), (iii) or one hundred twenty-five percent (125%) of the aggregate amount of principal installments and interest becoming due in any fiscal year on the bonds (ending 4/30). If such monies do not cause the balance in the Reserve Funds to equal the Reserve Funds Requirement, by transferring from said Utilities System Fund to the Reserve Funds 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 twenty percent (20%) of the amount required to be paid into the aforesaid Sinking Fund, the payments into said Reserve Funds to continue until such time as there has been accumulated therein a sum equal to the Reserve Funds Requirement. The money in the Reserve Funds shall be retained solely for the purpose of paying the principal and interest on Bonds payable from the aforesaid Sinking Fund 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 Funds 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.

- The maintenance of the Capital Additions and Contingencies Fund established pursuant to the bond resolutions to care for extensions, additions, improvements, renewals, and replacements necessary to properly operate the Utilities System by transferring from said Utilities System Fund to the Capital Additions and Contingencies Fund established by the bond resolutions, monthly on or before the 20th day of each month of each year, a sum equal to nine percent (9%) of the gross revenues of the Utilities System for the preceding month, provided that such sum is available after provision is made for the payments required under the paragraphs 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 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 monies 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 monies 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 monies so used shall be replaced from the revenues first thereafter received, not herein above required to be used for administration, operation, and maintenance or for current principal, interest, and reserve requirements. If at any time there are sufficient monies 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 monies 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 percent (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.

(13) 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 Rademacher Unit Number 2, a low sulfur-coal burning power plant. The City is obligated to pay 52.83% of the fixed project costs allocated to LEPA plus energy related costs when the unit is operable. This contract expires at the later of (1) the date all outstanding bonds of LEPA have been paid, (2) the date the joint operating agreement entered into by LEPA is terminated and settlement of all costs are completed, or (3) July 1, 2032.

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

(14) Employee Retirement

The City contributes to two statewide cost-sharing, multiple-employer, defined benefit public employee retirement systems and two single-employer defined benefit pension plans. The employer pension schedules for the plans are prepared using the accrual basis of accounting. Employer contributions, for which the employer allocations are based, are recognized in the period in which the employee is compensated for services performed. For purposes of measuring the net pension liability/asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Details concerning these plans follow:

A. Municipal Police Employees' Retirement System of Louisiana

Plan Description: The Municipal Police Employees' Retirement System (the System) is the administrator of a cost-sharing multiple-employer plan. Membership in the System is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing he or she does not have to pay social security and providing he or she meets the statutory criteria. The System provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

The Municipal Police Employees' Retirement System of Louisiana issues a stand-alone report on their financial statements. Access to the audit report can be found on the System's website: www.lampers.org or on the Louisiana Legislative Auditor's website, www.lla.state.la.us.

Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Membership Prior to January 1, 2013: A member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age with an actuarially reduced benefit.

Benefit rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service, not to exceed 100% of final salary.

Upon the death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from forty to sixty percent of the member's average final compensation for the surviving spouse. In addition, each child under age eighteen receives benefits equal to ten percent of the member's average final compensation or $200 per month, whichever is greater.

Membership Commencing January 1, 2013: Member eligibility for regular retirement, early retirement, disability and survivor benefits are based on Hazardous Duty and Non-Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non-Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub plans, a member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55.

Under the Hazardous and Non Hazardous Duty sub plans, the benefit rates are three percent and two and a half percent, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

Upon death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statues, the benefits range from twenty-five to fifty-five percent of the member's average final compensation for the surviving spouse. In addition, each child under age eighteen receives ten percent of average final compensation or $200 per month whichever is greater. If the deceased member had less than ten years of service, the beneficiary will receive a refund of employee contributions only.

Cost of Living Adjustments: The Board of Trustees is authorized to provide annual cost-of-living adjustments (COLA) computed on the amount of the current regular retirement, disability, beneficiary or survivor's benefit, not to exceed 3% in any given year. The Board is authorized to provide an additional 2% COLA, computed on the member's original benefit, to all regular retirees, disability, survivors and beneficiaries who are 65 years of age or older on the cut-off date which determines eligibility.

No regular retiree, survivor or beneficiary shall be eligible to receive a cost-of-living adjustment until benefits have been received at least one full fiscal year and the payment of such COLA, when authorized, shall not be effective until the lapse of at least one-half of the fiscal year. Members who elect early retirement are not eligible for a cost of living adjustment until they reach regular retirement age.

Deferred Retirement Option Plan: A member is eligible to elect to enter the deferred retirement option plan (DROP) when he is eligible for regular retirement based on the members' sub plan participation. Upon filing the application for the program, the employee's active membership in the System is terminated. At the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is thirty-six months or less. If employment is terminated after the three-year period, the participant may receive his benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership into the System shall resume and upon later termination, he shall receive additional retirement benefit based on the additional service. For those eligible to enter DROP prior to January 1, 2004, DROP accounts shall earn interest subsequent to the termination of DROP participation at a rate of half of one percentage point below the percentage rate of return of the System's investment portfolio as certified by the actuary on an annual basis but will never lose money. For those eligible to enter DROP subsequent to January 1, 2004, an irrevocable election is made to earn interest based on the System's investment portfolio return or a money market investment return. This could result in a negative earnings rate being applied to the account. If the member elects a money market investment return, the funds are transferred to a government money market account.

Initial Benefit Option Plan: In 1999, the State Legislature authorized the System to establish an Initial Benefit Option program. Initial Benefit Option is available to members who are eligible for regular retirement and have not participated in DROP. The Initial Benefit Option program provides both a one-time single sum payment of up to 36 months of regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest is computed on the balance based on same criteria as DROP.

Employer Contributions: Contributions for all members are actuarially determined as required by state law but cannot be less than 9% of the employees' earnable compensation excluding overtime but including state supplemental pay.

For the year ended April 30, 2023, total contributions due for employers and employees were 43.75%. The employer and employee contribution rates for all members hired prior to January 1, 2013 and Hazardous Duty members hired after January 1, 2013 was 33.75% and 10%, respectively. The employer and employee contribution rates for all Non-Hazardous Duty members hired after January 1, 2013 was 33.75% and 8%, respectively. The employer and employee contribution rates for all members whose earnable compensation is less than or equal to the poverty guidelines issued by the United States Department of Health and Human Services were 36.25% and 7.50%, respectively.

Non-employer contributions: The System also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions of $510,807 is recognized as revenue during the year ended April 30, 2023 and excluded from pension expense.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At April 30, 2023, the City reported a liability of $23,471,864 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the City's proportionate share was 2.296261%, which was an increase of .061833% from its proportionate share measured as of June 30, 2021.

For the year ended April 30, 2023, the City recognized expense of $3,335,246. At April 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the System from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 115,763	$ 191,304
Change of assumptions	809,648	174,582
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	488,457	1,190,719
Net differences between projected and actual earnings on plan investments	4,190,466	-
Contributions subsequent to the measurement date	1,912,059	-
Total	$ 7,516,393	$ 1,556,605

Deferred outflows of resources of $1,912,059 related to the System resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

Year Ended April 30,	
2024	$ 798,327
2025	667,082
2026	384,255
2027	2,198,065
	$ 4,047,729

Contributions – Proportionate Share - Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan.

Actuarial Methods and Assumptions: The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

A summary of the actuarial methods and assumptions used in determining MPERS total pension liability as of June 30, 2022 are as follows:

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal Cost
Investment Rate of Return	6.750%, net of investment income
Projected Salary Increases	Vary from 12.30% in the first 2 years of Service, and 4.70%
Inflation Rate	2.50%
Expected Remaining Service Lives	4 years
Mortality	For annuitants and beneficiaries, the Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 sale was used. For disabled lives, the Pub-2010 Public Retirement Plan Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale was used. For employees, the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used.

Cost-of-Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The mortality rate assumption used was based upon an experience study performed by the prior actuary on plan data for the period July 1, 2014 through June 30, 2019 and review of similar law enforcement mortality. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

The best estimates of the arithmetic nominal rates of return for each major asset class included in the System's target allocation are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Rate of Return
Equity	55.50%	3.60%
Fixed income	30.50%	0.85%
Alternative	14%	0.95%
Totals	100%	5.40%
Inflation		2.66%
Expected Artithmetic Nominal Return		8.06%

Discount Rate: The discount rate used to measure net pension liability was 6.75%, which wase equivalent to the discount rate used in the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in the Discount Rate: The following presents net pension liability of the participating employer calculated using the discount rate of 6.75%, as well as what the employer's net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability	$ 32,856,114	$ 23,471,864	$ 15,632,908

B. Firefighters Retirement System of Louisiana

Plan description: The Firefighters' Retirement System (the System) is the administrator of a cost-sharing multiple-employer plan. Membership in the System is a condition of employment for any full-time firefighters (or any person in a position as defined in the municipal fire and police civil service system) who earn more than $375 per month and are employed by any municipality, parish, or fire protection district of the State of Louisiana in addition to employees of the Firefighters' Retirement System. The System provides retirement benefits for their members. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Firefighters' Retirement System issues a stand-alone report on its financial statements. Access to the audit report can be found on the System's website www.lafirefightersret.com or on the Office of Louisiana Legislative Auditor's official website www.lla.state.la.us. Benefit provisions are authorized within Act 434 of 1979 and amended by LRS 11:2251-11:2272. The following is a brief description of the plan and its benefits and is provided for general informational purposes only. Participants should refer to the appropriate statutes for more complete information. Any person who becomes an employee as defined in RS 11:2252 on and after January 1, 1980 shall become a member as a condition of employment.

No person who has attained age fifty or over shall become a member of the System, unless the person becomes a member by reasons of a merger or unless the System received an application for membership before the applicant attained the age of fifty. No person who has not attained the age of eighteen years shall become a member of the System. Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits there from may become a member of System, provided the person meets all other requirements for membership. Service credit from the retirement system or pension plan from which the member is retired shall not be used for reciprocal recognition of service with this System, or for any other purpose in order to attain eligibility or increase the amount of service credit in this System.

Retirement Benefits: Employees with 20 or more years of service who have attained age 50, or employees who have 12 years of service who have attained age 55, or 25 years of service at any age are entitled to annual pension benefits equal to 3.333% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. If employees terminate before rendering

12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to their employer's contributions. Benefits are payable over the employees' lives in the form of a monthly annuity. An employee may elect an unreduced benefit or any of seven options at retirement. See R.S. 11:2256(A) for additional details on retirement benefits.

Disability Benefits: A member who acquires a disability, and who files for disability benefits while in service, and who upon medical examination and certification as provided for in Title 11, is found to have a total disability solely as the result of injuries sustained in the performance of his official duties, or for any cause, provided the member has at least five years of creditable service and provided that the disability was incurred while the member was an active contributing member in active service, shall be entitled to disability benefits under the provisions of R.S. 11:2258(B).

Death Benefits: Benefits shall be payable to the surviving eligible spouse or designated beneficiary of a deceased member as specified in R.S. 11:2256(B) & (C).

Deferred Retirement Option Plan Benefits: After completing 20 years of creditable service and attaining the age of 50 years, or 25 years at any age, a member may elect to participate in the deferred retirement option plan (DROP) for up to 36 months. Upon commencement of participation in the deferred retirement option plan, employer and employee contributions to the System cease. The monthly retirement benefit that would have been payable is paid into the member's deferred retirement option plan account. Upon termination of employment, a participant in the program has several options to receive their DROP benefit. A member may (1) elect to roll over all or a portion of their DROP balance into another eligible qualified plan, (2) receive a lump-sum payment from the account, (3) receive single withdrawals at the discretion of the member, (4) receive monthly or annual withdrawals, or (5) receive an annuity based on the DROP account balance. These withdrawals are in addition to his regular monthly benefit. If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the System. No withdrawals may be made from the deferred retirement option plan account until the participant retires.

Initial Benefit Option Plan: Effective June 16, 1999, members eligible to retire and who do not choose to participate in DROP may elect to receive, at the time of retirement, an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. Such amounts may be withdrawn or remain in the IBO account earning interest at the same rate as the DROP account.

Cost of Living Adjustments (COLAs): Under the provisions of R.S. 11:246 and 11:2260(A)(7), the board of trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of up to 3% of their current benefit, and all retired members and widows who are 65 years of age and older a 2% increase in their original benefit. In order for the board to grant either of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings (R.S. 11:243). In lieu of these COLAs, pursuant to R.S. 11:241, the board may also grant an increase in the form of "X x (A+B)," where "X" is any amount up to $1 per month, and "A" is equal to the number of years of credited service accrued at retirement or at death of the member of retiree, and "B" is equal to the number of years since retirement or since death of the member or retiree to June 30th of the initial year of such increase.

Employer and Employee Contributions: According to State statute, employer contributions are actuarially determined each year. For the year ended June 30, 2023, employer and employee contribution rates for members above the poverty line were 33.75% and 10.00%, respectively. The employer and employee contribution rates for those members below the poverty line were 34.25% and 8.00%, respectively.

Non-employer Contributions: The System also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions of $600,766 is recognized as revenue during the year ended April 30, 2023 and excluded from pension expense.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At April 30, 2023, the City reported a liability of $14,881,731 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the City's proportionate share was 2.110497%, which was an increase of .0332642% from its proportionate share measured as of June 30, 2021. For the year ended April 30, 2023, the City recognized pension expense of $1,981,718.

At April 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 88,946	$ 701,444
Change of assumptions	1,227,107	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	249,218	1,396,037
Net differences between projected and actual earnings on plan investments	3,371,102	-
Contributions subsequent to the measurement date	1,680,927	-
Total	$ 6,617,300	$ 2,097,481

Deferred outflows of resources of $1,680,927 related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended April 30,	
2024	$ 643,530
2025	494,686
2026	185,763
2027	1,590,694
2028	(60,585)
2029	(15,196)
	$ 2,838,892

Actuarial Assumptions: The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the System's fiduciary net position.

The actuarial assumptions used in the June 30, 2022 valuation were based on the assumptions used in the June 30, 2022 actuarial funding valuation and were based on results of an actuarial experience study for the period July 1, 2014 through June 30, 2019. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience.

A summary of the actuarial methods and assumptions used in determining the total pension liability of the System as of June 30, 2022 are as follows:

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal Cost
Investment Rate of Return	6.90% per annum
Salary Increases	Vary from 14.10% in the first two years of service to 5.20% with 3 or more years.
Inflation Rate	2.50% per annum
Expected Remaining Service Lives	7 years
Cost of Living Adjustments	Only those previously granted

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2014 through June 30, 2019. For active members, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees. For annuitants and beneficiaries, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees. For disabled retirees, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees. In all cases the base table was multiplied by 105% for males and 115% for females, each with full generational projection using the appropriate MP2019 scale set back five years for males and set back three years for females was selected for disabled annuitants. Setbacks in these tables were used to approximate mortality improvement.

The estimated long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation, 2.50%. The resulting long-term expected arithmetic nominal rate of return was 7.94% as of June 30, 2022. Best estimates of real rates of return for each major asset class included in FRS' target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Long-Term Target Asset Allocation	Long-term Expected Real Rate of Return
Fixed income		
U.S Core Fixed Income	18%	0.84%
Emerging Market Debt	5%	2.99%
U.S. Tips	3%	0.51%
Equity		
U.S. Equity	27%	5.64%
Non-U.S. Equity	12%	5.89%
Global	10%	5.99%
Emerging Market Debt	7%	7.75%
Alternatives		
Real Estate	6%	4.57%
Private Equity	9%	8.99%
Real Assets	3%	4.89%
Totals	100%	

*** Subsequent to the actuary's calculation of the long term expected real rate of return in January 2021, the Board voted to amend the target assets allocations (which included a target weight in private real assets).

The discount rate used to measure the total pension liability was 6.90%, which is equivalent to the discount rate used in the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in the Discount Rate: The following presents the net pension liability of the City, calculated using the discount rate of 6.90%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
Net Pension Liability	$ 22,015,869	$ 14,881,731	$ 8,931,355

C. City of Alexandria Employees' Retirement System (COAERS)

Plan Administration - The City of Alexandria Employees Retirement System (the System) is the administrator of a single-employer defined benefit plan established by Act 459 of the Louisiana Legislature of 1948, as amended (Louisiana Revised Statutes (RS) 11:3001 to 13:3017), and administered by the City of Alexandria. Substantially all employees of the City, except firemen and policemen, become members of the System as a condition of employment. The System issues publicly available financial reports that are available by contacting the System's management at P.O. Box 71, Alexandria, LA 71309.

R.S. 11:3011 provides that the Board shall consist of seven trustees as follows:

- The Mayor of the City;
- The Director of Finance of the City;
- The Director of Civil Service and Personnel of the City;
- Two municipal employees, who are members of the System and who are selected by plurality vote of the members of the System;
- Two retired municipal employees of the City who are members of the System and who are selected by plurality vote of the retired municipal employee members of the System.

Plan Membership- Municipal employees of the City of Alexandria are eligible to become members of the system, other than those public officials and City employees who receive per diem allowance in lieu of earnable compensation, patient or inmate help in City charitable, penal, and corrective institutions, and independent contractors employed to render service on a contractual basis, including independent contractual professional services. Membership in this system shall be optional with any class of elected official or with any class of officials appointed by the Mayor or appointed for fixed terms. The Board of trustees may, in its discretion, deny the right to membership in this system to any class of employees whose compensation is only partly paid by the City or who are occupying positions on a part-time or intermittent basis. The Board may, in its discretion, make optional with employees in any such classes their individual entrance into the system.

At December 31, 2022, pension plan membership consisted of:

Inactive plan members and beneficiaries currently receiving benefits	395
Inactive plan members entitled to but not yet receiving benefits	189
Active plan members	479
Total	1,063

The following brief description of the System is provided for general information only.

Retirement 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 sixty; members with twenty-five years of 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 number of years of creditable service, not to exceed one hundred percent of average compensation. Average compensation is defined as the highest three-year average annual compensation.

Members may receive their benefits as a life annuity, or in lieu of such, a reduced benefit according to the option selected which is the actuarial equivalent of the maximum benefit.

Option 1 -If the member dies before he has received in annuity payments the present value of his member's annuity, as it was at the time of retirement, the balance is paid to his beneficiary.

Option 2- Upon retirement, the member receives a reduced benefit. Upon the member's death, the designated beneficiary will continue to receive the same reduced benefit.

Option 3- Upon retirement, the member receives a reduced benefit. Upon the member's death, the designated beneficiary will receive one-half of the member's reduced benefit.

Option 4 - Upon retirement, the member elects to receive a board-approved benefit that is actuarially equivalent to the maximum benefit.

Option 5- Upon retirement, the member elects to receive the amount of his maximum retirement and upon death, if survived by a spouse, the spouse will receive one-half of the member's maximum benefit.

Disability Benefits - Five years of creditable service are required in order to be eligible for disability benefits. Disabled members receive a retirement allowance if they have attained the age of sixty-two. Otherwise, they receive three percent of the final average compensation for each year of service, not to be less than three hundred dollars per year.

Survivor Benefits- Three years of creditable service are required in order to be eligible for survivor benefits. The survivor is entitled to twice the amount of accumulated contributions or two months' salary, whichever is greater, plus $1,000. If the member has completed fifteen or more years of service, the surviving spouse is entitled to an automatic option 2 benefit (an actuarially equivalent joint and full survivor benefit) which ceases if the spouse remarries. In lieu of option 2, the spouse may receive the greater of a refund of twice the member's contributions with interest earnings or two months' salary. Widows, who are at least age fifty, of members who die prior to retirement but subsequent to becoming eligible to retire, are entitled to automatic option 2 benefits.

Deferred Retirement Option Plan (DROP) - In lieu of terminating employment and accepting a service retirement allowance, any member of the System who has at least ten years of creditable service and who is eligible to receive a service retirement allowance may elect to participate in the Deferred Retirement Option Plan for up to thirty-six months and defer the receipt of benefits. Creditable service shall not include service reciprocally recognized pursuant to R.S. 11:142. Upon commencement of participation in the DROP plan, active membership in the System terminates and the participant's contributions cease; however, employer contributions continue. Compensation and creditable service remain, as they existed on the effective date of commencement of participation in the plan. The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan account. Upon termination of employment at the end of the specified period of participation, a participant in the program may receive, at his option, a lump sum payment from the account equal to the payments to the account, or a true annuity based upon his account balance (or any other method of payment subject to approval by the Board of Trustees); in addition, the member receives the monthly benefits that were paid into the fund during the period of participation. After a member has terminated his participation in the plan, the member's individual account balance in the plan will earn interest at the actual rate of return earned on such funds left on deposit with the System. Such funds will be invested in accordance with a policy adopted by the Board of Trustees. The accrued interest will be credited to the individual account on annual basis. If employment is not terminated at the end of the participation period, payments into the account cease and the member resumes active contributing membership in the System. The monthly benefit payments that were being paid into the DROP fund are paid to the retiree and an additional benefit based on his additional service rendered since termination of DROP participation is calculated using the normal method of benefit computation. The average compensation used to calculate the additional benefit is that used to calculate the original benefit unless his period of additional service is at least thirty-six months. In no event can the entire monthly benefit amount paid to the retiree exceed 100% of the average compensation used to compute the additional benefit. If a participant dies during the period of participation in the program, a lump sum payment equal to his account balance is paid to his named beneficiary or, if none, to his estate.

Contribution Refunds - Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions on request. Receipt of such a refund cancels all accrued rights in the System.

Contribution Rates - The retirement system is financed by employee contributions of 10% of pay plus employer contributions that are set according to actuarial requirements. Employer contribution rate for the year ended December 31, 2021 was 19.38%. The employer contribution rate is determined annually by actuarial valuation. The rate so determined is adjusted on May 1, of the calendar year following the year in which the report is issued. The City is required by statute to contribute remaining amounts necessary to finance the System at an actuarially determined rate. Benefit and contribution provisions are established by state law and may be amended only by the Louisiana Legislature.

Cost of Living Increases - The board of trustees is authorized to use earnings on investments of the system in excess of normal requirements to grant retired members, and widows of members, an annual cost of living increase of 2.00% of their original benefit (not less than ten dollars per month). No cost of living increase was authorized by the board of trustees for calendar year 2021.

Administrative Costs - Administrative costs of the plan are financed through investment earnings.

Basis of Accounting - The System's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and when the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Investments - Louisiana statutes allow the System to invest in securities issued, guaranteed, or insured by the United States government; bonds and other evidence of indebtedness issued by states or their political subdivisions; stocks, bonds, or other securities or evidence of indebtedness issued by any solvent corporation created under the laws of the United States or any of the states of the United States; and certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana.

Investments are reported at fair value. Corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. Securities traded on the national securities exchange 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 and listed securities for which no sale was reported on that date are valued at the average of the last reported bid and asked prices.

The System's investment policies are established by and may be amended by the Board of Trustees by a majority vote of Board members. It is the policy of the System that all assets shall be managed with the care that an institutional investor of ordinary prudence, discretion, and intelligence exercises in management of large institutional investments considering probable safety of capital as well as probable income. The primary considerations of the investment manager shall be to minimize the risk of loss of principal value and to achieve the greatest rate of return on investments consistent with the level of risk incurred and to provide for future benefits. The management of the pension fund assets and the responsibility for investment decisions is delegated to the secretary of the retirement board who shall be the investment manager. The System's investment policy limits investments to common or preferred stock, corporate or government securities, certificates of deposit, government guaranteed mortgage pools, Guaranteed Investment Contracts' repurchase agreements, and sufficient cash reserves to meet the System's liquidity needs.

The following is the Board's adopted asset allocation policy as of year-end:

Asset Class	Target Asset Allocation
Cash and short term investments	2% to 15%
Long-term fixed income securities and preferred stock	40% to 90%
Equities	5% to 60%

Actuarial Assumptions: The Total Pension Liability as stated in this report is based on the Individual Entry Age Normal actuarial cost method as described in Statement 67 of the Government Accounting Standards Board (GASB 67). Calculations were made as of December 31, 2022 and were based on December 31, 2022 data. The current year actuarial assumptions utilized for this report are based on the assumptions used in the December 31, 2022 actuarial funding valuation, which were based on results of an actuarial experience study for the period January 1, 2015 – December 31, 2019, unless otherwise specified in this report.

Investment rate of return, net of investment expense, including inflation	5.80%
Salary increases, including inflation and merit increases	4.90%
Inflation	2.20%

Mortality Rates: In the case of mortality, a study of system mortality was conducted in 2021. The data for the study was collected over the period January 1, 2015, through December 31, 2019. The data was then assigned credibility weighting and combined with standard table to produce current levels of mortality. The Pub-2010 Public Retirement Plans Mortality Table for General Healthy Retirees multiplied by 125% for males and 120% for females each with full generational projection using the appropriate MP- 2020 improvement scale was selected for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 125% for males and 120% for females each with full generational projection using the appropriate MP-2020 improvement scales was selected. The Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 125% for males and 120% for females each with full generational projection using the appropriate MP-2020 improvement scale was selected for disabled annuitants.

Expected Remaining Service Lives – The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), determined as of the beginning of the measurement period. The effect on the net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period. The Expected Remaining Service Lives (ERSL) for the plan year ending December 31, 2022 was 4 years.

Discount rate: The discount rate used to measure the total pension liability was 5.80%, which was equivalent to the discount rate used in the prior year. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from the participating employers and non-employer contributing entities will be made at actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees. Based on these assumptions and the other assumptions and methods as specified in this report, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Post-employment benefit changes – Although the board of trustees has authority to grant ad hoc Cost of Living Increases (COLAs) under limited circumstances, these COLAs have not shown to have a historical pattern, the amounts of the COLAs have not been relative to a defined cost-of-living or inflation index, and there is no evidence to conclude that COLAs will be granted on a predictable basis in the future. Therefore, for purposes of determining the present value of benefits, these COLAs were deemed not to be substantively automatic and the present value of benefits excludes COLAs not previously granted by the board of trustees.

At April 30, 2023, the City reported a liability of $30,410,674 for the Net Pension Liability (NPL) as follows:

Governmental Activities	$ 11,860,163
Business-type Activities	
Utilities System Enterprise Fund	14,597,124
Other Enterprise Funds	3,953,387
Total Enterprise Funds	18,550,511
Total net pension liability	$ 30,410,674

The NPL was measured as of December 31, 2022, and the total pension liability used to calculate the NPL was determined by an actuarial valuation as of that date.

Total pension liability	$ 224,127,203
Plan fiduciary net position	193,716,529
Net pension liability (asset)	$ 30,410,674

Plan fiduciary net position as a percentage of total pension liability	86.43%

For the year ended April 30, 2023, the City recognized pension expense of $3,668,602 as follows:

Governmental Activities	$ 1,389,441
Business-type Activities	
Utilities System Enterprise Fund	1,843,553
Other Enterprise Funds	435,608
Total Enterprise Funds	2,279,161
Total pension expense (benefit)	$ 3,668,602

At year-end, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Governmental Activities		Business-type Activities	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	$ 4,889,525	$ -	$ 7,647,719	$ -
Change of assumptions	99,251	624,573	155,240	976,895
Net differences between projected and actual earnings on plan investments	13,373,193	9,550,902	20,917,044	14,938,592
Contributions subsequent to the measurement date	631,738	-	988,102	-
Total	$ 18,993,707	$ 10,175,475	$ 29,708,105	$ 15,915,487

The $631,738 and $988,102 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year Ended April 30,	
2024	$ 1,459,739
2025	4,070,645
2026	6,888,066
2027	8,572,560
	$ 20,991,010

Sensitivity to Changes in Discount Rate

The following presents the Net Pension Liability using the discount rate of 5.80%, as well as what the Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower (4.80%) or one percentage point higher (6.80%) than the current rate.

	1% Decrease 4.80%	Current Discount Rate 5.80%	1% Increase 6.80%
Net Pension Liability (Asset)	$ 56,928,317	$ 30,410,674	$ 8,180,453

D. City of Alexandria Firemen's Pension and Relief Fund (FPARF)

Plan Administration - The City of Alexandria Firemen's Pension and Relief Fund (the Fund) of the City of Alexandria, Louisiana, is the administrator of a single-employer defined benefit plan established by Act 12 of the Louisiana Legislature of 1940, as amended (Louisiana Revised Statutes (RS) 11:3101 to 13:3118), and administered by the City of Alexandria. The Fund issues publicly available financial reports that are available by contacting the Fund's management at P.O. Box 71, Alexandria, LA 71309.

R.S. 11:3104 provides that the Board shall consist of seven trustees as follows:

- The Mayor of the City;
- The Director of Finance of the City;
- Five active members of the Fire Department of the City, not above the rank of Station Captain, who must have served at least two years in that Department before being eligible to serve on the Board and must be elected by the members of the Fire Department.

RS 11:3103 provides that the Board will control and manage the City of Alexandria Firemen's Pension and Relief Fund and will make all rules and regulations for the proper administration of the Fund not to conflict with Act 12 of the Louisiana Legislature of 1940, as amended.

Plan Membership - Effective May 1, 1993, the City of Alexandria Firemen's Pension and Relief Fund merged with the statewide Firefighters' Retirement System. On this date, all retirees and survivors receiving benefits at April 30, 1993, transferred to the Firefighters' Retirement System.

The City of Alexandria and the Firemen's Pension and Relief Fund of the City of Alexandria guaranteed that no active member, retiree, beneficiary, or survivor merged into the Firefighters' Retirement System would lose any rights or benefits that he or she would have been entitled to under the City of Alexandria Firemen's Pension and Relief Fund. Specifically, it is agreed that if a firefighter dies, retires, or becomes disabled subsequent to the merger, the Fund shall pay or cause to be paid to the firefighter or the firefighter's survivors and/or beneficiaries any difference in benefits, if any, where those benefits payable under the Fund prior to the merger exceed those benefits payable under the State system. It is further agreed and understood that if a firefighter exercises his or her right to a twenty year retirement any time before the age 50 and is not eligible to receive benefits from the State System, then the Fund shall provide benefits until that person is eligible for benefits under the State System.

As of April 30, 2023, four (4) retirees and survivors are currently receiving benefits under the City of Alexandria Firemen's Pension and Relief Fund. No remaining employees are vested in the Fund with twenty (20) years of service and less than fifty (50) years of age; therefore, this fund is closed to any new retirees. Once the retirees and survivors who are currently receiving benefits are deceased, this fund will cease to exist. There were no significant changes to the plan benefits, provisions, assumptions or demographics, as a result and due to the immateriality, an actuarial valuation was not planned as of April 30, 2023.

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

Contributions - There are no covered employees remaining in the Fund. The City is required to contribute an amount sufficient to meet any deficit of the Fund without regard for reserve requirements accruing or having accrued on an actuarial basis. No amounts were transferred to the plan at April 30, 2023. Benefits and contribution provisions are established by state law and may be amended only by the Louisiana Legislature.

Actuarial Assumptions: The Total Pension Liability as stated in this report is based on the Individual Entry Age Normal actuarial cost method as described in Statement 67 of the Government Accounting Standards Board (GASB 67). Calculations were made as of April 30, 2018 and were based on April 30, 2018 data. The actuarial assumptions utilized were based on the April 30, 2018 actuarial funding valuation, which were based on 1994 Uninsured Pensioners Mortality Table and discount rates from Bond Buyer 20-Bond GO Municipal Bond Index. The investment rate of return, net of investment expense, including inflation actuarial assumption used was 3.90%.

Discount Rate: The discount rate used to measure the total pension liability was 3.90%. GASB 67 requires that the discount rate to be used in determining the total pension liability is the long-term expected return on pension plan investments to the extent that the pension plan's fiduciary net position is projected to be sufficient to make projected benefit payments. Since the City of Alexandria Firemen's Pension and Relief Fund is not actuarially funded and is, and has always been, a pay-as-you-go system, projections mandated by GASB 67 are inapplicable and the discount rate stipulated by GASB 67 for the unfunded portion of projected benefit payments, in this case all of the projected payments, would apply and that rate would be used to determine the total pension liability. For this purpose the rate for April 30, 2018 from the Bond Buyer 20-Bond GO Municipal Bond Index have been used.

Expected Remaining Service Lives: The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), determined as of the beginning of the measurement period. The effect on the net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period to five years, beginning with the current period. The Expected Remaining Services Lives as of April 30, 2018 was 4 years.

At April 30, 2023, the City reported a liability of $116,642 for the Net Pension Liability (NPL). The NPL was measured as of April 30, 2018, and the total pension liability used to calculate the NPL was determined by an actuarial valuation as of that date.

Total pension liability	$ 154,713
Plan fiduciary net position	38,071
Net pension liability	$ 116,642
Plan fiduciary net position as a percentage of total pension liability	24.61%

For the year ended April 30, 2023, the City recognized a pension expense of $14,967.

At year-end, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 8,735	$ 5,052
Change of assumptions	1,987	-
Total	$ 10,722	$ 5,052

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

Year Ended April 30,	
2024	$ 7,932
2025	(2,394)
2026	132
	$ 5,670

Sensitivity to Changes in Discount Rate

The following presents the Net Pension Liability using the discount rate of 3.90%, as well as what the Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower (2.90%) or one percentage point higher (4.90%) than the current rate.

	1% Decrease 2.90%	Current Discount Rate 3.90%	1% Increase 4.90%
Net Pension Liability	$ 143,838	$ 116,642	$ 99,337

(15) Defined Contribution Pension Plan

The City contributes to the City of Alexandria Unclassified Employees Retirement Plan (the Plan), a defined contribution pension plan, for its unclassified employees who elect to participate in the Plan in lieu of Social Security. The Plan is administered by the Trustees of the Plan. The City appoints and designates one or more persons to serve as the trustee or trustees of the Plan. The Trustees of the Plan may appoint a bank or trust company in accordance with the terms of the Plan, under which the bank's or trust company's duties shall be of a custodial, clerical, and record-keeping nature. The powers granted to the trustees shall be exercised in the sole fiduciary discretion of the Trustees. However, if participants are so empowered by the Plan or by the employer, each participant may direct the Trustees to separate and keep separate all or any portion of his or her Plan account; and in such event, each participant is authorized and empowered, in his or her sole and absolute discretion, to give directions to the Trustees pursuant to the procedures established by the employer and in such form as the Trustees may require concerning the investments of the participant's directed investment account.

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the City Council. For each electing unclassified employee in the pension plan, the City is authorized to contribute to the Plan for the account of each eligible participant an amount of money equal to the "normal contribution" (as described in Louisiana Revised Statute 11:3013(B) and (C)) which the City would have been required to contribute to the statutory plan (City of Alexandria Employees Retirement System) on behalf of those employees, subject to any basic annual limitation proved by statute or regulation. The contribution rate is set at May 1st of each year at the normal contribution rate for the City of Alexandria Employees Retirement System for the prior calendar year. For the year ended April 30, 2023, the rate was set at 23.09%. Employees are permitted to make contributions to the pension plan, up to applicable Internal Revenue Code limits. The plan has two options which are administered by MassMutual and Nationwide Retirement Solutions. As of April 30, 2023, the plan assets totaled $5,295,609 with MassMutual and $7,021,384 with Nationwide. Employee contributions totaled $366,905, and the City recognized pension expense of $378,426 for the year ending April 30, 2023. All employer and employee contributions and earnings are immediately vested.

(16) Post-employment Benefits

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

Benefits Provided – Medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. The employees are covered by a retirement system whose retirement eligibility provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 20 years of service; or, age 62 and 10 years of service.

Employees covered by benefit terms – At April 30, 2023, the following employees were covered by the benefit terms:

Inactive plan members and beneficiaries currently receiving benefits	123
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	613
Total	736

Total OPEB Liability

The City's total OPEB liability of $20,541,167 was measured as of April 30, 2023 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the April 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	Service 1-4 years 6.4% Service 5-25+ years 4.5%
Discount Rate	3.19% annually (Beginning of Year to Determine ADC) 3.53%, annually (As of End of Year Measurement Date)

Healthcare cost trend rates	Getzen Model
Mortality	Pub-2010

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index on the applicable measurement dates. The RP-2000 combined healthy without projection. The actuarial assumptions used in the April 30, 2023 valuation were based on the results of ongoing evaluations of the assumptions from May 1, 2009 to April 30, 2023.

Changes in the Total OPEB Liability

Balance at April 30, 2022	$ 18,740,590
Changes for the year:	
Service cost	572,519
Interest	596,088
Differences between expected and actual experience	4,221,409
Changes in assumptions	(2,325,558)
Benefit payments and net transfers	(1,263,881)
Net changes	1,800,577
Balance at April 30, 2023	$ 20,541,167

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.53%) or 1-percentage-point higher (4.53%) than the current discount rate:

	1% Decrease 2.53%	Current Discount Rate 3.53%	1% Increase 4.53%
Total OPEB liability	$ 22,094,814	$ 20,541,167	$ 19,177,188

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

	1% Decrease 4.50%	Current Trend Rate 5.50%	1% Increase 6.50%
Total OPEB liability	$ 18,734,550	$ 20,541,167	$ 22,624,556

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

For the year ended April 30, 2023, the City recognized OPEB expense of $24,782. At April 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 4,295,859	$ 1,154,711
Change of assumptions	1,685,703	3,011,131
Total	$ 5,981,562	$ 4,165,842

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended April 30	
2024	$ 120,056
2025	120,056
2026	120,058
2027	346,747
2028	514,168
2029-2032	594,635
	$ 1,815,720

(17) Commitments and Contingencies

Litigation

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney, there are cases pending in which there is at least a possibility that the plaintiff could be entitled to monetary damages. However, the City believes that its financial position would not be adversely affected due to the availability of reserves in the remote event that the plaintiff prevails.

Management has not calculated the possible rebate of arbitrage interest, as of April 30, 2023, 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.

The City is a defendant in a suit entitled "Charles W. Armand, et al vs. City of Alexandria" referred to as the "dual pay plan". Nothing is currently set or pending but the claim is viable. In the opinion of legal counsel, some contingent exposure for possible payment of wages and other considerations may be considered. Management and legal counsel for the City are unable to provide reasonable estimates of the claims amount, if any, and it is not practical to calculate such amounts under current known facts and conditions.

Grant Audits

The City receives federal and state grants for specific purposes that are subject to review and audit by federal and state agencies. Such audits could result in a request for reimbursement by these agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of City management, such disallowances, if any, will not be significant to the City's financial statements.

(18) Leases

During the fiscal year ended April 30, 2023, the City of Alexandria implemented GASB No. 87, Leases (Note 25), for accounting and reporting leases that had previously been reported as operating leases. The City of Alexandria is a party to several separate operating lease agreements with entities to lease land and various equipment. The term of each lease range from thirty six (36) to sixty (60) months beginning on various dates. In accordance with the standards of GASB 87, the City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements, and recognizes proceeds from leased liability (as an other financing source) as well as a the leased asset, (as an expenditure in the related function) in the fund financial statements.

The following is a summary of changes in the leased asset liability for the Governmental activities for the year ended April 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Leased asset liability	$ 469,116	$ -	$ 177,671	$ 291,445	$ 177,177

Payments on the lease liability as of April 30, 2023 are as follows:

Year Ending April 30,	Principal Payments	Interest Payments	Total
2024	$ 177,177	$ 7,268	$ 184,445
2025	47,537	2,744	50,281
2026	10,065	2,202	12,267
2027	10,396	1,870	12,266
2028	10,740	1,527	12,267
2029-2031	35,530	2,406	37,936
Totals	$ 291,445	$ 18,017	$ 309,462

The following is a summary of changes in the leased asset liability for the Business type Activities for the year ended April 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Busines-type activities:					
Utility Systems Fund					
Leased asset liability	$ 91,593	$ -	$ 30,411	$ 61,182	$ 31,493
Other enterprise funds					
Leased asset liability	116,042	-	54,662	61,380	56,606
Total business-type activities leased asset liability	$ 207,635	$ -	$ 85,073	$ 122,562	$ 88,099

Payments on the lease liability as of April 30, 2023 are as follows:

Year Ending April 30,	Utility Systems Fund Principal Payments	Interest Payments	Total
2024	$ 31,493	$ 1,639	$ 33,132
2025	29,689	520	30,209
Totals	$ 61,182	$ 2,159	$ 63,341

Year Ending April 30,	Other Business-Type Activities Principal Payments	Interest Payments	Total
2024	$ 56,606	$ 1,246	$ 57,852
2025	4,774	14	4,788
	$ 61,380	$ 1,260	$ 62,640

(19) Compensation, Benefits, and Other Payments to Mayor

A detail of compensation, benefits, and other payments paid to Mayor Jacques M. Roy (December 5, 2022 – April 30, 2023) and Jeffrey W. Hall (May 1, 2022 – December 4, 2022) for the year ended April 30, 2023 are as follows:

Purpose	Jeffrey W. Hall	Jacques M. Roy
Salary	$ 89,455	$ 51,737
Benefits-medicare	9,533	5,785
Benefits-health insurance	11,161	13,555
Benefits-retirement	12,184	11,953
Car allowance	4,890	2,815
Conference tavel	-	1,858
	$ 127,223	$ 87,703

(20) Compensation of City Officials

A detail of compensation paid to the City Council members for the year ended April 30, 2023 follows:

Davidson, Catherine	$ 16,089
Felter, Elizabeth M	9,208
Fowler, Charles L Jr	25,200
Johnson, Gary	8,045
Perry, Cynthia	25,200
Porter, Gerber	17,252
Rubin, Lee	25,200
Villard, James A	25,200
Washington, Reddex	25,200
	$ 176,594

(21) Risk Management

A. Risk Management Fund

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. The City employs 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, 2023. All claims are now handled by the City Attorney's office with the City primarily liable for any and all claim settlements.

	Loss Retained Each Occurrence	Limits of Insurance In Aggregate
General liability	$ 500,000	$ 4,000,000
Workers' compensation	500,000	None
Automobile liability	200,000	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 $8,538,713 as of April 30, 2023 is based on the requirements of GASB, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The City has elected to record the liability on the discounted basis. Changes in the City's claims liability amount were as follows for the fiscal years ending April 30:

	2023	2022
Unpaid claims, beginning	$7,920,956	$7,180,628
Claims incurred	5,792,827	5,135,112
Claims payments	(5,175,070)	(4,394,784)
Unpaid claims, ending	$8,538,713	$7,920,956

B. Employment Benefits Fund

The 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 $125,000 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 $125,000 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 Benefits Insurance Fund also purchases certain employee life insurance from employee contributions.

Applicable 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 $753,900 reported in the Fund at April 30, 2023, is based upon the requirements of GASB, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the City's claims liability amount were as follows for the fiscal years ending April 30:

	2023	2022
Unpaid claims, beginning	$ 527,202	$ 1,094,169
Claims incurred	8,583,747	8,763,246
Claims payments	(8,357,049)	(9,330,213)
Unpaid claims, ending	$ 753,900	$ 527,202

C. Unemployment Benefits Fund

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 years ended April 30, 2023 and 2022, claim payments of $19,485 and $5,607 were paid by the Unemployment Benefits Fund. Management believes that sufficient investments are available in the Unemployment Benefits Fund to pay claims from investment earnings. Claims due as of April 30, 2023 and 2022, are considered immaterial and are not included in this report.

(22) Interfund Receivables/Payables and Interfund Transfers

A. A summary of interfund receivables and payables at April 30, 2023 follows:

	Interfund Receivables	Interfund Payables
General fund	$ 5,478,681	$ 328,851
General capital projects fund	-	41,665
Other governmental funds	319,006	9,013
Utilities system enterprise fund	144,130	7,775,743
Other business-type funds	2,338,445	124,990
Total	$ 8,280,262	$ 8,280,262

The amounts due from the General Fund to various other funds are for reimbursements owed for expenditures paid for those funds.

B. Interfund transfers consisted of the following at April 30, 2023:

	Transfers In	Transfers Out
General fund	$ 3,770,000	$ 3,372,239
General capital projects fund	100,000	914,007
Other governmental funds	-	185,000
Internal service funds	1,630,000	-
Utilities system enterprise fund	615,000	5,494,000
Other business-type funds	5,458,246	1,608,000
Total	$ 11,573,246	$ 11,573,246

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

(23) On-Behalf Payments

The City has recognized $1,513,974 as intergovernmental revenue and expenditures in the General Fund for on-behalf salary payments paid directly to certain employees meeting statutory requirements. Of the total payments, $760,194 was paid to police and $753,780 to firemen.

(24) Deficit Fund Balance

The Internal Service Funds of the City had a deficit fund balance on April 30, 2023, of $14,339,946. The deficit will be financed through future transfers to the funds for services provided.

(25) Subsequent Events

Project Restor – During the year ended April 30, 2023, the City of Alexandria, Louisiana introduced Project Restor, which is a program designed to assist customers of the City's Utility system in paying their overdue utility bills. The program is broken down into two components. The first component is a grant program which was open to eligible individuals to apply and receive certain amounts based on household income, number of members in the household, etc. The second component was applied to all customers who owed the City for previous services rendered. For this component, any amounts owed for past services rendered, were compiled, and spread across twelve installment payments, which are reported on current monthly bills. Although Project Restor was introduced during the year ended April 30, 2023, the implementation of the Program did not occur until May 2023 of the April 30, 2024 fiscal year end. Based on the criteria of the program, and applications received, a total of $1,054,272 of grants were awarded and applied to customer accounts. For the remaining customers with past due accounts, a total of $7,809,924 in overdue account balances were allocated across the next twelve months and will be applied to the customers upcoming monthly bills.

(26) New Accounting Pronouncements

The City of Alexandria implemented the Governmental Accounting Standards Board (GASB) issued Statement No. 87, Leases during the fiscal year end April 30, 2023. The result of the implementation did not result in the restatement of prior period financials, as the overall effect to beginning Net Position of the Government Wide Financial Statements and the Business Type Activities Financial Statements was immaterial.

At May 1, 2022, the City of Alexandria recognized, in the Government Wide financial statements, a net leased right to use asset of $442,175 (Note 10) and a leased asset liability of $469,116 (Note 18) which are required by GASB 87, and the result of implementation. The difference between the net leased asset and leased asset liability was recognized in the current period as an adjustment to interest expense.

At May 1, 2022, the City of Alexandria recognized, in the Business Type activities financial statements, a net leased right to use asset of $205,248 (Note 10) and a leased asset liability of $207,635 (Note 18) which are required by GASB 87, and the result of implementation. The difference between the net leased asset and leased asset liability was recognized in the current period as an adjustment to interest expense.

REQUIRED
SUPPLEMENTARY INFORMATION

CITY OF ALEXANDRIA, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended April 30, 2023

	Budget Original	Budget Final	Actual	Variance Positive (Negative)
Revenues:				
Taxes				
Property taxes	$ 3,816,000	$ 3,919,000	$ 3,930,609	$ 11,609
Sales taxes	38,202,000	46,000,000	48,003,440	2,003,440
Franchise	510,000	510,000	230,204	(279,796)
Licenses and permits	2,885,000	3,025,000	3,591,137	566,137
Intergovernmental				
Federal	35,000	311,000	954,139	643,139
State	1,697,000	1,718,000	2,200,364	482,364
Charges for services	220,000	550,000	486,048	(63,952)
Fines and fees	277,000	256,000	281,671	25,671
Investment income	-	40,000	274,429	234,429
Miscellaneous	321,000	393,000	343,398	(49,602)
Total revenues	47,963,000	56,722,000	60,295,439	3,573,439
Expenditures:				
Current -				
General government	20,106,290	20,735,940	18,950,600	1,785,340
Public safety	28,845,142	32,106,585	30,366,342	1,740,243
Public works	11,503,703	13,017,779	12,865,045	152,734
Capital outlay	2,809,865	3,319,040	2,057,645	1,261,395
Debt service -				
Principal retirement	-	-	177,671	(177,671)
Interest and fiscal charges	-	-	13,541	(13,541)
Total expenditures	63,265,000	69,179,344	64,430,844	4,748,500
Excess (deficiency) of revenues over expenditures	(15,302,000)	(12,457,344)	(4,135,405)	8,321,939
Other financing sources (uses):				
Proceeds from sale of fixed assets	-	42,000	26,435	(15,565)
Insurance proceeds	-	-	143,099	143,099
Transfers in	9,949,000	3,770,000	3,770,000	-
Transfers out	(5,313,000)	(3,372,239)	(3,372,239)	-
Total other financing sources (uses)	4,636,000	439,761	567,295	127,534
Net change in fund balance	(10,666,000)	(12,017,583)	(3,568,110)	8,449,473
Fund balance, beginning	38,736,639	38,736,639	38,736,639	-
Fund balance, ending	$ 28,070,639	$ 26,719,056	$ 35,168,529	$ 8,449,473

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Changes in Total OPEB and Related Ratios
For the Year Ended April 30, 2023

	2023	2022	2021	2020	2019
Total OPEB Liability					
Service cost	$ 572,519	$ 319,888	$ 296,313	$ 185,396	$ 176,741
Interest	596,088	439,909	495,577	711,137	787,441
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	4,221,409	605,210	(1,536,364)	561,816	(628,210)
Changes of assumptions	(2,325,558)	(1,609,750)	176,244	2,152,491	264,206
Benefit payments	(1,263,881)	(959,344)	(972,255)	(1,778,356)	(1,564,563)
Net change in total OPEB liability	1,800,577	(1,204,087)	(1,540,485)	1,832,484	(964,385)
Total OPEB liability - beginning	18,740,590	19,944,677	21,485,162	19,652,678	20,617,063
* Total OPEB liability - ending	$ 20,541,167	$ 18,740,590	$ 19,944,677	$ 21,485,162	$ 19,652,678
Covered-employee payroll	$ 27,954,609	$ 26,232,740	$ 25,223,789	$ 29,212,743	$ 28,089,176
Net OPEB liability as a percentage of covered-employee payroll	73.48%	71.44%	79.07%	73.55%	69.97%

* Equal to Net OPEB Liability.

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

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Changes in Net Pension Liability and Related Ratios
COAERS
For the Year Ended April 30, 2023

	* 2023	2022	2021	2020	2019	2018	2017
Total Pension Liability							
Service costs	$ 4,271,461	$ 4,029,079	$ 3,617,187	$ 3,508,934	$ 3,444,992	$ 3,218,971	$ 2,975,969
Interest	12,163,619	12,389,240	11,908,564	11,709,404	11,358,256	11,521,228	11,376,092
Changes of benefit terms	2,177,540	1,984,131	-	-	369,833	-	-
Difference between expected and actual experience	6,670,989	(3,202,937)	1,017,964	(918,159)	760,132	(3,522,240)	(857,021)
Changes of assumptions	-	9,596,766	10,942,477	-	-	8,726,019	3,553,024
Benefit payments	(12,245,313)	(12,719,245)	(11,301,682)	(10,493,619)	(9,855,151)	(9,240,582)	(9,042,968)
Refunds of member contributions	(414,838)	(869,893)	(518,168)	(468,497)	(300,012)	(596,958)	(352,340)
Other	(361,354)	(457,856)	80,906	-	(83,881)	47,822	(42,820)
Net Change in Total Pension Liability	12,262,104	10,749,285	15,747,248	3,338,063	5,694,169	10,154,260	7,609,936
Total Pension Liability - Beginning	211,865,099	201,115,814	185,368,566	182,030,503	176,336,334	166,182,074	158,572,138
Total Pension Liability -Ending (a)	$ 224,127,203	$ 211,865,099	$ 201,115,814	$ 185,368,566	$ 182,030,503	$ 176,336,334	$ 166,182,074
Plan Fiduciary Net Position							
Contributions - Member	$ 2,023,710	$ 1,836,726	$ 1,954,355	$ 1,935,419	$ 1,890,978	$ 1,873,690	$ 1,830,452
Contributions - Employer	4,849,023	4,001,269	4,220,404	3,991,734	4,609,374	4,734,943	4,580,596
Net investment income	(29,717,538)	29,541,096	33,642,350	37,487,306	(9,882,707)	17,882,012	11,143,790
Benefit payments	(12,245,313)	(12,719,245)	(11,301,682)	(10,493,619)	(9,855,151)	(9,240,582)	(9,042,968)
Refunds of member contributions	(414,838)	(869,893)	(518,168)	(468,497)	(300,012)	(596,958)	(352,340)
Administrative expenses	(178,687)	(179,591)	(195,431)	(165,687)	(163,269)	(155,590)	(149,330)
Other	(361,354)	(457,856)	80,906	-	(83,881)	47,822	(42,820)
Net Change in Plan Fiduciary Net Position	(36,044,997)	21,152,506	27,882,734	32,286,656	(13,784,668)	14,545,337	7,967,380
Plan Fiduciary Net Position - Beginning	229,761,526	208,609,020	180,726,286	148,439,630	162,224,298	147,678,961	139,711,581
Plan Fiduciary Net Position - Ending (b)	$ 193,716,529	$ 229,761,526	$ 208,609,020	$ 180,726,286	$ 148,439,630	$ 162,224,298	$ 147,678,961
Net Pension Liability (Asset) - Ending (a) - (b)	$ 30,410,674	$ (17,896,427)	$ (7,493,206)	$ 4,642,280	$ 33,590,873	$ 14,112,036	$ 18,503,113
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.43%	108.45%	103.73%	97.50%	81.55%	92.00%	88.87%
Covered-employee payroll	$ 22,192,325	$ 20,208,429	$ 21,379,959	$ 20,736,281	$ 20,368,422	$ 19,894,718	$ 19,384,664
Net Pension Liability (Asset) as a percentage of covered employee payroll	137.03%	-88.56%	-35.05%	22.39%	164.92%	70.93%	95.45%

* The amounts presented have a measurement date of the previous year ending December 31.

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

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Changes in Net Pension Liability and Related Ratios
FPARF
For the Year Ended April 30, 2023

	April 30, 2023	April 30, 2022	April 30, 2021	April 30, 2020	April 30, 2019	April 30, 2018	April 30, 2017
Total Pension Liability							
Service costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest	-	-	-	-	-	9,269	8,713
Changes of benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	-	-	-	-	-	525	(10,106)
Changes of Assumptions	-	-	-	-	-	-	-
Benefit payments	(14,967)	(18,392)	(18,392)	(18,392)	(18,392)	(18,392)	(18,392)
Refunds of member contributions	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Net Change in Total Pension Liability	(14,967)	(18,392)	(18,392)	(18,392)	(18,392)	(8,598)	(19,785)
Total Pension Liability - Beginning	169,680	188,072	206,464	224,856	243,248	251,846	271,631
Total Pension Liability - Ending (a)	$ 154,713	$ 169,680	$ 188,072	$ 206,464	$ 224,856	$ 243,248	$ 251,846
Plan Fiduciary Net Position							
Contributions - Member	$ -	$ -	$ -	$ -	$ -	$ 22,000	$ 22,000
Contributions - Employer	-	-	-	-	-	-	-
Net investment income	841	160	197	861	1,179	200	141
Benefit payments	(14,967)	(18,392)	(18,392)	(18,392)	(14,967)	(18,392)	(18,392)
Refunds of member contributions	-	-	-	-	-	-	-
Administrative expenses	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	(14,126)	(18,232)	(18,195)	(17,531)	(13,788)	3,808	3,749
Plan Fiduciary Net Position - Beginning	52,197	70,429	88,624	106,155	123,368	119,560	115,811
Plan Fiduciary Net Position - Ending (b)	$ 38,071	$ 52,197	$ 70,429	$ 88,624	$ 109,580	$ 123,368	$ 119,560
Net Pension Liability (Asset) - Ending (a) - (b)	$ 116,642	$ 117,483	$ 117,643	$ 117,840	$ 115,276	$ 119,880	$ 132,286
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.61%	30.76%	37.45%	42.92%	48.73%	50.72%	47.47%
Covered-employee payroll	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Pension Liability (Asset) as a percentage of covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Measurement date	April 30, 2018	April 30, 2018	April 30, 2018	April 30, 2018	April 30, 2018	April 30, 2018	April 30, 2017

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Employer's Share of Net Pension Liability
MPERS and FRS
For the Year Ended April 30, 2023

Year ended April 30,	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Municipal Police Employees' Retirement System (MPERS) *					
2016	3.089654%	$ 24,204,210	$ 8,265,621	292.83%	70.73%
2017	2.939849%	$ 27,554,668	$ 8,235,224	334.60%	66.04%
2018	2.711096%	$ 23,669,015	$ 8,074,047	293.15%	70.08%
2019	2.619241%	$ 22,143,224	$ 7,728,825	286.50%	71.89%
2020	2.447169%	$ 22,224,393	$ 7,642,256	290.81%	71.01%
2021	2.514398%	$ 23,238,897	$ 7,777,172	298.81%	70.94%
2022	2.234428%	$ 11,910,723	$ 6,806,020	175.00%	84.09%
2023	2.296261%	$ 23,471,864	$ 6,113,388	383.94%	70.80%
Firefighters Retirement System (FRS) *					
2016	2.595836%	$ 14,010,018	$ 5,524,733	253.59%	72.45%
2017	2.503373%	$ 16,374,323	$ 5,653,225	289.65%	68.16%
2018	2.380044%	$ 13,642,053	$ 5,562,330	245.26%	73.55%
2019	2.378544%	$ 13,681,571	$ 5,676,908	241.00%	74.76%
2020	2.422111%	$ 15,167,041	$ 5,848,928	259.31%	73.96%
2021	2.256678%	$ 15,642,275	$ 5,612,502	278.70%	72.61%
2022	2.077232%	$ 7,361,403	$ 5,215,900	141.13%	86.78%
2023	2.110497%	$ 14,881,731	$ 5,445,588	273.28%	74.68%

* The amounts presented have a measurement date of the previous year ending June 30.

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

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Employer Contributions
For the Year Ended April 30, 2023

Year ended April 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
Municipal Police Employees' Retirement System (MPERS)					
2016	$ 2,603,348	$ 2,603,348	$ -	$ 8,265,621	31.50%
2017	$ 2,429,224	$ 2,429,224	$ -	$ 8,116,308	29.93%
2018	$ 2,571,395	$ 2,571,395	$ -	$ 7,782,119	33.04%
2019	$ 2,446,584	$ 2,446,584	$ -	$ 7,641,089	32.02%
2020	$ 2,515,305	$ 2,515,305	$ -	$ 7,748,514	32.46%
2021	$ 2,367,036	$ 2,367,036	$ -	$ 7,058,164	33.54%
2022	$ 2,100,309	$ 2,100,309	$ -	$ 6,821,657	30.79%
2023	$ 2,242,540	$ 2,242,540	$ -	$ 7,230,211	31.25%
Firefighter's Retirement System (FRS)					
2016	$ 1,615,984	$ 1,615,984	$ -	$ 5,524,733	29.25%
2017	$ 1,540,512	$ 1,540,512	$ -	$ 5,570,846	27.65%
2018	$ 1,406,404	$ 1,406,404	$ -	$ 5,638,318	24.94%
2019	$ 1,539,275	$ 1,539,275	$ -	$ 5,808,586	26.50%
2020	$ 1,571,906	$ 1,571,906	$ -	$ 5,705,353	27.55%
2021	$ 1,659,641	$ 1,659,641	$ -	$ 5,260,488	31.55%
2022	$ 1,783,717	$ 1,783,717	$ -	$ 5,324,666	33.50%
2023	$ 1,980,021	$ 1,980,021	$ -	$ 5,945,333	33.25%
City of Alexandria Employees' Retirement System (COAERS)					
2016	$ 4,843,760	$ 4,843,760	$ -	$ 19,610,365	24.70%
2017	$ 4,517,698	$ 4,517,698	$ -	$ 19,557,386	23.10%
2018	$ 4,847,332	$ 4,847,332	$ -	$ 20,060,745	24.16%
2019	$ 4,472,320	$ 4,472,320	$ -	$ 20,449,894	21.87%
2020	$ 3,718,248	$ 3,718,248	$ -	$ 20,726,193	17.94%
2021	$ 4,209,082	$ 4,209,082	$ -	$ 20,392,841	20.64%
2022	$ 3,945,759	$ 3,945,759	$ -	$ 20,303,020	19.43%
2023	$ 5,234,544	$ 5,234,544	$ -	$ 21,919,495	23.09%
City of Alexandria Firemen's Pension and Relief Fund (FPARF)					
2016	$ 22,000	$ 18,267	$ (3,733)	$ -	N/A
2017	$ 22,000	$ 18,251	$ (3,749)	$ -	N/A
2018	$ 22,000	$ 18,192	$ (3,808)	$ -	N/A
2019	$ -	$ -	$ -	$ -	N/A
2020	$ -	$ -	$ -	$ -	N/A
2021	$ -	$ -	$ -	$ -	N/A
2022	$ -	$ -	$ -	$ -	N/A
2023	$ -	$ -	$ -	$ -	N/A

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

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Investment Returns
COAERS
For the Year Ended April 30, 2023

*	2023	2022	2021	2020	2019
Annual money-weighted rate of return net of investment expense	-13.10%	14.50%	18.90%	25.70%	-6.20%

*	2018	2017	2016
Annual money-weighted rate of return net of investment expense	12.20%	8.10%	-3.00%

* The amounts presented have a measurement date of the previous year ending December 31.

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

Notes to the Required Supplementary Information

(1) Budgets and Budgetary Accounting

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

(a) The preparation of the budget begins in December of the current fiscal year when Budget Preparation Manuals are distributed to City departments. These are due back to the Budget Office the following January for review and compilation. In February, the Administrative Review process is completed. The proposed budget for the next fiscal year is submitted to the City Council for review by March 15 in compliance with the City's Home Rule Charter.

(b) A summary of the proposed budget is published, and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

(c) A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.

(d) After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.

(e) Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Council.

(f) All budgetary appropriations lapse at the end of each fiscal year.

(g) Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Council.

(2) Retirement System Plans

A. Changes in Benefit Terms

There were no changes of benefit terms.

B. Changes of Assumptions

Year ended April 30,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase
***Municipal Police Employees' Retirement System**					
2016	7.500%	7.500%	2.875%	4	4.25% - 9.75%
2017	7.500%	7.500%	2.875%	4	4.25% - 9.75%
2018	7.325%	7.325%	2.700%	4	4.25% - 9.75%
2019	7.200%	7.200%	2.600%	4	4.25% - 9.75%
2020	7.125%	7.125%	2.500%	4	4.25% - 9.75%
2021	6.950%	6.950%	2.500%	4	4.70% - 12.30%
2022	6.750%	6.750%	2.500%	4	4.70% - 12.30%
2023	6.750%	6.750%	2.500%	4	4.70% - 12.30%
***Firefighters Retirement System of Louisiana**					
2016	7.50%	7.50%	2.875%	7	4.75% - 15.00%
2017	7.50%	7.50%	2.875%	7	4.75% - 15.00%
2018	7.40%	7.40%	2.750%	7	4.75% - 15.00%
2019	7.30%	7.30%	2.700%	7	4.75% - 15.00%
2020	7.15%	7.15%	2.500%	7	4.50% - 14.75%
2021	7.00%	7.00%	2.500%	7	5.20% - 14.10%
2022	6.90%	6.90%	2.500%	7	5.20% - 14.10%
2023	6.90%	6.90%	2.500%	7	5.20% - 14.10%
****City of Alexandria Employees' Retirement System**					
2016	7.25%	7.25%	2.75%	4	4.75%
2017	7.00%	7.00%	2.75%	4	4.75%
2018	6.50%	6.50%	2.50%	4	4.50%
2019	6.50%	6.50%	2.40%	4	4.50%
2020	6.50%	6.50%	2.40%	4	4.50%
2021	6.25%	6.25%	2.30%	4	5.00%
2022	5.80%	5.80%	2.20%	4	4.90%
2023	5.80%	5.80%	2.20%	4	4.90%
City of Alexandria Firemen's Pension and Relief Fund (FPARF)					
2016	3.32%	3.32%	N/A	4	N/A
2017	3.82%	3.82%	N/A	4	N/A
2018	3.90%	3.90%	N/A	4	N/A
2019	3.90%	3.90%	N/A	4	N/A
2020	3.90%	3.90%	N/A	4	N/A
2021	3.90%	3.90%	N/A	4	N/A
2022	3.90%	3.90%	N/A	4	N/A

(3) Other Post-Employment Benefits

	2023	2022	2021	2020	2019
Benefit changes	None	None	None	None	None
Changes of assumptions					
Discount rate	3.53%	3.19%	2.36%	2.36%	3.79%
Mortality	PUB-2010	RP-2014	RP-2014	RP-2000	RP-2000
Trend	5.50%	5.50%	5.50%	5.50%	5.50%

OTHER
FINANCIAL INFORMATION

CITY OF ALEXANDRIA, LOUISIANA
Utilities System Enterprise Fund
Unaudited Summary of Utility Service Customers
April 30, 2023

Type of Service	Number of Customers
Electricity	24,584
Water	21,863
Gas	15,833
Wastewater	17,304
Sanitation	15,244

CITY OF ALEXANDRIA, LOUISIANA

Unaudited Listing of Insurance in Force
April 30, 2023

Property
Insurer: XL Insurance America, Inc
Expiration date: May 6, 2023
Coverage:
Real property, comprising buildings, and personal property
Self- insured retention:
$100,000 per occurrence deductibles
Policy limits of liability:
$204,591,037 per occurrence with specified sublimits

Boiler and Machinery
Insurer: Ace American Insurance Company
Expiration date: May 6, 2023
Comprehensive boiler and machinery coverage including production machines
Loss retention:
Varies with a minimum of $50,000 per occurrence
Policy limits of liability:
$50,000,000 per accident with specified sublimits

General Liability/ Law Enforcement
Insurer: American Alternative Insurance Coporation
Expiration date: May 6, 2023
Coverage:
Bodily injury and property damage, personal and advertising injury, and law enforcement liability
Self- insured retention:
$500,000 each and every loss and/or claim and/or occurrence
Policy limits of liability:
$2,000,000 each and every loss and/ or occurrence Combined Single Limit
$4,000,000 in the aggregate annually as respects products/ completed operations

Cyber Policy
Insurer: Traveler Companies, Inc.
Expiration date: March 5, 2023
Self- insured retention:
$25,000 each occurrence
Policy limits of liability:
$1,000,000 per occurrence with sublimits

(continued)

Employee Benefits Liability
Insurer: American Alternative Insurance Corporation
Expiration date: May 6, 2023
Coverage:
Any negligent act, error or omission in the administration of the Insured's employee benefits programs.
Self- insured retention:
$500,000 each and every loss and/or claim and/or occurrence
Policy limits of liability:
$2,000,000 each and every loss and/or occurrence Combined Single Limit
$4,000,000 in the aggregate annually as respects products/ completed operations

Specific Excess Workers' Compensation and Employers Liability Indemnity
Insurer: Safety National Casualty Company
Expiration date: May 6, 2023
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:
$750,000 per occurrence
Policy limits of liability:
Workers' compensation - statutory
Employers' liability - $1,000,000 per occurrence

Fidelity Bond
Insurer: Ohio Casualty Insurance Company
Expiration date: May 21, 2023
Coverage: Tax Collector
Policy limits of liability: $10,000

Public Employees Honesty Bond
Insurer: Fidelity and Deposit Company of Maryland
Expiration date: September 1, 2023
Loss retention: $10,000 per occurrence
Policy limits of liability: $100,000 per employee

CITY OF ALEXANDRIA, LOUISIANA

Justice System Funding Schedule - Receiving Entity
As Required by ACT 87 of the 2020 Regular Legislative Session
Cash Basis Presentation
Year Ended April 30, 2023

General Fund	First Six Month Period Ended 10/31/2022	Second Six Month Period Ended 4/30/2023
Receipts From:		
Alexandria City Court - PTI Collections	$ 29,768	$ 27,599
Alexandria City Court - Police Officer Witness	118	100
Alexandria City Court - Fees	73,567	67,317
Alexandria City Marshall - DWI Collections	2,364	1,582
Alexandria City Marshall - Fines	57,739	50,311
Total revenues	163,556	146,909
Total receipts	$ 163,556	$ 146,909

INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Jacques Roy, Mayor
and Members of the City Council
City of Alexandria, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alexandria, Louisiana, as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Alexandria, Louisiana's basic financial statements and have issued our report thereon dated October 30, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Alexandria, Louisiana's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Alexandria, Louisiana's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Alexandria, Louisiana's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Alexandria, Louisiana's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
October 30, 2023

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Honorable Jacques Roy, Mayor
and Members of the City Council
City of Alexandria, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Alexandria, Louisiana's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City of Alexandria, Louisiana's major federal program for the year ended April 30, 2023. The City of Alexandria, Louisiana's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Alexandria, Louisiana complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended April 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Alexandria, Louisiana and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Alexandria, Louisiana's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Alexandria, Louisiana's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Alexandria, Louisiana's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Alexandria, Louisiana's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Alexandria, Louisiana's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the City of Alexandria, Louisiana's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Alexandria, Louisiana's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-002 to be a significant deficiency.

Government Auditing Standards requires the auditor to perform limited procedures on the City of Alexandria, Louisiana's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Alexandria, Louisiana's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
October 30, 2023

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended April 30, 2023

Federal Grantor/Pass-ThroughGrantor/ Program Title	Assistance Listing Number	Pass-through Identifying No.		Federal Expenditures	Amounts passed Through to Subrecipients
U.S. Department of Housing and Urban Development					
Office of Community Planning and Development					
Community Development Block Grants/Entitlement					
Grants - CDBG - Entitlement Grants Cluster	14.218		$ 443,774		$ -
Grants - CDBG - Entitlement Grants Cluster	14.218	40MTR17701	146,500		-
Subtotal Assistance Listing Number 14.218				$ 590,274	
Brownfields Cooperative Agreements	66.818			156,080	-
Home Investment Partnerships Program	14.239			59,914	-
Lead Hazard Reduction Demonstration Grant Program	14.905			143,487	-
Total U.S. Department of Housing and Urban Development				949,755	-
U. S. Department of Justice Office of Justice Programs					
FY 20 Coronavirus Emergency Supplemental Funding Program	16.034	2020-DJ-01-5511		11,808	-
Passed through Louisiana Commission on Law Enforcement and the Administration of Criminal Justice					
Crime Victim Assistance	16.575	2020-VA-02/01/03-678	29,301		
Crime Victim Assistance	16.575	2019-VA-02/01/03-594	5,362		
Subtotal Assistance Listing Number 16.575				34,663	-
Passed through the City of Shreveport					
Project Safe Neighborhoods	16.609	2019-GP-BX-0092		67,024	-
Passed through Rapides Parish Sheriff's Office					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0382		36,179	-
Total U.S. Department of Justice				149,674	-
United States Department of Homeland Security -					
Passed through the State of Louisiana Military Department of Homeland Security and Emergency Preparedness Disaster Grants					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	LA-4559-PW-00844	765,822		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	LA-4580-PW-00806	180,825		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	LA-4570-PW-00436	267,665		
Subtotal Assistance Listing Number 97.036				1,214,312	-
Passed-through the Rapides Parish Police Jury					
Homeland Security Grant Program	97.067	EMW-2020-SS-00011-S01		13,879	-
Total United States Department of Homeland Security				1,228,191	-

(continued)

The accompanying notes are an integral part of this schedule.

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Expenditures of Federal Awards (continued)
For the Year Ended April 30, 2023

Federal Grantor/Pass-ThroughGrantor/ Program Title	Assistance Listing Number	Pass-through Identifying No.		Federal Expenditures	Amounts passed Through to Subrecipients
United States Department of Transportation					
Federal Transit - Formula Grants (Urbanized Area Formula Grants) - Federal Transit Cluster - Cares Act	20.507	LA2021002	1,347,027		
Federal Transit - Formula Grants (Urbanized Area Formula Grants) - Federal Transit Cluster	20.507	LA2022018	591,010		
Federal Transit - Formula Grants (Urbanized Area Formula Grants) - Federal Transit Cluster	20.507	LA2021001	697,525		
Total Federal Transit Cluster Assistance Listing Number 20.507				2,635,562	-
Federal Highway Administration (FHWA)					
Passed through State of Louisiana Department of Transportion					
Highway Planning and Construction - Highway Planning and Construction Cluster	20.205	H.013887.6	303,951		
Highway Planning and Construction - Highway Planning and Construction Cluster	20.205	H.014311.6	418,942		
Highway Planning and Construction - Highway Planning and Construction Cluster	20.205	H.014167.6	1,565,034		
Highway Planning and Construction - Highway Planning and Construction Cluster	20.205	H.000574.6	573,714		
Highway Planning and Construction - Highway Planning and Construction Cluster	20.205	H.012559.6	18,092		
Total Federal Highway Administration (FHWA) Assistance Listing Number 20.205				2,879,733	-
National Highway Traffic Safety Administration					
Passed through the State of Louisiana Department of Transportation					
State and Community Highway Safety - Highway Safety Cluster	20.600			7,158	-
Total United States Department of Transportation				5,522,453	-
Total Expenditures of Federal Awards				$ 7,850,073	$ -

CDBG - Entitlement Grants Cluster	14.218	$ 590,274
Highway Planning and Construction Cluster	20.205	$ 2,879,733
Federal Transit Cluster	20.507	$ 2,635,562
Highway Safety Cluster	20.600	$ 7,158

The accompanying notes are an integral part of this schedule.

Notes to Schedule of Expenditures of Federal Awards
Year Ended April 30, 2023

(1) General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Alexandria, Louisiana (the City) under programs of the federal government for the year ended April 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using both the accrual and modified accrual basis of accounting. These accounting policies are described in Note 1 to the City's basic financial statements for the year ended April 30, 2023.

(3) Indirect Cost Rate

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

(4) Loans outstanding

The City had debt balance outstanding of $5,010,845 at April 30, 2023 as it relates to the Capitalization Grants for Clean Water State Revolving Funds CFDA 66.468.

The City had debt balance outstanding of $2,137,603 at April 30, 2023 as it relates to the Capitalization Grants for Drinking Water State Revolving Funds CFDA 66.458.

CITY OF ALEXANDRIA, LOUISIANA
Alexandria, Louisiana

Schedule of Findings and Questioned Costs
Year Ended April 30, 2023

Part I. Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting

Material weakness(es) identified?		yes	X	no
Significant deficiencies identified?	X	yes		none reported
Noncompliance material to financial statements noted?		yes	X	no

Federal Awards

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

Internal control over major programs

Material weakness(es) identified?		yes	X	no
Significant deficiencies identified?	X	yes		none reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?		yes	X	no

Major programs:

CFDA Number(s)	Name of Federal Program or Cluster
20.205	Highway Planning and Construction Cluster

Dollar threshold used to distinguish between type A and type B programs: $750,000

Auditee qualified as low-risk auditee?	X	yes		no

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
Year Ended April 30, 2023

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

A. Internal Control Findings –

See internal control finding 2023-001 on the schedule of current and prior year findings.

B. Compliance Findings –

None reported.

Part III. Findings and questioned costs for Major Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

See internal control finding 2023-002 on the schedule of current and prior year findings.

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Current and Prior Year Audit Findings
Year Ended April 30, 2023

Part I. Current Year Findings and Management's Corrective Action Plan:

A. Internal Control Over Financial Reporting

2023-001 Utility System Billings – Utility Rates

Fiscal year finding initially occurred: 2023

CONDITION: During the fiscal year ended April 30, 2023, the City of Alexandria issued monthly utility bills with incorrect rates assessed for electrical and gas fuel costs charges. These errors occurred in separate months, and in both cases only affected specific billing cycles before it was noticed by City of Alexandria staff. In one instance, the bills were issued to customers for rates that were less than the actual rates intended to be billed. In the other instance, the bills were generated and set for delivery, but the error was discovered by City personnel, which corrected the error and issued bills with the proper rates.

CRITERIA: Policies and procedures should be in place to ensure that utility rates billed for services rendered are properly inputted, reviewed and approved before bills are issued.

CAUSE: The cause of the condition is the failure to properly implement and monitor controls over utility rates billed for services.

EFFECT: Failure to monitor and implement adequate controls over the preparation of monthly utility bills, could result in the over or under billing of services rendered, which could lead to future billing issues such as collections and delayed billing cycles.

RECOMMENDATION: Management should review their current policies and procedures over their utility billing process and implement additional internal controls to ensure that proper rates are billed as calculated.

Management's response: As a result of mentioned errors, a cross check has been instituted involving 4 individuals; 2 from Customer Service and 2 from City Hall. The fuel cost as calculated is compared to the fuel cost rates that have been input into the Customer Service billing software to ensure they match. A sample bill is also pulled from the register and the fuel cost charged is manually calculated based on billed consumption. Those results are then compared to the billing software's results to further assure accuracy.

B. Compliance and other matters

None reported.

C. Internal Control Over Compliance – Uniform Guidance

2023-002 Preparation of the Schedule of Expenditures of Federal Awards

Fiscal year finding initially occurred: 2021

CONDITION: The City lacks an adequate system of internal controls to properly monitor grants and prepare and reconcile a complete and accurate Schedule of Expenditures of Federal Awards (SEFA) to their underlying financial records.

CRITERIA: The Uniform Guidance Subpart F section 200.510 and section 200.512, respectively, require the preparation of the Schedule of Expenditures of Federal Awards (SEFA) to include an accurate reporting of federal awards expended based on the terms and conditions of grants received. In order for the SEFA to be prepared accurately, the City's internal controls should include a centralized process for accumulating grant information and tracking the grant status from inception of the award to recording in the financial statements.

CAUSE: The City does not have an adequate system of internal controls in place to properly monitor grants and accumulate, prepare and reconcile a SEFA to its financial records.

EFFECT: Failure to properly implement a system of internal controls to monitor and track grants, could lead to improper usage of grant funds for unallowable costs. In addition, without being able to properly accumulate and compile all necessary grant documentation to prepare a SEFA, grants could be misidentified in the financials statements and not reported in accordance with Uniform Guidance.

RECOMMENDATION: We recommend that the City review their current policies and procedures for monitoring and tracking grants from the inception of the award to recording in the financials statements.

View of Responsible Official: This issue has been brought to the attention of the new Administration, exploring the options of either hiring an employee or contractor to initially assess a potential grant, and subsequently track and monitor any approved grants. Although not yet resolved, overall grant management remains a high priority to the City. Discussions with the new Mayor indicate this to be a commitment.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2022-001 Utility System Billings

Fiscal year finding initially occurred: 2021

CONDITION: The City of Alexandria's billing cycles for reoccurring monthly services have continued to exceed 30 days throughout the year end April 30, 2022.

RECOMMENDATION: Management should implement and monitor controls over the reading, processing, billing and collection of reoccurring services to ensure they are adequate to maintain acceptable billing cycles.

CURRENT STATUS: Resolved. After the city experienced the cyberattack which further increased the number of days in the billing cycle, they implemented additional procedures and controls to maintain a steady billing cycle for all routes of 30 days throughout the end of the fiscal year.

2022-002 Reconciliations of significant accounts balances

Fiscal year finding initially occurred: 2021

CONDITION: During the performance of our audit procedures, it was noted that reoccurring reconciliations performed over significant account balances were not being performed in a timely manner, and in some cases contained significant errors or omissions.

RECOMMENDATION: Management should review current internal controls and job duties of staff to ensure adequate time is available to properly maintain complete and accurate financial statements.

CURRENT STATUS: Resolved. The City's finance department performed reconciliations in a timely manner and delivered reconciliations that agreed with their year end financial statement amounts reported.

B. Compliance and Other Matters

2022-003 Adoption of Budget

Fiscal year finding initially occurred: 2022

CONDITION: The City did not comply with all of the provisions of the Local Government Budget Act when adopting their annual budget.

RECOMMENDATION: The City of Alexandria should review its policies and procedures over budget adoption to ensure compliance with LA R.S. 39:1309.

CURRENT STATUS: Resolved. The City of Alexandria, followed their internal policies and adopted their annual budget in compliance with LA R.S 39:1309.

2022-004 Late Filing

Fiscal year finding initially occurred: 2021

CONDITION: The City experienced cyber-attack after it's April 30, 2022, fiscal year end, which caused disruptions to daily operations. This attack also prevented timely access to certain information systems that contain information needed for the performance of the City's annual audit.

RECOMMENDATION: The City should review their policies and procedures over information systems security to ensure compliance with LA R.S. 24:513.

CURRENT STATUS: Resolved. The City of Alexandria, Louisiana, recovered from the cyberattack and was able to provide the necessary access to critical systems needed to perform the audit in a timely manner.

C. Internal Control over Compliance – Uniform Guidance

2022-005 Preparation of the Schedule of Expenditures of Federal Awards

Fiscal year finding initially occurred: 2021

CONDITION: The City lacks an adequate system of internal controls to properly monitor grants and prepare and reconcile a complete and accurate Schedule of Expenditures of Federal Awards (SEFA) to their underlying financial records.

RECOMMENDATION: We recommend that the City review their current policies and procedures for monitoring and tracking grants from the inception of the award to recording in the financials statements.

CURRENT STATUS: Unresolved. See item 2023-002.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH UTILITIES REVENUE BONDS SERIES 2014, 2013A AND 2020

The Honorable Jacques Roy, Mayor
and Members of the City Council
City of Alexandria, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alexandria, Louisiana (the City), as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Alexandria, Louisiana's basic financial statements and have issued our report thereon dated October 30, 2023.

In connection with our audit, no default on the part of the City of any covenant or obligation as stated in the Utilities Revenue Bonds, Series 2014, Utilities Revenue Bonds, Series 2013A or the Taxable Utilities Revenue Refunding Bonds, Series 2020 was noted. However, our audit was not directed primarily towards obtaining such knowledge.

The purpose of this report is solely to describe the City's compliance with the requirements of the Utilities Revenue Bonds, Series 2014 and Utilities Revenue Bonds, Series 2013A. Accordingly, this report is not suitable for any other purpose.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
October 30, 2023

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The Honorable Jacques Roy, Mayor
and Members of the City Council
City of Alexandria, Louisiana

RE: Resolution Number 2341-1982
Requirement of Specific Recommendations

As engaged independent certified public accountants, we were requested to include specific recommendations in accordance with Resolution Number 2341-1982, which is "a resolution relative to the fulfillment of commitments of the City of Alexandria, Louisiana (the City) relative to the Combined Utilities System." These recommendations are intended 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.

For future periods, the City should continue to accomplish the following steps:

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 reasonably 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. Any unusual variances should be investigated.

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.

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, if any, relative to the Combined Utilities System as noted in our accompanying schedule of findings and questioned costs.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
October 30, 2023

The City of Alexandria, Louisiana respectfully submits the following schedule of prior audit findings for the year ended April 30, 2022.

Audit conducted by:
Kolder, Slaven & Company, LLC
1428 Metro Drive
Alexandria, LA 71301

Audit Period: Fiscal year ended April 30, 2022

The findings from the April 30, 2022, schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the number assigned in the schedule.

FINDING – FINANCIAL AUDIT

Significant Deficiencies

2022-001 Utility System Billings

RECOMMENDATION: Management should implement and monitor controls over the reading, processing, billing and collection of reoccurring services to ensure they are adequate to maintain acceptable billing cycles.

CORRECTIVE ACTION PLAN: Resolved. After the city experienced the cyberattack which further increased the number of days in the billing cycle, they implemented additional procedures and controls to maintain a steady billing cycle for all routes of 30 days throughout the end of the fiscal year.

2022-002 Reconciliation of Significant Account Balances

RECOMMENDATION: Management should review current internal controls and job duties of staff to ensure adequate time is available to properly maintain complete and accurate financial statements.

CORRECTIVE ACTION PLAN: Resolved. The City's finance department performed reconciliations in a timely manner and delivered reconciliations that agreed with their year end financial statement amounts reported.

Compliance and Other Matter

2022-003 Adoption of Budget

RECOMMENDATION: The City of Alexandria should review its policies and procedures over budget adoption to ensure compliance with LA R.S. 39:1309.

David L Johnson
Director of Finance
Post Office Box 71
Alexandria, LA 71309-0071
Tel (318) 449-5034·fax (318) 449-5231
email: david.johnson@cityofalex.com

Jacques Roy
Mayor

CORRECTIVE ACTION PLAN: Resolved. The City of Alexandria, followed their internal policies and adopted their annual budget in compliance with LA R.S 39:1309.

2022-004 Late Filing

RECOMMENDATION: The City should review their policies and procedures over information systems security to ensure compliance with LA R.S. 24:513.

CORRECTIVE ACTION PLAN: Resolved. The City of Alexandria, Louisiana, recovered from the cyberattack and was able to provide the necessary access to critical systems needed to perform the audit in a timely manner.

FINDING – UNIFORM GUIDANCE

Significant Deficiency

2022-005 Preparation of Schedule of Expenditures of Federal Awards

RECOMMENDATION: We recommend that the City review their current policies and procedures for monitoring and tracking grants from the inception of the award to recording in the financial statements.

CORRECTIVE ACTION PLAN: This issue has been brought to the attention of the new Administration, exploring the options of either hiring an employee or contractor to initially assess a potential grant, and subsequently track and monitor any approved grants. Although not yet resolved, overall grant management remains a high priority to the City. Discussions with the new Mayor indicate this to be a commitment.

If there are questions regarding the plan, please call David Johnson, Finance Director at 318-449-5034.

Sincerely,

David Johnson
Finance Director

The City of Alexandria, Louisiana respectfully submits the following corrective action plan for the year ended April 30, 2023.

Audit conducted by:
Kolder, Slaven & Company, LLC
1428 Metro Drive
Alexandria, LA 71301

Audit Period: Fiscal year ended April 30, 2023

The finding from the April 30, 2023, schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the number assigned in the schedule.

FINDING – FINANCIAL AUDIT

Significant Deficiencies

2023-001 Utility System Billings – Utility Rates

RECOMMENDATION: Management should review their current policies and procedures over their utility billing process and implement additional internal controls to ensure that proper rates are billed as calculated.

CORRECTIVE ACTION PLAN: As a result of mentioned errors, a cross check has been instituted involving 4 individuals; 2 from Customer Service and 2 from City Hall. The fuel cost as calculated is compared to the fuel cost rates that have been input into the Customer Service billing software to ensure they match. A sample bill is also pulled from the register and the fuel cost charged is manually calculated based on billed consumption. Those results are then compared to the billing software's results to further assure accuracy.

FINDING – UNIFORM GUIDANCE

Significant Deficiency

2023-002 Preparation of Schedule of Expenditures of Federal Awards

RECOMMENDATION: We recommend that the City review their current policies and procedures for monitoring and tracking grants from the inception of the award to recording in the financial statements.

David L Johnson
Director of Finance
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Jacques Roy
Mayor

CORRECTIVE ACTION PLAN: This issue has been brought to the attention of the new Administration, exploring the options of either hiring an employee or contractor to initially assess a potential grant, and subsequently track and monitor any approved grants. Although not yet resolved, overall grant management remains a high priority to the City. Discussions with the new Mayor indicate this to be a commitment.

If there are questions regarding the plan, please call David Johnson, Finance Director at 318-449-5034.

Sincerely,

David Johnson
Finance Director

City of Alexandria
Alexandria, Louisiana

Statewide Agreed-Upon Procedures Report

Fiscal Period May 1, 2022 through April 30, 2023

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Mayor,
and City Council Members, City of Alexandria,
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period May 1, 2022 through April 30, 2023. The City of Alexandria's management is responsible for those C/C areas identified in the SAUPs.

The City of Alexandria has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period May 1, 2022 through April 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

A. Obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

   i) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

   ii) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

   iii) ***Disbursements***, including processing, reviewing, and approving.

iv) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

v) ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

vi) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

vii) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

viii) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

ix) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that document is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

x) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

xi) ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

We performed the procedures and discussed the results with management.

xii) ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

2) Board or Finance Committee

A. Obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

i) Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

ii) For those entities reporting on the governmental accounting model, we observed that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

iii) For governmental entities, we obtained the prior year audit report and observed the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, we observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative assigned fund balance in the general fund.

iv) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

3) Bank Reconciliations

A. Obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Asked management to identify the entity's main operating account. Selected the entity's main operating account and randomly selected 4 additional accounts (or all accounts if less than 5). Randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for selected each account, and observed that:

i) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

ii) Bank reconciliations included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

iii) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement's closing date, if applicable.

4) Collections (excluding electronic funds transfers)

A. Obtained a listing of deposit_sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly selected 5 deposit sites (or all deposit sites if less than 5).

B. For each deposit site selected, obtained a listing of collection_locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:

   i) Employees that are responsible for cash collections do not share cash drawers/registers.

   ii) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

   iii) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

   iv) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

C. Obtained from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observed the bond or insurance policy for theft was enforced during the fiscal period.

D. Randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtained supporting documentation for each of the 10 deposits and:

   i) Observed that receipts are sequentially pre-numbered.

   ii) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

   iii) Traced the deposit slip total to the actual deposit per the bank statement.

   iv) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than $100 and the cash is stored securely in a locked safe or drawer).

   v) Traced the actual deposit per the bank statement to the general ledger.

5) Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

A. Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly selected 5 locations (or all locations if less than 5).

B. For each location selected under #5A above, obtained a listing of those employees involved with non-payroll purchasing and payment functions. Obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquired of employees about their job duties), and observed that job duties are properly segregated such that:

   i) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

   ii) At least two employees are involved in processing and approving payments to vendors.

   iii) The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another employee is responsible for periodically reviewing changes to vendor files.

   iv) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

   v) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

C. For each location selected under #5A above, obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. Randomly selected 5 disbursements for each location, obtained supporting documentation for each transaction and:

   i) Observed whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

   ii) Observed that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B above, as applicable.

D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly selected 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observed that each electronic disbursement was (a) approved only by those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month/or account for testing that does include electronic disbursements.

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

A. Obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtained management's representation that the listing is complete.

B. Using the listing prepared by management, randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly selected one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtained supporting documentation, and:

   i) Observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

   ii) Observed that finance charges and late fees were not assessed on the selected statements.

C. Using the monthly statements or combined statements selected under #6B above, <u>excluding fuel cards</u>, randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observed that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

A. Obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly selected 5 reimbursements, obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

   i) If reimbursed using a per diem, observed the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

ii) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

iii) Observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii.)

iv) Observed each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

8) Contracts

A. Obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtained management's representation that the listing is complete. Randomly selected 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

i) Observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

ii) Observed whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

iii) If the contract was amended (e.g. change order), observed that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

iv) Randomly selected one payment from the fiscal period for each of the 5 contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

9) Payroll and Personnel

A. Obtained a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly selected 5 employees or officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.

B. Randomly selected one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtained attendance records and leave documentation for the pay period, and:

i) Observed all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document their attendance and leave. However, if the official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

ii) Observed whether supervisors approved the attendance and leave of the selected employees or officials.

iii) Observed any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

iv) Observed the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

C. Obtained a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly selected two employees or officials, obtained related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agreed the hours to the employee or official's cumulate leave records, agreed the pay rates to the employee or official's authorized pay rates in the employee or official's personnel files, and agree the termination payment to entity policy.

D. Obtained management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

10) Ethics

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and

i Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

ii Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R. S. 42:1170.

11) Debt Service

A. Obtained a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Selected all debt instruments on the listing, obtained supporting documentation, and observed State Bond Commission approval, as required by Article VII, Section 8 of the Louisiana Constitution, was obtained for each debt instrument issued.

B. Obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

12) Fraud Notice

A. Obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

B. Observed the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

13) Information Technology Disaster Recovery/ Business Continuity

A. Performed the following procedures, **verbally discussed the results with management, and report "We performed the procedures and discussed the results with management."**

i) Obtained and inspected the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observed that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observed evidence that backups are encrypted before being transported.

ii) Obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquired of personnel responsible for testing/ verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.

iii) Obtained a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly selected 5 computers and observed while management demonstrated that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C.

Observe evidence that the selected terminated employees have been removed from or disabled from the network.

We performed the procedures and discussed the results with management.

14) Prevention of Sexual Harassment

A. Using the 5 randomly selected employee/officials from Payroll and Personnel procedures #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

   i) Number and percentage of public servants in the agency who have completed the training requirements.

   ii) Number of sexual harassment complaints received by the agency.

   iii) Number of complaints which resulted in a finding that sexual harassment occurred.

   iv) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective actions, and

   v) The amount of time it took to resolve each complaint.

Findings:

No exceptions were found as a result of applying procedures listed above except:

Written Policies:

Written policies and procedures were obtained for the City of Alexandria. The City did not have written policies and procedures addressing how vendors are added to the vendor list in their purchasing policies and management's actions to determine the completeness of all revenue.

Board/Finance Committee:

Monthly council meetings, including special meetings, minutes made no reference to the review of a budget to actual comparison for the General Fund.

Council meeting minutes made no mention to the status of the resolution of prior year audit findings.

Collections:

Employees at one of four collection locations tested share cash registers/drawers.

Non-Payroll Disbursements:

The City of Alexandria does not have written documentation that prohibits the person responsible for processing payments from adding/modifying vendor files nor require an employee not involved in processing payments to periodically review changes to vendor files.

Management's Response:

The management of the City of Alexandria's concurs with the exception and are working to address the deficiencies identified.

We were engaged by the City of Alexandria's to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City of Alexandria's and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
October 30, 2023